

**HB**

**211**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

MAY 5 2005

SENATE FINANCE  
COMMITTEE

DATE: 4/29/05

FURTHER:

DATE TURNED  
IN TO OFFICE: 5 May 2005

Finance Committee considered CS FOR HOUSE BILL NO. 211(FIN)

HB 211 DENTISTS; HYGIENISTS; BD OF DENTAL EXAM.

"An Act extending the termination date of the Board of Dental Examiners; and relating to dentists and dental hygienists."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

**CS Senate Bill:**  
 Same Title  
 New Title

**SCS House Bill:**  
 Same Title  
 Technical Title Change  
 New Title w/ SCR # \_\_\_\_\_

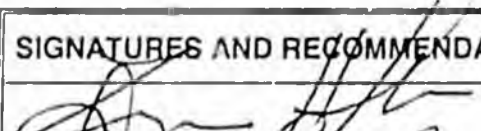
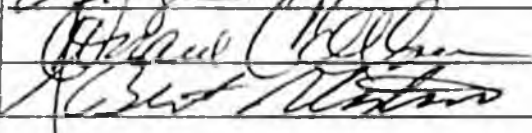
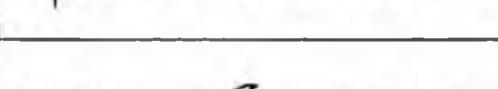
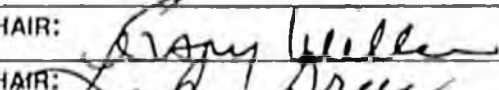

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Ind.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Ind.	Zero	FN#
DCEED	3/25/05	F407			#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
	✓			
			✓	
			✓	
COCHAIR: 	✓			
COCHAIR: 	✓			

MAY 5 2005

SENATE FINANCE  
COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: HB 211  
(H) Publish Date: 4/4/05

Revision Date/Time (Note if correction):  
Title: Dentists; Hygienists; Board of Dental Examiners  
Sponsor: Kelly  
Requester: House Labor & Commerce  
Dept Affected: Commerce  
RDU: Occupational Licensing (117)  
Component: Occupational Licensing  
Component No.: 2360

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services		90.5	90.5	90.5	90.5	90.5
Travel		12.1	12.1	12.1	12.1	12.1
Contractual		21.4	21.4	21.4	21.4	21.4
Supplies		0.1	0.1	0.1	0.1	0.1
Equipment		0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES (1156)</b>	<b>0.0</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>
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**FUND SOURCE (Thousands of Dollars)**

FUND SOURCE	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 Receipts Supported Services	0.0	124.1	124.1	124.1	124.1	124.1
<b>TOTAL</b>	<b>0.0</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>	<b>124.1</b>

Estimate of any current year (FY2005) cost: 124.1  
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The bill extends the Board of Dental Examiners to June 30, 2011. In accordance with AS 08.03.020, funding is extended one year following the termination date allowing the Board to conclude its affairs. FY 2006 funding is included in the Operating Budget request. The costs shown for subsequent fiscal years reflect the direct costs included in the FY 2006 budget. The bill also makes other amendments to AS 08.32 and AS 08.36 relating to dentists and dental hygienists. New funds are not required to implement the provisions of this bill.

Prepared by: Jennifer Strickler, Administrative Manager Phone: (907) 465-2144  
Division: Occupational Licensing Date/Time: 3/29/05 7:07 PM  
Approved by: Edgar Blatchford, Commissioner Date: 3/29/2005  
Agency: Commerce, Community, and Economic Development

# Alaska State Legislature

## Juneau

State Capitol Bldg., Rm. 434  
Juneau, AK 99801-1182  
Phone (907) 465-4976  
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## Fairbanks

119 N Cushman, Ste 213  
Fairbanks, AK 99701  
Phone (907) 452-6084  
Fax (907) 452-6096

## Representative Mike Kelly *House District 7*

### Sponsor Statement

#### HB 211

(24-LS0707A)

House Bill 211 provides for the extension of the Board of Dental Examiners to June 30, 2011 as recommended by Legislative Audit #08-20031-04 dated August 5, 2004. The Audit states "The board is operating in the public interest by effectively regulating the individuals who hold themselves out to the public as licensed dentists and dental hygienists." The extension to 2011 is recommended by Legislative Audit to aid in "smoothing out the number of boards and commissions that come under sunset in a particular year."

