

LEG. FINANCE - BILLS 1985 - 1986 2397

HB 409 cont. - HB 430 2397

1 and

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8 including training in community outreach services and orientation in  
9 cross-cultural issues.

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*Ford*

Introduced: 1/22/85  
Referred: Health, Education &  
Social Services and Judiciary

1 IN THE HOUSE BY M.M.MILLER AND CLOCKSIN  
2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 412  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to the chronically mentally ill."  
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 \* Section 1. AS 47.30 is amended by adding new sections to read:

9 Sec. 47.30.545. TREATMENT OF THE CHRONICALLY MENTALLY ILL. The  
10 department shall provide for community based and locally or regionally  
11 coordinated care and treatment of the chronically mentally ill. The  
12 department may enter into a contract with an eligible community entity  
13 under which the department purchases community mental health services  
14 for the chronically mentally ill from the entity if the local commu-  
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18 treatment centers, in as close to a normal home or non-institutional  
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28 (4) programs shall be designed to coordinate with the  
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1 to include the following two elements: (A) an acute hospital or a  
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3 persons in psychiatric crisis; and (B) a case management system in  
4 which the case manager serves as a coordinator of the various elements  
5 of the system and as an advocate for the clients in the system; all  
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*2/14 sup 85*

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Page 1 of 8

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: CSSSHB 412 (HESS)  
Title: An act relating to the chronically mentally ill

Sponsor: Mike Miller & Don Clocksin  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Div. of Mental Health & DD  
BRU: Community Mental Health Grants Institutions and Administration

Components: Community Mental Health Grants Mental Health Administration

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		319.7	331.5	343.8	356.5	369.7
TRAVEL		39.2	40.7	42.2	43.7	45.3
CONTRACTUAL		4.8	5.0	5.2	5.4	5.6
SUPPLIES		1.3	1.4	1.5	1.6	1.7
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS		9,635.0	9,991.4	10,361.0	10,744.4	11,141.9
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>10,000.0</b>	<b>10,370.0</b>	<b>10,753.7</b>	<b>11,151.6</b>	<b>11,564.2</b>

<b>CAPITAL</b>		0	0	0	0	0
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<b>REVENUE</b>		0	0	0	0	0
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		10,000.0	10,370.0	10,753.7	11,151.6	11,564.2
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>10,000.0</b>	<b>10,370.0</b>	<b>10,753.7</b>	<b>11,151.6</b>	<b>11,564.2</b>

**POSITIONS :**

FULL-TIME		5	5	5	5	5
PART-TIME		(2)				
TEMPORARY						

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

See Attachments

Prepared by: *Thomas R. Butler*  
Division: *Mental Health & DD*

Phone: 465-3370  
Date: 2/13/86

Approved by Commissioner: *John R. Pugh*  
Agency: \_\_\_\_\_

Date: 2/13/86

Distribution (by Agency preparing fiscal note):

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

*fcc*

## INTRODUCTION

The following discussion describes the Division's program proposal for the implementation of CSHB 412. The proposal calls for an augmentation of existing services as well as an expansion of new services to meet 50% of the potential need of the Chronically Mentally Ill (CMI) statewide at a cost of \$10,000,000.

Currently, 1394 chronically mentally ill persons are actively being served through the community mental health system on a statewide basis. This figure (1394) represents approximately 30% of the universe of persons at risk (5,500) and in need of services. Unfortunately, for the 1394 clients being served, the delivery system is still inadequate, piecemeal, fragmented, inaccessible and unavailable in some places, and lacks comprehensiveness. Therefore, the first level of priority is that of bringing the current system up to a basic level of services that will guarantee to every client a basic level of care to assure the maintenance of a minimum standard of protection, health and safety as well as a minimum standard of decency and dignity.

In addition, another 1300 clients would be identified from existing waiting lists and brought into the service delivery system. The basic level of services would also be available for these new clients. Thus the system would now be serving approximately 2700 clients or approximately 50% of the total population at risk.

After basic needs have been met, the service system would be expanded to provide differentiated services to meet the specific needs of clients based on diagnosed functional levels. Although the system would not be able to meet every need of a given client, a comprehensive range of services would be available to assure not only the maintenance of one's functional level, but to improve it, and perhaps achieve additional goals toward self-help and independence.

