

H B

251

HB 251 File Contents

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M E M O R A N D U M

TO; All Members, House Labor and Commerce Committee

FROM: Roger Poppe, Committee Staff

DATE: March 7, 1985

SUBJECT: Overview, HB 251

On Thursday, March 7, 1985, the House Labor and Commerce Committee met in Room 102 Capitol Building at 1:15-2:45 pm on HB 251: An Act extending the termination date of the Board of Veterinary Examiners.

There was no previous legislation on this last year. The last extension of the Board took place in 1980. There is no companion legislation in the Senate so far this year.

The LB & A report in your file recommends extension of the Board, and conclude that the Board should be extended, with no recommendations as to adjustments to make, which is a glowing recommendation in their terms.

They brought in more in revenues through fee charges than there were expenditures, so the Board is paying its own way currently. The Committee may wish to establish how many members they serve and what sort of activities they engage in at their board meetings.

Dr. Val Stuve, the Chairman of the Board, will try to provide input and be available for questions at the Fairbanks LIO if he can get away from his busy surgery schedule. If not, Dr. Paula Tuomi, a member of the Board in Anchorage, will try to be at the LIO site in Anchorage to answer questions if she can get time off from treating some of the dogs in the Iditarod race.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Cross references. — As to constitutionality of ch. 102, SLA 1979, see notes to AS 09.55.536 and Alaska Const. art. II, § 14.

Chapter 03. Termination, Continuation and Reestablishment of Regulatory Boards.

<p>Section 10. Termination dates for regulatory boards</p>	<p>Section 20. Procedures governing termination, transition and continuation</p>
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Cross references. — As to review of the activities of agencies, boards and commissions, see AS 44.66.010 et seq.

Sec. 08.03.010. Termination dates for regulatory boards. Boards listed in this subsection have a termination date of June 30, 1979:

- (1) Repealed by § 3 ch 36 SLA 1980.
- (2) Repealed by § 3 ch 40 SLA 1980.
- (3) Repealed by § 3 ch 87 SLA 1980.
- (4) Repealed by § 3 ch 74 SLA 1979.
- (5) Repealed by § 3 ch 39 SLA 1980.
- (6) Repealed by § 3 ch 37 SLA 1980.
- (7) Repealed by § 3 ch 38 SLA 1980.
- (8) Repealed by § 3 ch 41 SLA 1980.
- (9) Repealed by § 3 ch 67 SLA 1980.
- (10) Repealed by § 2 ch 43 SLA 1980.
- (11) Repealed by § 3 ch 42 SLA 1980.

(b) Boards listed in this subsection have a termination date of June 30, 1980:

- (1) Repealed by § 15 ch 82 SLA 1980.
- (2) Repealed by § 5 ch 159 SLA 1980.
- (3) Collection Agency Board (AS 08.24.011) (obsolete);
- (4) Repealed by § 5 ch 159 SLA 1980.
- (5) Repealed by § 11 ch 71 SLA 1980.
- (6) Repealed by § 7 ch 72 SLA 1980.
- (7) Repealed by § 2 ch 53 SLA 1981.
- (8) Repealed by § 8 ch 143 SLA 1980.
- (9) Repealed by § 42 ch 167 SLA 1980.
- (10) Repealed by § 2 ch 153 SLA 1980.
- (11) Repealed by § 13 ch 52 SLA 1981.

(c) The following boards have the termination date provided by this subsection:

- (1) Board of Nursing (AS 08.68.010) — June 30, 1983.
- (2) Board of Chiropractic Examiners (AS 08.20.010) — June 30, 1984.

- (3) Board of Examiners in (1984).
- (4) Board of Pharmacy (AS (1984).
- (5) Board of Dispensing Opticians (1984).
- (6) Board of Dental Examiners (1984).
- (7) Board of Veterinary Examiners (1984).
- (8) State Physical Therapy Board (1984).
- (9) Board of Nursing Home Administrators (1984).
- (10) Board of Psychologists (AS 08.86.010) — June 30, 1984.
- (11) State Medical Board (AS 08.86.010) — June 30, 1984.
- (12) Board of Marine Pilots (1984).
- (13) Board of Welding Examiners (obsolete).
- (14) Board of Electrical Examiners (1984).
- (15) State Board of Registration of Surveyors (AS 08.48.011) — June 30, 1984.
- (16) Board of Barbers and Hairdressers (1984).
- (17) Board of Public Accountants (1984).
- (18) Real Estate Commission (1984).
- (19) Board of Governors of the State (08.08.040) — June 30, 1985.
- (20) Guide Licensing and Control (1982).
- (d) Repealed by § 3 ch 74 SLA 1979; am §§ 1, 3 ch 38 SLA 1980; am §§ 1, 3 ch 40 SLA 1980; am §§ 1, 2 ch 43 SLA 1980; am §§ 6, 7 ch 71 SLA 1980; am §§ 1, 3 ch 87 SLA 1980; am §§ 2, 5 ch 153 SLA 1980; am §§ 1, 13 ch 52 SLA 1981; am § 1 ch 28 SLA 1982; am § 1 ch 28 SLA 1982).

Revisor's notes. — Subsection (c) is rearranged by the revisor of statutes pursuant to AS 01.05.031 to conform to a logical arrangement of the subject matter.

