

LEG. FINANCE - BILLS 1983 - 1984 1985

CSHB 710 - HB 716

1985

COMMITTEE REPORT
SENATE

FURTHER:

5/3/84

Date 5/21/84

Mr. President

The Committee on FINANCE considered CSHB 710(Fin)

special appropriation for payment as a grant to Alaska Special Olympics, Inc.; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title _____
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

[Signature]
[Signature]
[Signature]
[Signature]

[Signature]

Chairman

Chairman recommendation _____

Offered: 4/27/84
Referred: Rules

Original sponsor: Community and Regional
Affairs Committee

Funding Information
General Fund \$100,000
Other Funds -0-
\$100,000

1 IN THE HOUSE BY THE FINANCE COMMITTEE
2 CS FOR HOUSE BILL NO. 710 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act making a special appropriation for payment as
7 a grant to Alaska Special Olympics, Inc.; and provid-
8 ing for an effective date."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. The sum of \$100,000 is appropriated from the general fund
11 to the Department of Community and Regional Affairs for payment as a grant
12 to Alaska Special Olympics, Inc., for athletic activities and to assist in
13 paying for administrative overhead costs for fiscal year 1985.
14 * Sec. 2. The appropriation made by this Act shall be disbursed in
15 accordance with AS 37.05.316.
16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
17 10.070(c)



ALASKA SPECIAL OLYMPICS

Post Office Box 6955
Anchorage, Alaska 99502
(907) 277-2242

March 20, 1984

Ms. Shirley Dreas
House Community & Regional Affairs
Pouch V
Juneau, Alaska 99811

Dear Ms. Dreas:

Enclosed is the program perspective on Alaska Special Olympics, Inc. that you requested. We understand that this document will be used to introduce Alaska Special Olympics, Inc.'s request for grant funds for fiscal 1985.

We are requesting \$100,000 to support athlete activities and assist in covering a portion of the administrative overhead.

We appreciate your time and attention to our request. Please contact me at 279-1411 if I can provide you with any further information.

Sincerely,

Tom Koecher
Vice President of the
Board of Directors

TK:ldr
Enclosures
Copy to Mr. Vern Sayles
President of the Board of Directors

ALASKA SPECIAL OLYMPICS, INC.

A PERSPECTIVE

Special Olympics, Inc.--Background

In 1968, The Joseph P. Kennedy, Jr. Foundation created the Special Olympics, Inc. to provide an athletic forum for the mentally handicapped. Since its inception the program has received international acceptance and is now the largest sports training and athletic competition program for mentally retarded children and adults in the world.

Sports and physical activity have been shown to be among the quickest and surest routes to health, growth and self-confidence for the mentally retarded. For years, the mentally retarded have been told "You can't do it." The Special Olympics program reaches out with a guiding force to say "You can do it. We'll give you the chance."

Alaska Special Olympics, Inc.--An Overview

The Alaska Chapter of Special Olympics, Inc. was created eleven years ago under the guidance and approval of the national office of Special Olympics, Inc. It was established to serve the mentally retarded citizens of Alaska through year-round sports training, conditioning, and athletic competition.

The Alaska Chapter currently serves 21 designated areas within the State and has over 400 registered athletes. This group is augmented by an equal number of voluntary coaches, trainers, and coordinators who plan, organize, and implement the year round training, area games, and the annual State Winter and Summer Games.

The Alaska Special Olympics, Inc. is directed by a voluntary board of directors whose background includes business, law, medicine, and education. The Board provides direction and management of all State and area programs.

Alaska Special Olympics, Inc. has a full time paid Executive Director who is responsible for the operations of the Special Olympics program throughout the State. The Executive Director acts as a liaison for the Board and national office. In addition, the Executive Director must coordinate efforts in each of the 21 state areas to ensure compliance with national standards for athlete training and competition as well as administration of Board policies.

Each designated area is managed by a volunteer Area Coordinator who sees to the development and training of the athletes and coaches of their respective areas. Additionally, the Area Coordinator is responsible for the management of all local games and the raising of funds for their local area.

Alaska Special Olympics, Inc. receives its financial support primarily from public contributions. As such, it relies on major fund raising events like the Special Olympics Mileage Event (S.O.M.E.) sponsored by the Alaska State Troopers. A special appropriation by the Alaska Legislature

through the Department of Community and Regional Affairs was awarded this past year to provide support for the State Winter and Summer Games.

Each designated area works to promote funding in its respective community. All funds collected by designated areas are expended on behalf of the athletes in that area.

Funds administered by the State Chapter are disbursed on behalf of all 21 areas. The majority of the funds administered by the State Chapter are used to provide transportation, food, and lodging for athletes, coaches, and coordinators at the Winter and Summer Games. Additionally, funds were expended to send 36 athletes and 13 coaches to the International Games this past July in New Orleans, Louisiana. The International Games occur once every four years and athletes are chosen based on their performance during the State Summer Games.

The involvement of the community in providing the bulk of Alaska Special Olympics funding is the underlying concept of the program. Community participation and funding makes Special Olympics a community experience and is vital to the athletes' development.

Nature of Expenditures

Administration of the Special Olympics program in Alaska is the responsibility of the Alaska Special Olympics Board of Directors. Funds earned or granted to the State program are spent on behalf of all state athletes and are not dedicated to one designated area.

To provide the necessary administration, the Board retains a full-time paid Executive Director. A part-time secretary is also necessary for proper administration of the areas.

Besides salaries and benefits for the paid positions, other administrative costs include office rent, communications, Executive Director travel, Alaska Special Olympics program promotion and necessary office supplies and equipment. The remaining State Chapter expenditures are used in direct support of athletic competition, athlete and coach travel and lodging, and to cover the expenses of various fund raising events.

Each designated area promotes fund raising in its respective community to meet the direct expenses of its area athletes. Area expenditures most frequently take the form of supplies, athletic equipment and until recently, athlete and coach travel and lodging expenses for State-wide games.

Application of Requested Funding

Alaska Special Olympics, Inc. is requesting a grant from the State of Alaska via the Department of Community and Regional Affairs for \$100,000. The requested funds would be applied as follows:

1. Hire a full-time program director/trainer.

2. Provide partial travel and lodging expenses for Alaska Special Olympic athletes and coaches attending the Special Olympics International Winter Games in March 1985 located in Park City, Utah.
3. Support the Alaska Special Olympics, Inc. Winter and Summer Games for 1984/85 and the State Special Olympics Bowling Tournament.
4. Cover administrative expenses associated with the International and State Winter and Summer Games and State Bowling Tournament.
5. Other expenses associated with program development to enhance athlete and community participation.

Alaska Special Olympics, Inc. has been requested by Special Olympics, Inc. to hire a full-time program director/trainer. The duties of the program director/trainer would include training of the athlete coaches in each designated area, ensuring that national Special Olympic standards for athlete training and competition are observed and that each athlete is qualified for the event for which he or she is being trained. Additionally, the program director/trainer would conduct clinics for coaches and area coordinators on new athlete training methods.

Extensive travel would be involved with the position due to the number of designated areas.

In March 1985, Special Olympics, Inc. will hold its International Winter Games in Park City, Utah. Alaska will be represented by a minimum of 35 athletes, coaches, and trainers. Although Alaska Special Olympics has in the past received reduced air fare rates from Alaskan air carriers, the cost of attending the International Games remains high. Grant funds would be used to supplement the contributions from the designated areas.

In fiscal 1984, Alaska Special Olympics, Inc. received a grant from the Department of Community and Regional Affairs to use in support of the State Winter and Summer Games and the State Bowling Tournament. Again, in 1985 we will hold these competitive events which are the single most important annual events for the area athletes. Promotion of these games within the communities is very important and costly. As more athletes are attracted to the Special Olympics program, the State Games increase in size and expense.

Alaska Special Olympics, Inc. has worked as efficiently as possible to keep its administrative costs low. Volunteers are in large part responsible for the low overhead cost of the program. But the Alaska program continues to grow in athletes and in designated areas. Additional office staff is needed to properly administer the day-to-day operations and interact with the areas.

Promotion of the Alaska Special Olympics, Inc. program is the responsibility of the State Chapter office. Additionally, support of designated area programs through informational brochures and radio and television public service announcements are provided by the State Chapter office. Grant dollars applied to administrative cost provide the needed capital for direct athlete support.

ALASKA SPECIAL OLYMPICS, INC.

ORGANIZATIONAL CHART

Special Olympics, Inc.
Washington, D.C.

Alaska Special Olympics, Inc.
Volunteer Board of Directors

Alaska Special Olympics
Executive Director

<u>Designated Areas</u>	<u>Athletes</u>
Anchorage	175
Bethel	14
Dillingham	3
Fairbanks	80
Glennallen	4
Homer	6
Juneau	11
Kake	1
Kenai	17
Ketchikan	12
Kodiak	12
Kuskokwim	8
Mat-Su	14
Nome	3
Northway	1
Seward	4
Sitka	7
Tok	1
Unalaska	1
Valdez	70
Yakutat	1
	<u>445</u>

ALASKA SPECIAL OLYMPICS, INC.

STATEMENT OF REVENUES AND EXPENSES

For the Twelve Months Ended September 30, 1983

	General Fund	S.O.M.E. 82/83	Sponsor an Athlete	Programs International Games	Other Games/ Programs	Total
<u>Revenues</u>						
Program revenues		\$107,225	\$3,080	\$37,149	\$19,340	\$166,794
Governor's Grant-1984	\$ 15,000					15,000
Restricted Donations	12,200					12,200
Other donations	2,419			1,745		34,164
TOTAL REVENUES	<u>59,619</u>	<u>107,225</u>	<u>3,080</u>	<u>38,894</u>	<u>19,340</u>	<u>228,158</u>
<u>Expenses</u>						
Salaries and benefits	42,825				7,522	50,347
Travel/lodging	7,786	11,991		38,231	6,474	64,482
Office rent	3,359					3,359
Insurance	2,536					2,536
Communications	2,739					2,739
Supplies	3,238					3,238
Program promotion	2,908	1,087		1,330	4,798	10,123
Program equipment and supplies	8,341	7,485	525	2,991	147	19,489
Other	648	441	164	3,353	1,243	5,849
Funds returned to designated areas	6,550	44,702				51,252
TOTAL EXPENSES	<u>80,930</u>	<u>65,706</u>	<u>689</u>	<u>45,905</u>	<u>20,184</u>	<u>213,414</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ (21,311)</u>	<u>\$ 41,519</u>	<u>\$ 2,391</u>	<u>\$ (7,011)</u>	<u>\$ (844)</u>	<u>\$ 14,744</u>

5/21/84
JFC-84

ALASKA SPECIAL OLYMPICS, INC.

