

HOUSE FINANCE COMMITTEE  
March 11, 2015  
9:02 a.m.

[9:02:55 AM](#)

CALL TO ORDER

Co-Chair Neuman called the House Finance Committee meeting to order at 9:02 a.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair  
Representative Steve Thompson, Co-Chair  
Representative Dan Saddler, Vice-Chair  
Representative Bryce Edgmon  
Representative Les Gara  
Representative Lynn Gattis  
Representative David Guttenberg  
Representative Scott Kawasaki  
Representative Cathy Munoz  
Representative Lance Pruitt  
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Pete Ecklund, Staff, Representative Mark Neuman.

SUMMARY

HB 72        APPROP: OPERATING BUDGET/LOANS/FUNDS  
  
              CSHB 72 (FIN) was REPORTED out of committee  
              with a "do pass" recommendation.

HB 73        APPROP: MENTAL HEALTH BUDGET  
  
              CSHB 73 (FIN) was REPORTED out of committee  
              with a "do pass" recommendation.

#hb72

#hb73

HOUSE BILL NO. 72

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, making reappropriations, and making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

HOUSE BILL NO. 73

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

Co-Chair Neuman explained the agenda for the meeting.

Co-Chair Thompson MOVED to REPORT CSHB 72(FIN), out of committee with individual recommendations.

Co-Chair Neuman OBJECTED for discussion.

[9:04:25 AM](#)

PETE ECKLUND, STAFF, REPRESENTATIVE MARK NEUMAN, introduced himself and indicated he would be reviewing the new numbers resulting from the amendments from the previous day. He advised that he would be reporting in unrestricted general funds (UGF) because the difference between UGF, revenue, and expenditures equaled the state's fiscal gap. The net effect of all of the different amendments adopted was that the committee added \$10,491,000 UGF. The total reduction from FY 15, the current fiscal year, in agency operations non-formula programs was \$228,972,000 UGF. When adding the formula programs from the operating budget including numbers and language, formula, and non-formula UGF the state was \$376,931,000 below the current fiscal year. He reported that when people thought of state government they typically thought of agency operations non-formula programs. There was a 10 percent reduction over all of the agencies for non-formula programs from the current fiscal year. He furthered that if the operating bill passed the full legislature in its current form and if the capital

budget remained at its currently level of \$158.7 million, the pre-transfer change in UGF revenues from the current fiscal year would equal a reduction in the budget of \$560.5 million from the current fiscal year. He added that the reduction was an accomplishment. The pre-transfer deficit if revenues stayed as projected would be \$3.26 billion.

[9:07:29 AM](#)

Representative Gara asked about \$10 million UGF that was mentioned the previous day. There were funds taken out of the Alaska Higher Education Investment Fund which were in the general fund (GF). He asked if Mr. Ecklund considered those funds unrestricted. He also asked if the money was in addition to the \$10 million.

Mr. Ecklund responded the funds were designated general funds (DGF) rather than UGF.

Representative Gara commented that they were in the general fund and asked how much was added.

Mr. Ecklund responded \$7.7 million.

Representative Gara asked if the two amounts together totaled about \$17 million to \$18 million.

Mr. Ecklund responded, "Correct."

Co-Chair Neuman asked Mr. Ecklund if \$7 million added to supplement funds for other education programs was in the higher education fund. He wondered if it was different than the GF.

Mr. Ecklund responded affirmatively. He explained that the higher education fund had been classified as DGF. The fund was created to provide scholarships and for the Alaska Performance Scholarship. The money used in the previous day was for programs associated with the Alaska Performance Scholarship.

Co-Chair Neuman asked if there were specific purposes that the funds could be used and strict guidelines upholding their use of which the committee abided.

Mr. Ecklund pointed out that there were no dedicated funds per Alaska's Constitution. However, the state had

designated funds. The state stayed within the guidelines regarding the use of DGF.

Co-Chair Neuman asked if there was an addition of about \$10.4 UGF.

Mr. Ecklund responded affirmatively.

Co-Chair Neuman WITHDREW his OBJECTION.

Representative Gara maintained his objection.