Cross references. — For present provisions covering the subject matter of this section (c) as it read prior to the amendment and of former subsections (d) and (e), see AS 08.03.020.

- (3) Board of Examiners in Optometry (AS 08.72.010) — June 30, 1984.
- (4) Board of Pharmacy (AS 08.80.010) — June 30, 1984.
- (5) Board of Dispensing Opticians (AS 08.71.010) — June 30, 1985.
- (6) Board of Dental Examiners (AS 08.36.010) — June 30, 1986.
- (7) Board of Veterinary Examiners (AS 08.98.010) — June 30, 1985.
- (8) State Physical Therapy Board (AS 08.84.010) — June 30, 1986.
- (9) Board of Nursing Home Administrators (AS 08.70.010) — June 30, 1986.
- (10) Board of Psychologist and Psychological Associate Examiners (AS 08.86.010) — June 30, 1982.
- (11) State Medical Board (AS 08.64.010) — June 30, 1983.
- (12) Board of Marine Pilots (AS 08.62.010) — June 30, 1983.
- (13) Board of Welding Examiners (AS 08.99.010) — June 30, 1981 (obsolete).
- (14) Board of Electrical Examiners (AS 08.40.010) — June 30, 1986.
- (15) State Board of Registration for Architects, Engineers, and Land Surveyors (AS 08.48.011) — June 30, 1984.
- (16) Board of Barbers and Hairdressers (AS 08.13.010) — June 30, 1984.
- (17) Board of Public Accountancy (AS 08.04.010) — June 30, 1984.
- (18) Real Estate Commission (AS 08.88.011) — June 30, 1986.
- (19) Board of Governors of the Alaska Bar Association (AS 08.08.040) — June 30, 1985.
- (20) Guide Licensing and Control Board (AS 08.54.010) — June 30, 1982.
- (d) Repealed by § 3 ch 74 SLA 1979.
- (e) Repealed by § 3 ch 74 SLA 1979. (§ 2 ch 149 SLA 1977; am §§ 1, 3 ch 74 SLA 1978; am §§ 1, 3 ch 36 SLA 1980; am §§ 1, 3 ch 37 SLA 1980; am §§ 1, 3 ch 38 SLA 1980; am §§ 1, 3 ch 39 SLA 1980; am §§ 1, 3 ch 40 SLA 1980; am §§ 1, 3 ch 41 SLA 1980; am §§ 1, 3 ch 42 SLA 1980; am §§ 1, 2 ch 43 SLA 1980; am §§ 1, 3 ch 67 SLA 1980; am §§ 10, 11 ch 71 SLA 1980; am §§ 6, 7 ch 72 SLA 1980; am §§ 2, 15 ch 82 SLA 1980; am §§ 1, 3 ch 87 SLA 1980; am §§ 7, 8 ch 143 SLA 1980; am §§ 1, 2 ch 153 SLA 1980; am §§ 2, 5 ch 159 SLA 1980; am §§ 41, 42 ch 167 SLA 1980; am §§ 1, 13 ch 52 SLA 1981; am §§ 1, 2 ch 53 SLA 1981; am § 1 ch 28 SLA 1982; am § 1 ch 60 SLA 1982; am § 1 ch 96 SLA 1982)

Revisor's notes. — Subsection (c) was rearranged by the revisor of statutes pursuant to AS 01.05.031 to conform to a logical arrangement of the subject matter.

Cross references. — For present provisions covering the subject matter of subsection (c) as it read prior to the 1979 amendment and of former subsections (d) and (e), see AS 08.03.020.

Effect of amendments. — The 1979 amendment repealed paragraph (4) of subsection (a), which read: "Board of Nursing (AS 08.68.010)," rewrote subsection (c), and repealed subsections (d) and (e), which read: "The termination, dissolution, continuation or reestablishment of a regulatory board shall be governed by the legislative oversight procedures of AS

BOARD: VETERINARY EXAMINERS, BOARD OF

TITLE: Board of Veterinary Examiners

DEPT: Department of Commerce and Economic Development

AUTHORITY: AS 08.98.010

STATUS: 85/06/30

REQUIREMENTS: LEGISLATIVE CONFIRMATION

PROHIBITIONS: Cannot serve more than two successive complete terms

TERM: 4-year - staggered

DESCRIPTION: 5 members appointed by Governor: 4 licensed veterinarians in active practice in Alaska for 5 years; plus 1 public member; no person may serve who is, or was during the two years immediately preceding appointment, a member of a faculty, board of trustees, or advisory board of a veterinary school.

SPECIAL FACTS: May be removed for cause; quorum - majority

FUNCTION: Regulates and controls applications, licenses, and permits of veterinarians

COMPENSATION: Standard travel/per diem

MEETINGS: At least 3 annually; normally 3 times per year, 3 days maximum, plus 2-4 work sessions

*FOR FURTHER INFORMATION CONTACT: Licensing Examiner, Division of Occupational Licensing, Dept. of Commerce and Economic Development, Pouch D, Juneau, AK 99811 - 465-2544

