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FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Commerce & Economic Dev.
Title: An Act relating to the practice of architecture, engineering & land surveying, BRU: Occupational Licensing
Sponsor: Senate Labor & Commerce Committee Components: _____
Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

New funding is not required to implement the provisions of this bill.

Prepared by: Jennifer Strickler, Management Analyst
Division: Occupational Licensing

Phone: 465-2144
Date: January 22, 1988

Approved by Commissioner: J. Anthony Smith
Agency: Commerce and Economic Development

Date: 1-26-88

Distribution (by preparer):

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

No. 189

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: ^{CS} SB 110 L+C
Publish Date: ~~2/16/87~~ 3-2

REQUEST: _____

Revision Date: _____

Title: An Act relating to regulation of architect.

Sponsor: Senator Faiks

Requestor: _____

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing

Components: All

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

SB 110 is not expected to require new funding to be implemented. Civil penalties assessed will be received as revenues but cannot be estimated at this time. The authority to impose civil penalties is granted to the board. Guidelines will need to be established before a civil penalty is imposed in order to maintain consistency from case to case.

Prepared by: Jennifer Strickler, Management Analyst

Division: Occupational Licensing

Phone: 465-2144

Date: 2/17/87

Approved by Commissioner: J. Anthony Smith

Agency: Commerce & Economic Development

Date: _____

Distribution (by preparer):

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

CSSB 110: An Act relating to the practice of architecture, engineering and land surveying.

The department supports CSSB 110 which amends AS 08.48 relating to the registration of architects, engineers and land surveyors.

Section one increases the enforcement power of the board by authorizing the board to set civil penalties not to exceed \$5,000.00 for unlawful practice. This provision will increase the disciplinary actions available to the board.

Section two authorizes the department to issue citations to stop unlicensed practice. Under current law, the department is only authorized to issue cease and desist orders which are ineffective because they provide for a hearing under the Administrative Procedures Act. Hearings are a very time consuming and expensive process. Citations, on the other hand, require a mandatory court appearance and provide for penalties should the individual continue to practice without a registration.

for *John Brown*
J. Anthony Smith, Commissioner
DATE: 3-27-87

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Back-up CSSB110

Alaska State Legislature



PRESIDENT
907-465-3755

JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 7, 1987

MEMORANDUM

TO: All Senators

FROM: Senator Jan Faiks
President of the Senate

SUBJECT: Background on Senate Bill 110
An Act relating to regulation of architects,
engineers and land surveyors.

Senate Bill 110 is before the Senate for consideration. The purpose of this bill is to increase enforcement of existing Alaska laws relating to the unlawful practice of architecture, engineering and land surveying.

I am concerned that individuals in Alaska who are not architects, engineers or land surveyors, and have not received training in these areas, are in effect practicing these professions without a license. They classify themselves under a variety of titles, such as "building designers" who provide services similar to those of an architect, yet do not have the education or certification necessary to assure safety to the public. These individuals are actually misleading the public as to their competency, which can have catastrophic results. This problem is enhanced by licensed professionals who will stamp the work product of these individuals, for a fee, without the "direct supervision" required by statute. Although that licensed professional assumes liability for the work, there is no assurance that the work is sound. Ultimately, it is the public who suffers.

The committee substitute for SB 110 from the Senate Labor and Commerce Committee strengthens the existing statutes which regulate these professions in the following manner:

OUT OF SESSION

6030 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611

Section 1. REGULATIONS; BYLAWS; CODE OF ETHICS.

AS 08.48.101(a) is amended by the addition of two new sections which enable the State Board of Registration for Architects, Engineers and Land Surveyors to establish procedures for the notice, hearing, assessment, and appeal of civil penalties for the unlawful practice of these professions, and to assess civil penalties of up to \$5,000 per violation.

The effect of this section is to set up two systems for violations under this chapter. The board will continue to reprimand licensed professionals, who are already subject to its disciplinary actions.

The board also is given the authority to set up an investigation and civil citation process for violations by unlicensed persons. This system would be similar to that employed by construction contractors under AS 08.18.116 - 08.18.141.

Section 2. ISSUANCE OF CITATIONS. AS 08.48 is amended to include new sections which enumerate the procedures for the issuance of citations.

Section 3. DEFINITIONS. Defines "department" as the Department of Commerce and Economic Development under AS 08.48.431.

Alaska State Legislature



PRESIDENT
907-465-3755

JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 10, 1987

MEMORANDUM

TO: Representative Dave Donley, Chairman
House Labor and Commerce Committee

FROM: Senator Jan Faiks
President of the Senate *Jan Faiks*

SUBJECT: Background on Senate Bill 110
An Act relating to regulation of architects,
engineers and land surveyors.

Senate Bill 110 is before the House Labor and Commerce Committee for consideration. The purpose of this bill is to increase enforcement of existing Alaska laws relating to the unlawful practice of architecture, engineering and land surveying.

I am concerned that individuals in Alaska who are not architects, engineers or land surveyors, and have not received training in these areas, are in effect practicing these professions without a license. They classify themselves under a variety of titles, such as "building designers" who provide services similar to those of an architect, yet do not have the education or certification necessary to assure safety to the public. These individuals are actually misleading the public as to their competency, which can have catastrophic results. This problem is enhanced by licensed professionals who will stamp the work product of these individuals, for a fee, without the "direct supervision" required by statute. Although that licensed professional assumes liability for the work, there is no assurance that the work is sound. Ultimately, it is the public who suffers.

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The effect of this section is to set up two systems for violations under this chapter. The board will continue to reprimand licensed professionals, who are already subject to its disciplinary actions.

The board also is given the authority to set up an investigation and civil citation process for violations by unlicensed persons. This system would be similar to that employed by construction contractors under AS 08.18.116 - 08.18.141.

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Section 3. DEFINITIONS. Defines "department" as the Department of Commerce and Economic Development under AS 08.48.431.

Upon further review of the current statutes in this chapter, I have discovered an error in AS 08.48.291, relating to violations and penalties. This statute provides that a person who violates any of the provisions of this chapter, is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than \$10,000, or by imprisonment for not more than one year, or by both.

This language is incorrect, as no class of misdemeanor has a fine of \$10,000. The maximum fine for a class A misdemeanor is \$5,000. (AS 12.55.035(b)(3)).

I ask that the committee consider amending this language to provide that a violation of this chapter is a class A misdemeanor, punishable by a fine of not more than \$5,000, or by imprisonment for not more than one year, or by both.

I would appreciate the committee's consideration of this bill at its earliest convenience. Should you need any additional information, please let me know.

Thank you.