

HB

2/2

FISCAL NOTE

REQUIS:

Revision Date: _____ Agency Affected: Commerce & Econ. Dev.
Title: An Act relating to the practice BRU: Occupational Licensing
of acupuncture.
Sponsor: House HESS Components: All
Requester: House HESS

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	2.9	2.9	2.9	2.9	2.9
TRAVEL	0	7.4	7.4	7.4	7.4	7.4
CONTRACTUAL	0	1.5	1.5	1.5	1.5	1.5
SUPPLIES	0	.1	.1	.1	.1	.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	11.9	11.9	11.9	11.9	11.9

CAPITAL	0	0	0	0	0	0
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REVENUE	0	3.0	1.5	5.3	1.5	8.3
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FUNDING: (Thousands of dollars)

GENERAL FUND	0	8.9	10.4	6.6	10.4	3.6
FEDERAL FUNDS						
OTHER (GF/PR)	0	3.0	1.5	5.3	1.5	8.3
TOTAL	0	11.9	11.9	11.9	11.9	11.9

POSITIONS:

FULLTIME	0	0	0	0	0	0
PARTTIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

HB 212 will allow acupuncture services to be offered by all qualified individuals. Currently, only medical doctors can offer acupuncture services. The costs identified in this fiscal note are explained on the following page.

Prepared by: Jennifer Strickler, Administrative Officer Phone: 465-2144
Division: Occupational Licensing Date: 3/15/89

Approved by Commissioner: Larry Mercurieff, Commissioner Phone: 465-2500
Agency: Department of Commerce & Economic Development Date: 3/15/89

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CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 212

Last year, testimony on this bill revealed that very few acupuncturists currently reside in-state (2) and that only a few additional acupuncturists are expected to seek admission, should this legislation pass. For the purposes of this fiscal note, we have anticipated a maximum of ten licensees.

This fiscal note differs from previous fiscal notes on the subject in that a portion of overhead personal services costs which the program can be expected to cover are included. As with all licensing occupations, each program is attributed a portion of administrative expenses of the division based on the number of licensees divided by the total number of division licensees. In this case, ten licensees represents .04% of the administrative costs reflected primarily in personal services, contractual and supplies. The travel costs are based on a five-member board and staff to meet once in Anchorage and once in Fairbanks each year.

Because of the small number of practitioners, it would be unreasonable to establish a licensing fee which would require those few licensees to bear the entire cost of the licensing function. In such cases, the licensing costs must be supplemented by general funds or other licensing fees.

Revenues: The revenues projected are also based on ten licensees in the first year, paying a license fee of \$150.00 per year (\$300.00 biennially) and assuming a growth rate of five practitioners each year thereafter (which may be highly speculative).

HB 212: An Act relating to the practice of acupuncture.

The bill establishes a Board of Acupuncture composed of five members to regulate and license qualified individuals. The board is to meet twice each year. Currently, only licensed medical doctors are allowed to practice acupuncture in Alaska. The bill changes the current practice to allow individuals who meet the licensing requirements in Section 08.06.070 of the new bill to become licensed and offer their services.

Information collected indicates there are 22 states, in addition to Alaska, which provide for licensing, registration or certification of acupuncture. Alaska is currently the only state in which the practice is required to be performed by a licensed medical doctor. At this time, the number of physicians presently in Alaska who could seek licensure under this bill or whose practice would be affected by the bill is not known precisely; however, it appears that there were two (2) licensed physicians who may still be practicing acupuncture in the state.

HB 212 may increase the health care services available to consumers by allowing qualified individuals to practice acupuncture. However, the department is not presently aware of any public concern for the currently licensed acupuncturists, nor are we aware of a substantially unmet public demand for acupuncture services. In addition, most of the testimony presented on this bill last year was given by practitioners outside of Alaska. The department, therefore, questions the need for a board to regulate the occupation and suggests that licensing could be administered in a more cost-effective manner by department staff without a board.

Housekeeping amendments were proposed to the latest version of the bill last year which do not appear in HB 212. The department recommends that the reference to National Council as found in Section 08.06.070(3)(A) and (4) and Section 08.06.080(2) be changed to read "National Commission."

The department does not oppose the licensing of acupuncture and only raises a concern regarding the creation of a board to regulate a profession that may have very few licensed professionals.



Larry Merculieff, Commissioner

Date: 3/15/89