Naturally, to implement a new system, an administrative structure must be in place. Because an administrative system is already in place, our request for personnel, travel, supplies and equipment will be modest. Currently, two half-time regional administrators exist in Fairbanks and Juneau. These positions should be made fulltime.

These two positions will provide program monitoring, technical assistance, consultation and represents the Division's presence in the Northern and Southeast regions of the State.

For Anchorage and the Southcentral Region, 2 fulltime facility surveyors and one Regional Administrator are recommended. These surveyors would work out of the Anchorage Regional Office and provide coverage for Anchorage and the Southcentral, South Western and Western Regions of the State. The two regional administrators in Juneau will be taken to fulltime to assist in pre set-up of programs in those respective areas, and an additional position will be needed in Fairbanks to serve the Interior, Northern and North Western Regions of the State.

Personnel and Admin. Costs Within the  
Mental Health Administration Component

1.	Juneau (Southeast Region)		
	a) M.H. Clinician IV part-time to fulltime		R-23L
	01 salary and benefits	43.7	
	02 travel	4.6	
		<u>48.3</u>	48.3
2.	Fairbanks (Northern Region)		
	a) M.H. Clinician IV part-time to fulltime		R-23L
	01 salary and benefits	50.2	
	02 travel	4.6	
		<u>54.8</u>	54.8
	b) Health facilities surveyor 1-FTE		R-18A
	01 salary and benefits	56.3	
	02 travel	8.0	
	03 contractual	.6	
	04 supplies	.1	
		<u>65.0</u>	65.0
3.	Anchorage (Southcentral Region)		
	a) Mental Health Clinician IV FTE		R-23A
	01 salary and benefits	67.8	
	02 travel	8.0	
	03 contractual	3.0	
	04 supplies	1.0	
		<u>79.8</u>	79.8
	b) health facilities surveyors 2-FTE		R-18A
	01 salary and benefits	101.7	
	02 travel	14.0	
	03 contractual	1.2	
	04 supplies	.2	
		<u>117.1</u>	117.1
	Total Administrative cost		<u>365.0</u>

PROGRAM ASSUMPTIONS

1. Every community mental health center would be given funds for a minimum service package for the chronically mentally ill. The minimum service package includes residential care and case management. A full time case manager will be available for 15 or more clients at a cost of \$36,000 per year, including benefits.

2. Residential care includes a variety of options such as transitional living center, supervised apartment living, group homes, and adult foster care. The cost will vary according to the choice of residential facility. Residential care is basic to one's well being and sense of worth and dignity.

3. Programs will experience a COLA of 3.7% annually.
4. Programs are not comprehensively funded, but they do meet basic needs as well as significant improvements toward client independence. Optimum funding for this population would approximate \$19,000,000 instead of the \$10,000,000 being recommended.
5. Not all services will be available in all communities; consequently, a client may have to travel to another site to receive all the services he/she may need.
6. In Southeast Alaska \$465,083.00 is for designated beds to be purchased in Juneau and Sitka. These will complement the designated beds available at Fairbanks for the Northern region and at Anchorage for the South Central area. This allows involuntary hospital care to be delivered in local facilities.
7. The data for this fiscal note came from the "Boston Study" a computerized data-based Statewide needs assessment of the CMI population in Alaska. Data and costs are available for the entire population in need or any portion thereof.
8. This program addresses approximately 50% of the population in need of services.

#### Services For The CMI Population

The services for the chronically mentally ill are divided into five major categories:

- CM: Case management which is the key to community support for the chronically mentally ill.
- RES: Residential services which include: Inpatient Hospitalization board and care, adult family care, halfway house, supervised apartments, and crisis/respice beds.
- TX: Treatment services which include: crisis, day treatment, out-patient psychotherapy, and medication management.
- RHB: Rehabilitation services which include: Training in daily living skills, socialization, pre-vocational and vocational training, and sheltered workshop experience.
- SUP: Support services which include: case management, support to the client's family, legal, recreation, and transportation.