[9:10:04 AM](#)

Representative Gara stated he could not support the bill in its current form. He suggested that there was still a budget deficit of between \$3.5 billion in the governor's version of the bill and \$3.4 billion in the current form of the bill. Under either version the state would run out of savings in 2 years. He suggested that it was not the fault of the committee and that even if every GF funded state employee was let go the state would still not solve the budget gap. He furthered that without shutting down state government and doing away with agencies such as the Department of Public Safety and most things people rely on in the state it was impossible to cut \$3.5 billion. He mentioned that both Republicans and Democrats tried to identify waste and answer why the state was in its current situation.

Representative Gara was very disappointed that the state did not except Medicaid expansion. He estimated an extra savings of \$6.6 billion in the budget by accepting the expansion. He added that it was 4 thousand jobs, healthcare for people, and reduced premiums for others in order not to have to pay for uncompensated emergency room care.

Representative Gara stressed his belief in Pre-Kindergarten (Pre-K) education. It was proven to increase academic achievement, to improve college graduation rates, and to decrease the cost of jail. The studies were evidence-based. The finance committee removed every single state-funded Pre-K program in the meeting the previous day. He was unsure how many other states have taken the same action. He understood that at least 40 other states had statewide Pre-K programs. He suggested that Alaska barely had state-pocked Pre-K. A couple of school districts had a Pre-K and

federally funded Head Start Program of which the state had increased funding twice in the previous 20 years. The waiting list for Head Start was extensive. He was disappointed that the committee was unable to pass either version of the Kindergarten through 12 funding amendments. The more modest amendment would have reinstated the amount of money that was passed in the prior year still resulting in cuts in the Mat-Su, Fairbanks, and in Juneau. He furthered that by not restoring the amount of money passed in the previous year there would likely be cuts in Anchorage. Among the school districts Anchorage was the best off financially of because of the reserve fund that was established. He thought that other districts would be negatively impacted. He supposed it would be another year of teacher, guidance counselor, or career counselor reductions. He did not see how to move education forward in a state that had the lowest graduation rates in the country.

Representative Gara brought up his disappointment around missing the opportunity to make the largest strides in fixing the system for abused and neglected children at no cost. He claimed the department had done a very good job in finding available federal funds to replace state spending. There had been a proposal to use the money to fix the foster care system curing the state's 40 percent homeless rate and 24 percent incarceration rate for foster youth. He opined that these issues could have been fixed for zero cost to the state and made things much better for the 2400 youth in foster care. He hoped it was a discussion the committee could have going forward because he knew that people on the committee cared. He was uncertain how to make the situation better when a study had been conducted confirming the need for an addition of 50 staff in order to provide basic services. Since the study the number of foster children had increased by about 500. He reiterated that the finance committee could have taken action the previous day to help the system at no cost to the state. He stated that he was willing to work with folks and that he had been asked to find cost efficiencies. There were programs started to provide free laptops and discounted clothing to foster youth. He had also made attempts to start a free program to provide foster youth with imagination library books. He reiterated that the state was responsible for improving the lives of foster children in its guardianship. He discussed having proposed a number of reductions including cuts to money appropriated for the

Susitna Damn that was not obligated or needed. It was a project that would serve the same people that the three gas line proposals would serve. All 4 projects would provide excess power. He believed the state did not need 4 sources of excess power while the state was in a fiscal crisis. He concluded that the proposed cuts did not move the ball forward enough leaving the state running out of saving within 2 years. He was disappointed but hopeful that members could find a way to work together to solve the state's problems. He added that he did not want to be a state without Pre-K.

[9:16:45 AM](#)

Co-Chair Neuman clarified that members would only have one opportunity to make closing remarks.

Representative Gattis indicated that she was in agreement with Representative Gara about being disappointed. She was not sure that Alaskans recognized that the state was jumping off a fiscal cliff. Her constituents had been very clear that the legislature did not cut enough out of the budget. In the spirit of compromise items were added back in that she personally would not have reinstated. However, in the same spirit she agreed to add items back in. She stressed the need to show a sense of leadership by recognizing where the state was at financially. Although she struggled with adding \$10 million back into the budget, she acted in the spirit of compromise. She hoped both sides would recognize that the state did not have the money.