House Bill 211 also includes several changes to the Dental Board Statutes that clean-up issues for the Board of Dental Examiners. The changes are further described as follows:

- Implements continuing education requirements for dental hygienists in an amount of 14 hours for the previous two years.
- Modifies inspection period for radiological equipment used in dentistry to five years from four years to better accommodate periodic inspections.
- Clarifies qualifications for licensure by more clearly identifying impairment "that affects the applicant's ability to practice dentistry", and by adding a new section that provides an applicant "has not been convicted of a crime that adversely reflects on the applicant's ability or competency to practice dentistry or that jeopardizes the safety or well-being of a patient"
- Clarifies the requirements for specialty licensure by requiring that the applicant meet the qualifications for licensure as a dentist in Alaska, and passes an examination given by either the Western Regional Examining Board, Central Region Dental Testing Service, Central Region Examining Board, or that the applicant meet the qualifications for licensure as a dentist in Alaska, and be board

certified by a specialty certification board which is recognized by the American Dental Association.

These changes were the result of a joint meeting with representatives from the Department of Occupational Licensing, Alaska Board of Dental Examiners, and Alaska Dental Society. The changes were also discussed with representatives of the Alaska State Dental Hygiene Association. All involved could not think of any opposition to these changes.

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## Representative Mike Kelly

*House District 7*

### Explanation of Changes

HB 211 v. CSHB 211( )

(24-LS0707A)

(24-LS0707G)

**Page 2, Line 8** – “approved by the board [AND], [BY] the American Dental Association”

*The purpose of this amendment is to provide greater flexibility in licensing authorities.*

**Page 7, Lines 2-9** – (4) satisfy one of the following:

(A) pass a clinical examination [GIVEN] approved by the [WESTERN REGIONAL EXAMINING] Board;

[(B) PASS A CLINICAL EXAMINATION GIVEN BY THE CENTRAL REGIONAL DENTAL TESTING SERVICE, INC., AFTER JANUARY 1, 2001;]

(B)[(C)] pass a specialty examination given by the Central Regional Examining Board;  
or

(C)[(D)] be board certified by a specialty certification board recognized by the American Dental Association.

*The purpose of this amendment is to allow the Board of Dental Examiners to approve any examination it deems appropriate for issuing a license.*

## ADS 2005 Legislative Issues House Bill 211 -- Fact Sheet

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Bill # & Title: HB-211 "Dental Board Sunset Review"  
Bill Sponsor: Rep. (Mike Kelly), Fairbanks  
Capitol Office 907-465-4976  
866-465-4976  
Capitol Fax 907-465-3883  
Capitol Address State Capitol Rm 434  
Juneau, AK 99801 + 1182

### Purpose of bill:

This bill makes changes to the Dental Practice Law that will:

- ① allow the Alaska Board of Dental Examiners to more expeditiously approve licenses for qualified new dental school graduates who want to practice in Alaska. The changes in the bill will allow the board to delegate the performance of routine administrative functions to appropriate, board designated, staff within the Division of Occupational Licensing.
- ② Enhance the Alaska Board of Dental Examiners authority to authorize a dental hygiene license to qualified applicants under the existing "Licensure by credentials" criteria.
- ③ Grant the Alaska Board of Dental Examiners the authority to "supervise an informal and confidential chemical dependency intervention program."  
And,
- ④ makes administrative changes to the "Dental radiological equipment" provision of the Dental Practice Law necessary for a timely renewal process.

