

SENATE FINANCE COMMITTEE  
April 12, 2017  
1:36 p.m.

1:36:08 PM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 1:36 p.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair  
Senator Anna MacKinnon, Co-Chair  
Senator Click Bishop, Vice-Chair  
Senator Shelley Hughes  
Senator Peter Micciche  
Senator Donny Olson  
Senator Natasha von Imhof

MEMBERS ABSENT

None

ALSO PRESENT

Lacey Sanders, Analyst, Legislative Finance Division; Sara Chambers, Deputy Director, Corporations, Business, and Professional Licensing, Division of Department of Commerce, Community and Economic Development; Jeff Jessee, Legislative Liaison, Alaska Mental Health Trust; Teresa Holt, Ombudsman, State Long Term Care.

SUMMARY

SB 51           EXTEND BOARD OF VETERINARY EXAMINERS

CSSB 51 (FIN) was REPORTED out of committee with a "do pass" recommendation and with a previously published fiscal note: FN 1(CED). There being NO OBJECTION, it was so ordered.

SB 83           PROTECT: VULNERABLE ADULTS/LONG TERM CARE

SB 83 was HEARD and HELD in committee for further consideration.

#sb51

SENATE BILL NO. 51

"An Act extending the termination date of the Board of Veterinary Examiners; and providing for an effective date."

1:37:10 PM

Co-Chair MacKinnon announced that a CS had already been adopted.

1:37:39 PM

AT EASE

1:37:52 PM

RECONVENED

1:37:57 PM

LACEY SANDERS, ANALYST, LEGISLATIVE FINANCE DIVISION, (LFD) clarified some previous information provided by LFD. She announced that the fiscal note for extending the Board of Veterinarian Examiners reflected approximately \$3600. The information presented previously contained additional information. The fiscal note only reflected board services and travel, but there were additional costs above those costs for the board of approximately \$138,000. Those costs would be continued, even without the continuation of the board. She furthered that LFD provided a projection for the board continuation at the same level of spending and revenues. She stated that the projection showed the board in a deficit. She stressed that the LFD projection encouraged the division to provide additional information on their anticipated revenues would be for 2017, that deficit projection might contain an adjustment.

Co-Chair MacKinnon wondered whether the actual cost was available. She recalled an increase from \$300 to \$500 for the licensees. She asked what the department had quantified for expenses, or was there a calendar and timing difference. She remarked that there had been an assertion that the state was using a fiscal year, and the department was using a calendar year because of the licensure requirements. Ms. Sanders deferred to the department. She shared that she was provided with information within the Professional Licensing Report to the Legislature, which was

on a calendar year basis. She stated that the majority of the revenue would be collected during the current fiscal year. She could not speak to the department's expenditure projections for 2017. She remarked that the department was closely monitoring each board.

Senator Olson queried a comparison to other board of comparable size and comparable licensee for the services, travel, and fixed costs. Ms. Sanders replied that she could not respond with a comparison, because she looked at the individual boards on a case by case basis. She stated that each board had its own set of licensees and their own sets of requirements.

[1:42:39 PM](#)

SARA CHAMBERS, DEPUTY DIRECTOR, CORPORATIONS, BUSINESS, AND PROFESSIONAL LICENSING, DIVISION OF DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, introduced herself.

Co-Chair MacKinnon queried the projected expenses to better understand the licensure and licensee deficits, and the strategy for reversing the deficits. Ms. Chambers replied that the licensing fee had increased for FY 17 for veterinarians from \$300 to \$500. She remarked that there were no anomalies with that increase. That board was fairly conservative, and comparable to other similar boards. She agreed to provide further information.

Senator von Imhof wondered whether boards set their own fees based on their own determined expenses. Ms. Chambers responded that statute required each licensing program to pay 100 percent of its own expenses. She stated that there were 44 licensing programs in the division, with 21 of the boards rolled into the professional licensing fund source. She remarked that there was a partnership between each board and the division in allocating expenses.