[9:18:25 AM](#)

Co-Chair Thompson reported that he was a little confused about Representative Gara's comments in terms of cutting from the budget and reinstating items in the budget. He was aware that folks would be suffering from the cuts that had been made. However, in looking at the following year, the circumstances would be more difficult. He forewarned listeners that there would be further reductions. He commended the committee for the hard work it had done to minimize devastating consequences for people in the state and thanked the co-chairman for the many hours he had dedicated to try to make thoughtful reductions. He opined that the committee would be working harder than it ever had over the following summer months digging into program details to determine what actions to take. He believed the

stage was being set for the following session. He thanked the finance committee as a whole for its hard work.

9:20:11 AM

Representative Pruitt agreed that the biggest challenge for the state was a lack of money. He admitted that he was uncomfortable with moving the bill forward because of the withdrawal from savings that the state would have to make. He looked forward to seeing what the Senate would do with the bill. He hoped it would consider additional cuts to the budget. He anticipated working with the co-chairs in further addressing the budget issues over the interim. He praised the committee for the efforts it had made in a short period of about 3 weeks. He admitted there were a few items he had had to compromise on that were added back in. He recognized his colleagues that had also compromised. He wanted to remind Alaskans that prior to applying the cuts that were made it equaled \$20 thousand per household. If committee members did not spend its interim working on the budget issues the public would be sent into a spiral that the state had never seen before. He argued that oil would not save the state in its current circumstances. He furthered that if oil came back it would be the worst thing for Alaska, because every time prior oil came and saved the state it prolonged making the decisions necessary which in turn resulted in the current situation. He looked forward to working with his co-chairs and fellow members in the following interim to make an effort to further cut the budget and to have deeper discussions about items untouchable in the past such as education and Medicare. He did not want \$20 thousand to land on the shoulders of every Alaskan household. He thanked everyone for their efforts.

9:23:33 AM

Vice-Chair Saddler thanked the co-chairs for their guidance in a thorough and detail-oriented open budget process. He opined that cutting \$225 million from the budget was a tremendous achievement not to be taken lightly. He thanked the House Finance Committee staff, the staff of the Legislative Finance Division, and his personal staff for their diligent efforts. As a former staffer he was aware that the legislators either receive the credit or the blame but could not do the work without their staff. He emphasized that the state faced significant budget challenges with less money to spend. The state had

unlimited needs and desires but limited resources. It was the mission of legislators to make some difficult and unpleasant decisions but they were responsible decisions in the face of the budgets challenges. He conveyed that some people wanted larger reductions while others wanted to add funding back into the budget. He pointed to the education advocates looking for more and more money. He stressed that any budget was a compromise. He suggested that the operating budget was a complicated document and process. The bottom line was that a \$225 million reduction in non-formula dollars was a tremendous achievement. There was also a \$377 million reduction in formula and non-formula dollars. It was a great start but the budget would have to be significantly reduced. He estimated that the committee would return with a sharper perspective on the departments and their budgets after a long, hard-working summer. He did not believe the deficit was going away. His constituents that he had heard from wanted additional cuts.

[9:25:43 AM](#)

Representative Edgmon commented on the excellent job the co-chairs had done in shepherding members through a very difficult process. He admitted it had been the most difficult process he had experienced over the several years as a member of the House Finance Committee cutting the budget in a significant way. The process involved many hard choices including saving one program while taking money from another. Value judgements were having to be made in a very short period of time. He agreed with one of his colleagues that the budget reductions were long-term in nature. He thought part of the challenge for legislators would be to educate the public and to impress upon people the reality that the state would have to look at other sources of revenue. He believed it was incumbent upon committee members as they looked at agency budgets, scrutinized additional reductions and downsizing, and made decisions about priorities that they disseminate information to constituents in the interim. He suggested that the state might be entering into an entirely new fiscal regime that no one anticipated 6 to 10 months previously. He agreed with Representative Pruitt that the state might be turning a corner where oil would not be saving the state again, a scary reality in his opinion. Arguably the cuts that the committee made were very judicious cuts but at the same time it was the start of what could be many years of realigning state government

with the fiscal reality that changed so dramatically. He reflected that in 2008 the state was earning \$10 billion to \$11 billion in oil revenue. Currently the state was earning only \$2.1 billion to \$2.2 billion in oil revenue yet had a budget north of \$5 billion including reductions. He would continue to work with his constituents and encouraged his colleagues to do the same. He closed thanking the committee and reiterated that it was just a start.

