

1 IN THE HOUSE

BY GRUENING

CS HOUSE BILL NO. 1 (Sim.) am S

2
3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the termination, continuation, or
7 reestablishment of certain agencies, boards and commis-
8 sions, and establishing a procedure for zero-base
9 periodic review and evaluation of their programs and
10 activities."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The legislature finds that the substantial increase in the
13 number of state agencies, boards and commissions, and the proliferation of
14 rules and regulations which each has adopted have contributed to a public
15 disenchantment with the operation of state government, and that there is need
16 for an effective and regular system of scrutiny of the programs and activi-
17 ties of all agencies, boards and commissions. The legislature further finds
18 that the establishment of a system for periodic review by the public and the
19 executive and legislative branches of certain state agencies, boards and
20 commissions will help the governor and the legislature to determine the need
21 for the continued existence of each of the agencies, boards and commissions.

22 * Sec. 2. AS 44 is amended by adding a new chapter to read:

23 CHAPTER 66. REVIEW OF THE ACTIVITIES OF
24 AGENCIES, BOARDS AND COMMISSIONS.

25 Sec. 44.66.010. TERMINATION OF STATE AGENCIES, BOARDS AND COM-
26 MISSIONS. (a) Boards and commissions listed in this subsection expire
27 on July 1, 1978:

- 28 (1) Board of Chiropractic Examiners (AS 08.20.010);
29 (2) Board of Dental Examiners (AS 08.36.010);

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- 1 (3) State Medical Board (AS 08.64.010);
- 2 (4) Board of Nursing (AS 08.68.010);
- 3 (5) Board of Dispensing Opticians (AS 08.71.010);
- 4 (6) Board of Examiners in Optometry (AS 08.72.010);
- 5 (7) Board of Pharmacy (AS 08.80.010);
- 6 (8) Board of Psychologist and Psychological Associate
- 7 Examiners (AS 08.86.010);
- 8 (9) Board of Veterinary Examiners (AS 08.98.010);
- 9 (10) Board of Nursing Home Administrators (AS 08.70.010);
- 10 (11) Physical Therapy Board (AS 08.84.010);
- 11 (12) Alaska State Board of Public Accountancy (AS 08.04.010);
- 12 (13) Board of Barber Examiners (AS 08.12.010);
- 13 (14) Collection Agency Board (AS 08.24.011);
- 14 (15) Board of Hairdressing and Beauty Culture Examiners
- 15 (AS 08.28.010);
- 16 (16) Board of Electrical Examiners (AS 08.40.010);
- 17 (17) State Board of Registration for Architects, Engineers and
- 18 Land Surveyors (AS 08.48.011);
- 19 (18) Guide Licensing and Control Board (AS 08.54.010);
- 20 (19) Board of Marine Pilots (AS 08.62.010);
- 21 (20) Real Estate Commission (AS 08.88.011);
- 22 (21) Board of Welding Examiners (AS 08.99.010).

23 (b) Boards and commissions listed in this subsection expire on
24 July 1, 1979:

- 25 (1) Commission on the Administration of Justice (AS 44.19.-
- 26 746);
- 27 (2) Alaska Police Standards Council (AS 18.65.140);
- 28 (3) State Board of Parole (AS 33.15.010);
- 29 (4) Violent Crimes Compensation Board (AS 18.67.020);

