

HB

337

<TARGET><BILL>HB 337</BILL><SUBJECT>HB
337</SUBJECT><COMM>HFIN27</COMM></TARGET>

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version HB 337
 Fiscal Note Number 1
 (H) Publish Date 3/14/12

Identifier (file name) HB337-DCCED-CBPL-03-09-12 Dept. Affected DCCED
 Title BD of Architects, Engineers, Surveyors Appropriation Corps, Bus and Professional Licensing
 Allocation Corps, Bus and Professional Licensing
 Sponsor Representative Thompson
 Requester Labor & Commerce OMB Component Number 2360

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services	90.2		90.2	90.2	90.2	90.2	90.2
Travel	2.0		2.0	2.0	2.0	2.0	2.0
Services	16.7		16.7	16.7	16.7	16.7	16.7
Commodities	6.0		1.0	1.0	1.0	1.0	1.0
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	114.9	0.0	109.9	109.9	109.9	109.9	109.9

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1156	Rcpt Svcs (DGF)	114.9	109.9	109.9	109.9	109.9	109.9
TOTAL		114.9	0.0	109.9	109.9	109.9	109.9

POSITIONS							
Full-time		1		1	1	1	1
Part-time							
Temporary							

CHANGE IN REVENUES				109.9	109.9	109.9	109.9
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Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required;
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by Don Habeger, Director
 Division Corporations, Business and Professional Licensing
 Approved by JoEllen Hanrahan, Director Administrative Services
Commerce, Community and Economic Development

Phone 465-2536
 Date/Time 3/9/12 5:15 PM
 Date 3/10/2012

FISCAL NOTE #1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 337

Analysis

HB 337 increases the number of employees supporting the Board of Architects, Engineers and Land Surveyors (AELS) in their investigative activities. It places into statute the requirement of a dedicated Investigator in addition to the Executive Secretary position which already exists.

Personal Service consists of one full-time Investigator III position, Range 18 to conduct investigations into alleged violations and be directly responsible and accountable to the board.

Travel estimate is based on average travel costs for investigators.

Services include on-going staff support and legal costs.

Commodities include one-time set up costs of furniture, computer, telephone, and ongoing supplies.

AELS renewals will occur in December 2013, at which time the next fee increase would be likely to take place and impact a change in revenues.

The program is required to cover costs with licensing fees under AS 08.01.065, and revenue generated by board fees are anticipated to cover its full operating costs.

ALASKA STATE LEGISLATURE

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REPRESENTATIVE STEVE THOMPSON DISTRICT 10

House Bill 337 Sponsor Statement

"An Act relating to the Board of Registration for Architects, Engineers, and Land Surveyors and to the Department of Commerce, Community, and Economic Development."

HB 337 revises the statutes governing architects, engineers, and land surveyors in the State of Alaska, designating an investigator to serve specifically for the Board of Registration for Architects, Engineers, and Land Surveyors (AELS).

At the present time, one investigator serves part-time on the AELS Board while serving on five other Boards. The oversight for this one individual includes approximately 20,000 licensees. Recently, the AELS Board voted to expand the number of branches of licensure for engineers from the existing 6 branches to 16. This expansion will ensure inclusion of professions not currently regulated by the Board. The reason for the branch increase is to ensure the safety of Alaskans who work in these engineering professions (i.e. structural, environmental, nuclear, and industrial). As a result, the increase in branches could increase considerably the number of licensees that this one investigator would serve.

While the workload of the investigator increases, so must his knowledge of the applicable statutes and regulations for the various boards. Hiring a full-time investigator would help to ensure efficiency and effectiveness of the AELS Board; thereby protecting the State of Alaska from risk hazards in public health, safety, and welfare. HB 337 opens an avenue for the AELS Board to maintain proper oversight of the licensees and to ensure compliance with State Statutes and Regulations.

E-mail [Representative Steve Thompson@legis.state.ak.us](mailto:Representative_Steve_Thompson@legis.state.ak.us)

**STATE OF ALASKA
BOARD OF REGISTRATION FOR
ARCHITECTS, ENGINEERS, AND LAND SURVEYORS (AELS)
POSITION PAPER**

**Relative to Proposed Amendments to AS 08.48.055
(House Bill 337 and Senate Bill 143)
Revised February 29, 2012**

DISCUSSION

Chapter 48 outlines the statutes and regulations governing architects, engineers, and land surveyors in the State of Alaska. Section 08.48.011 created the State Board of Registration for Architects, Engineers, and Land Surveyors (AELS) to administer the provisions of Chapter 48 for the furtherance of and enforcement of the requirements of statutes and regulations.