Veterinary Examiners

<u>MEMBER</u>	<u>APPT</u>	<u>REAPPT</u>	<u>TERM</u>
Stephen A. Mersch, DVM P.O. Box 2170 Soldotna 99669 Veterinarian	84/03/30		87/01/31
Vern R. Starks, DVM Route 1, Bcx 863 Ketchikan 99901 Veterinarian	81/05/06		85/01/31
Val D. Stuve, DVM 1651 College Road Fairbanks 99701 Veterinarian - Chair	82/01/75		86/01/31
Pamela A. Tuomi, DVM 2036 E. Northern Lights Anchorage 99504 Veterinarian	80/04/01	84/04/09	88/01/31
Ray Preston 4990 Thane Road Juneau 99801 Public	85/01/31		88/01/31

A SPECIAL REPORT ON THE
SUNSET PROCESS IN ALASKA

September, 1977 - May, 1984

STATE OF ALASKA

AUDIT DIVISION
POUCH W
JUNEAU, ALASKA 99811

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

May 18, 1984

Members of the
Legislative Budget and Audit Committee:

In accordance with a special request of the Legislative Budget and Audit Committee and Title 24 of the Alaska Statutes, the attached report is submitted for your review.

A SPECIAL REPORT ON THE
SUNSET PROCESS IN ALASKA

September, 1977 - May, 1984



Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

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PURPOSE OF THE REPORT

In accordance with a special request of the Legislative Budget and Audit Committee and Title 24 of the Alaska Statutes, this special report has been prepared to document the Sunset experience in Alaska and to gather information about Sunset results in other states.

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THE SUNSET EXPERIENCE

In 1977 the Alaska Legislature created Alaska's Sunset law which was patterned after the Colorado Sunset legislation. The design of Alaska's Sunset law provides legislative scrutiny of all programs and activities of the State. While most other states' Sunset laws only addressed boards and commissions, Alaska's law is comprehensive. It includes in addition to boards and commissions, all State programs.

The process in Alaska provides for the programs, boards, and commissions selected by the legislature to be reviewed by the legislature at least every four years, unless established for a shorter period of time. The Division of Legislative Audit provides a performance review of all agencies selected by the legislature for Sunset.

Since inception of the Alaska Sunset process in 1977, the legislature has reviewed 47 agencies. The Legislative Auditor has recommended termination of 12 boards or commissions. The Legislature has terminated two of the these boards and merged two others (see Appendix A).

Alaska is a young state and therefore has fewer old boards and commissions for which there is not a demonstrated public need. Nationwide, 35 states have adopted Sunset legislation in which approximately 1676 Sunset reviews have taken place. Of these, 283 (17%) boards, commissions, or agencies were terminated.

Benefits From Sunset Reviews - Nationwide

Although some have viewed termination of State entities as the measure of success of Sunset, the main benefits, according to a nationwide survey made by Common Cause The Status of Sunset In The States, have been to make government more efficient and more responsive and accountable to the public. Of the 1676 entities reviewed, 17% were terminated because no public purpose was being served. In 83% of the reviews conducted nationwide, modifications were needed in order to improve efficiency. In addition, 68% of the states surveyed believed the principle benefits were increased public accountability and efficiency. Furthermore, 56% believed increased legislative experience and interest in the oversight work was a major accomplishment in the Sunset implementation.

Alaskan Experience

Alaska's experience has paralleled that of other states. The process has not resulted in significant cost savings, but as the result of legislative reviews, the agencies', boards', and commissions' operations have become more effi-

1. See Footnotes, Appendix B, Page 10

cient and the entities are more aware and responsive to the public needs. They have also become more cognizant of their responsibilities for self-evaluation and have made improvements not required by the legislature. In addition, recommendations for improvements in the entities' efficiency and effectiveness, made by the legislature and auditors, have either been fully or partially implemented. Therefore, improvements in the existing programs have been more beneficial than the cost savings from terminating State programs or boards. Some of the improvements observed are as follows:

1. The number of State boards and licensed professionals has not increased. The legislature has used the Sunset experience to curb the growth of boards and commissions.
2. Legislative reviews have eliminated a number of self-serving regulations and practices. This has resulted in improved availability of services, the elimination of price protections, and the heightened awareness on the part of boards that what is in the public's best interest is not necessarily what the professions would like to see occur.
3. Investigations of licensure violation by the professionals has improved. Investigations are ranked according to possible harm to the public, and those which could cause the most harm are given priority. Prior to the Sunset review, the investigations of licensure violations or incompetent practices of professionals was almost nonexistent.
4. The legislative examination of programs under the Sunset law resulted in significant changes in the inspection programs in Alaska. Three programs were merged under one department, and the mission of the other was greatly changed.

Problems with Implementing Sunset

Although most states have expressed favorable reactions to Sunset laws, there have been some common complaints about the process. Again, citing the Common Cause report The Status of Sunset in the States, March 1982, 50% of the 35 states surveyed believed the major problem with Sunset involved the amount of time spent by legislators in preparing for and conducting public hearings; 35% cited the fact that response to the public hearing consisted of licensed professionals lobbying for benefits to them; and 29% believed the costs involved were too high compared to the benefits.

2. See Footnotes, Appendix B, Page 10

In Alaska and other states, attempts have been made to include the participation of the public. Very few hearings are well attended by other than licensed professionals. Solutions to this complaint have included appointing public members to the boards. This method has gained nationwide acceptance. In Alaska, almost all boards have at least two public members.

In addition, some legislators have held meetings after regular working hours in an attempt to make hearings more accessible to the general public. According to states that have tried this, there has been an increase in public attendance.