Increment for Services for the Chronically Mentally Ill

Mental Health Center	Clients Currently Served	50% of Clients At-Risk	Description of Increment	Cost
Aleut/Prib	6	24	CM, RES, TX	38,520
Anchorage	625	1,245	CM, RES, RHB, SUP, TX	4,298,568
Aniak	3	7	CM, RES, TX	27,720
Barrow	19	40	CM, RES, TX	127,091
Bethel	92	78	CM, RES, RHB, SUP, TX	615,388
Copper Cnt.	2	10	CM, TX	18,000
Cordove	5	13	CM, RES, TX	27,720
Craig	6	13	CM, RES, TX	27,720
Dillingham	30	34	CM, RES, RHB, SUP, TX	200,670
Fairbanks	135	361	CM, RES, RHB, SUP, TX	0*
Ft. Yukon	0	7	CM	18,000
Galena	13	12	CM, RES, TX	56,520
Haines	3	10	CM, TX	18,000
Homer	28	47	CM, RES, RHB, SUP, TX	187,292
Juneau	34	159	CM, RES, RHB, SUP, TX	646,775**
Kenai	17	147	CM, RES, RHB, SUP, TX	491,164
Ketchikan	32	106	CM, RES, RHB, SUP, TX	354,517
Kodiak	58	67	CM, RES, RHB, SUP, TX	387,972
Kotz	7	33	CM, RES, TX	100,724
McGrath	9	7	CM, RES, TX	45,720
Nome	74	49	CM, RES, RHB, SUP, TX	494,986
Seward	53	49	CM, RES, TX	100,335
Sitka	30	42	CM, RES, TX	550,753**
Tanana	7	6	CM, RES, TX	27,720
Tok	16	10	CM, RES, TX	57,520
Valdez	5	18	CM, RES, TX	27,720
Wasilla	85	205	CM, RES, RHB, SUP, TX	688,967
Administration				364,928
<b>TOTAL*</b>	<b>1,394</b>	<b>2,799</b>		<b>10,000,000</b>

\*A comprehensive array of services for the chronically mentally ill in the Fairbanks area is currently funded through the Division of Mental Health and Developmental Disabilities base budget.

\*\*Funds for Juneau and Sitka for designated beds are included.

Detail of Major Categories of Service and Cost follow

Detail of Major Categories of Service and Cost

Case Management Services (CM)

Costs: 1 Manager/15 clients @ 36,000 Per Year

1. Case Management services :
  - a. Screening and evaluation of potential clients to determine the client's eligibility for services, and provide a fixed point of entry into the services of the community support unit;
  - b. Individualized Treatment Plans for each client accepted for services. The plan includes the client's history; an assessment of the client's personal strengths and weaknesses; and a plan of action to meet the client's basic life needs and enhance or maintain the client's level of functioning.
  - c. Assistance in applying for aid for which the client is entitled. Staff will routinely help clients secure resources such as Social Security, general assistance, vocational rehabilitation, and housing subsidies.
  - d. Assume the leadership role in coordinating services with other agencies and resources. Resources other than agencies include: landlords, employers and volunteers.
  - e. Emotional support and counseling to clients throughout the provision of all other services listed; and
  - f. Assure that clients are informed about the 24-hour per day services that are available through the community mental health program and are trained in their use.
2. Outreach services to include:
  - a. Contact with psychiatric hospital to identify appropriate clients and to offer services to potential clients. With the cooperation of the hospitals, staff will participate in hospital discharge planning; and
  - b. Contacts at the client's residence and other community settings to help the client engage in treatment.
3. Medication management to include: Coordination with the client's physician to assure that the client's medication needs are met. Program staff will routinely observe and collect observations on the client's behavior and provide ongoing feedback to the client's physician.
4. Daily structure and support to include:
  - a. The provision or arranging for skill training. Skill training will as needed include, but not be limited to, household skills, money management, personal hygiene, and self-management of medications; and
  - b. Socialization activities for clients. These activities will be provided in formal settings where clients can develop communication skills and friendships.
5. Vocational skill development to include:
  - a. Referral of clients to vocational rehabilitation services, and working with those services to develop individual programs to meet the special needs of each client.
  - b. Outreach contact to clients who are working in community settings. Staff will provide back-up support to clients and their employers.

6. Residential resource development to include:
  - a. Assisting clients to find an appropriate (e.g., safe, sanitary) living situation.
  - b. Providing independent living skill training (cooking, hygiene, etc.) in the client's residence.
  - c. The program may use program funds to pay for rent deposits and basic housing needs when no other funds are available. These funds may be considered as loans to clients and mechanisms will be established to accept reimbursement from clients.
7. Throughout the provision of community support services, staff will observe and help secure the client's rights to confidentiality and treatment with human dignity.