BUDGETED REVENUES AND EXPENDITURES

October 1, 1984 through September 30, 1985

	General Fund	S.O.H.E. 1985	State of Alaska Appropriation C&RA 1985*	Sponsor an Athlete	National/Area Conferences	Other Fund Raisers	Total
REVENUES							
General donations	\$ 45,000						\$ 45,000
Program revenue		\$110,000		\$3,000		\$35,000	148,000
State of Alaska			\$100,000				100,000
Athlete registration	10,000						10,000
Restricted donations	12,000						12,000
	<u>67,000</u>	<u>110,000</u>	<u>100,000</u>	<u>3,000</u>		<u>35,000</u>	<u>315,000</u>
EXPENSES							
Administration:							
Salaries/benefits:							
Executive director	30,156		10,050				40,206
Secretary	22,500		7,500				30,000
Travel/lodging:							
Executive director	3,000				\$ 10,000		13,000
Board of Directors					5,000		5,000
Rent--office	2,000		1,000				3,000
Communications	2,000		1,000				3,000
Office supplies	3,000						3,000
	<u>62,656</u>		<u>19,550</u>		<u>15,000</u>		<u>97,206</u>
Program:							
Salaries/benefits:							
Program director/trainer			34,000				34,000
Travel/lodging:							
Program director/trainer			10,000				10,000
Other programs		15,000					15,000
Coaching clinics			15,000				15,000
		<u>15,000</u>	<u>59,000</u>				<u>74,000</u>
State Summer/Winter Games:							
Travel/lodging	10,000		20,000				30,000
Program promotion	15,000	10,000	1,450			14,000	40,450
Program equipment and supplies	10,000			1,500		3,000	14,500
Direct support of designated areas	10,000	40,000					50,000
	<u>45,000</u>	<u>50,000</u>	<u>21,450</u>	<u>1,500</u>		<u>17,000</u>	<u>134,950</u>
TOTAL EXPENSES	<u>107,656</u>	<u>65,000</u>	<u>100,000</u>	<u>1,500</u>	<u>15,000</u>	<u>17,000</u>	<u>306,156</u>
Revenues in excess of expenses	<u>\$(40,656)</u>	<u>\$ 45,000</u>	<u>\$ -0-</u>	<u>\$1,500</u>	<u>\$(15,000)</u>	<u>\$18,000</u>	<u>\$ 8,844</u>

(*) House Bill 710 - Community & Regional Affairs

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Program director/trainer			10,000				10,000
Other programs		15,000					15,000
Coaching clinics			15,000				15,000
		<u>15,000</u>	<u>59,000</u>				<u>74,000</u>
State Summer/Winter Games:							
Travel/lodging	10,000		20,000				30,000
Program promotion	15,000	10,000	1,450			14,000	40,450
Program equipment and supplies	10,000			1,500		3,000	14,500
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HB 710 "An Act making a special appropriation for payment as a grant to Alaska Special Olympics, Inc.; and providing for an effective date."

HOUSE ACTION

3-29-84 First Reading
Referred: Finance

4-27-84 Finance: CS08

5-1-84 Second Reading
Finance CS adopted by unanimous consent

5-1-84 Third Reading
Passed: 34-00-06

SENATE ACTION

5-3-84 First Reading
Referred: Finance

FISCAL NOTE: \$100,000

SUMMARY

CSHB 710 (Finance) appropriates \$100,000 to the Department of Community and Regional Affairs to provide overhead costs for fiscal year 1985 for the Alaska Special Olympics.

The original HB 710 appropriated the \$100,000 to the Department of Health and Social Services.

In addition, \$15,000 was included in the operating budget for the Alaska Special Olympics.



ALASKA SPECIAL OLYMPICS

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March 20, 1984

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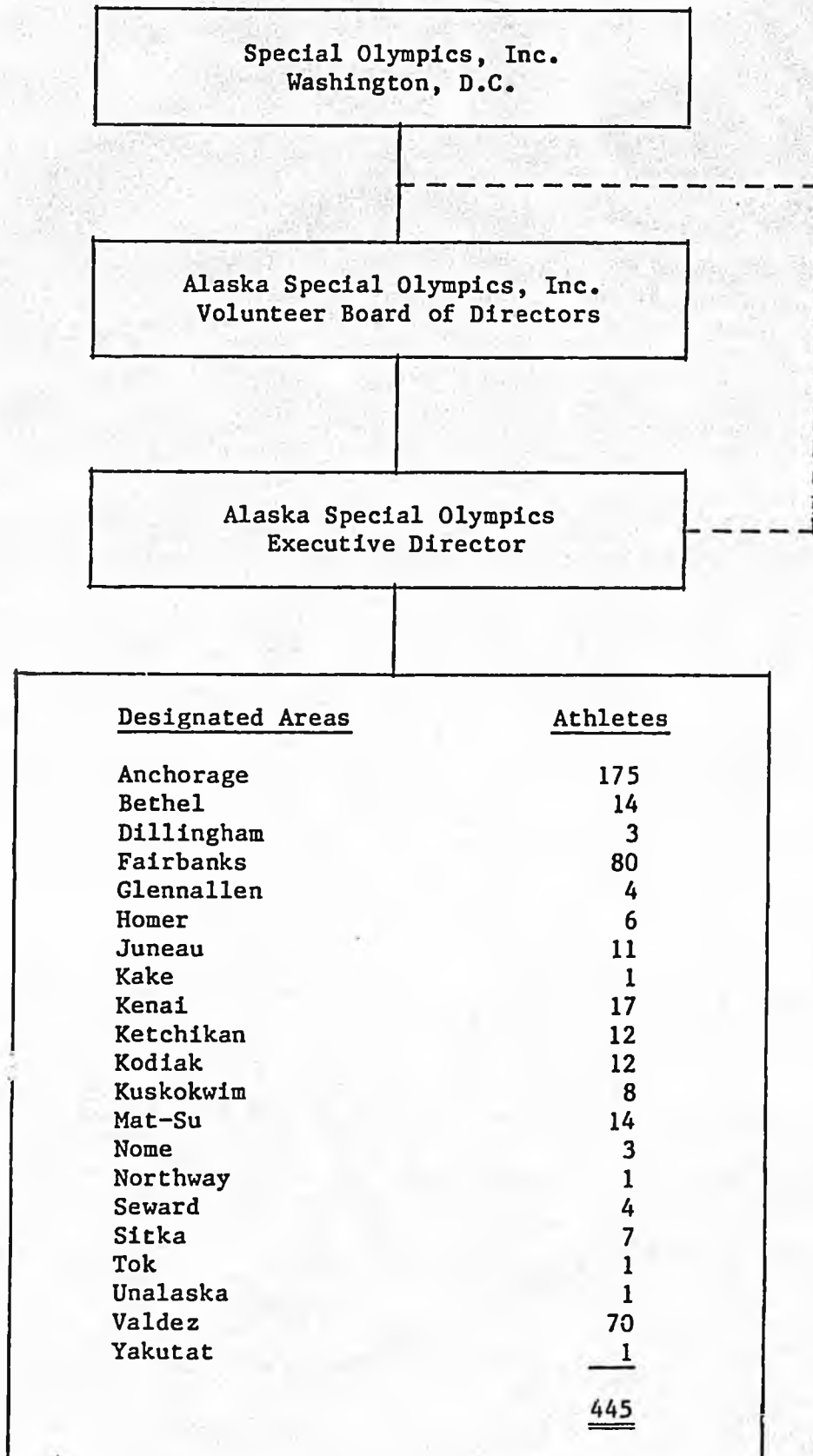
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ORGANIZATIONAL CHART



ALASKA SPECIAL OLYMPICS, INC.

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A PERSPECTIVE

Special Olympics, Inc.--Background

In 1968, The Joseph P. Kennedy, Jr. Foundation created the Special Olympics, Inc. to provide an athletic forum for the mentally handicapped. Since its inception the program has received international acceptance and is now the largest sports training and athletic competition program for mentally retarded children and adults in the world.

Sports and physical activity have been shown to be among the quickest and surest routes to health, growth and self-confidence for the mentally retarded. For years, the mentally retarded have been told "You can't do it." The Special Olympics program reaches out with a guiding force to say "You can do it. We'll give you the chance."

Alaska Special Olympics, Inc.--An Overview

The Alaska Chapter of Special Olympics, Inc. was created eleven years ago under the guidance and approval of the national office of Special Olympics, Inc. It was established to serve the mentally retarded citizens of Alaska through year-round sports training, conditioning, and athletic competition.

The Alaska Chapter currently serves 21 designated areas within the State and has over 400 registered athletes. This group is augmented by an equal number of voluntary coaches, trainers, and coordinators who plan, organize, and implement the year round training, area games, and the annual State Winter and Summer Games.

The Alaska Special Olympics, Inc. is directed by a voluntary board of directors whose background includes business, law, medicine, and education. The Board provides direction and management of all State and area programs.

Alaska Special Olympics, Inc. has a full time paid Executive Director who is responsible for the operations of the Special Olympics program throughout the State. The Executive Director acts as a liaison for the Board and national office. In addition, the Executive Director must coordinate efforts in each of the 21 state areas to ensure compliance with national standards for athlete training and competition as well as administration of Board policies.

Each designated area is managed by a volunteer Area Coordinator who sees to the development and training of the athletes and coaches of their respective areas. Additionally, the Area Coordinator is responsible for the management of all local games and the raising of funds for their local area.

Alaska Special Olympics, Inc. receives its financial support primarily from public contributions. As such, it relies on major fund raising events like the Special Olympics Mileage Event (S.O.M.E.) sponsored by the Alaska State Troopers. A special appropriation by the Alaska Legislature

through the Department of Community and Regional Affairs was awarded this past year to provide support for the State Winter and Summer Games.

Each designated area works to promote funding in its respective community. All funds collected by designated areas are expended on behalf of the athletes in that area.

Funds administered by the State Chapter are disbursed on behalf of all 21 areas. The majority of the funds administered by the State Chapter are used to provide transportation, food, and lodging for athletes, coaches, and coordinators at the Winter and Summer Games. Additionally, funds were expended to send 36 athletes and 13 coaches to the International Games this past July in New Orleans, Louisiana. The International Games occur once every four years and athletes are chosen based on their performance during the State Summer Games.

The involvement of the community in providing the bulk of Alaska Special Olympics funding is the underlying concept of the program. Community participation and funding makes Special Olympics a community experience and is vital to the athletes' development.

Nature of Expenditures

Administration of the Special Olympics program in Alaska is the responsibility of the Alaska Special Olympics Board of Directors. Funds earned or granted to the State program are spent on behalf of all state athletes and are not dedicated to one designated area.

To provide the necessary administration, the Board retains a full-time paid Executive Director. A part-time secretary is also necessary for proper administration of the areas.

Besides salaries and benefits for the paid positions, other administrative costs include office rent, communications, Executive Director travel, Alaska Special Olympics program promotion and necessary office supplies and equipment. The remaining State Chapter expenditures are used in direct support of athletic competition, athlete and coach travel and lodging, and to cover the expenses of various fund raising events.

Each designated area promotes fund raising in its respective community to meet the direct expenses of its area athletes. Area expenditures most frequently take the form of supplies, athletic equipment and until recently, athlete and coach travel and lodging expenses for State-wide games.

Application of Requested Funding

Alaska Special Olympics, Inc. is requesting a grant from the State of Alaska via the Department of Community and Regional Affairs for \$100,000. The requested funds would be applied as follows:

1. Hire a full-time program director/trainer.

2. Provide partial travel and lodging expenses for Alaska Special Olympic athletes and coaches attending the Special Olympics International Winter Games in March 1985 located in Park City, Utah.
3. Support the Alaska Special Olympics, Inc. Winter and Summer Games for 1984/85 and the State Special Olympics Bowling Tournament.
4. Cover administrative expenses associated with the International and State Winter and Summer Games and State Bowling Tournament.
5. Other expenses associated with program development to enhance athlete and community participation.

Alaska Special Olympics, Inc. has been requested by Special Olympics, Inc. to hire a full-time program director/trainer. The duties of the program director/trainer would include training of the athlete coaches in each designated area, ensuring that national Special Olympic standards for athlete training and competition are observed and that each athlete is qualified for the event for which he or she is being trained. Additionally, the program director/trainer would conduct clinics for coaches and area coordinators on new athlete training methods.