The AELS Board is under increasing demands relative to enforcement of statutes and regulations. This situation is a result of the following conditions:

- In the recent past the AELS Board was assigned two full time investigators and one half time investigator.
- Presently the AELS Board shares one investigator with six additional boards.
- As a result of negative economic conditions in various parts of the USA a significant number of corporations and individuals are relocating to Alaska and are practicing without proper licensing.
- There is increasing pressure on the AELS part time investigator to spend time on the other six boards of which the investigator is assigned.
- With an investigator required to maintain knowledge of the various statutes and regulations of dissimilar boards the effectiveness and efficiency is reduced.

RESULTS

The current investigator has displayed an exceptional effort in reducing backlog and processing complaints and potential violations of statutes and regulations however this is accomplished with expedience having precedence over thorough investigations. In some cases the significant magnitude and/or clear evidence of violation issues are elevated in the investigation process while seemingly less important are passed over. In addition in the pursuit of expedience a violation may be negotiated and an advisory letter may be issued when a more serious disciplinary action is warranted. These facts create an atmosphere in our industry where registrants feel that there is a lack of resolve relative to enforcement, resulting in the increase of violations.

Currently the AELS Board's investigator processes over 1000 issues (investigations, complaints, intakes, phone contacts, e-mail contacts, and walk-ins) annually. Information provided at Investigative Forums conducted by the National Council of Examiners for Engineers and Surveyors reveals that investigators in most jurisdictions process 15 to 25 cases annually as a general rule. This is evidence that effective enforcement and prosecution reduces the number of violations and improves the health, safety, and welfare of the public. In addition, the lack of thorough investigations could lead to the

inappropriate prosecution of a registrant, excessive legal cost to the registrant, and legal cost and liability for the State of Alaska.

Currently the AELS Board Investigator regularly covers the geographical areas of the Mat-Su Valley, Anchorage, and the Kenai Peninsula and the remaining areas of the state are subject to minimum investigative coverage. This issue is mitigated somewhat by the close relationship and coordination between the state fire marshals office and various building departments in the state. These authorities having jurisdiction, report potential violations to the investigator; however, this is somewhat of a happenstance method.

These conditions outlined above are in no way a reflection on the performance of the AELS Board investigator; however, they are an indicator of the severe lack of manpower to accomplish the mission. These conditions further indicate that the risk to the public is self-evident and that the liability to the state and this AELS Board is significant.

CONCLUSION

Statutes and Regulations governing the AELS Board specifically Sec. 08.48.11 charges the board to “administer the provisions of Chapter 48.” The lack of a full time investigator for the AELS Board reduces the effectiveness of the board in the execution of its charges.

RECOMMENDATION

Passage of AS 08.48.055 as amended will significantly improve the ability of the AELS Board to perform as charged! Approval of this statute is recommended.

Harley H. Hightower, FAIA
Chair AELS Board



March 1, 2012

Office of Representative Steve Thompson
State Capitol Room 428
Juneau, Alaska 99801

Re: House Bill 337

Dear Representative Thompson:

I am writing in support of House Bill 337 regarding amendments to AS08.48.055 for a designated full time investigator position assigned to the State of Alaska, Board of Registration for Architects, Engineers, and Land Surveyors (AELS Board).

The Board currently does not have enough investigative resources to properly execute its responsibilities of the statutes and regulations governing public health, safety, and welfare within the state of Alaska.

There is currently one investigator assigned to serve the AELS Board, along with six other boards. It is impossible for one investigator to provide coverage throughout the state for seven boards. Alaska is poised to see an influx of new firms and individuals working in the state as a result of proposed oil development in the arctic, as well as other new development opportunities throughout Alaska. This increase in activity, coupled with the expanded branches of engineering, makes it unreasonable to expect that an investigator splitting his time between seven boards will be able to provide the focused investigative effort required by the AELS Board. This will result in violators slipping through the cracks and potentially putting Alaska residents in harm's way.

I request your positive consideration in support of House Bill 337.

Sincerely,

Richard R. Rearick, AIA
Architect

RRR:rrr

*Burdett B. Lent, PLA
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Wasilla, AK 99654
voice 907-376-6298
fax 907-376-6281
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March 1, 2012

Representative Steve Thompson
Juneau, AK

TRANSMITTED VIA EMAIL

RE: Support of HB 337 - Investigator – the Board of Registration for Architects, Engineers and Land Surveyors

Dear Representative Thompson,

I am a licensed Professional Landscape Architect in the State of Alaska and I am on the Board of Registration for Architects, Engineers and Land Surveyors. I am in full support of the above Statute change. In order to adequately protect public health, safety and welfare adding this position is a necessity. The present investigator is shared with so many other boards he is incapable of being proactive about enforcing existing Board statutes and regulations. Please change this shortcoming before someone is harmed.