TREATMENT SERVICES (TX)

1. Crisis/Emergency: These services include immediate, face-to-face 24-hour per day clinical care with the ability to admit clients to all service components of the local mental health system. Call back response to telephone emergencies must be within 15 minutes. \$ 60/hr.
2. Day Treatment: The treatment services which are provided include more than conventional out-patient treatment but less than 24-hour per day care. Treatment services are delivered for a minimum of two hours per day through a structured program which is related to the client's treatment plan. \$ 15/hr.
3. Out-patient psychotherapy: Therapeutic services provided on an individual or group basis according to the client's formal, written treatment plan. \$ 90/hr.
4. Medication Management: The evaluation and monitoring of medications by a physician. Also the dispensing of medication by nursing staff. \$130/hr.

REHABILITATION SERVICES (RHB)

1. ADL/Socialization: A planned treatment program which focuses on self care, community survival, and social interactions. \$ 15/hr.
2. Pre-vocational Training: A treatment program which focuses on the skills and behaviors necessary to begin vocational training or work experiences. \$ 15/hr.
3. Sheltered Workshop: A vocational training program that provides clients with valid work experiences. The work is performed at less than competitive skill and productivity levels. \$ 15/hr.

4. Vocational Training: A training program in which the goal for all participants is the achievement of competitive employment. The program provides clients with support and specific skill training. \$ 15/hr.

SUPPORT SERVICES (SUP)

1. Case management: The case manager is aware of the client's needs and resources and provides advocacy, resource management, personal support, and treatment coordination. \$ 40/hr.
2. Support to Family: The support provided to family members and significant other by mental health system personnel. \$ 65/hr.
3. Legal: Services provided by legal or mental health professionals during the commitment process. Also included are other legal services required by clients. \$100/hr.
4. Recreation: The activities involved in the constructive use of leisure time. \$ 15/hr.
5. Transportation: The transportation services which are used by a client. These may include services supported by the Department or any other transportation system. \$ 5/hr.

ALASKA STATE LEGISLATURE

14th Legislature SECOND Session  
 SPONSOR SUBSTITUTE  
 HOUSE BILL..... NO. 412..  
 By M.M. MILLER, CLOCKSIN....

"An Act relating to the chron-  
 ically mentally ill."

Mentally ill

Introduced in the House .1/22...., 1986.

HISTORY IN THE HOUSE

1986	Read first time and referred to Committee on
Jan 22	HESS AND JUDICIARY
	Reported back with recommendation that
	Read second time and
	Read third time and
	<b>PASS</b> Effective Date
	Yeas Yeas
	Nays Nays
	Absent Absent
	Excused Excused
	Reconsideration
	<b>PASS</b> Effective Date
	Yeas Yeas
	Nays Nays
	Absent Absent
	Excused Excused
	Reported correctly engrossed
	Signed by Speaker
	Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on
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	Read second time and
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	Reported correctly engrossed
	Signed by President
	Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor ..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

Offered: 2/14/86  
Referred: Finance

Original sponsor: M.M.Miller and Clocksin

1 IN THE HOUSE BY THE HEALTH, EDUCATION AND  
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 412 (HESS) SOCIAL SERVICES COMMITTEE  
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21 (4) programs shall promote client participation in plan-  
22 ning, operating, and evaluating daily treatment and rehabilitation;

23 (5) programs shall be designed to coordinate with the  
24 social service system as a whole and in particular shall be designed  
25 to include the following three elements:

26 (A) emergency or crisis care in an emergency center or  
27 at home by an emergency response team;

28 (B) an acute hospital for evaluation, diagnosis,  
29 treatment and referral for persons who are in need of acute care;

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2 (C) a case management system in which the case manager  
3 serves as a coordinator of the various elements of the system and  
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C O R R E C T I O N

Discard C S S S H B \* 412 (Hess)  
and retain this corrected version.

Offered: 2/14/86  
Referred: Finance

Original sponsor: M.M.Miller and Clocksin

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 412 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the chronically mentally ill."

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

8 \* Section 1. AS 47.30 is amended by adding new sections to read:

9 Sec. 47.30.545. TREATMENT OF THE CHRONICALLY MENTALLY ILL. The  
10 department shall provide for community based and locally or regionally  
11 coordinated care and treatment of the chronically mentally ill.