Extensive travel would be involved with the position due to the number of designated areas.

In March 1985, Special Olympics, Inc. will hold its International Winter Games in Park City, Utah. Alaska will be represented by a minimum of 35 athletes, coaches, and trainers. Although Alaska Special Olympics has in the past received reduced air fare rates from Alaskan air carriers, the cost of attending the International Games remains high. Grant funds would be used to supplement the contributions from the designated areas.

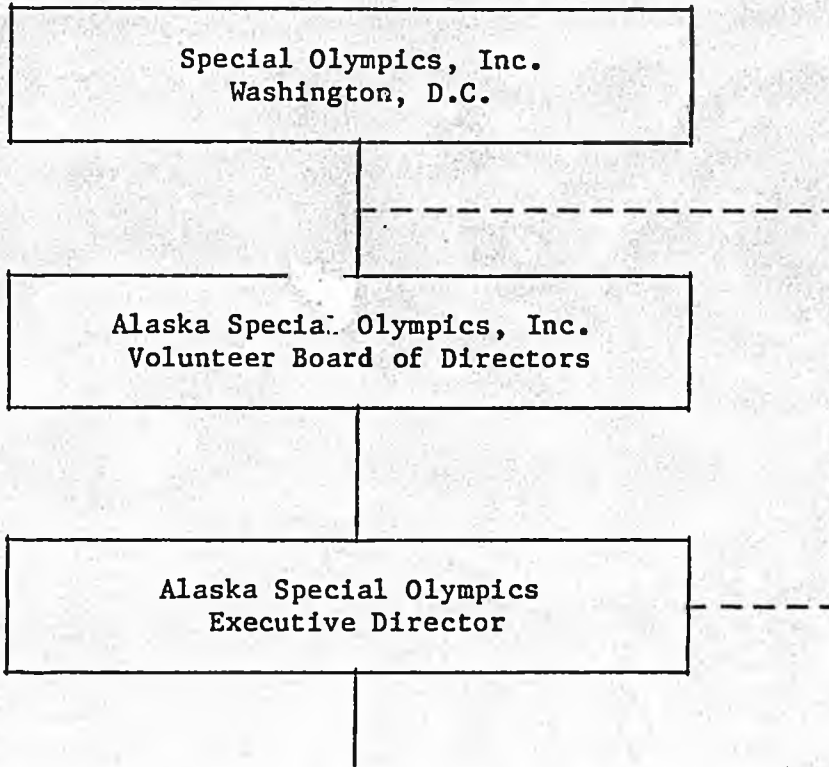
In fiscal 1984, Alaska Special Olympics, Inc. received a grant from the Department of Community and Regional Affairs to use in support of the State Winter and Summer Games and the State Bowling Tournament. Again, in 1985 we will hold these competitive events which are the single most important annual events for the area athletes. Promotion of these games within the communities is very important and costly. As more athletes are attracted to the Special Olympics program, the State Games increase in size and expense.

Alaska Special Olympics, Inc. has worked as efficiently as possible to keep its administrative costs low. Volunteers are in large part responsible for the low overhead cost of the program. But the Alaska program continues to grow in athletes and in designated areas. Additional office staff is needed to properly administer the day-to-day operations and interact with the areas.

Promotion of the Alaska Special Olympics, Inc. program is the responsibility of the State Chapter office. Additionally, support of designated area programs through informational brochures and radio and television public service announcements are provided by the State Chapter office. Grant dollars applied to administrative cost provide the needed capital for direct athlete support.

ALASKA SPECIAL OLYMPICS, INC.

ORGANIZATIONAL CHART



<u>Designated Areas</u>	<u>Athletes</u>
Anchorage	175
Bethel	14
Dillingham	3
Fairbanks	80
Glennallen	4
Homer	6
Juneau	11
Kake	1
Kenai	17
Ketchikan	12
Kodiak	12
Kuskokwim	8
Mat-Su	14
Nome	3
Northway	1
Seward	4
Sitka	7
Tok	1
Unalaska	1
Valdez	70
Yakutat	1
	<u>445</u>

ALASKA SPECIAL OLYMPICS, INC.

STATEMENT OF REVENUES AND EXPENSES

For the Twelve Months Ended September 30, 1983

	General Fund	S.O.M.E. 82/83	Sponsor an Athlete	Programs International Games	Other Games/ Programs	Total
<u>Revenues</u>						
Program revenues		\$107,225	\$3,080	\$37,149	\$19,340	\$166,794
Governor's Grant-1984	\$ 15,000					15,000
Restricted Donations	12,200					12,200
Other donations	32,419			1,745		34,164
TOTAL REVENUES	<u>59,619</u>	<u>107,225</u>	<u>3,080</u>	<u>38,894</u>	<u>19,340</u>	<u>228,158</u>
<u>Expenses</u>						
Salaries and benefits	42,825				7,522	50,347
Travel/lodging	7,786	11,991		38,231	6,474	64,482
Office rent	3,359					3,359
Insurance	2,536					2,536
Communications	2,739					2,739
Supplies	3,238					3,238
Program promotion	2,908	1,087		1,330	4,798	10,123
Program equipment and supplies	8,341	7,485	525	2,991	147	19,489
Other	648	441	164	3,353	1,243	5,849
Funds returned to designated areas	6,550	44,702				51,252
TOTAL EXPENSES	<u>80,930</u>	<u>65,706</u>	<u>689</u>	<u>45,905</u>	<u>20,184</u>	<u>213,414</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ (21,311)</u>	<u>\$ 41,519</u>	<u>\$ 2,391</u>	<u>\$ (7,011)</u>	<u>\$ (844)</u>	<u>\$ 14,744</u>

Original sponsor: Labor and Commerce Committee

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 716 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Board of Pharmacy; and pro-
7 viding for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 08.03.010(c)(4) is amended to read:

10 (4) Board of Pharmacy (AS 08.80.010) -- June 30, 1988
11 [1984].

12 * Sec. 2. AS 08.80.030 is amended to read:

13 Sec. 08.80.030. POWERS OF THE BOARD. The board may

14 (1) elect a president and secretary from its membership and
15 adopt rules for the conduct of its business;

16 (2) examine applicants for registration as pharmacists;

17 (3) adopt [INVESTIGATE INDIVIDUALLY, COLLECTIVELY, OR
18 THROUGH ITS AGENT, FOR VIOLATIONS OF THIS CHAPTER, OR OF ANY OTHER
19 STATE OR FEDERAL STATUTE RELATING TO THE PRACTICE OF PHARMACY;

20 (4) ADOPT REGULATIONS AND DO WHATEVER ELSE IS NECESSARY AND
21 ADVISABLE TO CARRY OUT THE PURPOSES OF THIS CHAPTER;

22 (5) PROMULGATE] regulations to carry out the purposes of
23 this chapter;

24 [(6) Repealed]

25 (4) [(7)] register intern pharmacists and adopt [PROMUL-
26 GATE] rules relating to their minimum experience requirements;

27 (5) adopt [(8) PROMULGATE] regulations to ensure adequate
28 security for all dangerous drugs;

29 (6) [(9)] adopt requirements for licensing in addition to

1 the requirements set out in this chapter.

2 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
3 10.070(c).

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STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

FISCAL DETAIL

Bill/Resolution No. CSHB 716 (fin) Agency Affected: _____
 Title: An Act relating to the Board of Pharmacy; & providing for an effective date Program Category Affected: _____
 Sponsor: Labor & Commerce Comm. BRU, Program or Subprogram(s) Affected: _____
 Requestor: _____
 Date of Request: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

There is no fiscal impact related to this CS, as no new positions will be funded.

ANALYSIS: Attach a separate page for analysis

Prepared By: Rep. Al Adams, Chairman *APA* Phone: 465-3724
 Division: House Finance Date: 5-4-84

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

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

12/1/83

FISCAL NOTE

Revision Date: _____

Page 1 of 4

REQUEST
 Bill/Resolution No CSHB 716 (L&C)
 Title: An Act relating to the
Board of Pharmacy; & providing for
 Sponsor: Labor & Commerce Committee
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL
 Agency Affected: Commerce & Economic Dev.
 Program Category Affected: Public Protection
 an effective date
 BRU, Program or Subprogram(s) Affected:
Division of Occupational Licensing

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		46.5	49.8	53.3	57.0	61.0
200 TRAVEL		51.6	55.2	59.0	63.2	67.6
300 CONTRACTUAL		28.0	30.0	32.0	34.3	36.7
400 SUPPLIES		1.2	1.3	1.4	1.5	1.6
500 EQUIPMENT		4.2				
600 LAND & STRUCTURES		3.6	3.9	4.1	4.4	4.7
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		135.1	110.2	149.8	160.4	171.6
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		135.1	110.2	149.8	160.4	171.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate ~~page~~ for analysis

Prepared By: Jennifer Strickler, Management Analyst Phone: 465-2144
 Division: Occupational Licensing Date: 4/17/84

Approved by Commissioner: Richard A. Lyon Date: 4/23/84
 Agency: Commerce & Economic Development

(NOTE: 7% inflation factor projected for FY '86 through FY '89 for operating costs)

100 PERSONAL SERVICES:

1 Executive Secretary, Range 18A
PX, 12 months to be located in Anchorage 46,519.88

200 TRAVEL:

Executive Secretary Board meetings (2 days ea. @ \$80
per day/ per diem = \$160 x 3) \$480.00
Transportation - 3 board mtgs @
\$400 ea. 1,200.00

Note: There are 119 licensed pharmacies which require inspections. Assuming the Executive Secretary will be located in the Anchorage area, the following does not include the 41 pharmacies in the Anchorage area. These consist of 32 Retail, 2 Wholesale, 6 Hospital Pharmacies, and 1 Nursing Home Drug Room pharmacy.