Concerns about the cost of Sunset in Alaska do have some merit. There have been little direct savings in State expenditures due to Sunset. However, due to the type of programs reviewed, little savings could have resulted. Most reviews have been of professional licensing boards which, in some cases, provide more revenue to the State through license fees than it costs to support the board. Also, even if a board is terminated, the registration of licensees is oftentimes retained so the greatest cost, administrative expense, continues.

Recommendation For The Future

We believe the Alaska Sunset law is an important Legislative tool which should be retained. Although the law may have been over-used in some cases, it is valuable in that it provides a formal process for legislative oversight. The following are reasons why we believe such oversight is valuable:

1. Whenever legislative authority is delegated to an appointed regulatory entity, oversight should be maintained and pursued to ensure the welfare of the public is safeguarded. Due to the very nature of the regulatory agencies, they do not demand the budgetary or audit attention that the high cost programs do. In addition, the interests of regulated professional groups may differ from the public's interest. Thus, Sunset review may be the only consistent method of ensuring public accountability.
2. Sunset reviews have provided a forum for evaluation of governmental entities on the basis of public need and a method to improve the efficiency of government. A pending legislative Sunset review encourages governmental entities to make voluntary improvements and implement legislative intent.

We believe that modification to the Alaska Sunset law and procedures would help make the Sunset process a more effective legislative tool.

1. AS 44.66.020 -.030 should be repealed as these statutes are no longer applicable. This portion of the Sunset statutes sets out provisions for the termination of programs selected by the legislature. However, there were no programs selected for Sunset under these provisions. As a result, according to legislative counsel, the times such programs could be selected was mandatory, and this portion of the statute is no longer in force.
2. The legislature should consider amending the Sunset legislation for the selection of agencies or programs to be reviewed. The Sunset law does not increase the powers of the legislature, and in fact, may reduce them in that it gives the Governor the right to veto proposed Sunset bills. The legislature could select a program or agency for consideration under Sunset by resolution. The Division of Legislative Audit could then perform a performance audit of the entity, at the direction of the Budget and Audit Committee.

The Sunset process can be an effective tool to examine in detail the performance and need of a government entity not just for the termination of an agency. We believe the Sunset process could be useful in the following areas:

1. When the legislature creates a new program or agency they can provide for a Sunset review after a period of time. In this way, the legislature has a formal method of ensuring that the new State program will function as envisioned when created. The legislature used this method in creating the Litter Program. As a result, the auditors found that program personnel were very aware of the need to perform in accordance with legislative intent.
2. A program or agency could be selected for a Sunset review when there is a substantial change in the funding or purpose of a program or agency, or if it is believed the entity has not complied with prior legislative intent. We have found that the process of selecting a program for a Sunset review heightens the entity's awareness of its purpose and legislative intent, even when the possibility for termination is marginal. There are almost always improvements in effectiveness and responsiveness to the public's needs which can be made by the government entity. In addition, the legislature has a formal method of ensuring the the State entity or program is performing their duties as planned.

3. The Sunset process can also be useful in eliminating duplicative programs or services, and excessive management. There is a recognized tendency for the management within any large organization to build up over time. As a result, programs can duplicate existing programs, or programs are retained in-house when they could be better performed by contracting with outside sources, and organization structures tend to increase in the number of managers and support services.

The legislature should increase the number of years for which a board is re-established, from four years to six or eight years for the following reasons:

1. Most boards and commissions under AS 08.03.010 have been through the review cycle twice since Sunset was enacted in 1977 and, in most cases, public need has been established. Boards are now cognizant of the review process and are more likely to perform their duties in a more efficient manner.
2. Increasing the number of years between reviews would decrease the cost to the State not only in direct costs of performing the reviews, but also in the time consumed by legislators in their oversight functions. Alaska's review cycle of four years is one of the shortest of all states. Most states' review cycle ranges from six to ten years.
3. Authority exists under Title 24.20 to request performance reviews of any program under 08.03 or 44.66 if the legislature believes evaluation is necessary prior to the regular Sunset review cycle.

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APPENDIX A
 STATE OF ALASKA
 SENATE REPORT
 HOUSE OF REPRESENTATIVES AND SENATE