[1:45:20 PM](#)

Senator von Imhof wondered how the board would pay expenses during a time of board deficit reaction. Ms. Chambers replied that licensing programs ran on a biennial licensure cycle. She stated that almost every program would be in an annual deficit, because the funds would not be fulfilled in the given year. She furthered that the boards were able to roll forward any surplus. She announced that the goal was

to identify a "sweet spot" of surplus that would carry over through the year without being exorbitant.

Vice-Chair Bishop looked at the one previous fiscal note.

Vice-Chair Bishop MOVED to REPORT CSSB 51 (FIN) out of committee with individual recommendations and attached fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 51 (FIN) was REPORTED out of committee with a "do pass" recommendation and with a previously published fiscal note: FN 1(CED). There being NO OBJECTION, it was so ordered.

[1:49:13 PM](#)

AT EASE

[1:51:22 PM](#)

RECONVENED

#sb83

SENATE BILL NO. 83

"An Act relating to the protection of vulnerable adults and residents of long term care facilities."

[1:52:01 PM](#)

JEFF JESSEE, LEGISLATIVE LIAISON, ALASKA MENTAL HEALTH TRUST, introduced himself.

TERESA HOLT, OMBUDSMAN, STATE LONG TERM CARE, introduced herself.

Mr. Jessee announced that he accepted a new position with the University of Alaska.

Vice-Chair Bishop thanked Mr. Jessee for his service.

Senator von Imhof thanked Mr. Jessee for his service.

Co-Chair MacKinnon thanked Mr. Jessee for his service in the Alaska Mental Health Trust Authority (AMHTA).

Senator Hughes expressed her gratitude and shared a story of Mr. Jessee.

Senator Micciche thanked Mr. Jessee for his service.

Mr. Jessee stated that the Office of the Long-term Care Ombudsman was under the AMHTA jurisdiction. He stated that the previous location of the office also ran some of the long-term care facilities that the office was supposed to oversee and handle complaints. He shared that the bill was prompted by some required changes at the federal level. He felt that the changes were good policy, regardless of the federal requirement.

2:00:30 PM

Ms. Holt announced that the bill would amend the provisions of AS 47.62 for the Office of the Long-term Care Ombudsman; and AS 47.24 for the Protection of Vulnerable Adults. The legislation would insure the alignment with the Older Americans Act and its implementing regulations. She announced that in 2016, the Older Americans Act was reauthorized, and new regulations for the Office of the Long-term Care Ombudsman were created. As a result, the Administration for Community Living reviewed all states to ensure compliance with the changes.

Vice-Chair Bishop asked that Ms. Holt identify herself.

Ms. Holt introduced herself.

Ms. Holt stated that the review identified two Alaska statutes that were identified as out of alignment with the Older Americans Act and the new regulations. She believed that, regardless of the federal oversight, the legislation provided good changes for the program. The bill would align state statutes with federal statutes and regulations to ensure the Office of the Long-term Care Ombudsman only shares resident information with informed consent; to ensure the Office of the Long-term Care Ombudsman could obtain records to investigate and make referrals when a resident was unable to provide informed consent; and provided new terms for resident and resident representative. She explained that, due to a conflict of interest, the legislation removed the option for mandatory reporters to meet reporting requirements by submitting the report to the Office of the Long-term Care Ombudsman. The legislation clarified a separation in the role of the Long-term Care Ombudsman from the Department of Health and Social Services. The legislation clarified that the Office

of the Long-term Care Ombudsman may serve individuals in long-term care who were under the age of sixty.

Co-Chair MacKinnon wondered whether the committee wanted a walk-through of the Sectional Analysis.

Senator von Imhof felt that the bill was straightforward.

Co-Chair MacKinnon wondered whether the bill had gone through the Senate Judiciary Committee. Ms. Holt replied that it did not.

Co-Chair MacKinnon CLOSED public testimony.

Co-Chair MacKinnon announced that there department representatives available for questions.

Vice-Chair Bishop discussed the two zero fiscal notes: FN 2(REV) and FN 1(DHS).

Co-Chair MacKinnon announced that amendments were due the following day by noon.

SB 83 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT  
2:05:29 PM

The meeting was adjourned at 2:05 p.m.