Transportation for Inspections not in the
Anchorage area, at \$400 ea. x 78 31,200.00

Per Diem for Inspections not in the Anchorage
area, at \$80 per day x 3 days ea. x 78 18,720.00
\$51,600.00

300 CONTRACTUAL:

Postage, telephone, printing, publication and
operating costs: \$2,000.00

(With the authority to investigate violations, the
following will apply:)

Legal fees: Estimated 2 investigations annually will
result in disciplinary proceedings: Fees cover all costs
including hearing officer fees, court costs, court recorder
costs, appeals cost, witness fees, and all other related costs;
(Estimated each hearing process cost is \$10,000.00 x 2) 20,000.00

Executive Secretary leased vehicle, dry w/maintenance:

Anchorage: 1 vehicle @ \$410.00 per month x 12 months 4,920.00

Fuel: 1 leased vehicle @ est. \$87.50 per month
x 12 months 1,050.00
\$27,970.00

400 COMMODITIES:

CSHB 716 (L&C)

Stationery, typewriter ribbons, pens, pencils, tablets, and other miscellaneous desk top supplies	1,200.00
--	----------

500 EQUIPMENT: (one time costs only)

1 desk, double pedestal, 60" x 30" @ 568.22 ea.	568.22
1 chair, executive swivel, with arms @ \$313.30	313.30
1 typewriter, IBM correcting Selectric with dual pitch, 15.5 inch paper capacity @ \$1,369.36 ea.	1,369.36
1 typewriter table @ \$135.65 ea.	135.65
1 chair, side without arms, contour style @ \$114.60 ea.	114.60
1 recording machine, portable, Lanier @ \$775.87 ea.	775.87
1 bookcase with 3 adjustable shelves @ \$164.69 ea.	164.69
1 file cabinet, 5 drawer, legal w/lock @ \$406.91 ea.	406.91
1 calculators, desk, printing and display, 12-digit, @ \$364.66 ea.	364.66
	\$4,213.26

600 LAND & STRUCTURES:

150 sq. ft. @ \$2.00 per ft. per mo. x 12 mos.	\$3,600.00
--	------------

TOTAL OPERATING COSTS: \$135,103.14

1.	POSITION TITLE Executive Secretary			RAISE/STEP 18A	DIAG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PX	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT ALL	LEG.	
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION As requested by the House Labor & Commerce Committee in House Bill 716.				
4.	TYPE OF EXPENDITURE			AMOUNT					
	PERSONAL SERVICES								
5.	Salary		35.8						
6.	Benefits		5.8						
7.	Supplemental Benefits		2.2						
8.	Fixed Benefits		2.7						
9.	TOTAL PERSONAL SERVICES	01		46.5					
10.	Travel	02		51.6					
11.	Contractual	03		28.0					
12.	Commodities	04		1.2					
13.	Equipment	05		4.2					
14.	Other			3.6					
15.	TOTAL COST			135.1					
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		135.1					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR B&H USE ONLY 4A KEY NUMBER _____									

13 REQUEST FOR
NEW POSITION

AGENCY Department of Commerce and Economic Development
 PROGRAM Public Protection
 BRU Occupational Licensing
 COMPONENT _____

CSHB 716 (L&C)
 Page 4 of 4
 Revised Date _____

FY 85

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

May 2, 1984

SUBJECT: Board of Pharmacy (CSHB 716 (L&C))
TO: Representative Al Adams
Chairman, House Finance Committee
FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have asked whether there are constitutional due process issues in permitting the Board of Pharmacy to both investigate and then conduct an adjudicatory hearing on complaints that the chapter has been violated. You have also asked whether the bill permits the board to delegate its power to conduct disciplinary hearings to the executive secretary.

Due process. The Alaska Supreme Court has held that the combination of judicial and investigative functions in an administrative agency does not violate either federal or state constitutional due process rights. Either a board or a person appointed to act for a board may make a preliminary factual inquiry to determine whether charges should be filed and then conduct the hearing on those charges. In re Hanson, 532 P.2d 303 (Alaska 1975) and In re Cornelius, 520 P.2d 76 (Alaska 1974).

Delegation of powers. AS 08.80.095 in section 3 of the bill permits the board to hire an executive secretary. AS 08.80.097 sets out specific duties of the executive secretary. AS 08.80.095 also contains general language that the executive secretary assist the board in implementing the chapter. The board might interpret this general language as authorizing it to delegate its responsibility for conducting hearings to the executive secretary. The clearest way to limit delegation by the board is to say so in the bill, either by amending the new section 08.80.095 to indicate that the secretary shall only assist the board in conducting investigations or by prohibiting the board from delegating its duty to hold hearings, as set out in 08.80.040, which reads:

Representative Al Adams
Page 2
May 2, 1984

The board shall ... (9) hold hearings and order disciplinary sanctions against a person who violates this chapter or the regulations of the board.

If I may be of further assistance, please advise.

TBC:ojb
J7/017

A PERFORMANCE REPORT
ON THE
BOARD OF PHARMACY

July 1, 1980 to February 28, 1983

Audit Control Number

08-1114-51-83-R

Commissioner, Department of
Commerce and Economic Development

Richard A. Lyon

Deputy Commissioners, Department of
Commerce and Economic Development

Vincent O'Reilly
Terry Elder

Members of the Board of Pharmacy

Chairman
Secretary
Member
Member
Member
Member
Member

Eldon Ulmer
Margaret Soden
Susan Roberts
Robert Snider
James McCorcle
Charles Rush
Sidney Fry

STATE OF ALASKA

AUDIT DIVISION
POUCH W
JUNEAU, ALASKA 99811

THE LEGISLATURE
BUDGET AND AUDIT COMMITTEE

May 17, 1983

Members of the
Legislative Budget and Audit Committee:

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

A PERFORMANCE REPORT
ON THE
BOARD OF PHARMACY

July 1, 1980 to February 28, 1983



Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

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A. Board of Pharmacy, Revenues Compared with Expenditures.	15
Response:	
Department of Commerce and Economic Development	17

PURPOSE AND SCOPE OF THE REPORT

PURPOSE

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Pharmacy for the past three fiscal years. Our examination was conducted to determine if the Board has been operating in an efficient and effective manner.

Legislative intent requires consideration of this report during legislative oversight hearings to determine whether the Board of Pharmacy should be reestablished. The law now specifies that the Board will terminate June 30, 1984, and have one year from that date to conclude its affairs.

SCOPE

The major areas of our examination were the licensing, examination, administration, complaint, and affirmative action functions of the Board. We reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Interviews with the license examiners.
3. Tests of files and documents of licensees.
4. Complaints filed with the Division of Occupational Licensing, Human Rights Commission, Equal Employment Opportunity Office, Attorney General's Office, and the Ombudsman Office.
5. Discussions with Board members.
6. Minutes of Board meetings and Division correspondence files.
7. Attorney General Opinions applicable to professional boards.

ORGANIZATION AND FUNCTION

The Board of Pharmacy is a regulatory board with seven members; two public members having no direct financial interest in the health care industry, and five professional members with three years practical experience and licensed in Alaska. Whenever possible, each judicial district should be represented by a Board member.

The Board regulates five types of licenses; pharmacists, retail pharmacies, wholesale pharmacies, hospital pharmacies and drug rooms. The Board sets the minimum standards to practice in Alaska by:

1. Examining and issuing licenses to qualified applicants.
2. Establishing, amending, or eliminating regulations controlling pharmacy practices.
3. Revoking, annulling or suspending licenses in accordance with the Administrative Procedures Act when a person has violated pharmacy statutes or regulations.

Applicants for registration as a pharmacist are required to pass the National Association of the Boards of Pharmacy Licensing Examination (NABPLEX), and a jurisprudence exam covering Alaska pharmacy law and the Federal Controlled Substance Act.

Pharmacists licensed to practice in another state who apply for licensure in Alaska, can be licensed by credentials, except for those applicants from California or Louisiana. These two states require applicants to pass a state exam, not the national exam. Consequently, these applicants must take the national exam when applying in Alaska.

The Board may also issue temporary or emergency permits. Temporary permits allow qualified applicants to practice until the Board can formally license them; emergency permits allow pharmacists licensed in another state to practice in Alaska in an emergency. Both permits are limited in their duration and application.

REPORT CONCLUSION

Policy Issues

This report contains policy issues raised as a result of our evaluation of various Board practices. The final policy decisions affecting these practices are not within the scope of this report but require legislative consideration. In debating these issues, the oversight committees should take into consideration the findings and recommendations presented in this report so the potential impact of policy changes can be evaluated.

Report Conclusion

In our opinion, the Board of Pharmacy should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. The Board provides this service by establishing minimum educational and experience requirements that provide reasonable assurance that persons licensed are qualified. Also, assurances that those licensed act in a competent manner is provided by active investigation of complaints and revocation or suspension of licenses where appropriate.

However, the following findings describe areas where weaknesses or conflicts exist. We have made recommendations which, if implemented, will improve the efficiency and effectiveness of the Board.

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

PURPOSE AND SCOPE OF THE REPORT

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However, the following findings describe areas where weaknesses or conflicts exist. We have made recommendations which, if implemented, will improve the efficiency and effectiveness of the Board.

(Intentionally left blank)

FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The Board of Pharmacy should allow the Division of Occupational Licensing (OL) to perform its administrative duties as described in AS 08.01.050 to improve documentation and file management.

The Secretary of the Board receives license fees and applications, keeps applicant files, sends notification of exam results, and issues temporary permits. Each of these responsibilities has been assigned by the Legislature to the Department of Commerce and Economic Development, Division of Occupational Licensing. The above situation exists because the previous Secretary believed he could be more efficient in maintaining the files and processing the applications. We disagree.

The Division of Occupational Licensing is able to provide continuous, uninterrupted service while Board membership changes causing address changes and file transfers.

Additionally, the Secretary of the Board may not be equipped with the space or security needed to maintain confidentiality of files and to safeguard State assets. Furthermore, applicants become confused about where to send their documents.

Noncompliance with AS 08.01.050 is the major cause of the following problems:

- A. In seven of ten files reviewed for proper permanent licensure, we were unable to assure ourselves the applicant had passed the jurisprudence exam.
- B. In two of the files, we were unable to verify the applicants had satisfied the internship requirement. The Board reviewed these files and was unable to satisfy us that the requirements had been met. One file was missing documentation and the other file had documentation we considered insufficient in relation to that required of other applicants. Most applicants were required to have certified copies of hours worked from supervising pharmacists. In this case, documentation consisted of an internship permit issued by the Board with no evidence any hours had been worked.
- C. Temporary permits are being issued by individual Board members without complete documentation on file in DOL. This procedure has resulted in inconsistent issuances of temporary permits. Furthermore, it allows for the possibility of unqualified individuals being licensed.

Prior to the February 1983 Board meeting, we reviewed each application for permanent licensure scheduled for Board consideration. Each applicant had already been issued a temporary permit. In five of eleven cases, there was insufficient documentation in the applicant's file to show that all requirements for temporary licensure had been met.

By the time of the February 1983 meeting, all necessary documentation to support issuance of temporary permits, except for a jurisprudence exam, had either been received by OL or brought to the meeting by the Secretary of the Board. With the additional documentation, we determined that no temporary permit had been issued to an unqualified applicant. However, the possibility exists for a person to be improperly licensed for a short time.

The Board should ensure all documentation is sent directly to OL. When the file is complete, a member of the Board can either issue the permit or direct OL to issue the permit. This procedure will ensure that all necessary documentation is on file at OL before issuance of temporary permits.

- D. Alaska Statute 08.80.157 requires proof that an applicant for a retail or wholesale pharmacy license has the land, facilities and equipment necessary to carry on business. Also, that the applicant be free of any conviction of a federal or state drug offense and free of any addiction.

We reviewed seven pharmacy files and none of the files contained sufficient documentation to issue a license. We discussed our finding with the Board and determined it was not their policy to include this documentation. They knew who had the facilities and relied on a telephone call from the Drug Enforcement Administration to satisfy the conviction requirement.

We believe the Board should adopt a policy to document satisfaction of the licensing requirements. The procedures need not be elaborate, but should supply sufficient proof that the applicant complies with law.

We recommend the Board ensure that all files, applications, fees and exam results are sent directly to OL. Also, that temporary permits are only issued after all documentation has been received by OL.

Recommendation No. 2

The Board of Pharmacy should reevaluate its regulations governing continuing education.

The following requirements of continuing education should be reviewed.

- A. Regulations require nonacademic programs to have an examination or another method of assuring satisfactory completion of the program before continuing education credit will be given. The Board allowed continuing education credit to be given to an individual when the nonacademic requirement had not been met. The reason given for allowing these credits was that the regulations were too stringent.

If the Board believes its regulations to be arbitrary or unreasonable, those regulations should be changed before accepting nonregulation continuing education credits. Compliance with existing regulations will ensure that all licensees are treated equally and consistently until changes can be made.

- B. The Board has described four instances when they will excuse a licensee from continued competency requirements. These causes are chronic illness, retirement, military service, or hardships as individually determined by the Board.