[9:28:06 AM](#)

Representative Guttenberg thanked the committee and staff for their diligent work. He commented that the state budget would have to return to sustainable levels. He offered that many people did not truly understand the state's fiscal situation. He suggested that people outside of the building did not understand that if the price of oil shot back up it would not mean the state would be relieved of its current situation. There was a problem with production levels and pass-through in the pipeline. He indicated that he had had an amendment that addressed a \$200 million reduction in the current year's budget, but all it did was move it down the road. He was concerned with where the burden of the state would fall and did not feel the issue had been addressed. There were two sides of the ledger sheet, income and expenses. He thought that in all other states a finance committee such as Alaska's would only handle one of the two functions. In Alaska the committee was responsible for addressing both. He opined that the committee had only addressed one side of the ledger. He did not think the public fully understood the nature of the fiscal gap and its expansiveness. The gap was so large that even if all state employees were taken off of the payroll Alaska would remain in a fiscal crisis with a \$3 billion deficit. He surmised that it would cost the state more by not taking certain actions. He cited the example of increased recidivism rates as a result of not being proactive costing the state additional money. He proposed thinking more about the nature of the state and its mission. Regardless of the budget, he thought the legislature had to consider building the state to be sustainable. He pointed out that the development of the internet had helped to close the challenge of distance within Alaska. It was difficult to provide services, such as educational services, to people in rural areas off the road system. The internet and technology have helped greatly in filling the distance gap. He reiterated the question he asked about how Alaska

defined itself. He did not feel he had enough information to make appropriate decreases to the budget. He simply wanted to have a sustained society. He shared his amazement in coming to Alaska as a young man in 1969 witnessing a boom cycle similar to a scene in a Wild West show. He hoped the state was on the cusp of a huge economic development such as another major oil line. He did not believe the state was prepared for such a project as he thought it should be. He mentioned that besides the pipeline itself the economic, social, and moral impacts to Alaskan communities needed to be considered.

Representative Guttenberg pointed out that the budget remained a living document, subject to change until the final vote was taken. He relayed that he would have to return home to discuss the budget with the people in his community. He would be talking not so much in number terms but in terms of how the budget affected people's lives. He conveyed that additional planning and preparation would have to be done. He suggested that there were some folks that were always prepared. He wondered if the budget prepared the state for the future. He did not think it did. The money that was reduced in the budget did not have much of an effect on the graphs to show what was needed to fill the gap. He believed there were some small numbers that would have made a large difference for many people. He believed that best thing the state could do was to provide opportunities to its children. He expressed his concerns about lost opportunities for kids as a result of certain cuts from the budget. He remarked that the legislature was midway through the session and that things could change.

[9:37:00 AM](#)

Representative Wilson acknowledged that the meeting felt like a funeral. However, she looked at the state's situation as an opportunity for private enterprise to flourish. Private businesses would have the opportunity to step into providing services previously provided by the state. She suggested that the Power Cost Equalization fund could be used in certain areas to provide more energy in the form of windmills and dams in order to serve a larger need. She also mentioned the possibility of using the higher education funds for other educational opportunities. She opined that it was never the intent of the state to pay for everything. She claimed that private businesses were at the bottom because they could not compete with the

previously large state coffers. At present, the state was being forced to step back. She reported that most states contributed 18 percent to their universities because there were other ways to fund them. She looked forward to working with the regents examining new models and how to apply them. She suggested taking some of the state's educational entities and combining them into an amazing opportunity for Alaska's students. She was excited about what it might mean for the state. The state had the opportunity to grow in areas that it never had a chance to explore. She asserted that the entrepreneurship in the state would show amazing things. She agreed that the state was facing somewhat of a death of the government system but did not believe it was necessarily bad. She was excited to see what would happen. She thought of those who came to Alaska, they either hated it or loved it. Those who hated it left and those who loved it made it their home. She furthered that people had an opportunity in Alaska that no other state could offer. She affirmed that the state was facing hard cuts which she supposed should have been done much earlier. She added that the state got into things it never belonged in. She anticipated seeing a new style of government and avowed it would be a better state as a result. The state was essentially letting folks take their dreams, utilize them, and make the lives for Alaskans better. Government would not be getting in the way of residents. She thanked committee members, particularly the chairman, for their hard work. She reported that she would be out in different areas around Alaska in the summer to conduct the necessary work required.

