

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

March 27, 2024

3:20 p.m.

MEMBERS PRESENT

Representative Jesse Sumner, Chair
Representative Justin Ruffridge, Vice Chair
Representative Mike Prax
Representative Dan Saddler
Representative Stanley Wright
Representative Ashley Carrick
Representative Zack Fields

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 179

"An Act relating to employee rights; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 251

"An Act exempting certain foods and drinks prepared in a person's uninspected home kitchen from state labeling, licensing, packaging, permitting, and inspection requirements; and permitting a person to acquire meat from a producer by way of an ownership share in an animal if certain conditions are met."

- MOVED CSHB 251(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 200

"An Act relating to pull-tabs; relating to persons prohibited from involvement in gaming; and relating to the duties of the Department of Revenue."

- MOVED CSHB 200(L&C) OUT OF COMMITTEE

PRESENTATION(S): PACIFIC HEALTH COALITION

- HEARD

HOUSE BILL NO. 271

"An Act relating to social media and minors; and providing for an effective date."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: HB 179

SHORT TITLE: EMPLOYEE RIGHTS, EMPLOYER SPEECH

SPONSOR(S): REPRESENTATIVE(S) WRIGHT

04/26/23	(H)	READ THE FIRST TIME - REFERRALS
04/26/23	(H)	L&C, JUD
01/24/24	(H)	L&C AT 3:15 PM BARNES 124
01/24/24	(H)	<Bill Hearing Canceled>
02/12/24	(H)	L&C AT 3:15 PM BARNES 124
02/12/24	(H)	Scheduled but Not Heard
02/26/24	(H)	L&C AT 3:15 PM BARNES 124
02/26/24	(H)	Scheduled but Not Heard
03/27/24	(H)	L&C AT 3:15 PM BARNES 124

BILL: HB 251

SHORT TITLE: EXEMPTIONS FOR HOMEMADE FOODS

SPONSOR(S): REPRESENTATIVE(S) RAUSCHER

01/16/24	(H)	PREFILE RELEASED 1/12/24
01/16/24	(H)	READ THE FIRST TIME - REFERRALS
01/16/24	(H)	L&C, RES
02/02/24	(H)	L&C AT 3:15 PM BARNES 124
02/02/24	(H)	<Bill Hearing Rescheduled to 02/05/24>
02/05/24	(H)	L&C AT 3:15 PM BARNES 124
02/05/24	(H)	Heard & Held
02/05/24	(H)	MINUTE(L&C)
02/14/24	(H)	L&C AT 3:15 PM BARNES 124
02/14/24	(H)	Scheduled but Not Heard
02/21/24	(H)	L&C AT 3:15 PM BARNES 124
02/21/24	(H)	-- MEETING CANCELED --
03/15/24	(H)	L&C AT 3:15 PM BARNES 124
03/15/24	(H)	-- MEETING CANCELED --
03/27/24	(H)	L&C AT 3:15 PM BARNES 124

BILL: HB 200

SHORT TITLE: GAMING; ELECTRONIC PULL-TABS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

05/10/23	(H)	READ THE FIRST TIME - REFERRALS
05/10/23	(H)	L&C, FIN
02/09/24	(H)	L&C AT 3:15 PM BARNES 124
02/09/24	(H)	-- MEETING CANCELED --
02/12/24	(H)	L&C AT 3:15 PM BARNES 124
02/12/24	(H)	Heard & Held
02/12/24	(H)	MINUTE(L&C)
02/16/24	(H)	L&C AT 3:15 PM BARNES 124
02/16/24	(H)	-- MEETING CANCELED --
02/26/24	(H)	L&C AT 3:15 PM BARNES 124
02/26/24	(H)	Heard & Held
02/26/24	(H)	MINUTE(L&C)
03/13/24	(H)	L&C AT 3:15 PM BARNES 124
03/13/24	(H)	Heard & Held
03/13/24	(H)	MINUTE(L&C)
03/18/24	(H)	L&C AT 3:15 PM BARNES 124
03/18/24	(H)	-- MEETING CANCELED --
03/27/24	(H)	L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

RACHAEL GUNN, Staff
 Representative Stanley Wright
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 179, spoke to the bill on behalf of Representative Wright, prime sponsor.

PATRICK FITZGERALD, Political Coordinator
 Teamsters Local 959
 Anchorage, Alaska

POSITION STATEMENT: Provided invited testimony in favor of HB 179.

RYAN MCKEE, Staff
 Representative George Rauscher
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: On behalf of Representation Rauscher, prime sponsor, provided a summary of the changes made in the proposed CS for HB 251, Version S.

MARY STOLL, Attorney
 Stoll Law Group PLLC
 General Counsel to Pacific Health Coalition (PHC)
 Seattle, Washington

POSITION STATEMENT: Co-offered the Pacific Health Coalition presentation during which she made comments in opposition to HB 226.

DEREK MUSTO, Board Member
Pacific Health Coalition (PHC)
Anchorage, Alaska

POSITION STATEMENT: Co-offered the Pacific Health Coalition presentation during which he made comments in opposition to HB 226.

GREG LOUDON, Vice President and Account Executive
Parker, Smith & Feek
Anchorage, Alaska

POSITION STATEMENT: During the Pacific Health Coalition presentation, had his PowerPoint presentation, titled "HB 226," in opposition to HB 226, presented by Pat Shier.

PAT SHIER, Alaska Membership Representative
Pacific Health Coalition
Wasilla, Alaska

POSITION STATEMENT: During the Pacific Health Coalition presentation, following his presentation of Mr. Loudon's PowerPoint, answered questions.

ACTION NARRATIVE

[3:20:01 PM](#)

CHAIR JESSE SUMNER called the House Labor and Commerce Standing Committee meeting to order at 3:20 p.m. Representatives Saddler, Prax, Wright, Carrick, Fields, Ruffridge, and Sumner were present at the call to order.

HB 179-EMPLOYEE RIGHTS, EMPLOYER SPEECH

[3:20:47 PM](#)

CHAIR SUMNER announced that the first order of business would be HOUSE BILL NO. 179, "An Act relating to employee rights; and providing for an effective date."