Agency	Original Termination Date	Legislative Action Recommendation and Report Date	Disposition of Unexpended Commodity Assets	Legislative Action Taken and SIA Reference	1st Revised Termination Date	Legislative Audit Recommendation and Report Date	Disposition of Unexpended Commodity Assets	Legislative Action Taken and SIA Reference	2nd Revised Termination Date	Legislative Audit Recommendation and Report Date	Disposition of Unexpended Commodity Assets	Legislative Action Taken and SIA Reference	3rd Revised Termination Date	
CIVIL SERVICE	Board of Professional Engineers	4/30/79	Terminate 10/14/79	Continue	Cont'd Ch. 36 SIA 80	4/30/86	Continue 2/26/81	Continue (Note 1)						
	Director General Engineers	4/30/79	Continue 8/6/79	Continue	Cont'd Ch. 40 SIA 80	4/30/82	Continue 1/11/81	Continue	Cont'd Ch. 28 SIA 82	4/30/86				
	State Council of Engineers	4/30/79	Continue 10/30/79	Continue	Cont'd Ch. 87 SIA 80	4/30/81	Continue 1/4/82	Continue	Cont'd Ch. 48 SIA 83	4/30/87				
	Board of Surveyors	4/30/79	Continue 10/26/79	Continue	Cont'd Ch. 24 SIA 79	4/30/83	Continue 1/23/82	Continue	Cont'd Ch. 9 SIA 83	4/30/87				
	Board of Professional Architects	4/30/79	Terminate 11/21/79	Terminate	Cont'd Ch. 39 SIA 80	4/30/85								
	Board of Professional Land Surveyors	4/30/79	Continue 11/21/79	Terminate	Cont'd Ch. 37 SIA 80	4/30/86	Continue 2/28/81	Continue (Note 2)						
	Board of Professional Geologists	4/30/79	Continue 11/21/79	Continue	Cont'd Ch. 38 SIA 80	4/30/86	Continue 2/28/81	Continue (Note 2)						
	Board of Professional Engineers	4/30/79	Continue 10/31/79	Terminate	Cont'd Ch. 47 SIA 80	4/30/82	Terminate 8/17/81	Indeterminate	Cont'd Ch. 29 SIA 83	4/30/87				
	Board of Professional Administrators	4/30/79	Terminate 10/20/79	Terminate	Cont'd Ch. 41 SIA 80	4/30/86								
	Board of Professional Architects	4/30/79	Continue 10/20/79	Continue	Cont'd Ch. 42 SIA 80	4/30/86								
	Board of Professional Engineers	4/30/79	Continue 10/20/79	Continue	Cont'd Ch. 87 SIA 80	4/30/86	Review Contracted							
	Board of Professional Geologists	4/30/79	Terminate 1/21/79	Terminate	Cont'd Ch. 35 SIA 80	4/30/86	Terminate 2/28/83	Terminate	(Note 2)					
	Board of Professional Land Surveyors	4/30/79	Terminate 1/21/79	Terminate	Allowed to Terminate									
	Board of Professional Engineers	4/30/79	Terminate 6/11/79	Continue	Prized Ch. 159 SIA 80	With Review								
	Board of Professional Administrators	4/30/79	Terminate 5/21/79	Continue	Cont'd Ch. 21 SIA 80	4/30/82	Terminate 2/16/83	Terminate	Cont'd Ch. 40 SIA 82	4/30/86				
	Board of Professional Engineers	4/30/79	Continue 5/11/79	Continue	Cont'd Ch. 32 SIA 80	4/30/86	Continue 2/28/83	Continue	(Note 2)					
	Board of Professional Administrators	4/30/79	Continue 2/13/79	Continue	Cont'd Ch. 53 SIA 81	4/30/82	Continue 12/21/81	Indeterminate	Cont'd Ch. 11 SIA 83	4/30/86				
	Board of Professional Engineers	4/30/79	Continue 4/15/79	Continue	Cont'd Ch. 143 SIA 80	4/30/82	Continue 8/26/82	Continue	Cont'd Ch. 8 SIA 83	4/30/87				
	Board of Professional Geologists	4/30/79	Continue 4/10/79	Continue	Cont'd Ch. 147 SIA 80	4/30/82	Continue 4/26/81	Continue	Cont'd Ch. 94 SIA 82	4/30/86				
	Board of Professional Land Surveyors	4/30/79	Terminate 6/26/79	Terminate	Cont'd Ch. 153 SIA 80	4/30/81	Terminate 11/24/80	Continue	Allowed to Terminate					
CORPORATIONS	Board of Directors of the Alaska Bar Association	4/30/80	Re Audit	N/A	Cont'd Ch. 52 SIA 81	4/30/85								
	Alaska Electric Power and Control Board	4/30/79	Continue 11/20/79	N/A	Cont'd Ch. 86 SIA 80	4/30/81	Continue 9/26/80	N/A						
	Alaska Transportation Commission	4/30/79	Continue 10/24/79	N/A	Cont'd Ch. 185 SIA 80	4/30/83	Terminate 4/21/82	N/A	Cont'd Ch. 64 SIA 81	4/30/83	Continue 11/15/82	N/A	Cont'd Ch. 76 SIA 83	
	State Council of Engineers	4/30/80	Continue 5/26/79	N/A	Cont'd Ch. 31 SIA 81	4/30/82	Continue 12/21/81	N/A	Cont'd Ch. 74 SIA 83	4/30/85				
	Alaska Electric Generation Commission	4/30/80	Continue 4/21/79	N/A	Cont'd Ch. 136 SIA 80	4/30/85			Cont'd Ch. 20 SIA 83	4/30/85				
	Alaska Electric Generation and Transmission Commission	4/30/80	Repeal 2/11/80	N/A	Prized Ch. 110 SIA 81									
	Alaska Electric Power Corporation	4/30/80	Terminate 12/31/80	N/A										
	Alaska Electric Power Corporation	4/30/80	Terminate 11/1/81	N/A	Prized Ch. 142 SIA 82	4/30/82								
	Alaska Electric Power Corporation	4/30/80	Terminate 10/28/81	N/A	Cont'd Ch. 65 SIA 82	4/30/83								
	Alaska Electric Power Corporation	4/30/80												
	Alaska Electric Power Corporation	4/30/80												

Note 1 - Legislative Appropriations
 Note 2 - Legislative Review Report
 Note 3 - The Council will terminate June 30, 1984 unless reauthorized by the Legislature

No. of Audits Performed - 43
 No. of Boards Recommended for Termination - 12
 No. of Programs Terminated - 7

APPENDIX B

Footnotes

1. The Status of Sunset in the States: A Common Cause Report, Common Cause, March 1982. page 42.
2. ibit, page 43
3. ibit, page 43-44

The Status of Sunset in the States: A Common Cause Report, summary and recommendation follow. The complete report summarizes a questionnaire sent to states with Sunset laws. The questionnaire which allows comparisons between states is contained in the body of the report. We recommend anyone with interests in comparing the Alaska experience with other state's experiences read this report in conjunction with our report. Copies of this report are available upon request from the Division of Legislative Audit.

