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SB 259 "An act relating to the practice of public accountancy and providing for an effective date."

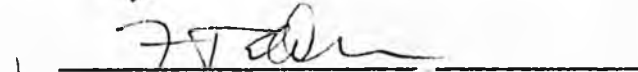
The Department of Commerce and Economic Development and the Division of Occupational Licensing would support this legislation with amendments.

The legislation, as drafted, expands the authority of the licensing board. The new legislation authorizes the boards to regulate items such as the use of names and titles, affiliations with other organizations, "reasonable requirements" for unimpaired capital, and professional liability insurance. This practice act allows for one not qualified to take an examination within 120 days if they expect to meet the qualifications. The legislation also restricts the board's ability to protect the consumer by limiting the period of revocation or suspension they can enforce for a violation. Alaska Statutes 08.04.485 (Section 23, beginning on page 12) gives the board the expanded authority to hold hearings which are not subject to the Administrative Procedures Act (AS 44.62).

A section by section analysis has been prepared by the staff of the Division of Occupational Licensing. The Division of Occupational Licensing is also committed to assisting in working with the bill sponsor for a clear and concise legislation that will protect the consumer, provide assistance to those qualified who are seeking licensing, and the licensing board in their administrative function without overregulating, overrestricting or expanding the licensure authority.

  
Harry D. Treager, Director  
Division of Occupational Licensing

Date April 16, 1985

  
Loren H. Lounsbury, Commissioner  
Department of Commerce & Economic  
Development

Date 4/19/85

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: SB 259  
 Title: Practice of public accounting  
 Sponsor: Senator Zharoff  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.  
 Program Category Affected: \_\_\_\_\_  
Consumer Protection  
 BRU, Program or Subprogram(s), Affected: \_\_\_\_\_  
Occupational Licensing

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES		-0-	-0-	-	-0-	-0-
200 TRAVEL		-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL		.6	.7	.7	.7	.8
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		.6	.7	.7	.7	.8
<b>CAPITAL</b>						
<b>REVENUE</b>		***				

FUNDING: (Thousands of Dollars)

GENERAL FUND		.6	.7	.7	.7	.8
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		.6	.7	.7	.7	.8

POSITIONS:

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

This legislation expands the authority of the Board to regulate such items as, the use of names and titles, affiliations with other organizations, requirements for unimpaired capital and professional liability insurance. The bill also establishes new requirements in processing regulation projects, and allow the board to hold hearings that are not subject to the Administrative Procedure Act (AS 44.62).

Prepared By: Jennifer Strickler, Mgnt Analyst Phone: 465-2144

Division: Occupational Licensing Date: April 18, 1985

Approved by Commissioner: Loren H. Lounsbury Date: 4/19/85  
 Agency: Commerce & Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

SB 259 FISCAL IMPACT

300 Contractual Services:

Section 08.04.080 requires a copy of proposed regulations to be sent to each licensee. Regulation projects average about eight (8) pages, and based on 773 current licensees, the following costs would apply:  
 $773 \times .26¢ \text{ per set} = \$200.98$

Postage at  $.22¢$  per envelope  $\times 773 = \$170.06$

Sections 16, 17, 18 of the bill requires the board to establish fees for registration of affiliations with organizations, registration of offices, and use of names and titles.

In compliance with the Administrative Procedure Act, notices must be published in a newspaper of general circulation. Therefore, advertising costs of \$60 per ad in three (3) major papers of the State would apply.  
 $\$60 \times 3 \text{ newspapers} = \$180.00$

TOTAL COSTS = \$551.04

Revenues:

\*\*\* There are 18 public accountancy corporations currently licensed. Once the fee mentioned in sections 16,17 and 18 is established, an immediate fiscal impact would be generated from the 18 corporations already licensed.