In our opinion, it is more reasonable to require individuals who have been chronically ill, retired or in the military to demonstrate their continued competency, than those who have not interrupted their practice. We also understand that those persons who have been chronically ill should not be penalized for their illness.

However, the Board has the ability, under the hardship clause, to determine each case individually. They should evaluate the changes in the profession and develop a plan for the individual that would allow him or her to practice while fulfilling the continuing education requirements. This would fulfill the Board's primary purpose to protect the public while not unduly penalizing the professional.

Recommendation No. 3

The Board of Pharmacy and the Division of Occupational Licensing should introduce legislation that will clarify certain statutory requirements.

Alaska Statute 08.01.050(19) places the responsibility for

performing investigations with the Division; Alaska Statute 08.01.070 assigns to the Board the requesting authority. However, AS 08.80.030(3) also gives the Board the authority to conduct investigations. This conflict has caused friction between the Division and the Board.

The Board is concerned that the Division is not informing them of complaints or investigations concerning pharmacy, while the Division is concerned that the Board not become involved in the investigation to such an extent as to prejudice the case. Also, the Board must remain impartial in case they become involved in any disciplinary action against the licensee.

Legislation is necessary to clarify the responsibilities of the Board and the Division so both will be confident they are properly performing their statutory duties.

Recommendation No. 4

The Office of the Governor should ensure that Board members are properly appointed.

In July of 1980, the Legislature limited the number of consecutive terms a Board member could serve to two and reduced the term from five years to four. The intent of AS 08.80.020 as amended, was to make service on the Board accessible to more individuals in the profession.

In discussions with Legislative Affairs' attorneys, it became clear that the intent of the Legislature was to include service prior to July, 1980, in determining the limitation. Three members of the Board of Pharmacy have served longer than is allowed when prior service is applied.

One member has served for sixteen years as of March 31, 1983, thirteen of those years prior to July, 1980. This same member was reappointed after the effective date of AS-08.80.020. At the end of his present term, he will have served nineteen years. Two other members will have served twelve and ten years at the end of their present terms on March 31, 1984 and March 31, 1985, respectively.

Additionally, three members of the Board appointed after the effective date of the legislation, have been appointed for five year terms instead of four.

We recommend the Office of the Governor ensure that Board members are appointed in accordance with statute.

ANALYSIS OF PUBLIC NEED

Limited Analysis

The following analyses indicate both positive and negative factors as they relate to the public need as defined in the "sunset" law. These analyses are not intended to be comprehensive, but to address those areas we were able to cover during our review.

- I. The extent to which the board, commission or program has operated in the public interest.
 - A. The Board has held public meetings three times a year.
 - B. The Board administers the pharmacy test yearly.
 - C. The Board has passed regulations concerning dangerous drugs, continuing education as proof of continued competency, false or misleading advertisement of drugs, and prepackaging of drugs in hospital drug rooms.
 - D. The Board was instrumental in passage of the Controlled Substance Act and the Marijuana Therapeutic Research Program.
- II. The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.
 - A. The Board adopted continuing education regulations that may be too stringent. The Board is reconsidering these regulations (see Recommendation No. 2).
- III. The extent to which the board, commission or agency has recommended statutory changes which are generally of benefit to the public interest.
 - A. The Board actively supported passage of the Controlled Substance Act; it became effective January 1, 1983.
 - B. The Board succeeded in having various obsolete or vague statutory requirements repealed which provided for smoother operation of the Board.

- IV. The extent to which the board, commission or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.
- A. Board meetings are announced to the public. Comments on regulation changes are solicited by announcement in public newspapers. The Board does not actively solicit comments on its effectiveness.
- V. The extent to which the board, commission or agency has encouraged public participation in the making of its regulations and decisions.
- A. The Board announces proposed regulation changes or additions in newspapers according to the Administrative Procedures Act.
- VI. The efficiency with which public inquiries or complaints regarding the activities of the board, commission or agency filed with it, with the department to which a board, or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.
- A. We found no problems in this area.
- VII. The extent to which a board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.
- A. We found no instances where the Board had licensed unqualified practitioners.
- B. The Board has licensed 83 pharmacists in the last three years, all but eight were licensed by credentials.
- VIII. The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission or agency to its own activities and the area of activity or interest.
- A. Applications for licensure as a pharmacist require information and photographs which the Division of Equal Employment Opportunity (EEO) believes may not be necessary to determine the qualifications of the applicant.

- IX. The extent to which statutory, regulatory, budgeting or other changes are necessary to enable the agency, board or commission to better serve the interests of the public and to comply with factors enumerated in this subsection.

Please refer to the recommendation section of this report.

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APPENDIX A

BOARD OF PHARMACY
REVENUES COMPARED WITH EXPENDITURES
For the Fiscal Year Ended June 30, 1982

(UNAUDITED)
(Note 1)

Average Revenues (Note 2)	\$42,763
Less: Expenditures (Note 3)	<u>46,166</u>
Excess of Expenditures Over Revenues	<u>\$ 3,403</u>

<u>Revenue Type</u>	<u>Amount</u>	<u>Collection Time</u>
Examination Fee	\$ 50	With application
Re-examination Fee	15	With application
Investigation Fee	25	With application
Pharmacist Fee	200	With license issuance
Pharmacist Renewal Fee	200	Every four years
Temporary License Fee	20	With permit issuance
Wholesale Drug Dealer Fee	200	With license issuance
Wholesale Drug Dealer Renewal Fee	200	Every four years
Retail Pharmacy Fee	200	With license renewal
Retail Pharmacy Renewal Fee	200	Every four years
Pharmacy Interim Fee	10	With license issuance
Emergency Permit Fee	10	With permit issuance
Hospital Pharmacy Fee	200	With license issuance
Hospital Pharmacy Renewal Fee	200	Every four years
Hospital Drug Room Fee	100	With license issuance
Hospital Drug Room Renewal Fee	100	Every four years
Nursing Home and Related Facility Fee	100	With license issuance
Nursing Home and Related Facility Renewal Fee	100	Every four years
License Amendments or Renewal Fee	10	When applicable

Note 1

This revenue/expenditure comparison was prepared from available records and discussions with Occupational Licensing personnel. The records were not audited by us and accordingly we do not express an opinion on the Board's Revenues Compared with Expenditures.

Note 2

The majority of the revenues collected are composed of license renewal fees. These fees are collected by most boards once every two or four years and causes revenues in one year to be much greater than the revenues collected in the next year. Therefore, we calculated and reported an average of the revenues collected in Fiscal Years 1981 and 1982 in order to obtain a more accurate representation of revenues collected.

Note 3

Expenditures include those made by board members, such as travel and per diem, and an allocated percentage (estimated) of total administrative expenses of the Division of Occupational Licensing. They do not include expenditures for efforts of other departments (such as the Department of Law) assisting the boards and the Division.

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STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

POUCH D
JUNEAU, ALASKA 99811
PHONE: 465-2500

OFFICE OF THE COMMISSIONER

June 28, 1983

RECEIVED
JUL 06 1983
LEGISLATIVE
SERIES

Mr. Gerald Wilkerson, CPA
Legislative Auditor
Audit Division
Pouch W
Juneau, Alaska 99811

Dear Mr. Wilkerson:

Re: Board of Pharmacy -
Performance Report

Thank you for the opportunity to respond to the performance audit of the Board of Pharmacy and the Division of Occupational Licensing which is dated July 1, 1980 to February 28, 1983.

We concur with your evaluation that the Board of Pharmacy should continue to exist in interest of the public's health and safety. Your suggestions will be evaluated for implementation. Those determined to improve the efficiency and effectiveness of the division and the board will be strongly supported and recommended. We have reviewed each of your recommendations and will provide you with this agency's position if we do not agree.

RECOMMENDATION #1.

The board of Pharmacy should allow the Division of Occupational Licensing (DOL) to perform its administrative duties as described in AS 08.01.050 to improve documentation and file management.

We concur in this recommendation, and cooperative efforts have recently improved. As mandated by legislation, and in the interest of efficiency, DOL is committed to assisting the Board of Pharmacy in all areas.

RECOMMENDATION #2.

The Board of Pharmacy should reevaluate its regulations governing continuing education.

June 28, 1983

This agency is continuing a review on requirement of continuing education by licensing agencies (boards). We do not agree that continued education ensures continued competency. As a licensing agency we determine that competency is the most important. Competency ensures the safety of the consumer. We also take the position that initial licensing is based on minimum qualifications; retesting on the entrance level may serve the purpose of ensuring continued competency. Continued education would, or should, be viewed as the professional association's responsibility to ensure knowledgeable professionals. This would also be in keeping with less government regulations and letting industry regulate itself.

RECOMMENDATION #3.

The Board of Pharmacy and the Division of Occupational Licensing should introduce legislation that will clarify certain statutory requirements.

We concur with this recommendation. This agency has been working with the Legislative Code Revision Committee in rewriting Title 8. This would have deleted the fragmentation throughout Title 8 and the various chapters. This effort was resisted by the board as an effort to diminish its authority. We will seek to have legislation submitted to clarify the issue of conflict within the statutes.

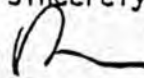
RECOMMENDATION #4.

The Office of the Governor should ensure that board members are properly appointed.

We would assure the auditors this has been addressed by the Governor's Office and by the Department of Law.

Again, thank you for the opportunity to respond to your report. Please feel free to contact this agency or the Division of Occupational Licensing if additional information or clarification is needed. Be assured, we determine your comments and findings to be fair and in the best interest of Alaskan consumers and professional pharmacist.

Sincerely,



Richard A. Lyon
Commissioner

RAL/cw#23DD1
62883B

Ulmer



DOWNTOWN REXALL DRUG
415 West 5th - P.O. Box 1420
Anchorage, Alaska 99510 • (907) 277-2567

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Anchorage, Alaska 99510 • (907) 264-1650

ULMER REXALL & TRUE VALUE HARDWARE
LAKESIDE Mall • Box 320
 Homer, Alaska 99503 • (907) 235-8594



23 March 1984

Honorable Joe L. Hayes
SPEAKER OF THE HOUSE
of Representatives
Pouch V
Juneau , Alaska 99811

Dear Joe,

Many thanks for your letter of March 17. It is gratifying to me to know that you , Representative Cowdery, and Senator Eliason are taking a hard look at what is happening regarding implementation of Alaska's Controlled Substance Act and particularly AS 17.30 of that Act.

The Board of Pharmacy was handed the ball by the Legislature, along with funding to hire an Executive Secretary and Investigator. Unfortunately these titles were not included as specific wording in the law , although these positions were repeatedly mentioned when the legislation was being considered and passed.

Board requests for an Executive Secretary , have repeatedly been ignored by the Governor, the Commissioner of Commerce , and the Director of Occupational Licensing (DOL). I believe all of them have a misconception of the intent , the importance , and the timely implementation of the Law.

Federal statistics, on file with the Alaska Department of Law , show that controlled substance from the legitimate industry account for some 60 % of deaths of patients brought to hospital emergency rooms with drug related problems (nation wide). Statistics also show , over 60% of drug related problems of patients being treated in hospital emergency rooms, come from drugs from the legitimate industry. These drugs are obtained by armed robbery, by after hour breakins, by prescriptions from unscrupulous practitioners, by forgery of prescriptions, or by sale by unscrupulous pharmacists.....but all from the legitimate industry.