THE STATUS OF SUNSET IN THE STATES

SUMMARY

Sunset legislation -- which requires the periodic review of state agencies under the threat of automatic termination unless affirmatively recreated by law -- has triggered state governments' interest in legislative oversight and enhanced their ability to conduct it.

Since the enactment of the first Sunset law in Colorado in 1976, 35 states have passed Sunset laws. One-third of these states have taken action to expand their Sunset laws to apply to additional agencies and programs. As recently as December, 1981 Pennsylvania passed a Sunset law for the first time. Only one state, North Carolina, has formally abandoned the automatic termination provision which distinguishes Sunset from other forms of legislative oversight.

Most state Sunset laws embrace the principles suggested by Common Cause in 1976; however, current Sunset laws differ in the type and number of agencies they cover and in their approach to organizing and implementing Sunset reviews. (The Common Cause Sunset Principles are listed on page 2.)

The following conclusions are based on the results of a questionnaire completed by all 35 states with Sunset laws, on in-depth case studies of the Florida and Texas Sunset laws, and on research of individual state Sunset statutes and reports prepared by the Sunset evaluation staff. Our review has determined that Sunset is largely achieving its goal of helping to make government work better. However,

problems with Sunset laws do exist and will require skillful handling by those involved with the implementation of Sunset laws in the states.

THE BENEFITS OF SUNSET

1. Improvements in Government Performance - The results of the Common Cause survey indicate that two-thirds of the respondents from states with Sunset laws believe that increased agency efficiency and public accountability have been principle benefits of Sunset. Improvements have taken the form of major across-the-board reforms and specific recommendations applied to individual agencies.
2. Financial Savings - The purpose of Sunset is not to slash state budgets, but rather to improve agency performance and to free citizens from excessive regulation. Saving money and conducting Sunset are not mutually exclusive, however. In at least one-sixth of the states conducting Sunset reviews, legislators have been able to document savings.
3. Increased Legislative Experience In Conducting Oversight - Over half of the states with Sunset laws stated in the Common Cause questionnaire that increased legislative experience and interest in legislative oversight have been important benefits of Sunset. A positive outcome of this experience is the emergence of state government officials who are competent and often innovative leaders in the emerging area of oversight.

PROBLEMS WITH SUNSET

1. False Expectations About What Sunset Can Do - States continue to look for an instant reduction in the size of state government. The number of agency terminations is the wrong yardstick of success for Sunset. Further, state legislatures expect to see instant dollar savings from Sunset. Since most states began Sunset reviews with the examination of regulatory agencies, massive savings were never possible. However, a number of states are beginning to achieve significant savings, particularly when they have begun reviews of large regulatory agencies or service delivery agencies or programs.
2. The Time-Consuming and Costly Nature of Oversight - The leading complaint about Sunset is that Sunset reviews are too time consuming. However, states are tackling the problems of managing the Sunset workload and costs creatively. They are reducing the number of agencies reviewed in each cycle, lengthening the review cycle itself, creating priority review, and streamlining auditing and reporting requirements.

3. Low Public Participation and the Disproportionate Influence of Regulated Professions . Seventy percent of the states surveyed reported that the average turnout for a public hearing has been 25 persons or fewer. That licensees attend public hearings is commendable, but industry involvement often extends beyond public testimony to include intense lobbying of state legislators. One-third of the survey respondents indicated that they only hear from licensed professionals about Sunset issues.
4. Inadequate Measurement Information on Agency Performance and Agency Value. Many states are struggling with appropriate evaluation criteria for examining an agency's performance in achieving its goals. Almost half of the states indicated that the lack of measurement information on agency performance and agency value has been a major problem. This issue is especially critical when examining non-regulatory agencies which are unlikely candidates for termination and which have a large impact on the state budget.

RECOMMENDATIONS

The following recommendations are discussed in detail on page 35. The recommendations were developed with the knowledge that states are at various stages of Sunset implementation. States which are looking ahead to an expanded role for Sunset frequently have an interest in the dual goals of establishing a manageable workload and in broadening the scope of their review schedules to include non-regulatory agencies (e.g., service delivery agencies and programs).

1. States involved in expanding the scope of their Sunset reviews beyond regulatory agencies should develop a timely, systematic procedure for establishing a manageable schedule of agency terminations.
2. States involved in broadening the scope of their Sunset laws should consider lengthening the termination schedules they have adopted to 8 or 10 years.
3. States may want to modify the evaluation criteria in their Sunset laws if they are adding non-regulatory agencies or programs to their review schedules.
4. To create a more manageable workload for Sunset reviews, states might consider establishing priorities for conducting their program evaluation process.
5. States should attempt to achieve a close integration of Sunset with the budget process.