- 1 (5) Alaska Public Utilities Commission (AS 42.05.010);
- 2 (6) Alaska Transportation Commission (AS 42.07.011);
- 3 (7) Alaska Public Offices Commission (AS 15.13.020);
- 4 (8) Vocational Educational Advisory Council (P.L. 91-576);
- 5 (9) Alaska Public Broadcasting Commission (AS 14.58.010);
- 6 (10) Professional Teaching Practices Commission (AS 14.20.380)
- 7 (11) Western Interstate Commission for Higher Education
- 8 (AS 14.40.690);
- 9 (12) Advisory Council on Libraries (P.L. 91-600);
- 10 (13) Education Commission of the States (AS 14.40.700);
- 11 (14) Alaska Commission on Postsecondary Education (AS 14.40.-
- 12 903);
- 13 (15) Alaska Historical Commission (AS 44.19.010);
- 14 (16) Alaska State Council on the Arts (AS 44.19.900);
- 15 (17) State Personnel Board (AS 39.25.060);
- 16 (18) Public Employees Retirement Board (AS 39.35.030);
- 17 (19) State Labor Relations Agency (AS 23.40.250);
- 18 (20) Alaska Teachers' Retirement Board (AS 14.25.035);
- 19 (21) Board of Governors of the Alaska Bar Association
- 20 (AS 08.08.040).

21 (c) Boards and commissions listed in this subsection expire on
22 July 1, 1980:

- 23 (1) Comprehensive Health Advisory Council (AS 18.07.020);
- 24 (2) Developmental Disabilities Planning and Advisory Council
- 25 (P.L. 91-517);
- 26 (3) Emergency Medical Services Committee (AS 18.07.040);
- 27 (4) Medical Indemnity Corporation of Alaska (AS 21.88.030);
- 28 (5) Occupational Safety and Health Review Board (AS 18.60.-
- 29 057);

- 1 (6) Alaska Manpower Planning Council (Executive Order 11422);
- 2 (7) Alaska Manpower Services Council (Executive Order 11422);
- 3 (8) Equal Employment Opportunity Commission (Administrative
- 4 Order 24);
- 5 (9) Office of Child Advocacy (AS 47.50.020);
- 6 (10) Advisory Board on Alcoholism (AS 47.37.060);
- 7 (11) Advisory Board on Drug Abuse (AS 44.29.010);
- 8 (12) Advisory Committee on the Aging (P.L. 93-29);
- 9 (13) Alaska Pioneers Home Advisory Board (AS 44.21.100);
- 10 (14) Employment Security Advisory Council (AS 23.20.025);
- 11 (15) Workmen's Compensation Board (AS 23.30.005);
- 12 (16) Commission on the Employment of the Physically Handi-
- 13 capped (AS 23.15.220);
- 14 (17) State Commission for Human Rights (AS 18.80.010);
- 15 (18) Community Mental Health Services Advisory Council
- 16 (AS 47.30.605);
- 17 (19) Athletic Commission (AS 05.05.010);
- 18 (20) Rural Affairs Commission (AS 44.19.720).

19 (d) Boards and commissions listed in this subsection expire on
20 July 1, 1981:

- 21 (1) Commission on the Conference of the Law of the Sea
- 22 (AS 44.19.789);
- 23 (2) Alaska King Crab Marketing and Quality Control Board
- 24 (AS 18.90.040);
- 25 (3) Pacific Marine Fisheries Commission (AS 16.45.030);
- 26 (4) Fishermen's Fund Advisory and Appeals Council (AS 23.35.-
- 27 010);
- 28 (5) Board of Soil Conservation (AS 41.10.040);
- 29 (6) Water Resources Board (AS 46.15.190);

- 1 (7) Royalty Oil and Gas Development Advisory Board
- 2 (AS 38.06.020);
- 3 (8) Historic Sites Advisory Committee (AS 41.35.120);
- 4 (9) Environmental Advisory Board (AS 44.46.030);
- 5 (10) Commercial Fisheries Entry Commission (AS 16.43.020);
- 6 (11) Alaska Pipeline Commission (AS 42.06.020);
- 7 (12) State Assessment Review Board (AS 43.56.040);
- 8 (13) Yukon-Taiya Commission (AS 44.20.010);
- 9 (14) Alaska Growth Policy Council (Executive Order 26);
- 10 (15) Tourism Advisory Board (AS 44.33.190);
- 11 (16) State Investment Advisory Committee (AS 37.10.060);
- 12 (17) Alaska State Development Commission (AS 44.59.010);
- 13 (18) Alcoholic Beverage Control Board (AS 04.05.010);
- 14 (19) Alaska Municipal Bond Bank Authority (AS 44.58.020);
- 15 (20) Alaska Small Business Development Corporation (AS 44.-
- 16 60.020);
- 17 (21) Alaska State Housing Authority (AS 18.55.020);
- 18 (22) Alaska Housing Finance Corporation (AS 18.56.020).