The federal Drug Enforcement Administration (DEA) and state and local drug enforcement units have their hands full dealing with the "street traffic" illegitimate entrance of and use of controlled substances in all states . They rely on state laws, such as Alaska's AS 17.30 to deal with the legitimate industry. Most states effectively do this through their Boards of Pharmacy. No big bureaucracy is needed . Wyoming does it quietly, and cost effectively with one Executive Secretary and one Investigator, Under the direction of its Board of Pharmacy. Alaska would do well to emulate this program and the Board planned just that.

Ulmer



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Lakotita Mall • Box 520
Homer, Alaska 99603 • (907) 235-8594



23 March 1984

Honorable Joe L. Hayes
page 2.

You and Representative Cowdery and Senator Eliason all have documented evidence of the valient effort by the Board of Pharmacy to carry out the intent of the Legislature. I will not repeat all of that here, but it is important for you to know that I did spend many long hours drafting bothproposed regulations and job qualifications and a job description for the Executive Secretary. The later may be of value to you when you propose legislation to mandate creation of the position.

Again thanks for your letter , your interest , and your help in drafting and passing legislation that will clarify legislative intent . If I can be of assistance in this effort , please call me.

Since the Governor removed me from the Board, and refused to reappoint the member from Sitka and has indicated that he will not reappoint the present experienced Secretary of the Board, the Board will be down to one professional and one lay member with any real experience . The new inexperienced Board will desperately need the Executive Secretary .

Sincerely,

A handwritten signature in cursive script that reads 'Eldon R. Ulmer'.

Eldon R. Ulmer, R.Ph

Copy: Representative John Cowdery
Senator Dick Eliason
Charles Rush , R.PH. Secretary Board of Pharmacy

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

DIVISION OF OCCUPATIONAL LICENSING

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2534

MARCH 16, 1984

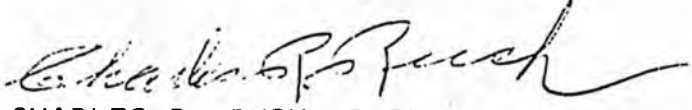
REPRESENTATIVE JOHN J. COWDERY
8120 LAKE OTIS PARKWAY
BOX 10-1623
ANCHORAGE, ALASKA
99511

DEAR REPRESENTATIVE COWDERY:

ENCLOSED ARE THE LETTER OF MR. ULMERS WHERE HE
REQUESTED THE EXECUTIVE SECRETARY AND FURNISHED
THE JOB DESCRIPTION.

APPRECIATE YOUR HELP.

SINCERELY,
ALASKA BOARD OF PHARMACY



CHARLES R. RUSH, R.PH.
SECRETARY & MEMBER

CRR/JD
ENCLOSURES:

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

BILL SHEFFIELD, GOVERNOR

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2534

July 29, 1983

Eldon Ulmer, R.Ph.
Chairman
Board of Pharmacy
P.O. Box 101420
Anchorage, Alaska 99510

Dear Mr. Ulmer:

Re: Executive Officer Position

This correspondence is to advise you that efforts of Mr. Jim Lawson, personnel officer, Department of Commerce and Economic Development, were to no avail in changing the position of the investigator to an executive officer.

We should proceed immediately to fill the position as mandated by legislation.

Sincerely,

Harry D. Treager
Director

HDT/cw#2707
72983A
cc: Dick Long

William Sheffield,

~~XXXXXXXXXXXX~~ Governor

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

DIVISION OF OCCUPATIONAL LICENSING

POUCH D

JUNEAU, ALASKA 99811

5 March 1983

Eldon R. Ulmer , R.Ph.
President, Board of Pharmacy
P.O. Box 101420
Anchorage, Alaska 99510

Mr. Harry Treager
Director
Division of Occupational Licensing
Pouch "D"
Juneau , Alaska 99811

Dear Mr. Treager:

Please consider this letter and supportive information attached , as an official request for action by you , from the Board of Pharmacy .


When you met with the Board in Juneau on February 25, 1983, you requested that I write to you asking your help in obtaining changes in the "designation of personnel" portion of the budgeted line items for implementation of AS 17.30 and AS 17.35 by the Board of Pharmacy.

You also asked for a job description for the Boards designation of "EXECUTIVE-SECRETARY-INSPECTOR" . In the five pages, attached, stating purpose , and including narrative , conclusion , and an addendum, I have attempted to do that . It is complex , to say the least, but I do believe it conveys the intent of the legislature and a means of implementing that intent.

Please expedite your request for the line item change so we may proceed at once. We are already two months into 1983 , and need to go at full speed in the next month or two .

Let me know as soon as you have hired the regulation specialist that you promised to hire and base in Anchorage. I have five pages of suggested regulations covering not only AS 17.30, but also AS 17.35 . I have a commitment from all four of the physicians to serve in the various categories on the Patient Qualification Review Committee and need the specialist to aid in getting my proposed applications for those positions . into printed form, so letters of appointment may be sent.

Sincerely,


Eldon R. Ulmer, R.Ph.

William Sheffield,
Governor

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

DIVISION OF OCCUPATIONAL LICENSING

POUCH D

JUNEAU, ALASKA 99811

5 March 1983

Eldon R. Ulmer , R.Ph.
President, Board of Pharmacy
P.O. Box 101420
Anchorage, Alaska 99510

Mr. Harry Treager
Director, Division of Occupational Licensing.....

Enclosure: Five pages of supportive material.

COPY TO: Honorable William Sheffield,
Governor, State of Alaska
Pouch "A" State Capitol Building
Juneau , Alaska 99811

Richard A. Lyon, Commissioner Commerce & Econ. Dev.
Pouch "D"
Juneau , Alaska 99811

Honorable Joe Hayes, Speaker of House of Representatives
Pouch "V"
Juneau , Alaska 99811

Honorable Jalmar Korttula, President of the Senate
Pouch "V"
Juneau , Alaska 99811

Norman Gorsuch, Attorney General
Department of Law
Pouch "K"
Juneau , Alaska 99811

Dan Hickey, Chief Prosecutor,
Department of Law
Pouch "K"
Juneau , Alaska 99811

ALL MEMBERS OF ALASKA BOARD OF PHARMACY

Gerald Wilkerson, CPA
Legislative Auditor
Pouch "W"
Juneau, Alaska 99811

ALASKA STATE BOARD OF PHARMACY

IMPLEMENTATION

CONTROLLED SUBSTANCE STATUTE AS.17.30
AND

MARIJUANA THERAPEUTIC RESEARCH
PROGRAM STATUTE AS.17.35

The Legislature passed the CONTROLLED SUBSTANCE STATUTE AS 17.30 AND THE MARIJUANA THERAPEUTIC RESEARCH PROGRAM STATUTE AS 17.35 IN 1982 with an effective date of January 1, 1983.

Much of the responsibility for the implementation of these two statutes rests with the Board of Pharmacy. The legislation did not specifically address the funding for the implementation, nor the number or type of personnel that would be needed for implementation.

The Board of Pharmacy has been planning, since 1981, for the responsibilities that many believed would be vested with the Board, but could make no definite plans until enactment was accomplished and an effective date established.

The Board is now faced with problems of selecting and funding personnel to insure a timely implementation of its responsibility.

N A R R A T I V E:

Under Sec 17.30.010 Regulations must be promulgated.

Under Sec 17.30.020, (a), (b), (c), (d), (e) & (f) Registration requirements must be met.

Under Sec 17.30.030 (a), (b), & (c) Registration must be accomplished.

Under Sec 17.35 Marijuana Therapeutic Research, a program must be established, physicians interviewed and appointed to the Patient Qualification Review Committee and regulations must be adopted to assure this program is administered at a state level that is compatible with Federal Statutes.

All of above can not be accomplished in three meetings of two days each presently budgeted for the Board.

Competent, qualified and experienced personnel must be hired, and fast, to accomplish the mandate of the legislature.

With this in mind the Board as early as June 1981, started setting up a proposed budget and establishing goals and objectives, even though no law was on the books at that time.

At two of its three meetings in 1982, after the enactment of the legislation, but still prior to the effective date, the Board again established goals and an accompanying proposed budget. This fact may be verified by the minutes of all of the above cited meetings and the attached goals and objectives to those minutes.

Throughout the meetings, evidence of the Board's intent can be clearly identified. Never did the Board waver from its intent to hire a "Executive-Secretary" type person to come on board in a full time position. Various budget figures were submitted in the range of \$ 85,000.00 for the period January 1, 1983 through June 30, 1983 (a half year) to fit the fiscal budget time frame from effective date of January 1, 1983.

N A R R A T I V E : (continued)

The Board does not enjoy budget-bypass privileges and must submit a budget through the Division of Occupational Licensing . It is the Board's understanding that this budget is then submitted through the Division of Commerce and Economic Development and on to the House and Senate Budget Committees .

The Board DID submit a budget , both for the fiscal year 1983 and again for the half-fiscal year 1983(January 1, 1983 through June 30 , 1983. The 1983-84 Fiscal year budget was submitted to the Division of Occupational Licensing also, and it is presently in the process.

With each budget request , a breakdown was also submitted. In every request there is an audit trail established in the minutes of meetings and in letters. The Board always included expenses for a position that was labeled various ways , but either was called " Executive-Secretary" or a combined position of "Executive-Secretary-Investigator-Examiner.

The Board realized that a regulation specialist would be needed to promulgate all of the regulations mandated by statute and budgeted for that position also . The Board also realized that , although it has always been assigned an inspector , by the DOL , that a full time inspector would also be needed , in addition to sharing the one used in the past . This would then amount to an investigator and a half (the half one being shared with other boards) and the full time one being used in the extensive investigatory work anticipated in the drug enforcement area .

Somewhere, in the translation from Board minutes and vocal requests, made by the Board to the Director of Occupational Licensing , MUCH WAS LOST. The Board recently was made aware that line item budget items were requested OR AT LEAST GRANTED in the budget , TIED to specific personnel. This personnel is defined, according to the DOL for two regulation specialists and two investigators . These people are in addition to the regular licensing examiner that is assigned to each board and usually shared by at least one other board. The regulation specialists and the two investigators were to be the people that would aid the Board in implementing its work.

This will just NOT WORK. The Board needs an Executive-Secretary type person , comparable to those in the employee of other states , such as Washington, Oregon, and Wyoming, where state pharmacy boards have full responsibility for their states controlled substance statutes. The Board has in mind at least three people , two of which would be excellent, and who have indicated a desire to come to Alaska . These people have been employed for at least five years as executive-secretaries, and also have investigate experience , and have been involved in the administration of both controlled substance legislation and marijuana research programs . Just the type of person with just the type of experience needed in the initial

NARRATIVE : (continued)

stage of the program in Alaska . Unfortunately ,no such position is specifically listed in the job classification program of the state, directly identified with the Pharmacy Board . Similiar positions do exist with the Board of Nursing and others, but not Pharmacy.

The Board of Pharmacy does not need, in the initial organization , two investigators . The Board does desperately need an experienced executive-secretary type, on a day-by-day basis to get the programs initiated and then properly administrated .