12 Sec. 47.30.547. COMMUNITY SUPPORT SERVICES FOR THE CHRONICALLY  
13 MENTALLY ILL. Communities that provide eligible mental health ser-  
14 vices for the chronically mentally ill may receive funds from the  
15 department for the following program elements:

16 (1) a short-term residential treatment program for individ-  
17 uals experiencing an acute episode or a situational crisis requiring  
18 temporary removal from their home environment;

19 (2) a long-term residential treatment program with a full  
20 day treatment component for persons who require intensive support;

21 (3) a transitional residential treatment program designed  
22 for persons who are able to take part in programs in the general  
23 community, but who without continued support would be at risk of  
24 returning to a hospital;

25 (4) a semi-supervised, independent, but structured living  
26 arrangement for persons who without some support and structure would  
27 be at risk of returning to the hospital;

28 (5) a day treatment program capable of providing services  
29 for clients whose residential needs are being met but who require

1 additional or extended treatment services;

2 (6) supported work and vocational training programs that  
3 provide opportunities for clients to experience the benefits of mean-  
4 ingful and productive work experiences with graduated levels of skill  
5 and energy required;

6 (7) socialization centers designed to serve a broad range  
7 of clients, as well as persons living in the community in general.

8 Sec. 47.30.548. STANDARDS FOR COMMUNITY SUPPORT SERVICES FOR THE  
9 CHRONICALLY MENTALLY ILL. Communities providing mental health ser-  
10 vices shall meet and maintain the following treatment standards:

11 (1) facilities shall consist of small residential or day  
12 treatment centers, in as close to a normal home or non-institutional  
13 environment as possible without sacrificing client safety or care;

14 (2) staffing patterns shall reflect the cultural, linguis-  
15 tic, and other social characteristics of the community, and shall  
16 incorporate multidisciplinary professional staff to meet client diag-  
17 nostic and treatment needs;

18 (3) programs shall be designed to encourage self-sufficient  
19 and independent functioning through prevocational and vocational  
20 training;

21 (4) programs shall promote client participation in plan-  
22 ning, operating, and evaluating daily treatment and rehabilitation;

23 (5) programs shall be designed to coordinate with the  
24 social service system as a whole and in particular shall be designed  
25 to include the following three elements:

26 (A) emergency or crisis care in an emergency center or  
27 at home by an emergency response team;

28 (B) an acute hospital for evaluation, diagnosis,  
29 treatment and referral for persons who are in need of acute care;

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and

(C) a case management system in which the case manager serves as a coordinator of the various elements of the system and as an advocate for the clients in the system; all case managers shall be under direct supervision of a psychiatrist, psychologist, or a mental health clinician with a master's degree;

(6) programs shall contain standards for staff training, including training in community outreach services and orientation in cross-cultural issues.

\* Sec. 2. AS 47.30.550 is amended by adding a new subsection to read:

(b) Notwithstanding (a) of this section, the department shall purchase 100 percent of the eligible costs of services provided for the chronically mentally ill, subject to the availability of state funds to the department for implementing AS 47.30.520 - 47.30.620.

\* Sec. 3. AS 47.30.570 is amended to read:

Sec. 47.30.570. ELIGIBLE COSTS; MAINTENANCE OF LOCAL EFFORT. The department shall adopt regulations specifying the types of services and program costs eligible for state participation. These regulations shall include

(1) a provision excluding capital expenditures as eligible costs; [AND]

(2) a requirement that the community entity contractor or applicant agrees as a condition of contract approval that it will not supplant existing local fund support of community mental health services with funds received under AS 47.30.520 - 47.30.620 and that it will continue local funding support of community mental health services, in any year in which it contracts with the department, at a level that is at least equal to the local funding support in the previous year;

1                   (3) a provision that costs of services provided to the  
2                   chronically mentally ill under AS 47.30.550(b) that are paid by  
3                   insurance, indemnity, or other third-party may not be included as  
4                   eligible costs.

