

**HOUSE COMMITTEE ON GENERAL GOVERNMENT**

January 25, 2005 Hearing Room B

8:30 A.M. Tapes 6 - 7

**MEMBERS PRESENT:**           **Rep. Vicki Berger, Chair**  
  **Rep. Peter Buckley, Vice-Chair**  
**Rep. Mac Sumner, Vice-Chair**  
**Rep. Sal Esquivel**  
**Rep. Larry Galizio**

**STAFF PRESENT:**           **Caralyn Fischer, Committee Administrator**  
**Linda K. Gatto, Committee Assistant**

**MEASURES/ISSUES HEARD:**  
**HB 2092 – Public Hearing**  
**HB 2094 – Public Hearing**  
**HB 2095 – Public Hearing**

**These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.**

<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
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**TAPE 6, A**

004	Chair Berger	
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Calls the meeting to order at 8:32 a.m. and opens the public hearing on HB 2092.

**HB 2092 - PUBLIC HEARING**

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|-----|-----------------|---|
| 011 | Caralyn Fischer | Committee Administrator. Explains what HB 2092 does.  |
| 026 | Patrick Allen   | Manager, Office of Regulatory Streamlining, Department of Consumer and Business Services. States that a lot of the bills from the Regulatory Streamlining package are small improvements that collectively will improve the business climate. |
| 037 | Joel Ario       | Insurance Administrator, Department of Consumer and Business Services. Submits and summarizes prepared testimony in support of HB 2092 ( <b>EXHIBIT A</b> ).  |
| 069 | Ario            | Reviews the four standards for conditional exemption.   |
| 080 | Chair Berger    | Asks how is the reserve regulated.  |
| 093 | Ario            | Responds there would be a requirement but not any active oversight. It is a basic trust and at this point there are no problems.  |
| 108 | Chair Berger    | Confirms that this is the fiduciary responsibility of the non-profit board.   |
| 119 | Ario            | Responds affirmatively. Explains that the -1 amendments addresses four charities that would not meet the reserve criteria and all are associated with larger enterprises ( <b>EXHIBIT B</b> ).  |
| 141 | Chair Berger    | Asks if this is in a series of statutes that describe charitable organizations.   |
| 160 | Ario            | Answers he believes so.   |
| 163 | Rep. Esquivel   | Asks for clarification on line nine, page two.  |
| 165 | Ario            | Responds that the provisions in Section 4 are repealed as of January 1, 2006. The intent of the amendment is to reinstate those provisions as they pertain to the grandfathered organizations.  |

168 Rep. Buckley Asks what were the concerns in the complaint case.

186 Ario Answers records go back five years. Adds that he is not familiar with the details in the Arizona case.

191 Chair Berger Closes the public hearing on HB 2092 and opens the public hearing on HB 2094.

### **HB 2094 - PUBLIC HEARING**

199 Caralyn Fischer Committee Administrator. Explains what HB 2094 does.

208 Patrick Allen Manager, Office of Regulatory Streamlining, Department of Consumer and Business Services (DCBS). Submits and summarizes prepared testimony (**EXHIBIT C**). States that during a license search it was discovered that there are several hundred one-year licenses. Explains how HB 2094 offers extended terms on some licenses.

256 Rep. Sumner Asks how many licenses are there and through which agencies.

259 Allen Answers that outside DCBS there are about 334 individual licenses in different categories.

270 Rep. Sumner Confirms that this bill will allow each agency to determine which licenses can be extended on a case-by-case basis. Asks what is the intent for extending the licenses.

277 Allen Answers to cut down on the paperwork.

283 Chair Berger Asks what happens when license term is statutory.

289 Allen Responds the language states “notwithstanding any other provision of law.”

300 Chair Berger Expresses concern about the language.

307 Allen Refers to Section 2, first paragraph and answers that the bill does not specify a particular administrative process.

308 Rep. Buckley

Asks where is it stated that the license will be kept to one year license and not give an agency head the ability give a “free ride.”

- 338 Allen Responds that the underlying reason and process probably does need to be tighten up.
- 317 Chair Berger Notes the intent is to deregulate, but with clarity.
- 337 Allen States that the intent is to provide public protection and an administrative process.
- 340 Rep. Galizio Suggests that criteria be established prior to granting the license.
- 360 Chair Berger Notes that there has to be a process that is public and transparent.
- 368 Allen Responds that by stating this can be done by rule it would accomplish the process.
- 375 Rep. Galizio Asks what effect does this have on the suspension of a license.
- 379 Allen Responds that the extent that an agency has within an existing license term to suspend or revoke would not be changed by extending the license.
- 412 Chair Berger Closes the public hearing on HB 2094 and opens the public hearing on HB 2095.

### **HB 2095 - PUBLIC HEARING**

- 419 Caralyn Fischer Committee Administrator. Explains what HB 2095 does. Notes that there are changes in the bill that provide language continuity.
- 420 Chair Berger Explains how this happens and mentions the omnibus corrections bill.

### **TAPE 7, A**

- 019 Patrick Allen Manager, Office of Regulatory Streamlining, Department of Consumer and Business Services. Submits and summarizes prepared testimony (**EXHIBIT D**) on what HB 2095 would repeal.

044	Rep. Buckley	Asks why dietitians are regulated.
046	Allen	Responds that it is his understanding that dietitians are health care professionals and it is also under Medicare rules.
058	Rep. Buckley	Asks what board covers dietitians.
061	Allen	Answers the Board of Examiners of Licensed Dietitians.
080	Chair Berger	Closes the public hearing on HB 2095.
099	Rep. Sumner	Suggests returning the cost savings back to those regulated professions.
100	Chair Berger	Clarifies that the idea of fees on regulatory boards is to cover the state's role.
114	Allen	Clarifies that this bill will require agencies that offer extended terms to maintain parallel systems. Speculates it will probably be a wash and would depend on the length of the license term.
133	Chair Berger	Adjourns the meeting at 9:20 a.m.

### **EXHIBIT SUMMARY**

- A. **HB 2092, prepared testimony, Joel Ario, 2 pp**
- B. **HB 2092, -1 amendments dated 1/20/05, Joel Ario, 1 p**
- C. **HB 2094, prepared testimony, Patrick Allen, 2pp**
- D. **HB 2095, prepared testimony, Patrick Allen, 2 pp**