The Director of the Division of Occupational Licensing has agreed to submit the Boards desires as to changing the budget line item identification from two regulation specialists and two investigators to the personnel that could do the job , as long as the Board stays within the budgeted dollars. The Board has been informed that it has , budgeted dollars covering the four people mentioned above, in the amount of \$ 75,000.00 for the period January 1, 1983 through June 30 ,, 1983 . The Board has asked the director of DOL to make the following request:

Executive-Secretary-Inspector	range of \$45,000.00/yr
Estimated 30 % of salary for office etc	13,500.00/yr
One full time regulation specialist	33,000.00/yr
Estimated 30% of salary for office	9,900.00/yr
Licensing Examiner(or secretary type)	28,000.00/yr
Estimated 30 % for office etc.	8,400.00/yr
<u>TOTAL FOR ONE YEAR</u>	<u>\$ 137.800.00/yr</u>

This would break down to \$ 68,900.00 for the remainder of fiscal year 1983(half year Jan 1 through June 30 , 1983).and well under the \$75,000.00 budgeted . The figures above may be slightly off , but should be fairly close and definitely on the conservative side considering the licensing examiner budgeted above for full time Pharamcy Board work , when she would probably be used part time with another board.

The Director of The Division of Occupational Licensing has , asked that the President of The Board Of Pharmacy write him a letter asking for his cooperation in requesting the change and in addition attempt to write a job experience qualification requirements and a job description for the position of Executive-Secretary-Investigator .

The letter has been written and will be sent to the Director along with this narrative and a conclusion statement. Copies of all material will also be sent to The Governor, The Commissioner of Commerce & Economic Development, The Speaker of the House of Representatives, The President of the Alaska State Senate. all Board of Pharmacy Members, and Legislative Sunset Review Committee, and The Attorney General , and Department of Law.

CONCLUSION:

EXECUTIVE-SECRETARY-INVESTIGATOR FOR BOARD OF PHARMACY:

Qualifications:

1. Five years experience with another Board of Pharmacy, of which three years must be in the position of executive-secretary and the remainder in the position of investigator.
2. Experienced in administering controlled substance law of a state, under direction and supervision of a pharmacy board.
3. Experience in administering a marijuana therapeutic research program under the direction and supervision of a board of pharmacy.
4. Experience maintaining files and registration and licensing of pharmacists and controlled substance registrants at the direction and under the supervision of a board of pharmacy.
5. Be a registered pharmacist in a state recognized by the National Association of Boards of Pharmacy and be required to become registered as a pharmacist in the State of Alaska within six months of being hired as Executive-Secretary-Investigator by the State of Alaska.

JOB DESCRIPTION:

UNDER THE SUPERVISION AND AT THE DIRECTION OF THE BOARD OF PHARMACY AND UNDER THE MANDATES OF AS 08.01., CENTRALIZED licensing statute and AS 08.80 PHARMACY ACT.:

1. Assist Board in process of registration of all Drug enforcement registrants under the Federal Law under the AS 17.30 Alaska State Statute, including design of application form and license.
2. Maintain record of registration and licensure under AS 17.30 with such records properly maintained at the Division of Occupational Licensing.
3. INVESTIGATE violations of any state or federal law under the jurisdiction of the Board of Pharmacy and at the direction of the Board of Pharmacy and the Division of Occupational Licensing.
4. Aid Board in the administration of the Marijuana Therapeutic Research Program AS.17.35, including maintaining records at the Division of Occupational Licensing, and aiding the Patient Qualification Review Committee in processing applicants under that program.
5. Cooperate with all state and federal law enforcement agencies at direction of Board of Pharmacy.

C O N C L U S I O N . . : (continued)

6. Follow direction of DOL in maintaining records, issuing licenses, receiving fees, and any other job requirements assigned to licensing examiners, including:
 - (a) Collecting fees & issuing receipts;
 - (b) Maintaining records and files;
 - (c) Issuing & receiving application forms;
 - (d) Notifying applicants of acceptance or rejection of applicants as determined by Board;
 - (e) At direction of DOL & Board, notifying applicants for any licensure under AS 08.80 or AS 17.30 of examination dates or license renewal dates.
 - (f) Arrange space for holding examinations
 - (g) Notify applicants of results of examinations;
 - (h) Issue licenses & certificates or temporary licenses or certificates as authorized by Board
 - (i) Answer routine inquiries;
 - (j) Maintain a current registry of all licenses issued under AS 08.80 & AS 17.30
 - (k) Perform other services as requested by board consistent with requirements of AS 08.80 & AS 17.30 & AS 17.35.

7. Perform the following job description duties as mandated by and established by investigative procedures of DOL & Board.
 - (a) (b) (c) etc.....to be inserted by DOL & consistent with job description duties of INVESTIGATORS.

NOTE: It is the intent of the Board of Pharmacy that the above person be employed, under state employment laws, by the Division of Occupational Licensing. The Director would, in effect, be the person's boss, and would direct the duties and performance of the person, at the request and with direct input, from the Board of Pharmacy. The person would reside in the Anchorage area, working out of the Division of Occupational License office in Anchorage.

ADDENDUM:

The above job description, narrative, and conclusion solves the problem temporarily., however the problem may ultimately have to be addressed by the legislature. The Board of Pharmacy in offering the solution, listed here, is attempting to carry out the wishes of the Legislature, so the important programs may be started at once and carried out to the best of the ability of all involved.

BOARD OF PHARMACY

Report to the Legislature FY ' 83.

Submitted August 11 , 1983

CONTENTS:

1. Cover Letter .	ULMER
2. Narrative Statement.	SODEN
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4. Review of prior years objectives .	ULMER
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6. Budget Recommendations .	ULMER

Addendum # 1 :	Ulmer letter to Treagger	5 March 1983
Addendum # 2 :	Governor's letter to Ulmer	28 March 1983
Addendum # 3 :	Lawsen letter to Treager (cover letter Treager to Ulmer)	13 April 1983 15 June 1983
Addendum # 4 :	Treager letter to Ulmer	29 July 1983
* Addendum # 5 :	Notice of Proposed Regulation changes	13 July 1983

* This is a FY '84 action item , but shown here as these regulations were reviewed in FY ' 83 & passed at a FY '83 board meeting.

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

August 11 , 1983

BILL SHEFFIELD, GOVERNOR

Board of Pharmacy
POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2534

Mr. Harry D. Treager
Director
Division of Occupational
Licensing
Department of Commerce and
Economic Development
Pouch D
Juneau , Alaska 99811

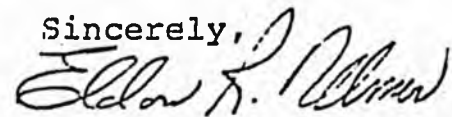
Dear Mr. Treager:

In compliance with AS 37 and AS 08 and on behalf of the Board of Pharmacy , I am submitting the enclosed Annual Report concerning the board's activities and accomplishments for Fiscal Year 1983.

In compliance with AS 37 and specifically with AS 08.80.040 (4) , and on behalf of the Board of Pharmacy , please submit this report to the Legislature.

Should there be any questions concerning this report, please feel free to contact me . Thank you.

Sincerely,



Eldon R. Ulmer, R.Ph.
President
Board of Pharmacy

Enclosure A six part report with the inclusion of five addendums.

Part 2.

Narrative Statement prepared and submitted by
Margaret Soden , R.Ph., Secretary of the Board
for FY '83

FY '83 was a significant year for the Alaska Board of Pharmacy. Not only did we have our usual number of requests for information, applicants for licensure, and general Board business to conduct at each meeting, but the Alaska Controlled Substances Act became effective on January 1, 1983. The Act impacts our Board to a great extent in that we are the responsible administrator of Title 17, Chapter 30, Regulation of Manufacture, Distribution, Prescription and Dispensing of Controlled Substances and Title 17, Chapter 35, Marijuana Therapeutic Research Program.

Because Title 17 did not become effective until January 1, 1983, we could not actually begin working on our duties as outlined in the two Sections cited above. We did, however, do much preliminary work in ascertaining how best we could handle state registration of Federal Drug Enforcement Administration (DEA) registrants (estimated to be 1000-2000 in number), the procedure for obtaining therapeutic marijuana for the research program, seeking out physicians to serve on the Patient Qualification Review Committee established in Section 35, and a number of miscellaneous administrative details.

In April 1983 the Regulations Specialist budgeted to work with the Board was hired. At our June 1983 meeting she presented regulations for the state registration of all Alaskan DEA license holders and for the Marijuana Therapeutic Research Program's Patient Qualification Review Committee. With some changes, the regulations were approved and are now in the "notice and hearing" phase. We are hopeful they will be adopted before November or December so we can begin registration and officially appoint the four physicians who have agreed to serve on the Patient Qualification Review Committee.

In general business of the Board this year we:

1. Completed inspection of all pharmacies, drug room, hospital pharmacies and nursing home drug rooms with the exception of those in Seward, Glenallen and Seldovia. We also followed up on violations observed in prior inspections such as security in two retail pharmacies and general physical conditions in one Anchorage pharmacy.

2. Observed non-compliance with prescription advertising regulations in a Fairbanks pharmacy, corresponded with the outlet in question and the problem was resolved.

3. Rewrote several questions on our Jurisprudence exam to include the Controlled Substances Statute and Marijuana Program.

4. Approved a form for the reporting of Continuing Education that will be required of pharmacists with their June 1984 renewals.

5. Asked that updated statute books be sent to all licensees. This required two printings so is in progress.

6. Sought and had preliminary approval for the Board to participate in the National Association of Boards of Pharmacy (NABP) Foundation's newsletter program. This newsletter is published quarterly with two pages of Federal regulations news and two pages of state news. It is a very worthwhile and timely publication. The DOL felt it would be more cost effective to publish a newsletter locally so withdrew approval. However no state publication has been done since Fall 1981 with the exception of a very short several paragraph letter sent to licensees in early 1982. Although \$1000 was budgeted for FY'83, no newsletter type communication from the DOL or Board of Pharmacy was sent to licensees.

7. Held a joint meeting with the Medical and Nursing Boards in February 1983 in which we discussed matters of common interest. One matter of particular concern was the emergency room dispensing of controlled substances on weekends, evenings or at other times when the pharmacist or pharmacist/consultant is not available. This is a

This is a special problem throughout Alaska. DEA had a proposed rule change which would have allowed emergency controlled substances to be allowed in such situations, but nationally it met with a great deal of opposition. We were the "cry in the wilderness" in favor. DEA has now dropped the whole idea. The Alaska Board of Pharmacy cannot write regulations counter to Federal law so the problem will remain.

8. Reviewed several requests from individuals and groups for approval of Continuing Education programs not strictly meeting the requirements of our regulations.

9. Received a favorable opinion from Attorney General, Wilson Condon, covering our Board's desired policy regarding investigations handled by DOL.

10. Attempted to come to some understanding with the Alaska Dental Society and the Board of Dental Examiners relating to the practice by some dentists of writing prescriptions outside their area of expertise. Many pharmacists were refusing to fill prescriptions for non-dental related conditions and some tension was the result.

11. Acted on proposals or legislation of interest either as a Board or individually. Some of them were:

- a. Alaska Code Revision-did not support as currently written.
- b. HB 10 Imitation Controlled Substances-supported with qualification.
- c. HB 225 Use of Drugs by Optometrists-did not support as written.
- d. Proposed change in regulations regarding "keys to a pharmacy."
- e. Repealed several CE regulations-a "housekeeping" measure.

12. Began preparing for Sunset Review in 1984. Carol Carroll, Legislative Audit, attended our February 1983 meeting and we discussed several activities and questions she had with regard to Pharmacy Board policy or procedure. We individually received and responded to "Interim Letter No. 1" from the Committee.

