

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HB 242
Fiscal Note Number: 2
(H) Publish Date: 3/13/14

Identifier: HB242-DCCED-CBPL-03-13-14
Title: EXTEND PT & OCCUPATIONAL THERAPY
BOARD
Sponsor: REINBOLD
Requester: House Finance

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services							
Travel		7.7	7.7	7.7	7.7	7.7	7.7
Services		1.1	1.1	1.1	1.1	1.1	1.1
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	8.8	8.8	8.8	8.8	8.8	8.8

Fund Source (Operating Only)

1156 Rcpt Svcs		8.8	8.8	8.8	8.8	8.8	8.8
Total	0.0	8.8	8.8	8.8	8.8	8.8	8.8

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

The fiscal note analysis has been revised to include the State Physical Therapy and Occupational Therapy Board summary of total revenues, expenditures and carryforward balance based on the Department's 2013 Professional Licensing Programs Annual Report.

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Date: 03/11/2014

FISCAL NOTE ANALYSIS #2

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. HB 242

Analysis

HB242 extends the existing State Physical Therapy and Occupational Therapy Board through June 30, 2022. Adoption of the bill will continue existing activities by the board. Failure to adopt the bill will result in a one-year wind-down of the board, and the division will assume all licensing responsibility in FY2016 under AS 08.03.020.

Extension of the State Physical Therapy and Occupational Therapy Board will require travel for board members and one staff to attend two board meetings per year and for board member participation in an annual out of state professional conference (\$7.7). Service costs include conference registrations (\$1.0) and advertising of board meetings (\$0.1). These estimated costs are based on the average board specific direct charges to this program over the previous biennium licensing cycle.

If the Board is not extended, Physical Therapy and Occupational Therapy licensing will continue under the direction of the division, rather than the board. Costs associated with licensing the profession will continue to be incurred by the division including license examiners, investigations, legal, supplies, and allocated administrative support services. These on-going licensing costs are not reflected in this fiscal note because their incurrence is not impacted by the legislation.

Below is a summary of the State Physical Therapy and Occupational Therapy Board 's revenues, expenditures, and carry forward balance:

FY12-FY13 Biennium Data:

Board's revenues: \$250,000

Board's expenditures: \$325,365

Biennium Surplus/(Deficit): (\$75,365)

Ending Cumulative Surplus/(Deficit): (\$55,238)

FY08-FY11 Data

During the FY08 and FY09 biennium, revenue exceeded regulatory costs by \$78,200. The regulatory costs for the board exceeded revenue during the FY10 and FY11 biennium, for a deficit of \$17,138. There were 964 licensees and 916 licensees during the FY08-FY09 biennium and FY10-FY11 biennium, respectively. Both Indirect and Investigation Expenditures have increased significantly over the past 6 years, while revenues have remained constant. Fees have not been set to be consistent with statute language regarding cost recovery.