[3:21:22 PM](#)

REPRESENTATIVE WRIGHT, as the prime sponsor, introduced HB 179. He said HB 179 would put an end to meetings held during work hours where employees are forced to listen to religious or

political discussions with the threat of punishment if they don't comply. Such practices undermine democracy, the freedom of thought, and the right to disagree, he submitted. He stated that HB 179 proposes a solution that is a fair compromise in that it allows for political or religious discussion in the workplace while ensuring these conversations are voluntary and employees are respected and protected in the workplace, balancing the freedom of expression with individual rights.

[3:23:14 PM](#)

RACHAEL GUNN, Staff, Representative Stanley Wright, ,Alaska State Legislature, spoke to HB 179 on behalf of Representative Wright, prime sponsor. She stressed that there is an inherent power imbalance in the workplace because the boss controls the employee's schedule, vacation time, raises, and can terminate an at-will employee. On the clock, hours-long captive audience meetings, she continued, illuminate these power dynamics because they are aimed at indoctrinating employees with specific political or religious ideologies, not enhancing productivity or fostering teamwork, and they send a clear message to fall in line or face the consequences.

MS. GUNN said the crux of coercion is the clear distortion of choice. She cited a 2015 study which found that one in four workers have been contacted by their employer regarding a political matter. Of these workers, she continued, 20 percent received messages from their boss that included one or more threats of job loss, business closure, or changes to wages and hours, which calculates into the figure of 5 percent of workers nationally being subjected to coercive meetings. She reported that US employers annually pour 433 million tax deductible dollars into union avoidance strategies, such as hiring consultants and subjecting employees to as many as 10 captive audience meetings during union election campaigns. She stated that HB 179 ensures dignity and balance in the workplace by ensuring that employees are no longer subjected to coercive captive audience meetings, thus protecting their right to think, speak, and vote according to their own beliefs without fear of retribution or coercion.

[3:25:34 PM](#)

PATRICK FITZGERALD, Political Coordinator, Teamsters Local 959, provided invited testimony in favor of HB 179. He defined a "captive audience meeting" as a group of workers being summoned by their employer or manager to a meeting during work hours and

subjugated to listening to a one-way conversation of the personal beliefs of their employer or manager. He said captive audience meetings happen all the time in Alaska. He cited one example of a garbage truck operation that hired a consultant to dissuade its workers from joining a union, and another example where non-union workers were told to take their tools and go home if they didn't want to be filmed in advertisements for a political candidate.

MR. FITZGERALD said the most worrisome of captive audience meetings are those that begin as a safety meeting, which are allowed, but the meeting then rapidly changes to a coercive meeting that tries to influence the workers for political or religious purposes. He stated that HB 179 provides protection when such meetings take place and workers identify the change in tone and decide to exercise their right not to participate. He advised that the bill does not offer protection for workers who choose to leave a meeting that is discussing real safety updates or operational information that employees need to know. He further advised that the bill does not prevent a business owner or manager from posting the aspects of these meetings and the workers are allowed to return to work when the scope of the meetings finds its way to political or religious coercion. He said the protections provided in HB 179 are needed in Alaska and will allow for workers to have their right of freedom of speech at the workplace and to not feel political or religious pressure from their boss or supervisor. He urged that HB 179 be passed.

[3:28:56 PM](#)

REPRESENTATIVE PRAX inquired about anecdotes such as newspaper stories or other public records that could help determine how frequently captive audience meetings are occurring in Alaska.

MR. FITZGERALD replied that he will check on whether anything is available publicly that he can share with the committee. He added that Teamsters Local 959 has heard firsthand experiences about such meetings, but he doesn't know the extent of that being public and will get back to the committee.

[3:30:03 PM](#)

REPRESENTATIVE SADDLER recalled Mr. Fitzgerald's statement that captive audience meetings "happen all the time" and asked what this is based on. He further recalled Ms. Gunn's statistic that 5 percent of workers nationally have been subjected to coercive meetings. He asked whether there are any extrapolations which

might indicate that more or less than 5 percent of workers in Alaska are subjected to such meetings.

MR. FITZGERALD answered that he used the phrase "all the time" because Local 595 is witness to it as a labor union and offers protection to workers. He deferred to Ms. Gunn for providing a percentage.

REPRESENTATIVE SADDLER asked whether "all the time" means a continual or endless series of meetings given no objective number is specified.

MR. FITZGERALD replied that he is referring to it happening multiple times in multiple industries and multiple companies. He related that Local 959 has had it happen every now and then when trying to organize and employees were subjected to coercive meetings trying to influence them to not be part of a union. He added that it happens with non-union organizations quite a bit.

REPRESENTATIVE SADDLER stated that multiple times does not give him a basis on which to make a decision, so he would like to hear an objective measure to understand how often it happens.

MS. GUNN responded that extrapolating data for Alaska is hard, but according to the Economic Policy Institute's 2015 national level study that she cited earlier one in four American workers has been contacted by their employer regarding a political matter, and 20 percent out of that 25 percent had directly received threats of job loss, business closure, or changes to wages and hours.

[3:33:21 PM](#)

REPRESENTATIVE FIELDS noted that Amazon has used these coercive tactics in every job site where employees have attempted to unionize. This is timely, he continued, given Amazon is opening a facility in Anchorage and Alaska is having more international commerce from very large union busting companies.

[3:33:42 PM](#)

CHAIR SUMNER drew attention to the sponsor's list of exemptions. He asked whether the exemption for an employer that is a political organization is or is not addressed [in HB 179].

MS. GUNN replied that Section 2(c) of the bill provides that an employer or its representative is not prohibited from

communicating information that is legally required or necessary for an employee's job duties. She provided two examples: an employer that hosts wedding events would need to communicate to staff the cultural sensitivities of a wedding done under a certain religion; and when there is a ballot initiative that an employer has an extremely vested interest in conveying the employer's viewpoint to its employees.

CHAIR SUMNER asked whether it would be a violation under the bill if an employer opened its meetings with a prayer.

MS. GUNN responded that the bill doesn't ban religious imagery or communication in the workplace, rather the bill's primary purpose is political or religious ideology sharing. She said an employer or employee is not prohibited from having imagery in the workplace if that is accepted by the employer and the employer could have religious imagery or a prayer.

[3:36:03 PM](#)

REPRESENTATIVE CARRICK asked whether the threat of retaliation makes it difficult to gather solid data from employees on how frequently this practice happens.

MR. FITZGERALD answered that under labor organizations an unfair labor practice (ULP) is filed through an organized working group and those can be tracked. With an organized union employees have protection to share that information, he said, but with non-organized industries or workplaces it's a more difficult to find that information.