Our primary continuing concern is with the need to proceed with implementation of Title 17, Sections 30 and 35 with all due haste. Over seven months have passed and little concrete progress appears to have been made. We are particularly concerned with the staff budgeted to put Title 17, Sections 30 and 35 into effect. The Board was budgeted for two Regulations Specialists and two Investigators. We feel very strongly that two Regulations Specialists are not needed nor are two Investigators needed to do the work our portion of Title 17 requires. We have requested on several occasions that the one Regulations Specialist and one Investigator positions budgeted (but unfilled to this date) be somehow changed to encompass an "executive secretary/inspector" (various titles may be used) type person who would directly attend to the administrative duties we are now required to handle. Our licensing examiner cannot be expected to fulfill these functions along with her other duties. It is important that this position be filled by someone familiar with pharmacy nomenclature, pharmacy procedures, the administration of a Controlled Substances Act and Marijuana Program, and be able to handle and review the registration of 1000 to 2000 Alaska Controlled Substances licensees as a year long, on going process. This person could also serve as an inspector since that activity will increase with the implementation of Title 17. This

would also release the Pharmacy Board members from an inspection function which they do as personal time and funds allow. For a more complete discussion, see the attached letter and review of the Board's position written by Mr. Eldon Ulmer, Chairman.

The second major concern is for some sort of timely publication to be sent to all licensees. Since we are currently implementing a whole new section of regulations that very directly impact the practice of the pharmacy profession in this state, some means of communication is vital. The Board would prefer participation in the NAEP program since it encompasses both Federal and state activities. Since many other states participate in the program, the cost of publication is shared. Timely communication to licensees is the key to our concern and in FY '83 there was none. We are hopeful the \$1000 we included in Budget FY '84 for a newsletter will be used to achieve this goal.

Part 3

BOARD OF PHARMACY
FISCAL YEAR 1983
STATISTICAL REPORT

EXPENDITURES

Travel & Per Diem.....\$9,196.25
Contractual.....\$1,600.11

RECEIPTS

Application & License Fees.....\$8,128.00

LICENSES ISSUED

Pharmacists.....26
Retail Dealers.....4
Wholesale Dealers.....0
Hospital Pharmacies.....1
Hospital Drug Rooms.....0
Nursign Home Drug Rooms.....0
License Renewals.....1

EXAMINATIONS

June 28-29, 1983 NABPLEX EXAM, Anchorage, Alaska

Three Candidates - PASS: 3 FAIL: 0

BOARD MEETINGS

October 7-8, 1982 Fairbanks, AK

February 24-25, 1983 Juneau, AK

June 28-29, 1983 Anchorage, AK

Part 3.

Statistical Overview prepared and submitted by
Licensing Examiner Barbara Branson for FY '83.

Part 4: Review of Prior Year Objectives

The Board of Pharmacy enumerated eight objectives for FY '83. Several of these have been discussed previously in the "Narrative Statement" but will be repeated here to comply with the requested format. The eight objectives were:

1. Inspect all pharmacies licensed under the Board of Pharmacy Jurisdiction. The board's activity as to inspections was limited due to lack of funds and time. The board realized that the implementation of its responsibilities under AS 30 and AS 35 would make it impossible to inspect all pharmacies. The board decided to follow up in problem areas that were revealed in the massive inspections conducted in FY '81 and FY '82. Almost all pharmacies had been inspected in those two years. This would delay the next statewide inspection of pharmacies until FY '84, rather than to spend funds that might jeopardize the board's fiscal ability to conduct the three board meetings programmed for FY '83. The problem area follow up revealed that the installation of a sink in one pharmacy had been accomplished, that adequate security of those pharmacies (who closed their prescriptions departments when other areas of the store were open) had been accomplished, and that house keeping measures had been improved in those areas where adequate cleanliness had been found to be below approved standards.
2. Establish continuing education method of reporting and auditing for licensure requirements for 1984. The board adopted the reporting and auditing system developed by Sid Fry, R.Ph., professional member of the board from Sitka. A form was approved, to be mailed with the license renewal statement. Pharmacists will be required to submit the completed form, showing they have completed the required number of continuing education hours, with the understanding that a spot check system of those hours will be conducted.
3. Meet the requirements of the Controlled Substance Act AS 30 and The Marijuana Therapeutic Research Program Statute AS 35. These two statutes, although passed by the legislature in 1982, did not go into effect until January 1, 1983. There were no funds available for half of FY '83 for the implementation of the statutes. This crammed all effort by the board into the six month period from January 1, 1983 until June 30, 1983. The board was aware of this and spent many hours individually, and collectively, prior to the first meeting of the board in February of 1983, preparing proposed regulations so that a running start could be made at the February meeting. Pages of these proposals were prepared by the president of the board and brought to the February meeting. The board had requested that a representative from the Attorney General's office and a representative from the Special Prosecutor's Office be in attendance at the February meeting. This request was granted and these two professionals were very helpful in the area of regulations.

3. (continued)

The many pages of proposed regulations presented by the president of the board, were considered in depth by the board. It was agreed that this was a starting point, but that many more pages would be necessary before all subjects and requirements were met. Several facts were made available to the board at the February meeting, that here-to-fore were not known by the board. The board started as early as FY'81 (as substantiated by minutes of meetings in Fy 81 and FY '82) planning for action under the then proposed controlled substance act that was being considered by the legislature. The board realized (again substantiated by minutes of meetings of FY'81 and FY'82) that the board would need certain personnel, within the Division of Occupational Licensing (DOL) to effectively administer a controlled substance act, if the board was given the responsibility of administering the act. The board placed high priority on the hiring of an executive-secretary type person, on a full time basis, who would work within the jurisdiction of the DOL, but at the direction and guidance of the board. The board realized that it would need a full time regulation specialist and after the regulations had been adopted, and a licensing system had been established, possible the service of an investigative person. Some of these requests were provided for when the DOL submitted the board's budget to the budget process for FY'83. The most needed position request was completely ignored by the DOL when the line items were submitted to the legislature via the budget process. The position of executive-secretary had been left out and instead, the budgeted dollars for personnel that were allowed with enactment of the Controlled Substance Act and AS 35, were submitted requesting two investigators. The board was frustrated by this action of the DOL, since the board had not been made aware of the line item requests made by the DOL. An investigator will be needed in FY 85 or FY'86. Investigators are not needed until the licensing process is established so there are licenses to investigate, if problems occur. The hiring of investigators will accomplish nothing in the early stages of implementation of AS 30 and AS 35. Dollars will be wasted. Investigators specifically hired (not under the intent of the legislature when enacting AS 30 and AS 35) will sit on their hands, or be used by the director of DOL in other areas outside the budget of the board of pharmacy and in violation of the intent of the legislation. The board knows that the Controlled Substance Acts of Washington, Oregon, and Wyoming were all put in place effectively, with the aid of an executive secretary type person. These three states have established programs and have been effectively operating them for from five to seven years. They do so with the help of a full time executive secretary type person. The board has knowledge that there are a number of people who have been working in the programs of those three states, both as executive secretaries and investigators, who are interested in coming to Alaska in a like position. The board does not know of any person presently with the DOL or available in Alaska who could qualify for this highly technical and specialized position.

3. (continued)

When the director of DOL advised the board that the budget line items could not be changed and that his plan was to hire the two investigators, the board was in shock. An immediate evaluation of what would happen under such a plan revealed the fact that the program would be in jeopardy and indeed probably completely delayed until the action by the director of the DOL could be changed or altered. The director then advised the board that the only remedy was to submit a request to the department of personnel that a "special exemption" status be enacted and that an executive-secretary position be created under the special exemption process. The other alternative is to seek legislative action. Since time is already a prime factor, a delay until legislative action can be taken in January or February of 1984, would seriously delay placing the provisions of AS 30 and AS 35 on stream. The board requested that the director of DOL apply for a special exemption status and proceed full speed with the request. The director asked the president of the board to write him a letter, requesting that this action be taken. He also requested that the president of the board write a job description for the executive-secretary position and provide the qualifications for the job. The president of the board spent many hours drafting the qualifications and the job description and sent them with a cover letter to the director of DOL with copies to the Governor, the Legislative Audit Committee, and the Speaker of the House and President of the Senate as well as to the Attorney General and the Commissioner of Commerce & Economic Development. A copy of that letter and the qualification paper and job description are attached to this report as Addendum # 1. A copy of the letter from the Governor, in reply to the receipt of all the material that went to the director of DOL, is attached to this report as Addendum # 2. The request, through the personnel officer of the DOL to the personnel office of the state, was garbled. This is evident from the letter of reply written to the request. The letter rejecting the request states that an exchange of the "positions" of investigators to the "positions" of executive type personnel was denied. The board did not ask that the two investigator positions be exchanged for two secretary type positions. It asked that the two positions of investigators be changed to ONE POSITION OF EXECUTIVE-SECRETARY. This exchange would result in one less person being hired and would be cost effective due to the elimination of one position. Not only would the exchange benefit the board in implementation of AS 30 and AS 35, BUT DOLLARS WOULD BE SAVED. A copy of the memorandum of April 13, 1983 to the director of DOL from the personnel officer of DOL, Jim Lawson, is attached as Addendum # 3. The board meeting in June of 1983, again asked the director of DOL to appeal the decision of the personnel director, and to specifically state that only one person was being asked for instead of two. The director apparently did appeal and a copy of the letter of July 29, 1983 written by the director of DOL to the president of the board, advising of the failure of the appeal, is attached as Addendum # 4.

3. (continued)

The board has spent much valuable time in FY'83 trying to convince the director of DOL, the Commissioner of Commerce & Economic Development, and the Governor that the board believes the intent of the legislature in the enactment of AS 30 and AS 35 was to get the job done. The board believes that the pressure by-pass special exemption method of securing the necessary qualified personnel in the DOL to aid the board in implementing AS 30 and AS 35 should and could be used, if it were presented properly. The progress of the board in implementing the statutes has been greatly impeded by the lack of the qualified personnel. The director of DOL finally hired a regulation specialist, who came on board in mid April 1983. This regulation specialist has been of great help and with the help of a regular regulation specialist in the Juneau office of DOL, prepared regulations that were patterned after those written by the president of the board. These proposed regulations were presented to the board at the June 1983 meeting. Changes were made and the proposed regulations were asked to be put in final form and promulgated as soon as possible. An outline copy of these regulations is attached as Addendum #5. Irregardles to all the road blocks that have impeded implementation of AS 30 and AS 35, the following has been accomplished:

- A. The board president contacted, first by phone, and then where needed, by letter....the following:
- Federal Drug Administration (FDA)
 - The National Institute of Drug Abuse (NIDA)
 - The Drug Enforcement Administration (DEA)
(State level, Regional level, National level)
 - The National Eye Institute (NEI)
 - The National Cancer Institute (NCI)

The FDA sent copies of the Group Guidelines for the use of Delta-9-Tetrahydrocannabinol (THC) NSC 134454 along with registration forms, order forms, and information on obtaining marijuana for use when implementing AS 35. The DEA sent a complete print out of all DEA registrations in Alaska (some 1000), when the board president wrote them and explained that the list was imperative to the program in Alaska. The board president further asked and received a letter from DEA allowing limited distribution of this list to pharmacies (as the only people other than the board and its extensions) who have a need for this list. The NIDA, the federal agency authorized to issue THC, promised to co-operate with the board when regulations are implemented, so we have a source of THC (marijuana derivative) for the research program.

- B. The president of the board contacted many ophthalmologists, radiologists, psychiatrists and members of the Medical Board, in an effort to stimulate as much interest as possible with those professionals so they would apply for appointment to the Patient Qualification Review Committee (As 17 35). Copies of the law were handed out at a meeting of the psychiatry Association meeting,