[9:41:19 AM](#)

Representative Munoz thanked the co-chairs and gave kudos to the committee members. She thought some difficult decisions had been made. When members found that some areas of the budget had been cut too deeply, the committee was willing to entertain revisions to the budget. She appreciated the fair process. She agreed that it would be an ongoing effort. She was aligned with Representative Wilson about Alaskans being very resilient. Alaskans would come together to find solutions and look at doing things in more innovative ways. She believed it was a time of opportunity and challenge.

[9:42:15 AM](#)

Representative Kawasaki appreciated the committee process. He thought cuts were substantial including cuts to the university, the Department of Labor and Workforce Development, programs dealing with seniors, and the youth courts. He appreciated members coming forward to try to find funding to support such programs and agencies. He recognized that it was a tough budget year and he believed that significant cuts were needed. However, he felt that the cuts should not be levied against the most vulnerable people in the state like seniors and children. The legislature cut things substantially such as early education that has proved to have a huge return on investment. He believed the state would pay for that choice into the future with higher incarceration costs, court fees, and costs associated with public safety. He added that there was a significant amount of work to be done. He found it challenging because his constituents had expressed their desire to see additional cuts. He thought they would want to know why the legislature increased the oil and gas tax credit section by 12 percent in the following year to \$700 million while the pipeline continued to decline. The legislature was spending a significant amount of money on things such as oil and gas development. He suggested that the state had been promised a million barrels of oil. If the state could get to a million barrels of oil it would also have a budget that worked. He claimed that under SB 21 [Legislation passed in 2013 Titled: Oil and Gas Production Tax], even if the price per barrel increased to a certain point, it did not help at the state's current production rates. He reiterated that certain cuts had to be made but not levied on the backs of the most vulnerable Alaskans.

[9:44:40 AM](#)

Co-Chair Neuman explained that the House Finance Committee started the budget process with the fiscal plan proposed by Governor Walker consisting of an alteration of Governor Parnell's budget from December 15, 2014. Governor Walker and his staff, brand new to their jobs, worked diligently to craft a budget the legislature could work with. The committee started its budget process with hearings of department overviews within the first two weeks of session. He suspected the overview hearings were completed in record time. The finance subcommittees started meeting within the first week of February two to three times per week in order to review the work of each department. The governor submitted his amended budget three weeks prior to the

subcommittees closing out their budgets. The numbers were submitted by the body as a whole as a result of the committee process. The current budget in front of the committee was the budget submitted by the House of Representatives including Majority members and Minority members alike. He posed the question about whether everyone on the committee was happy with all of the budget numbers. He suggested that no one was happy with all of the numbers. Some members would cut more and some would cut less. However it was a committee process. He affirmed that he upheld one standard; to make sure to preserve the committee process.

Co-Chair Neuman reported that there had been discussions about people being disappointed in the budget and some not. He announced that the committee had reduced the budget by \$377 million from the prior year in agency operations. In the previous year the state had faced a \$51 million reduction. He suggested that a 450 percent increase in reductions was significant. He wondered how the circumstance came to be. He asked if the legislature had spent irresponsibly. He believed that circumstances came about because of a 60 percent reduction in state revenues in the prior 6 months. Alaska was vulnerable because it did not diversify its economy having only one major revenue source making up 90 percent of its economic base. He stressed the need to work together to diversify the state's economy developing more of Alaska's resources. Alaska was a resource development state and it needed to provide opportunities for private industries to invest their dollars into Alaska. The state did not have capital dollars. The state needs to provide opportunities to private businesses so they invest their dollars. He reiterated that the current budget deficit was due to the loss of 60 percent of the state's revenue in 6 months. He was proud of the work performed by committee members. The committee heard public testimony and added an additional day for people to share their comments. Approximately 20 hours of public testimony was heard. The committee received between 800 and 1000 emails, all of which he had read. There were over 500 people who had the opportunity to provide public testimony. The committee listened to Alaskans across the state and developed a budget that represented every one of the emails received as testimony. The committee developed a budget that represented the views of the public and of legislators in a combined effort. It was the responsibility of committee members to dig into the

budget to a greater extent than the public. Since the first day of session everyone had been working on the budget.