[3:37:23 PM](#)

REPRESENTATIVE PRAX inquired whether this may already be covered via employees filing a complaint with the Human Rights Commission or, in the case of a labor union, by both the people trying to organize a union and the company filing complaints that are resolved by the National Labor Relations Board (NLRB).

MS. GUNN responded that the 2010 Supreme Court ruling in Citizens United v. Federal Election Commission gave carte blanche for political spending and essentially gave a federal license for these political meetings for captive audiences. There is a federal preemption for labor organizing activities under the National Labor Relations Act (NLRA), she continued, but the NLRA does not protect from captive audience meetings because of the 2010 supreme court Citizens United ruling.

REPRESENTATIVE PRAX asked whether the sponsor has checked with the Human Rights Commission regarding any cases.

MS. GUNN replied that she will get back to the committee with an answer.

REPRESENTATIVE PRAX related that his father ran a restaurant where politically oriented books were sold, so employees were exposed to those views when selling the books. He further related that he himself had a bookstore where he sold politically oriented books. He asked how things would come into play in these two examples.

MS. GUNN answered that the bill is exclusively referring to employers taking adverse actions against employees who refuse to attend meetings where the primary function is to communicate the employer's views on political or religious matters, unless, as provided in the exemptions, it has something to do with the employees' job. For example, she continued, if a prayer is conducted where everybody is forced to pray together out loud and to say what they got from the prayers, and retaliation was taken against someone who was unwilling to participate in that conversation.

[3:42:07 PM](#)

REPRESENTATIVE SADDLER surmised that employees would be paid for attending a safety meeting called by their employer. He further surmised that employees would also be paid for attending a meeting called for coercive purposes.

MS. GUNN responded that while the sponsor has seen evidence of captive audience meetings taking place outside of work hours, that isn't the primary purpose of the bill. This legislation, she said, is intended to carve out the ability for an employee to choose to go back to their regular work rather than attend a meeting that the employee knows will be a union busting meeting or on a political or religious topic.

[3:43:28 PM](#)

CHAIR SUMNER announced that HB 179 was held over.

HB 251-EXEMPTIONS FOR HOMEMADE FOODS

[3:43:37 PM](#)

CHAIR SUMNER announced that the next order of business would be HOUSE BILL NO. 251, "An Act exempting certain foods and drinks prepared in a person's uninspected home kitchen from state labeling, licensing, packaging, permitting, and inspection requirements; and permitting a person to acquire meat from a producer by way of an ownership share in an animal if certain conditions are met."

[3:43:51 PM](#)

REPRESENTATIVE RUFFRIDGE moved to adopt the proposed committee substitute (CS) for HB 251, Version 33-LS0888\S, Bullard, 3/6/24 ("Version S"), as the working document.

CHAIR SUMNER objected for discussion purposes.

[3:44:26 PM](#)

RYAN MCKEE, Staff, Representative George Rauscher, Alaska State Legislature, on behalf of Representation Rauscher, prime sponsor, provided a summary of the changes made in the proposed CS for HB 251, Version S. He spoke from the document provided in the committee packet titled "House Bill HB 251 Explanation of Changes," which read as follows [original punctuation provided]:

Article 7aSection 17.20.332 Exemption for homemade food: This section adds or removes language to some sections to make it more specific to the intentions of the legislation.

Page 1 lines 8-11 and adds a new language on page 1 line 13 clarifying that the sale of homemade foods is only for personal consumption.

Page 2 subsection c, language following "commercial food establishment" was removed.

Page 2 subsection d lines 16 and 17 was removed

Page 2 subsections f & g lines 3-14 were removed

Page 2 subsections h & I were reworded creating 2 clear things a seller must do before selling unpackaged homemade food

Page 4 lines 24- page 5 line 9 changes the wording on the relationship to other laws

Section 17.20.338

Changes were made to the various definitions and number 6 was removed

MR. MCKEE noted that most of the changes are cleanup language that was discussed with the Department of Environmental Conservation (DEC).

[3:45:59 PM](#)

CHAIR SUMNER removed his objection. There being no further objection, Version S was before the committee.

[3:46:18 PM](#)

REPRESENTATIVE RUFFRIDGE moved to report CSHB 251, Version 33-LS0888\S, Bullard, 3/6/24, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE PRAX objected. He inquired about whether the bill has another committee of reference.

[3:47:02 PM](#)

CHAIR SUMNER replied that the bill will next be heard by the House Resources Standing Committee.

REPRESENTATIVE PRAX removed his objection. There being no further objection, CSHB 251(L&C) was reported out of the House Labor and Commerce Standing Committee.

[3:47:26 PM](#)

The committee took an at-ease from 3:47 p.m. to 3:50 p.m.

HB 200-GAMING; ELECTRONIC PULL-TABS

[3:50:01 PM](#)

CHAIR SUMNER announced that the next order of business would be HOUSE BILL NO. 200, "An Act relating to pull-tabs; relating to persons prohibited from involvement in gaming; and relating to the duties of the Department of Revenue." [Before the committee

was the proposed committee substitute (CS) for HB 200, Version 33-GH1054\S, Wallace, 2/8/24, ("Version S"), adopted as the working document on 2/12/24.]

CHAIR SUMNER noted that HB 200 is by request of the governor.

[3:50:19 PM](#)

REPRESENTATIVE RUFFRIDGE moved to report CSHB 200, Version 33-GH1054\S, Wallace, 2/8/24, out of committee with individual recommendations and the accompanying fiscal notes.

[3:50:40 PM](#)

REPRESENTATIVE FIELDS objected. He shared his concern that the widespread deployment of electronic pull-tabs (E-tabs) would likely reduce money for charities given the higher recovery rate of money by players and that money would also flow to an E-tabs company. This would require a correspondingly higher rate of gambling, he argued, to just pull even for charities. He noted that Alaska currently has a low rate of gambling addiction and urged caution on introducing policies that will lead to increased rates of gambling addiction. He recalled that according to testimony a bill could be crafted that would substantially increase the amount of money going to charities with minimal risk of substantially increased gambling addiction, something he would be in favor of. He stated he will be voting no on HB 200.