### Why needed:

- ① The present requirements commonly result in long delays from the time a qualified applicant, who has recently graduated from dental school, can receive their Alaska license and begin practicing in the state. The Alaska Dental Society has worked with the Alaska Board of Dental Examiners and the Division of Occupational Licensing to achieve consensus on these issues and to ensure that the process continues to provide first and foremost for the safety and well being of the public.
- ② The present requirements can cause undue delay for fully qualified applicants to become licensed, primarily because certain actions that can appropriately be delegated to a staff person are restricted to be done at quarterly board meetings. The Alaska Dental Society has worked with the Board of Dental Examiners and the Alaska State Dental Hygiene Association for consensus of all parties affected.
- ③ The Alaska Board of Dental Examiners is one of the few dental regulatory boards in the nation that does not have the authority to refer dentists and

## ADS 2005 Legislative Issues House Bill 211 -- Fact Sheet

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hygienists to participate in a monitored program for individuals that are either identified as having an alcohol or chemical dependency problem. The effectiveness of these types of programs at getting individuals who suffer from alcohol or chemical dependency of getting assistance before they harm patients or family members is greatly enhanced when voluntary enlistment is included. The Alaska Dental Society has worked with the Board of Dental Examiners and the Division of Occupational Licensing in developing a consensus on the appropriateness of granting the dental board this authority.

- ④ The original legislation inadvertently contained a provision that would require all machines in the state to be inspected during the same calendar year. The original intent was to have machines inspected once every five years, with a rotational initial inspection so that each machine would be inspected within on the fifth year. This provision corrects the bill to reflect the original intent and implementation of effective and sustainable ongoing inspections.

### Supported by:

Alaska Dental Society,  
Alaska State Dental Hygiene Association,  
Alaska Board of Dental Examiners,  
Division of Occupational Licensing

### Opposed by:

Its supporters are aware of no groups or organizations that are opposed to, or can be expected to oppose this legislation.

September 1, 2004

Members of the Legislative Budget  
and Audit Committee:

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

DEPARTMENT OF COMMERCE, COMMUNITY,  
AND ECONOMIC DEVELOPMENT  
BOARD OF DENTAL EXAMINERS

August 5, 2004

Audit Control Number

08-20031-04

This audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Alaska Statute 44.66.050(c) lists criteria to be used to assess the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(7), the Board of Dental Examiners is scheduled to terminate on June 30, 2005. If the legislature takes no action to extend the termination date, the board would be allowed one year in which to conclude its administrative operations. We recommend that the legislature extend the board's termination date to June 30, 2011.

The sunset review was conducted in accordance with generally accepted government audit standards. Fieldwork procedures utilized in the course of developing this report are set out in the Objectives, Scope, and Methodology section.

Pat Davidson, CPA  
Legislative Auditor

## OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and Title 44 of the Alaska Statutes, we have reviewed the activities of the Board of Dental Examiners (BDE). As required by state law, the legislative committees of reference are to consider this report when considering whether to extend the termination date for BDE. Currently under AS 08.03.010(c)(7) the board will terminate on June 30, 2005. If the legislature does not extend the termination date for the board, BDE will have one year to conclude its administrative operations.

### Objectives

Central, interrelated objectives of our report are:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public interest.
3. To determine if the board has exercised appropriate regulatory oversight of licensed dentists and dental hygienists.

The assessment of the operations and performance of the board was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the board.

### Scope and Methodology

Under the direction and supervision of the Division of Legislative Audit, another auditor conducted the majority of this review. We followed professional standards to determine that the other auditor was independent and their work was competent and sufficient.

The major areas of our review were board proceedings, licensing, complaint investigation, and resolution functions for fiscal years ending June 30, 2001, 2002, and 2003. During the course of our examination we reviewed and evaluated the following:

- Applicable statutes and regulations related to the licensing of dentists and dental hygienists.
- Minutes of meetings of the Board of Dental Examiners.

- Annual reports issued by the Board of Dental Examiners.
- Complaints filed with the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Reading and correspondence files maintained with the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing
- Interviews with employees of the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Review of financial records related to the revenues generated and the operating costs incurred by BDE.
- Files related to applicants for, and holders of, licenses issued by BDE.

## ORGANIZATION AND FUNCTION

The Board of Dental Examiners was established in 1955, through Alaska Statute 08.36.010. The board is made up of six licensed dentists, two licensed dental hygienists, and one public member. The dentists and dental hygienists must have been practicing in Alaska for the five years immediately preceding their appointment to the board. Alaska statute also requires that the public member not have direct financial interest in the occupation the board regulates. Board members are appointed by the governor and serve staggered terms for four years.