A similar E-mail Letter was sent regarding SB 143 to Senator Cathy Geissel on February 4, 2012.

Thank you for your attention to this urgent legislation.

Sincerely,

Burdett B. Lent, PLA

1 March 2012

Cliff Baker, PS
303 E 16th Ave., #306
Anchorage, AK 99501

Office of Representative Steve Thompson
State Capitol Room 428
Juneau, Alaska 99801

Re: House Bill 337

Dear Representative Thompson:

This letter is in support of House Bill 337 relative to the amendments to AS 08.48.055 for a full time investigator for the State of Alaska, Board of Registration for Architects, Engineers and Land Surveyors (AELS Board).

The amendments are requested to improve the performance of the Board's ability to investigate violations and enforce statutes and regulations related to the public health, safety and welfare in the State of Alaska.

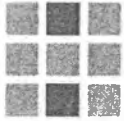
The AELS Board has one of the largest registrant bases in Alaska and several years ago 2-1/2 investigators were assigned to the Board. Presently the AELS Board shares one investigator with six other boards. During this reduction in the number of investigators the work load has increased. With the recession in the states of the lower 48, a large number of firms and individuals not familiar with our statutes and regulations have relocated to Alaska and are practicing the design professions. This puts increased pressure on the present part time investigator. In addition to this already increased pressure the AELS Board has just approved a regulation, recently signed by the Lt. Governor, adding nine additional engineering disciplines. It is not possible for one investigator shared with six other boards, to adequately support the AELS Board's charge to enforce the statutes and regulations protecting the public health, safety and welfare.

Consideration and support of House Bill 337 is appreciated.

Sincerely,

Cliff Baker, PS

Cc: Jonathon_taylor@legis_state_alaska.us



Harley H. Hightower - Architect

February 24, 2012

Office of Representative Steve Thompson
State Capitol Room 428
Juneau, Alaska 99801

Re: House Bill 337

Dear Representative Thompson:

This letter is in support of House Bill 337 relative to amendments to AS 08.48.055 for a full time investigator for the State of Alaska, Board of Registration for Architects, Engineers, and Land Surveyors (AELS Board).

The amendments are requested to improve the performance of the Boards ability to investigate violations and enforce statutes and regulations related to the public health, safety, and welfare in the State of Alaska.

The AELS Board is assigned one investigator that is presently assigned to six additional boards. In the past the AELS Board was assigned two full time investigators and one half time investigator. While the number of investigators was reduced the work load has increased. A large number of firms and individuals not familiar with our statutes and regulations and involved in the design professions have been relocating to Alaska, in conjunction with increasing pressure on the present part time inspector spending more effort on the other six boards makes investigation and enforcement difficult.

Consideration and support of House Bill 337 is appreciated.

Sincerely,

Harley H. Hightower, FAIA
Architect

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February 24, 2012

Senator Steve Thompson
Juneau, AK

RE: Support for HB 337 – Investigator for the Board of Registration for Architects, Engineers, and Land Surveyors.

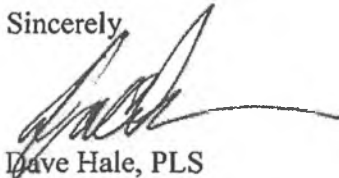
Dear Senator Thompson,

I am a licensed Professional Land Surveyor practicing in Alaska, and serve as the president of the Alaska Society of Professional Land Surveyors. I am not writing in my capacity as president of our society because we have not had time to discuss this issue as a group, and I have not been directed by our members to write in support of HB 337. However, I do feel that it is my duty to write as an individual working in the Land Surveying Profession to support this bill.

I have seen the number of cases that come before the AELS Board, and that require investigation, as I am sure you have. With the expansion of branches for licensure for engineers, we will have an even more pressing need for an investigator that is assigned solely to the AELS Board, and not one that is shared among several boards. The task of the board is to protect the public, and if our board is to accomplish that task, they need a full time investigator dedicated to the public safety as it pertains to the work of professional architects, engineers, and land surveyors.

Thank you very much for the opportunity to share my support of HB 337, and I look forward to the passage of this bill so that our AELS Board can continue to protect the health, safety, and welfare of the public.

Sincerely,



Dave Hale, PLS

cc: none

Attachments: none