[3:52:23 PM](#)

REPRESENTATIVE SADDLER said his understanding from the testimony heard is that there is some countervailing increase in revenue to the charities because it allows for more complete usage of the chances and because the machine manages the money so less staff time is needed for money management.

[3:53:16 PM](#)

REPRESENTATIVE CARRICK stated that she opposes moving the bill primarily because it goes too far in putting E-tabs ahead of the current pull-tab system, including in the payouts and mechanism of gambling. She concurred with the concerns of Representative Fields about increased gambling in general. She further stated that the legislation hasn't been vetted enough by the industry folks working to get E-tabs in Alaska as well as by the current charitable gambling industry in Alaska.

[3:54:37 PM](#)

A roll call vote was taken. Representatives Wright, Prax, Ruffridge, Saddler, and Sumner voted in favor of reporting CSHB 200, Version 33-GH1054\S, Wallace, 2/8/24 out of committee. Representatives Carrick and Fields voted against it. Therefore, CSHB 200(L&C) was reported out of the House Labor and Commerce Standing Committee by a vote of 5-2.

[3:55:11 PM](#)

The committee took an at-ease from 3:55 p.m. to 3:57 p.m.

PRESENTATION(S): PACIFIC HEALTH COALITION

[Contains discussion of HB 226.]

[3:57:38 PM](#)

CHAIR SUMNER announced that the final order of business would be the Pacific Health Coalition presentation.

[3:58:02 PM](#)

MARY STOLL, Attorney, Stoll Law Group PLLC, General Counsel to the Pacific Health Coalition (PHC), gave the Pacific Health Coalition presentation and made comments in opposition to HB 226. She stated she has 30 years of experience as an attorney representing Employee Retirement Income Security Act (ERISA) and public sector plans. She paraphrased from a written statement provided in the committee packet, which read as follows [original punctuation provided]:

I am general counsel to the Pacific Health Coalition which has 10 member plans in Alaska constituting over 110,000 covered lives, or roughly 1 in every 3 Alaskans, excluding Federal benefits entitled citizens. I am testifying today in opposition to HB226.

I ask the Committee to consider 2 questions before deciding to pass the bill out of Committee.

1) Are the regulations proposed in the bill preempted by ERISA, and

2) Are the proposed regulations fair and equitable to the hardworking Alaskans who are covered by ERISA health plans, many of which are part of a negotiated wage and benefit package in a collective bargaining agreement[.]

MS. STOLL expounded on the first question. She explained that ERISA was passed in 1974 to address the lack of regulation of private sector benefit plans resulting in mismanagement of those plans. The preemption clause in ERISA, she stated, was designed to prevent conflicting state laws impacting employee benefit plans by providing a comprehensive legal and regulatory umbrella applied consistently over all 50 states. She said state laws impacting ERISA benefit plans erode the nationwide consistent legal framework that the rest of the plans rely upon for efficient provision of promised employee benefits. Those states which have passed PBM regulations, she related, are facing legal challenges. She paraphrased from her written statement:

Oklahoma passed a law remarkably similar law. The 10th Circuit unanimously struck down the law as preempted by ERISA, ruling that the regulation of the PBMs operations in the state mandated changes to the plan design of ERISA plans, which is reserved to the ERISA plan fiduciaries, not states.

The 10th Circuit relied in part on the [Supreme Court of the United States (SCOTUS)] decision in Rutledge v. PCMA where the court held that state regulation of PBM [pharmacy benefit manager] activities that interfere with plan design discretion for ERISA plans is preempted.

MS. STOLL related that this decision was made in 2020, about the same time that states started enacting regulations on PBMs. The states ran with one proposition in the Rutledge decision, she said, which was that if a regulation between a prescription benefit manager and a pharmacy impacts cost only to the plan, then it is not preempted. However, she continued, [SCOTUS] stated that if it mandates the plan design change interfere with the ERISA plan design, it will be preempted. She said HB 226 would require ERISA plans in Alaska to change their plan design to eliminate preferred and specialty pharmacy networks and mandatory mail order pharmacy options. Prohibition of network pharmacy arrangement, she noted, is considered an "any willing provider" (AWP) mandate. She said the acronym "AWP provision" was used by the [10th Circuit Court] in its [2023] decision on

[Pharmaceutical Care Management Association (PCMA) v. Mulready. She related that in deciding Mulready, the 10th Circuit held that ERISA preempted the AWP provision as it mandated plan design change for that ERISA plan. She further related that the court also specifically held that state law can be preempted even if it only regulates a third-party vendor to the ERISA plan if the regulation limits or mandates changes to the ERISA plan design structure, and in this case the PBM was that third party vendor.

MS. STOLL argued that the restrictions HB 226 imposes upon PBMs in Alaska (prohibiting preferred and specialty pharmacy networks and putting restrictions on mail order drugs) do mandate plan design change. She pointed out that each of the Pacific Health Coalition (PHC) plans that she represents, and most other self-funded plans in Alaska, utilize PBMs and have designed their plans to include preferred and specialty pharmacy networks and other options. Those plan design options would not be allowed under HB 226, she stated, and thus the regulation is prohibited based upon existing federal precedent. She noted that these conclusions were supported by the opinion memorandum from Megan Wallace, Chief Counsel, Alaska [Legislative Legal Services], citing both the Rutledge [SCOTUS] decision and the Mulready [10th Circuit] decision.

MS. STOLL expounded on the second of the two questions that she requested the committee to consider. She paraphrased from her written testimony:

The plans have only three levers to adjust to rising cost of operating the plan 1) implement cost containment plan design options, 2) increase contribution, or 3) cut benefits or increase deductibles and OOP [out of pocket] maximums for participants.

The Plan fiduciaries are charged with the responsibility to design the health plans for the sole and exclusive benefit of the plan participants and their beneficiaries. ERISA has a specific definition for fiduciary, a person who: 1) is the "named fiduciary," as formally designated by the plan; 2) exercises discretion with respect to management or administration of the plan; 3) exercises discretion with respect to the management or disposition of plan assets; or 4) provides investment advice. The plan fiduciaries can be held both civilly and criminally liable for breaching their fiduciary duty by failing

to use the plan assets for the sole benefit of the participants.