The powers of the board include:

- Examining and issuing licenses to qualified applicants.
- Hold hearings and order the disciplinary sanction of a person who violates this chapter, Alaska Statute 08.32, Alaska Statute 08.36 or a regulation of the Board.
- Adopting regulations ensuring that renewal of registration is contingent upon proof of continued professional competence by a licensed dentist or licensed dental hygienist.
- Provide the department with the requirements for proof of continued professional education.
- Issuing permits or certificates to licensed dentists and licensed dental hygienists who meet the standards determined by the board for specific procedures that require specific education and training.

### **Board of Dental Examiners**

*(as of June 30, 2004)*

Robert E. Warren, Dentist, Chairman  
James B. Plasingame, Public Member  
Mary Ann Cemey, Dental Hygienist  
David L. Eichler, Dentist  
William Gerace, Dentist  
Keith L. Gottlieb, Dentist  
Rena L. Lehmann, Dental Hygienist  
Rebecca Neslund, Dentist  
Arne R. Pihl, Dentist

The board is responsible for safeguarding the public interest by ensuring the competence and integrity of those who hold themselves out to the public as dentists and dental hygienists. The board evaluates the qualifications of candidates, administers examinations, issues certificates and licenses to practice, promulgates rules of professional conduct, and takes disciplinary action.

Department of Commerce, Community, and Economic Development, Division of Occupational Licensing

The Department of Commerce, Community, and Economic Development, Division of Occupational Licensing, provides administrative and investigative assistance to the Board of Dental Examiners. Administrative assistance includes budgetary services and functions such as collecting fees, maintaining files, receiving and issuing application forms, and publishing notices of examinations and meetings.

## REPORT CONCLUSIONS

In our opinion, the termination date for the Board of Dental Examiners should be extended. The board is operating in the public interest by effectively regulating the individuals who hold themselves out to the public as licensed dentists and dental hygienists.

The board has adopted regulatory changes and supported legislation that improved the board's oversight process and has promoted more effective regulation of licensed dentists and dental hygienists.

Alaska Statute 08.03.010(c)(7) requires the Board of Dental Examiners be terminated on June 30, 2005. If the legislature does not extend the termination date, the board will have a one-year "wrap-up" period to administratively conclude its operations. We recommend the legislature extend the termination date of the board until June 30, 2011.

Implementation of our recommendation would require the legislature to exercise some discretion permitted by state law. Alaska Statute 08.03.023(c) provides for the following:

*A board scheduled for termination ... may be continued or reestablished by the legislature for a period not to exceed four years unless the board is continued or reestablished for a longer period ... [emphasis added]*

Two factors influence our recommendation that the legislature extend the board to June 30, 2011. First, the board has operated effectively and in the public's interest over the past four years. Secondly, this extension would work towards smoothing out the number of boards and commissions that come under sunset in a particular year. Typically, there are four to six boards and/or commissions scheduled for a legislative sunset review; however, in 2005 there are 12 boards scheduled for sunset. Nonstandard extension dates will allow for a more even distribution of organizations going through the sunset process in any given year.

## ANALYSIS OF PUBLIC NEED

The following analyses of board activities relate to the public-need factors defined in AS 44.66.050(c). These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

*The extent to which the board, commission, or program has operated in the public interest.*

The board, through regulation of the licensure of dentists and dental hygienists, has provided the public with qualified professionals in the dental industry. The profession has adopted regulations related to continuing professional education to ensure licensees remain current in the field of dentistry and dental hygiene practice.

The board licenses applicants in two ways, by examination and by credentials. Licensure by credentials requires that the applicant document their previous work history as a dentist or dental hygienist as basis for receiving a state license to practice. In prior reports we have expressed concerns that licensure by credential has been unnecessarily cumbersome and difficult. The board adopted new and revised old regulations related to licensure by credentials that have made this process less restrictive. Further, the board adopted new regulations that expanded continuing education requirements and provided for the issuance of licenses in a more uniform and consistent manner.