Introduced: 1/22/86  
Referred: Health, Education &  
Social Services and Judiciary

1 IN THE HOUSE BY M.M.MILLER AND CLOCKSIN  
2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 412  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
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9 Sec. 47.30.545. TREATMENT OF THE CHRONICALLY MENTALLY ILL. The  
10 department shall provide for community based and locally or regionally  
11 coordinated care and treatment of the chronically mentally ill. The  
12 department may enter into a contract with an eligible community entity  
13 under which the department purchases community mental health services  
14 for the chronically mentally ill from the entity if the local commu-  
15 nity plan also provides for meeting and maintaining the following  
16 treatment standards:

17 (1) facilities shall consist of small residential or day  
18 treatment centers, in as close to a normal home or non-institutional  
19 environment as possible without sacrificing client safety or care;

20 (2) staffing patterns shall reflect the cultural, linguis-  
21 tic, sexual, and other social characteristics of the community, and  
22 shall incorporate multidisciplinary professional staff to meet client  
23 diagnostic and treatment needs;

24 (3) programs shall be designed to encourage self-sufficient  
25 and independent functioning through prevocational and vocational  
26 training; programs shall promote client participation in planning,  
27 operating, and evaluating daily treatment and rehabilitation;

28 (4) programs shall be designed to coordinate with the  
29 social service system as a whole and in particular shall be designed

1 to include the following two elements: (A) an acute hospital or a  
2 crisis unit for evaluation, diagnosis, and disposition planning for  
3 persons in psychiatric crisis; and (B) a case management system in  
4 which the case manager serves as a coordinator of the various elements  
5 of the system and as an advocate for the clients in the system; all  
6 case managers shall be under direct supervision of a psychiatrist,  
7 psychologist, or a mental health clinician with a master's degree;

8 (5) programs shall contain standards for staff training,  
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25 be at risk of returning to the hospital;

26 (5) a day treatment program capable of providing services  
27 for clients whose residential needs are being met but who require  
28 additional or extended treatment services;

29 (6) sheltered workshops that provide opportunities for

1 clients to experience the benefits of meaningful and productive work  
2 experiences with graduated levels of skill and energy required;

3 (7) socialization centers designed to serve a broad range  
4 of clients, as well as persons living in the community in general.

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8 the chronically mentally ill, subject to the availability of state  
9 funds to the department for implementing AS 47.30.520 - 47.30.620.



COMMITTEE REPORT  
HOUSE

5/9

(7)

5/1/85

FURTHER: FINANCE

Date: \_\_\_\_\_

The Committee on TRANSPORTATION has had HB 413

"An Act providing for the issuance of general obligation bonds in the amount of \$350,000,000 for the purpose of paying the cost of transportation projects; calling for a special election on the question; and providing for an effective date."

under consideration and recommends:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

*Dink Stutz*  
*Marquell*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*Mike Deans*  
*Bette Cato No Rec.*  
*Alie M. No Rec.*  
 \_\_\_\_\_  
 \_\_\_\_\_

*Bette Cato*  
 CHAIRMAN

Introduced: 5/1/85  
Referred: Transportation  
and Finance

Berner  
1187

1 IN THE HOUSE

BY BOUCHER AND COTTEN

2 HOUSE BILL NO. 413

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-  
7 tion bonds in the amount of \$350,000,000 for the  
8 purpose of paying the cost of transportation pro-  
9 jects; calling for a special election on the ques-  
10 tion; and providing for an effective date."

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

12 \* Section 1. For the purpose of paying the cost of transportation  
13 projects, general obligation bonds of the state in the principal amount of  
14 not more than \$350,000,000 shall be issued and sold. The full faith,  
15 credit, and resources of the state are pledged to the payment of the prin-  
16 cipal of and interest and redemption premium, if any, on these bonds.  
17 These bonds shall be issued under the provisions of AS 37.15 as those  
18 provisions read at the time of issuance.

19 \* Sec. 2. If the issuance of these bonds is authorized by the qualified  
20 voters of the state, a special fund of the state to be known as the "1985  
21 Transportation Projects Fund" shall be established, to which shall be  
22 credited the proceeds of the sale of the bonds described in sec. 1 of this  
23 Act except for the accrued interest and premiums.