[4:05:59 PM](#)

MS. STOLL added that these fiduciaries endeavor to use the limited funds that are available to these plans as efficiently as possible for the benefit of the employees and their dependents. Their mandate, she argued, does not include implementing plan design for the benefit of private sector businesses such as independent pharmacies. She said PHC is concerned about tying reimbursements to the National Average Drug Acquisition Cost (NADAC) given that only 1 percent of pharmacies report to NADAC, making it questionable that this is a reasonable benchmark for reimbursements. She maintained that the mandate to change to NADAC would increase costs to Alaskans without any corresponding benefit. She further argued that since nearly half the drugs dispensed from specialty pharmacies are not recorded under NADAC, NADAC can't be used for pricing or reimbursements for those specialty drugs.

MS. STOLL said PHC is concerned with the provision in HB 226 that would allow the director to set dispensing fee rates. She related that PHC plans have negotiated dispensing fees in their PBM contracts, and those costs are priced into the plan design. She said PHC is also concerned with the potential to increase dispensing fees within the limited contribution dollars to plans utilized to cover all the plan claims and all plan expenses. She paraphrased from her written statement:

Those are dollars that won't go to plan participants' benefits or care or treatment. Funds that won't pay for well-baby care or treatment for dread diseases. That dispensing fee goes to the pharmacies, both independent and Krogers [sic] CVS or Carrs. Roughly 90% of the pharmacies in Alaska are not independent or rural and the dispensing fee would benefit them as well. If the goal is to subsidize the rural and independent pharmacies, this is not targeted to them. The state has the ability to implement an urban development plan to bolster a particular segment of the economy, but it should be targeted to only the segment in need. Nor, as was presented by the pharmacist lobby do the funds go into the AK economy. They benefit the pharmacies, not the general public. The bill will not add the claimed \$50 million to the

state economy, rather it will divert \$50 million of plan assets to the pharmacies.

This is a health plan issue, not a PBM issue. It will not cost the PBMs, it will cost the health plans and ERISA Trusts. If there is an added cost to the PBMs, that cost will be passed along to the health plans that they contract with to administer their prescription benefit plans. No plan is capable of negotiating drug prices individually with the pharmaceutical manufacturers. Health plans can only achieve savings by aggregating their buying power through the pharmacy benefit manager. Well run plans utilize a PBM consultant, audit the PBMs and carefully select options such as spread pricing or transparent, or rebating contracts to the benefit of their participants, as the ERISA fiduciaries are entitled to do.

The funds that would go to the dispensing fee increase and the lost savings from prohibiting cost saving tools like preferred and specialty pharmacy networks in ERISA plan design will raise costs for the plans. The contributions that fund the plans are part of the employees' wage and benefit package. The contributions to the health plans are designated for the care and treatment of the employees and their families. Is it fair and equitable to subsidize independent pharmacies from funds intended to provide health benefits to working Alaskans? ...

Please consider the burden on the already cash strapped self-insured health plans in the state before adding to that burden by restricting cost containment steering options and restrictions on the fiduciaries ability to design their plans to the needs of their participants.

MS. STOLL asserted that adding additional costs to the existing health plans in Alaska would result in the diminishment of benefits they provide, which erodes the ability of those employers to recruit and retain workers. She said that while PHC appreciates the challenges faced by rural and independent pharmacies, HB 226 is not the solution to their survival.

[4:10:46 PM](#)

MS. STOLL, in response to Representative Saddler, agreed to provide a written copy of her testimony.

REPRESENTATIVE SADDLER drew attention to PHC's February letter in the committee packet in which PHC states it is not a PBM. He commented that Ms. Stoll seems to be arguing strongly in favor of the positions of PBMs. He inquired about the purpose of this strong advocacy.

MS. STOLL replied that PBMs are problematic and PHC has issues with transparency. She stated that a bill looking to assist health plans and pharmacists should address transparency in very specific deliverables, which HB 226 does not do. She said PHC is not a PBM but utilizes a PBM because it is a necessity. She argued that the real gargoyle of this situation is big pharmacy manufacturers because PHC has no control over what they charge for drugs, which puts PHC in the untenable position of having to hire a go-between to negotiate discounts in exchange for steerage. She related that PHC does its best to oversee the PBM that it has hired as a third-party vendor is doing the job for PHC and doing this as transparently as possible. This is why PHC's product for a PBM through CVS includes National CooperativeRx, a PBM monitor that routinely audits; evaluates formularies, biosimilars, and discount sharing; negotiates 100 percent passthrough of rebates; and when negotiating a contract helps PHC to evaluate whether a spread pricing model or a transparent pricing model is to its advantage. She said PHC is not arguing for the PBMs in its opposition to HB 226, rather PHC is aligned with PBMs on this issue because of the cost impact that it would have on PHC and the diminution of the ability of ERISA fiduciaries to design their plans.

[Chair Sumner passed the gavel to Vice Chair Ruffridge.]

[4:13:40 PM](#)

REPRESENTATIVE CARRICK drew attention to the last statement in Ms. Stoll's written testimony and requested an example of how the bill would have a negative impact on the fiduciaries ability to design their plans to the needs of their participants.

MS. STOLL responded that one example is specialty drugs, some of which can cost as much as \$1 million - \$1.6 million a year. She explained that to best serve its participants needs, [PHC] utilizes the specialty pharmacy to buy high-expense drugs in bulk from the manufacturer because the likely number of individuals needing the drugs is known. The manufacturer can

provide a discount to the specialty pharmacy, she continued, because it has certitude on how much it will be delivering. If specialty pharmacy networks are eliminated, she further explained, or if someone goes to an any willing provider located where such a drug is infrequently needed, there is no ability to negotiate a discount on that drug and the plan is reimbursing an exorbitant amount for that treatment. Addressing testimony from the pharmacists in favor of HB 226, she stated that there is no pharmaceutical manufacturer in Alaska, so the drugs must be shipped from somewhere to either the specialty pharmacist and then to the provider to administer those drugs, or to the pharmacist and then to the provider to administer those drugs. She said the pharmacist is not going to be the place of administration or providing instruction or education on that drug because that is up to the hospital or clinic who is administering the drug.

REPRESENTATIVE CARRICK requested an example of a specific drug that a local pharmacy might not have the ability to educate on and that would require what Ms. Stoll just described.

MS. STOLL answered that cancer and multiple sclerosis infusion drugs are very expensive. She stated that a pharmacist handling that drug would send it to a provider, not hand carry the drug or provide it to the participant to carry to the infusion center to be administered, which is called brown bagging, and which doesn't exist. She said the infusion center or the oncology office, not the pharmacist, educates the participant about how that drug is going to interact with their body.