9:49:47 AM

Co-Chair Neuman stated that the committee planned to work throughout the summer. He suggested that finance members needed to go out to their communities to make sure they were better informed about the committee's process. He was dedicated to doing so. He talked about the need to remove statutes that remained on the books that caused agencies to have larger budgets. He asked the Legislative Finance Division to review fiscal notes from the previous 10 years. There was a document that reflected a review of increases in personnel costs and GF spending. There was a need to remove repeal laws that resulted in increased costs to departments. He added that somethings that worked 10 years prior did not work currently. He stated that there was a need to look at whether certain laws made fiscal sense in the current climate, whether they made good business sense to encourage investment, or whether they made common sense. These options would help to further reduce the budget. His office implemented a recidivism reduction group through an amendment in HB 266 [the operating budget bill from 2014]. The group worked through the summer with many state organizations to reduce costs within the Department of Corrections, Department of Public Safety, Department of Law, Department of Health and Social Services, and the Alaska Court System. Participants from the agencies and the legislature all worked together to propose a plan. Currently the Goose Creek Correctional Facility was at 101 percent occupancy. Prison costs were \$158 per day [per prisoner] to keep people incarcerated. The costs were paid out of the state's operating budget. The state needed to reduce the cost to state agencies through a recidivism reduction plan. The committee supported a partnership with the Pew Foundation to design a plan with minimal dollars which he believed would save the state tens of millions of dollars.

Co-Chair Neuman relayed that much of the budget consisted of tax credits, the credits were small produces tax credits totaling about \$700 million. The state had anticipated paying out about \$350 million to \$400 million in credits, \$250 million more than was expected. The credits would expire January 1, 2017. In the following year the legislature would only be dealing with 6 months-worth of

credits. The state also allowed producers to redeem their credits in within 1 year rather than 2 years. It allowed the small producers to have additional fluid capital for reinvesting in the State of Alaska to produce more oil. Reviewing past oil prices showed that it had dropped to \$9 per barrel but production was also at 1.5 million barrels per day. Currently production was down to .5 million barrels per day. The difference between \$60 oil and \$90 dollar oil was minimal in terms of moving the deficit line. He suggested that the state had to put more oil in the Trans-Alaska Pipeline. He affirmed that that SB 21 helped to facilitate more oil by providing additional small producer credits. He believed that the credits were successful, although he expected the amount to be less in the following year.

Co-Chair Neuman reported that Institute of Social and Economic Research (ISER) along with Common Wealth North looked at state spending and asserted that the legislature could reduce current spending over a 3 year period to \$5.5 billion in FY 16, \$5 billion the following year, and \$4.5 billion in the third year. He believed the legislature had to review the potential cause and effect of any reductions being considered. The committee brought the operating budget down to \$5.4 billion, \$100 million less than what was recommended by ISER. He talked about the potential reduction of \$300 million to \$400 million in tax credits in the following year. He surmised that the state could be close to reaching \$500 million in reductions in the following year. He continued that with further reductions the legislature might be able to reduce the budget to \$4.5 billion within 2 years. He relayed that he spent a lot of time looking at the numbers. He was proud of the work the committee had done and anticipated more work. The budget would be moved over to the Senate where he expected more discussions and further reductions to occur. He asked members for their support in moving the bill out of committee.

Representative Gara WITHDREW OBJECTION.

Co-Chair Thompson MOVED to REPORT CSHB 72(FIN), out of committee with individual recommendations.

There being NO further OBJECTION, CSHB 72(FIN) was REPORTED out of committee with a "do pass" recommendation.

[9:58:10 AM](#)

Co-Chair Thompson MOVED to REPORT CSHB 73(FIN), out of committee with individual recommendations.

Representative Gara OBJECTED for discussion.

Representative Gara wanted to make sure there were no changes since the governor's filing. He wanted to know whether the House Finance Committee had made any changes.

[9:59:27 AM](#)

Mr. Ecklund reported that the changes made in the operating budget to the different mental health programs would be rolled into the mental health budget. He did not believe there was anything Representative Gara was not aware of. It was mentioned earlier in testimony in the previous week by Ms. Brown that there was one capital project removed from the bill. It had been standard practice for the Senate to reinstate the capital project and to remove others that would be conferencable items.

Representative Gara WITHDREW his OBJECTION.

There being NO further OBJECTION, CSHB 73(FIN) was REPORTED out of committee with a "do pass" recommendation.

Co-Chair Neuman thanked the committee for all of its work.

#

ADJOURNMENT

[10:00:42 AM](#)

The meeting was adjourned at 10:00 a.m.