6. Sunset findings should be presented in an organized, digestible format.
7. Public participation in the Sunset process should be encouraged.
8. Executive branch participation in the Sunset process should be increased.

A PERFORMANCE REPORT
ON THE
BOARD OF VETERINARY EXAMINERS
May 27, 1980, to June 30, 1984

Audit Control Number

08-1167-84-R

Commissioner, Department of
Commerce and Economic Development

Richard A. Lyon

Deputy Commissioners, Department of
Commerce and Economic Development

Vince O'Reilly
Terry Elder

Members of the Board of Veterinary Examiners

Chairman
Member
Member
Member
Member

Val D. Stuve, D.V.M.
Pamela Ann Tuomi, D.V.M.
Dody Froehlich
Vern R. Starks, D.V.M.
Stephen Mersch, D.V.M.

STATE OF ALASKA

AUDIT DIVISION
POUCH W
JUNEAU, ALASKA 99811

THE LEGISLATURE
BUDGET AND AUDIT COMMITTEE

July 24, 1984

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 and 44 of the
Alaska Statutes (sunset), the attached report is submitted
for your review.

A PERFORMANCE REPORT
ON THE
BOARD OF VETERINARY EXAMINERS
May 27, 1980, to June 30, 1984

Audit Control Number

08-1167-84-R



Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

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PURPOSE AND SCOPE OF THE REPORT

PURPOSE

In accordance with the intent of Alaska Statutes 24.20.271(1) and 44.66.050 (sunset legislation), a review of the activities and accomplishments of the Board of Veterinary Examiners was conducted to determine if the Board has been operating in an efficient, effective, and economical manner.

As required by legislative intent, this report shall be considered during the legislative oversight function in determining whether the Board of Veterinary Examiners should be established. The law currently specifies that this Board will terminate on June 30, 1985, but will continue until June 30, 1986, for the purpose of concluding its affairs.

SCOPE

The major areas of our examination were the licensing, examination, administration, and complaint functions of the Board. We reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Interviews with the license examiner.
3. Tests of files and documents of licensees.
4. Complaints filed with the Division of Occupational Licensing, Human Rights Commission, Equal Employment Opportunity Office, Attorney General's Office, and the Ombudsman Office.
5. Discussions with Board members.
6. Minutes of Board meetings and Division correspondence files.
7. Attorney General Opinions applicable to professional boards.

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ORGANIZATION AND FUNCTION

The Board of Veterinary Examiners is a regulatory board consisting of four licensed veterinarians and one public member. The authority of the Board is outlined within Alaska Statutes 08.98.010-.250.

The Board determines the minimum quality of veterinary care in the State by:

1. Examining and issuing licenses to qualified applicants;
2. Establishing or amending rules and regulations necessary to enforce State statutes; and
3. Holding hearings to revoke or suspend the license of a person violating the veterinary statutes and regulations.

The Board is organized under the Department of Commerce and Economic Development, Division of Occupational Licensing (OL). OL provides the Board with licensing and investigative support. The licensing section processes applications, maintains license files, answers inquiries, and provides other administrative help.

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REPORT CONCLUSION

Policy Issues

This report contains policy issues raised as a result of our evaluation of various Board practices. The final policy decisions affecting these practices are not within the scope of this report but require legislative consideration. In debating these issues, the oversight committees should take into consideration the findings and recommendations presented in this report so the potential impact of policy changes can be evaluated.

Report Conclusion

In our opinion, the Board of Veterinary Examiners should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. The Board provides this service by establishing minimum educational and experience requirements that provide reasonable assurance that persons licensed are qualified. Also, assurance that those licensed act in a competent manner is provided by active investigation of complaints and revocation or suspension of licenses where appropriate.

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ANALYSIS OF PUBLIC NEED

Limited Analysis

The following analyses of the Board's activities relate to the public need factors defined in the "sunset" law. These analyses are not intended to be all-inclusive, but address those areas we were able to cover within the scope of our review.

- I. The extent of which the board, commission, or program has operaced in the public interest.
 - A. The Board has served the public by examining and licensing qualified applicants, and proposing changes in regulations that are necessary to enforce State statutes and improve the quality of veterinary care. To conduct these functions the Board has held an average of three board meetings and two examination sessions a year for the past two calendar years.
 - B. Specifically, the Board has enhanced the practice of veterinary care by adopting regulations concerning:
 1. the maintenance of competency of practitioners through continuing education;
 2. the establishment of standards for the practice of veterinary medicine;
 3. the disbursement of prescription drugs; and
 4. the establishment and control of activities relating to veterinary technicians.
- II. The extent to which the operation of the board, commission, or agency program 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.
 - A. The public's confidence and well-being has been enhanced through a statute amendment of requiring a public member on the Board. Currently, the Board membership consists of four licensed veterinarians and one public member.