[4:18:53 PM](#)

REPRESENTATIVE PRAX asked whether Ms. Stoll has an estimate of when this will probably have to be resolved by the [Supreme Court of the United States (SCOTUS)].

MS. STOLL offered her understanding that Oklahoma may, but has not petitioned, for certiorari before SCOTUS. She stated that generally a case will be taken on certiorari if the court finds that there is going to be a significant chance of a split in the circuits. For example, an opportunity to appeal to SCOTUS would occur if the Fifth Circuit held that it is not preempted, and the Tenth Circuit says that it is. She advised, however, that in this situation there is no split in the circuit. She cited an amicus brief that she filed before SCOTUS in DaVita, Inc. v. Marietta Memorial Hospital, which considered plan design and

preemption and fiduciaries ability to design their plans for the best interest of their participants consistently.

[Vice Chair Ruffridge returned the gavel to Chair Sumner.]

[4:20:53 PM](#)

REPRESENTATIVE FIELDS requested Ms. Stoll to elaborate on the analysis of whether to use spread pricing versus transparent pricing when PHC is choosing how to use a PBM vendor.

MS. STOLL replied that PHC does not specifically negotiate those terms as individual plans, rather PHC's PBM consultant National CooperativeRx evaluates whether there is a benefit to spread versus transparent, or in the case of a rebating contract whether the rebates are going to be beneficial as opposed to a non-rebating contract. She said she isn't the one negotiating those, but she is consulted with by National CooperativeRx for the plans for which she is direct general counsel. She offered to provide a written supplement to her answer.

REPRESENTATIVE FIELDS asked what Ms. Stoll would recommend for transparency provisions that would empower multi-employer plans in Alaska if she were writing a PBM bill from scratch.

MS. STOLL responded that on the federal level the Consolidated Appropriations Acts of 2021 and 2022 both included transparency provisions that apply to PBM's, such as no-gag orders and attestations that their contracts do not include those. She said the Prescription Benefit Management Act was introduced by US Senators Cantwell and Grassley, and while she doesn't know how far the bill went [in the congressional process] it specifically addressed broad spectrum transparency rules on federal level. This would be appropriate, she continued, for purposes of ERISA plans because it falls within the general federal umbrella so there aren't differing transparency rules depending upon the state it is in or where someone's benefit is being paid. She offered to follow up with PHC's PBM consultant on what it believes doable and to evaluate the Cantwell/Grassley bill, then provide the committee with a written response.

REPRESENTATIVE FIELDS said he would like to receive that.

[4:24:17 PM](#)

REPRESENTATIVE RUFFRIDGE, regarding steerage and the fiduciary responsibility to require that steerage, inquired about where patients with PHC are steered to.

MS. STOLL answered that, not specific to prescription benefits, Pacific Health Coalition has steerage in network arrangement. For example, she continued, since nearly all surgeons and physicians are licensed or credentialed at both Providence and Alaska Regional hospitals within the Municipality of Anchorage, PHC can achieve some very significant savings by providing steerage to Alaska Regional in exchange for per diem discount rates. The same would hold true for exclusivity in preferred pharmacy networks, she advised, the more exclusive the network is the better savings it is. She further advised that since Alaska has broad geographic boundaries and a very small population dispersed over a small area, PHC must be careful to make sure that any type of steerage is going to provide for adequate access for its participants.

REPRESENTATIVE RUFFRIDGE inquired whether, in the case of PBMs, there is a specific place to which PHC's plans typically steer patients for their prescription medications.

MS. STOLL replied that it would be through Caremark CVS.

REPRESENTATIVE RUFFRIDGE inquired about Ms. Stoll's relationship with the Pacific Health Coalition (PHC), as well as that of Mr. Loudon whom he believes works for Aetna CVS.

MS. STOLL responded that that is incorrect, Mr. Loudon is a consultant with Parker, Smith & Feek, a national employee benefits consulting firm, and she is general counsel to the Pacific Health Coalition. She added that she and Mr. Loudon are not affiliated, nor is Mr. Loudon affiliated with Aetna.

REPRESENTATIVE RUFFRIDGE stated that before the [3/26/24] meeting of the House Health and Social Services Standing Committee, Mr. Loudon testified on behalf of Aetna as an Aetna representative.

MS. STOLL answered that she has no knowledge of that and said he is not an employee of Aetna.

REPRESENTATIVE RUFFRIDGE insisted that Mr. Loudon is an Aetna employee and urged Ms. Stoll to listen to Mr. Loudon's testimony. [See Representative Ruffridge's correction at 4:48:07 p.m. timestamp]

MS. STOLL agreed to do so.

[4:27:56 PM](#)

The committee took a brief at-ease.

[4:28:44 PM](#)

REPRESENTATIVE CARRICK requested an estimate of what the added cost of a dispensing fee would be for an individual on a self-insured health plan in Alaska.

MS. STOLL replied that Mr. Pat Shier will provide graphics that demonstrate the increased cost. She stated she didn't address the dispensing fee because HB 226 includes the authority of the director to set dispensing fees as opposed to the mandate included in SB 121. She said estimates show an additional cost of approximately \$2.7 million to the 110,000 participants in the PHC plans alone over a period of a year.

[4:31:43 PM](#)

DEREK MUSTO, Board Member, Pacific Health Coalition (PHC), co-offered the Pacific Health Coalition presentation and made comments in opposition to HB 226. He related that he works for Teamsters Local 959 and is one of eight union employer trustees for the Alaska Teamster-Employer Welfare Trust ("Teamster Trust"). He stated that HB 226 would negatively impact the Teamster Trust's plan. He said he agrees that the business model of pharmacy benefit managers (PBMs) is opaque but disagrees that HB 226 or SB 121 [its Senate companion bill] is the proper vehicle to address the PBM matrix and pharmaceutical costs across the board. To be effective, he argued, a National Average Drug Acquisition Cost (NADAC) mandate would have to be addressed and mandated on the federal level. He said the Teamster Trust's plan utilizes a transparent request for proposals (RFP) contracting process and utilizes a specialized PBM consultant for advice.