19 (e) Upon termination, each agency, board or commission shall con-
20 tinue in existence until July 1 of the next succeeding year for the
21 purpose of concluding its affairs. Termination or dissolution shall not
22 reduce or otherwise limit the powers of the agency, board or commission.
23 One year after termination or dissolution each agency, board or commis-
24 sion shall cease all activities.

25 Sec. 44.66.020. CONTINUATION OR REESTABLISHMENT OF AGENCIES,
26 BOARDS AND COMMISSIONS. An agency, board or commission scheduled for
27 termination or dissolution under sec. 10 of this chapter may be con-
28 tinued or reestablished by the legislature for a period not to exceed
29 four years. A newly created agency, board or commission shall have a

1 life not to exceed four years and shall be subject to the provisions of
2 this chapter.

3 Sec. 44.66.030. LEGISLATIVE OVERSIGHT. (a) Before the termina-
4 tion, dissolution, continuation or reestablishment of an agency, board
5 or commission, a committee of reference of each house, which shall be
6 the standing committee of legislative jurisdiction as provided in the
7 Uniform Rules of the Legislature, shall hold one or more hearings to
8 receive testimony from the public, the commissioner of the department
9 having administrative responsibility for each named agency, board or
10 commission, and the members of the board or commission involved. The
11 committee shall also consider the proposed budget of the agency, board
12 or commission, prepared in accordance with AS 37.07.050(f), and the
13 performance audit of the activities of the agency, board or commission
14 prepared by the division of legislative audit as prescribed in AS 24.20.
15 271(9). The committee may consider any other report of the activities
16 of the agency, board or commission, including but not limited to annual
17 reports, summaries prepared by the Legislative Affairs Agency, and any
18 evaluation or general report of the manner of conduct of activities of
19 the agency, board or commission prepared by the office of the ombudsman.

20 (b) During a public hearing, the agency, board or commission shall
21 have the burden of demonstrating a public need for its continued
22 existence and the extent to which any change in the manner of exercise
23 of its functions or activities may increase its efficiency of adminis-
24 tration or operation consistent with the public interest.

25 (c) A determination as to whether an agency, board or commission
26 has demonstrated a public need for its continued existence shall take
27 into consideration the following factors:

28 (1) the extent to which the agency, board or commission has
29 operated in the public interest;

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(2) the extent to which the operation of the agency, board or commission has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters;

(3) the extent to which the agency, board or commission has recommended statutory changes which are generally of benefit to the public interest;

(4) the extent to which the agency, board or commission has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided;

(5) the extent to which the agency, board or commission has encouraged public participation in the making of its regulations and decisions;

(6) the efficiency with which public inquiries or complaints regarding the activities of the agency, board or commission filed with it, with the department to which the board or commission is administratively assigned, or with the office of the ombudsman have been processed and resolved;

(7) the extent to which an agency, board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public;

(8) the extent to which state personnel practices, including affirmative action requirements, have been complied with by the agency, board or commission as to its own activities and the area of activity or interest; and

(9) the extent to which changes are necessary in the enabling laws of the agency, board or commission, regulations which it has adopted, budgetary, resource, or personnel matters, to enable the agency,

1 board or commission to better serve the interests of the public and to
2 comply with the factors enumerated in this subsection.