- III. The extent to which the board, commission, or agency has recommended statutory changes which are generally of benefit to the public interest.
- A. The Board has proposed statutory changes concerning qualifications for licensure, temporary licensing, temporary permits, and licensing applicants by credentials. To improve veterinary care, the Board has proposed to amend the statutes by adding a new section concerning emergency treatment for injured animals. These proposed changes are currently under review in the Department of Law and have not been submitted to the Legislature.
- IV. The extent to which the board, commission, or agency 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.
- A. The Board has advertised proposed regulation changes in major newspapers in Anchorage, Fairbanks, and Juneau. The Board has not actively solicited comments on its operations and services it has provided.
- V. The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.
- A. The Board has encouraged public participation through newspaper announcements concerning proposed changes and additions to regulations.
- VI. The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board, or commission is administratively assigned, or with the office of the ombudsman have been processed and resolved.
- A. In the last three years there has been one complaint filed against the Board with the Ombudsman Office. The complainant did not believe the Board would take action on his complaint. However, the Ombudsman Office found this to be an unsubstantiated complaint.
- B. There have been no complaints filed against the Board with the Attorney General's Office.

VII. The extent to which a board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.

- A. The Board has issued 59 licenses, temporary permits, and temporary licenses in the last three fiscal years.
- B. The Board requires foreign medical graduates to have qualifications equivalent to other applicants. This is evidenced by the requirement of the foreign graduates to pass the examination of the American Veterinary Association's Education Commission for Foreign Veterinary Graduates.

VIII. The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.

- A. The Human Rights Commission and the Equal Employment Opportunity Office have received no complaints related to the Board's activities.

IX. The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this section.

- A. Legislative Audit has no recommendations concerning the Board's compliance with the public need factors as enumerated in this section of the report.

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APPENDIX A

BOARD OF VETERINARY EXAMINERS
REVENUES COMPARED WITH EXPENDITURES

For the Fiscal Year Ended June 30, 1983

(UNAUDITED)
(Note 1)

Average Revenues (Note 2)	\$ 4940.00
Less: Expenditures (Note 3)	(\$ 4198.57)
Excess of Revenues Over Expenditures	<u>\$ 741.43</u>

<u>Revenue Type</u>	<u>Amount</u>	<u>Collection Time</u>
Application fee	\$ 25	With issuance of License
Examination fee	50	With taking the Examination
Investigation of Credentials fee	50	With issuance of License
License fee	200	With issuance of License
Renewal of License fee	200	Due every four years
Temporary License fee	50	With issuance of License
Temporary Permit fee	50	With issuance of Permit

Note 1

This revenue/expenditure comparison was prepared from available records and discussions with Occupational Licensing personnel. The records were not audited by us and accordingly we do not express an opinion on the Board's Statement of Revenues Compared with Expenditures.

Note 2

The majority of revenues collected are composed of license renewal fees. These fees are collected by most boards once every two or four years and cause revenues in one year to be much greater than the revenues collected in the next year. Therefore, we calculated and reported an average of the revenues collected in Fiscal Years 1982 and 1983 in order to obtain a more accurate representation of revenues collected.

Note 3

Expenditures include those made by Board members, such as travel, per diem, and contractual items. They do not include expenditures for efforts of other departments assisting the Board or administrative overhead expenses incurred by the Division of Occupational Licensing.

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BILL SHELDON GOVERNOR

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

POUCH D
JUNEAU, ALASKA 99811
PHONE: 465-2500

OFFICE OF THE COMMISSIONER

October 4, 1984

Mr. Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit
Pouch W
Juneau, Alaska 99811

OCT 05 1984

**LEGISLATIVE
AUDIT**

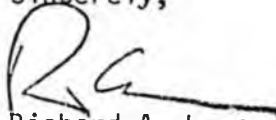
Dear Mr. Wilkerson:

We have reviewed the preliminary performance report on the Board of Veterinary Examiners, May 27, 1980 to June 30, 1984.

We concur with your findings that the board has operated in the best interests of the public. We also concur with your recommendation that the board be reestablished.

Thank you for your cooperation and the opportunity to comment on the report.

Sincerely,



Richard A. Lyon
Commissioner

RAL/1t0668t
100484b

AN ACT EXTENDING THE TERMINATION DATE OF THE BOARD OF VETERINARY EXAMINERS;
AND PROVIDING FOR AN EFFECTIVE DATE.

PRIME SPONSOR: LABOR&COMMERCE COMMITTEE

CO-SPONSORS:

\$000 GENERAL(FNOTE)

\$000 OTHER(FNOTE)

CURRENT STATUS: (S) L&C

DATE		PAGE	ACTION
03/01/85	(H)	484	READ THE FIRST TIME - REFERRAL(S)
03/08/85	(H)	541	L&C RPT 6DP
03/08/85	(H)	541	ZERO FISCAL NOTE
03/22/85	(H)	663	FIN RPT 10DP
03/22/85	(H)	663	RLS TO CALENDAR
03/22/85	(H)	682	READ THE SECOND TIME
03/22/85	(H)	683	ADVANCED TO THIRD READING UNAN CONSENT
03/22/85	(H)	683	READ THE THIRD TIME HB 251
03/22/85	(H)	683	PASSED Y34 N2 X2 A2
03/22/85	(H)	683	EFFECTIVE DATE SAME AS PASSAGE

HB 251

MEASURE HISTORY

PAGE 02 OF 02

DATE		PAGE	ACTION
03/22/85	(H)	687	TRANSMITTED TO (S)
03/25/85	(S)	627	READ THE FIRST TIME - REFERRAL(S) LABOR&COMMERCE RULES

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HL & C 3-7-85 1:35pm



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date