MR. MUSTO stated that HB 226 would strip important cost saving mechanisms currently used by the Teamster Trust's plan to lower participant costs, and SB 121 would add mandatory dispensing fees and other additional costs without providing a benefit to participants. He said measures which deprive the Teamster Trust's plan of its ability to establish a pharmacy network benefit design, use preferred or exclusive pharmacy networks, or

remove access to programs that benefit members directly conflict with his responsibilities as a trustee. He noted that cost controlling measures like the setting of copays, coupon savings programs for specialty and non-specialty drugs, mandatory mail order for maintenance medications, and securing drug rebates offer a significant savings to the plan and its participants. He related that after moving to mandatory mail order the Teamster Trust's plan had a small number of complaints but no significant issues with the delivery of prescription drugs as expressed by proponents of the bill. He cited a 2010 study where Kaiser found that diabetes patients using a mail order pharmacy had an increased medication adherence of 7-8 percent.

MR. MUSTO argued that HB 226 would subsidize local pharmacies at the expense of Alaskans and would likely increase the use of unfavorable cost saving measures like benefit cuts, increased deductibles, and larger out of pocket expenses, which do nothing more than shift the cost to the individual participant. He related that the Teamster Trust's negotiated price with Costco as the PBM is better [than it would be with NADAC pricing]. He advised that forcing to NADAC pricing, as suggested in HB 226, would immediately increase the cost to the Teamster Trust's plan for generics and specialty drugs don't always have a NADAC. Forcing NADAC and removing the plan's various cost savings and negotiation tools, he continued, would raise drug costs and the dispense fee, and likely increase the plan's PBM administration fees to offset the PBM's loss of revenue due to Alaska's mandated changes. He urged that urban development dollars or other tools be used by the state if there is a true need to help independent pharmacies and communities around Alaska. He asked the committee to oppose passage of HB 226.

[4:39:44 PM](#)

REPRESENTATIVE PRAX stated he sympathizes with the pharmacists and thinks there are problems which need to be resolved but agrees with the previous testifier that [the bill] is on shaky ground legally. He inquired about how to get together to sort things out.

MR. MUSTO replied that part of the issue with both bills is that that wasn't a process where many of the various participants were able to communicate and work to address the issues at hand. He said the Alaska Teamster-Employer Welfare Trust would be willing to meet to share experiences and discuss tools.

[4:41:34 PM](#)

REPRESENTATIVE RUFFRIDGE inquired about when an RFP last went out on behalf of the Pacific Health Coalition (PHC).

MR. MUSTO responded that the Teamster Plan does not use the PBM through PHC. He explained that PHC has an "ala carte" menu that various participants can use, and it depends upon if the Teamster Plan can get better discounts or if PHC's discounts are better based on negotiations. He said the Teamster Plan is contracted with Costco because Costco was found to be the cheapest PBM and offering the best savings.

REPRESENTATIVE RUFFRIDGE stated he was unaware that Costco is a PBM. He requested clarity on when the RFP mentioned by Mr. Musto was offered and who typically responds to the RFP.

MR. MUSTO answered that Costco is a PBM and offers various services whether it is mail order or retail pharmacy. He said that during his time as a trustee, an RFP process has been undertaken on multiple occasions and each time different terms were negotiated to get the most value.

REPRESENTATIVE RUFFRIDGE surmised, then, that an RFP is offered every two years or so. He asked who typically responds to those and whether it is for the coalition as a whole or each plan.

MR. MUSTO replied that generally it is recommended that an RFP go out every three years or so depending on a plan's spend and the parameters that the plan has. He stated that the RFP is an open process that tries to capture as many entities as possible and responses have come from large PBMs. Every RFP process is a little bit different, he added, so he will provide follow-up to the committee.

REPRESENTATIVE RUFFRIDGE asked whether Costco runs its own PBM or partners with another entity to run its prescription benefits program.

MR. MUSTO responded that the Teamster Trust went to Costco Health Solutions for its PBM services in October 2023. He offered his belief that Costco has its own PBM plus owns a stake in a PBM.

[4:46:55 PM](#)

The committee took an at-ease from 4:46 p.m. to 4:48 p.m.

[4:48:07 PM](#)

REPRESENTATIVE RUFFRIDGE corrected his previous statement to Ms. Stoll regarding Mr. Greg Loudon. He said Mr. Loudon mentioned Aetna in his testimony before the House Health and Social Services Standing Committee, but did introduce himself as the representative for Parker, Smith & Feek.

[4:48:40 PM](#)

GREG LOUDON, Vice President and Account Executive, Parker, Smith & Feek, during the Pacific Health Coalition presentation, had his PowerPoint presentation [hardcopy included in committee packet], titled "HB 226," in opposition to HB 226, presented by Pat Shier. Mr. Shier said Parker, Smith & Feek is one of the progenitors of the Pacific Health Coalition (PHC) when it first began, and Mr. Loudon is in a commercial insurance brokerage and consulting firm based in Alaska. Mr. Shier moved to slide 2, "Who is the Pacific Health Coalition?" He related that PHC focuses on hospitals, primary care, specialists, dental, vision, pharmacy, hearing benefits, and other services for its membership. He explained that the 29 Alaska member trusts, three school districts, and two local governments can choose one or more of the 35 different benefit contracts that PHC has negotiated, thereby designing their own programs in which to participate. He noted that only 10 of the 29 currently use PHC's PBM management contract with National CooperativeRx.

[4:50:34 PM](#)

MR. SHIER turned to slides 3 and 4, "Why we oppose this bill." He stated that during the recent unprecedented inflation, workers have consistently traded compensation for benefit packages. He submitted that this would be diminished to assist one industry, and it isn't clear whether HB 226 will solve the problem examples shared by proponents. He pointed out that PBMs provide a valuable middleman role of negotiating and managing a distribution network to provide prescriptions to PHC's members and negotiate with drug manufacturers to aggregate buying power. He said plan sponsors and trustees only purchase those services offered by a PBM that provide value to participants, and plan sponsors hire, fire, and manage these services and these PBMs as they see fit.

[4:51:47 PM](#)

MR. SHIER spoke to slide 5, "How has the PHC engaged to contract with PBMS." He explained that PHC formed a relationship with National CooperativeRx, a non-profit cooperative that is a good investment for its \$5 million total annual budget. He disclosed that he serves as secretary/treasurer of National CooperativeRx. He reported that National CooperativeRx returned \$22 million in rebates to its plans last year, and it saved PHC members about \$24 million in spend on the specialty program through its special pharmacy savings program.