3 (d) As to each agency, board or commission assigned to it for
4 purposes of review, the committee of reference shall, not later than the
5 60th day of the legislative session, submit a report to the presiding
6 officer of the house. The report shall contain a summary of the find-
7 ings of the committee as to the compliance of the agency, board or com-
8 mission with the factors enumerated in (c) of this section, together
9 with a summary or recommendations of the committee as to each of the
10 following:

11 (1) an identification of the problems or the needs that the
12 programs and activities of the agency, board or commission are intended
13 to address;

14 (2) a statement, to the extent practicable, of the objectives
15 of the program and its anticipated accomplishments;

16 (3) an identification of any other programs having similar,
17 conflicting or duplicate objectives;

18 (4) an assessment of alternative methods of achieving the
19 purposes of the program;

20 (5) an assessment of the consequences of eliminating the
21 program, of consolidating it with another program, or of funding it at a
22 lower level;

23 (6) a justification for the recommended continuation of the
24 agency, board or commission, and an explanation of the manner in which
25 it avoids duplication of or conflict with other efforts; and

26 (7) any other information which, in the opinion of the com-
27 mittee, would improve the performance of the agency, board or commission
28 with respect to its representation of and responsiveness to the public
29 interest.

1 (e) The committee of reference may introduce a bill providing for
2 the reorganization or continuation of the entire agency, board or
3 commission, or any subdivision of it. No more than one agency, board or
4 commission shall be continued or reestablished in any legislative bill,
5 and the agency, board or commission shall be mentioned in the title of
6 the bill.

7 Sec. 44.66.040. EXISTING CLAIMS. This chapter shall not cause the
8 termination or dismissal of a claim or right of a citizen against the
9 agency, board or commission terminated under this chapter which is sub-
10 ject to litigation. Claims and rights shall be assumed by the depart-
11 ment to which the board or commission terminated under this chapter was
12 attached for administrative purposes or by the Office of the Governor in
13 the case of termination of an agency.

14 * Sec. 3. AS 24.20.271(1) is amended to read:

15 (1) perform an audit, complete with a written report, at
16 least once every three years on the books and accounts of every depart-
17 ment, institution, bureau, board, commission or other agency of state
18 government, except agencies, boards and commissions subject to the
19 provisions of AS 44.66.010 - 44.66.030;

20 * Sec. 4. AS 24.20.271 is amended by adding a new paragraph to read:

21 (9) conduct a performance post-audit at least once every four
22 years of each agency, board or commission listed in AS 44.66.010, and
23 submit the audit, together with a written report, not later than the
24 first day of the regular session of the legislature convening in each
25 year set out with reference to an agency, board or commission whose
26 activities are subject to termination as prescribed in AS 44.66.010.

27 * Sec. 5. AS 37.07.050 is amended by adding a new subsection to read:

28 (f) As to budget requests to carry out their programs and activi-
29 ties for the fiscal year following termination under AS 44.66.010,

1 agencies, boards and commissions identified in that section shall
2 prepare and submit a recommended appropriation request, including but
3 not limited to the following:

4 (1) an identification of the objectives intended for the
5 program and the problem or need which the activities and operations of
6 the agency, board or commission was intended to address;

7 (2) an assessment of the degree to which the original objec-
8 tives of the program have been achieved expressed in terms of perfor-
9 mance, effects, or accomplishments of the program and of the program or
10 need which it was intended to address;

11 (3) a statement of the performance and accomplishments of the
12 program in each of the last four completed fiscal years and of the costs
13 incurred in the operation of the program;

14 (4) a statement of the number and types of persons affected
15 by operation of the program;

16 (5) a summary statement, for each of the last three completed
17 fiscal years, of the number of personnel employed in carrying out the
18 program and a summary of the cost of personnel employed under contract
19 in carrying out the program;

20 (6) an assessment of the effect of the program on the economy
21 of the state;

22 (7) an assessment of the degree to which the overall policies
23 of the program, as expressed in regulations adopted by the agency, board
24 or commission and its decisions, meet the objectives of the legislature
25 in establishing the program; and

26 (8) an analysis of the services and performance estimated to
27 be achieved if the life of the agency, board or commission were to be
28 continued.
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