*The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters.*

Regulations pertaining to background checks and administration of anesthetic agents were amended, both of which benefit the public by: (1) promoting the integrity and competence of dentists and dental hygienists; and, (2) allowing more efficient access to licensure by prospective applicants. Specifically, regulations were amended allowing dental hygienists to become licensed to administer a local anesthetic on the basis of practical work experience alone.<sup>1</sup> Previously, only individuals who passed an examination were allowed to administer anesthetic agents. The board also instituted change to both dental and dental hygienist regulations relating to background investigations, making it less expensive and time intensive for new graduates entering the dental profession.<sup>2</sup>

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<sup>1</sup> 12 AAC 28.320

<sup>2</sup> The new regulation also applies to those individuals who have not previously held a dental license in any jurisdiction before the 90 days immediately preceding the date of application for licensure.

Annual reports for fiscal years ended June 30, 2001, 2002, and 2003 were submitted in a timely manner to the Division of Occupational Licensing.

As reflected by the schedule below, the board renews licenses in the odd-numbered fiscal years. This is reflected in the fluctuation of board revenues between each fiscal year. Even though FY 04 revenues will be significantly less compared to that of the prior year, the board's surplus carryover will be sufficient to cover costs, given anticipated FY 04 expenditures. The table summarizes financial information for the board for fiscal years 2001, 2002, and 2003:

<b>State of Alaska</b> <b>Board of Dental Examiners</b> <b>FY 01 - FY 03</b> <b>Schedule of License Revenues and Board Expenditures</b> <b>(Unaudited)</b>			
	<u>FY 03</u>	<u>FY 02</u>	<u>FY 01</u>
Revenue	\$ 375,100	\$ 158,200	\$ 357,300
Direct Expenses			
Personal Services	88,800	112,400	74,900
Travel	14,600	14,100	15,700
Contractual	37,600	154,300 <sup>1</sup>	65,000
Supplies	200	300	100
Equipment	-	-	-
Total Expenses	<u>141,200</u>	<u>281,100</u>	<u>155,600</u>
Indirect Expense	<u>50,700</u>	<u>53,000</u>	<u>45,500</u>
Total Expenses	<u>191,900</u>	<u>334,100</u>	<u>201,200</u>
Annual Surplus (Deficit)	<u>183,200</u>	<u>(175,900)</u>	<u>156,100</u>
Beginning Cumulative Surplus (Deficit)	(128,500)	47,400	(108,700)
Ending Cumulative Surplus (Deficit)	<u>\$ 54,700</u>	<u>\$ (128,500)</u>	<u>\$ 47,400</u>

<sup>1</sup> The increase in contractual expenses is attributable primarily to two significant disciplinary hearings.



**Alaska Dental Society, Inc.**

9170 Jewel Lake Road, Suite 203  
Anchorage, Alaska 99502-5390  
(907) 563-3003 • FAX: 563-3009  
akdental@alaska.net

The Honorable Mike Kelly  
House of Representatives  
State Capitol, Rm. 434  
Juneau, AK 99801 + 1182

RECEIVED

MAR 29 2005

Dear Sir:


Thank you for your sponsorship of the Alaska Dental Society's legislation that is being incorporated into the Sunset Review of the Alaska Board of Dental Examiners, House Bill 211.

These changes incorporated in HB-211 were discussed and negotiated with representatives of the Board of Dental Examiners, the Division of Occupational Licensing and the Alaska State Dental Hygiene Association. Accordingly we have dubbed this bill the 'consensus bill' because we proposed these changes with the consensus of all parties involved and affected.

We appreciate your willingness to undertake this critical legislation and your support for the Alaska Dental Society and its members across the state.

If we can be of any assistance, please don't hesitate to contact me.

Respectfully yours

  
James R. Towle  
Executive Director

# SENATE COMMITTEE REPORT

DATE: 4/21/05

FURTHER: Finance

DATE TURNED  
IN TO OFFICE: 4/28/05

Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 211(FIN)

HB 211 DENTISTS; HYGIENISTS; BD OF DENTAL EXAM.

"An Act extending the termination date of the Board of Dental Examiners; and relating to dentists and dental hygienists."

and recommends:

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**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	indet.	Zero	FN#
DCED	3/29/05	✓			1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
Ellis			X	
Davis	X			
B. Stevens	✓			
CHAIR:	✓			

Seekins