[4:53:05 PM](#)

MR. SHIER reviewed slide 6, "How much do we spend?" He stated that, including the 10 Alaska based groups and the Lower 48 groups that utilize National CooperativeRx, PHC spends \$43.5 million per year on prescriptions dispensed in Alaska. He pointed out that several of the trusts in the Pacific Northwest have people who travel to Alaska to conduct work and because of the ERISA exemption these workers can travel from state to state and receive the same kind of benefits that were negotiated in their home state.

[4:54:09 PM](#)

MR. SHIER presented slide 7, "How will HB 226 affect our Rx costs?" He stated that the untold fiscal note is the negative financial impact to private industry. Alaska has the highest health care costs nationally, including workers' compensation, he continued, and HB 226 would increase aggregate costs even more. He displayed slide 8, "Specialty Pharmacies Lost opportunity" and pointed out that PHC is able to negotiate at least a 2 percent discount [\$140,000 per year] in specialty pharmacy because it contracts with a single specialty provider. If that same opportunity is applied to all PHC's specialty spend just in Alaska, then \$750,000 more would be saved. He explained that many specialty medications cannot be found in local pharmacies, and that sometimes the manufacturers limit the number of pharmacies which can distribute the product so that they have greater quality control assurance.

[4:55:27 PM](#)

MR. SHIER discussed slide 9, "Mail Order Pharmacies Lost opportunity." He said PHC has only one of the ten plans that use the National CooperativeRx and that plan [saves] about \$28,850 [per year]. He reported that mail order grew 35 percent

between 2016 and 2021. He said that, in part, this growth was due to the growth of the "Amazon, COVID 19, Door-Dash culture."

[4:56:39 PM](#)

MR. SHIER moved to slide 10, "Increased Dispensing Fees," and stated that this is by far the largest negative financial impact to PHC's plans. He said the average dispensing fee paid in Alaska by commercial contract is \$4.00, and the Medicare dispensing fees are currently \$13.26 outside of Alaska, \$15.86 on the road system, and \$23.78 off the road system. He specified that if a net increase of, say, \$9.36, is applied to the almost 3 million prescriptions that were billed in Alaska, [an increase of] \$27.5 million would be seen [for all Alaska commercial plans and cash payers], according to the Kaiser Family Foundation in 2019. [The increase] for those 10 plans that use National CooperativeRx would be \$2.7 million, he continued, and if that number is extrapolated to all 29 groups that are in PHC Alaska plans, [the increase] would be \$7.8 million.

[4:57:45 PM](#)

MR. SHIER addressed slide 11, "PHC NADAC Repricing." He stated that the graph represents PHC's best estimate for those 10 plans that are with National CooperativeRx and calculates both the ingredient cost and dispensing fee changes. He said there would be significant increased costs in brand medications but slight savings in generic and specialty at retail. What is not had, he noted, is the effect of rebates, which are often significant. He said there is no repricing available on approximately 6,000 specialty scripts that were let during the same time period, totaling \$38 million in gross cost, since no NADAC metrics are reported for that. He pointed out that of the 63,000 pharmacies in the US, between [400] and 600 regularly report and only three states currently use NADAC. He added that it is unclear if NADAC alone would provide relief sought by pharmacies or if most Alaska pharmacies currently report to NADAC.

[4:58:53 PM](#)

MR. SHIER concluded Mr. Loudon's presentation with slide 12, "Other local protection analogies." He explained that the examples on the slide provide perspective that \$9.36 is a significant increase: What if \$9.36 was added as a fee per meal on groceries, or as a fee per vehicle fill-up, or as a fee for every purchase of hardware goods? For the record as an

alternative view, he shared that PHC has heard that the profits for PBMs are more than \$315 billion, and the "10-K reports" available through the Securities Exchange Commission (SEC) show the net income for the biggest three PBMs was \$36.3 billion in 2022/2023. He said he will record any questions that he is unable to answer today and provide them to Mr. Greg Loudon to answer.

[Chair Sumner passed the gavel to Vice Chair Ruffridge.]

[5:00:16 PM](#)

REPRESENTATIVE FIELDS requested PHC's recommendations for any amendments that might be introduced to increase transparency over PBMs, to increase leverage of Alaska employers and the state itself, and to enhance PHC's bargaining powers when using PBMs.

[5:00:44 PM](#)

VICE CHAIR RUFFRIDGE recalled Mr. Shier stating that there would be a negative fiscal impact with private industry. He asked whether it would be better for the Pacific Health Coalition if all prescription medication was steered to one hub and then distributed to people in Alaska. He surmised this would lead to significant savings to PHC and individual patients and would drive down costs for the coalition.

PAT SHIER, Alaska Membership Representative, Pacific Health Coalition, apologized if he seemed to indicate that. He said PHC's "secret sauce" is predicated on the idea that the needs of each of these trusts is unique, and they are free to individually negotiate all the terms of a PBM contract, such as transparency and return of rebates. While PHC would of course like to have all 29 use PHC's purchasing solution, he said they are all free to do their own. He added that he cannot say PHC would move to try to compel them all to use only one solution.

VICE CHAIR RUFFRIDGE requested Mr. Shier to describe what he meant by a negative fiscal impact with private industry.

MR. SHIER replied that his statement should have been "negative impact 'to' private industry." "In other words," he continued, "What would be the costs borne by these non-profit and for-profit plans that are out there right now?"

[5:03:10 PM](#)

The committee took a brief at-ease.

[5:03:55 PM](#)

VICE CHAIR RUFFRIDGE called the meeting back to order.

[5:04:19 PM](#)

The committee took an at-ease from 5:04 p.m. to 5:05 p.m.

[5:05:05 PM](#)

VICE CHAIR RUFFRIDGE stated that, given the time, it would be better to have Mr. Steve Raymos, Division of Retirement and Benefits, State of Alaska, provide his invited testimony at a future committee meeting.

VICE CHAIR RUFFRIDGE asked whether any committee members would like to make a comment.

[5:05:46 PM](#)

REPRESENTATIVE PRAX stated it is imperative to get together with people in a discussion designed to see if there is some sort of win-win, in-between [solution] that would work. This has huge impacts on pharmacies, and he wants to see the pharmacies maintained, he opined, but there is great concern in both the legal sense and practical business sense of how this is supposed to work.

[5:07:06 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:07 p.m.