24 \* Sec. 3. (a) The amount of \$350,000,000 is appropriated from the  
25 "1985 Transportation Projects Fund" to the Department of Transportation and  
26 Public Facilities to be allocated in accordance with the following projects  
27 and estimates:

28 (1) transportation projects within the Municipality of  
29 Anchorage:

1	West Northern Lights	21,000,000
2	Eklutna Transportation Project	28,000,000
3	Lake Otis Drive	15,500,000
4	Boniface Parkway and interchanges	26,300,000
5	C St., Tudor to ARR	2,000,000
6	100th and Minnesota interchange	3,500,000
7	C St., - Klatt Road	2,600,000
8	Spenard Road	12,600,000
9	36th Avenue	3,100,000
10	Dimond Blvd	5,600,000
11	Arctic Blvd	5,600,000
12	Pedestrian improvements	1,700,000
13	Traffic circulation improvements	2,000,000
14	Anchorage road district service areas	3,500,000
15	Limited road service areas	2,000,000
16	Eagle River Hiland Road bridge	3,000,000
17	Chugiak-E.R.-Birchwood road improvements	1,400,000
18	Old and New Seward Highway Intersections	
19	improvements	5,600,000
20	Eagle River-Birchwood-Chugiak State	
21	Road improvements	5,000,000
22	Total	\$150,000,000

(2) transportation projects in the following house election districts, in the respective amounts:

25	District 1	17,392,439
26	District 2	8,695,565
27	District 3	8,695,565
28	District 4	17,391,304
29	District 5	17,391,304

1	District 6	8,695,565
2	District 16	17,391,304
3	District 17	8,695,565
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9	District 23	8,695,565
10	District 24	8,695,565
11	District 25	8,695,565
12	District 26	8,695,565
13	District 27	8,695,565
14	Total	\$200,000,000

15 (b) The proceeds of the bond issue may be reallocated among the  
16 listed projects as provided by law.

17 \* Sec. 4. If the issuance of these bonds is authorized by the qualified  
18 voters of the state, the amount of \$1,225,000 or as much of that amount as  
19 is found necessary is appropriated from the general fund of the state to  
20 the state bond committee to carry out the provisions of this Act and to pay  
21 expenses incident to the sale and issuance of the bonds authorized in this  
22 Act. The amounts expended from the appropriation authorized by this sec-  
23 tion shall be reimbursed to the general fund from the proceeds of the sale  
24 of the bonds authorized by this Act.

25 \* Sec. 5. The amount withdrawn from the public facility planning fund  
26 for the purpose of advance planning for the improvements financed under  
27 this Act shall be reimbursed to the fund from the proceeds of the sale of  
28 bonds authorized by this Act.

29 \* Sec. 6. The question whether the bonds authorized in this Act are to

COMMITTEE COPY.

Hs463

1 be issued shall be submitted to the qualified voters of the state at a  
2 special election to be held the first Tuesday in November 1985 and shall  
3 read substantially as follows:

4 Proposition

5 State General Obligation Transportation Projects

6 Bonds \$350,000,000

7 Shall the State of Alaska issue its general obligation  
8 bonds in the principal amount of not more than  
9 \$350,000,000 for the purpose of paying the cost of  
10 transportation projects?

11 Bonds Yes [ ]

12 Bonds No [ ]

13 \* Sec. 7. This Act takes effect immediately in accordance with AS 01.-  
14 10.070(c).

H2413

**COMMITTEE COPY**

**ALASKA STATE LEGISLATURE**

14th... Legislature . . . FIRST Session

**HOUSE ... BILL..... NO. ...413..**  
**By BOUCHER, COTTEN.....**

"An Act providing for the issuance of general obligation bonds in the amount of \$350,000,000 for the purpose of paying the cost of transportation projects; calling for a special election on the question; and providing for an effective date."

Paying Transportation projects  
 Introduced in the House .. 5./1....., 19.85

19 85		HISTORY IN THE HOUSE																												
May	1	Read first time and referred to Committee on <b>TRANSPORTATION AND FINANCE</b> Reported back with recommendation that  Read second time and  Read third time and  <table border="0"> <tr> <td><b>PASS</b></td> <td><b>Effective Date</b></td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2"><b>Reconsideration</b></td> </tr> <tr> <td><b>PASS</b></td> <td><b>Effective Date</b></td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by Speaker</td> </tr> <tr> <td colspan="2">Sent to Senate</td> </tr> </table>	<b>PASS</b>	<b>Effective Date</b>	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	<b>Reconsideration</b>		<b>PASS</b>	<b>Effective Date</b>	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reported correctly engrossed		Signed by Speaker		Sent to Senate	
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19		HISTORY IN THE HOUSE
		Received from Senate  Concurred in Senate amendment thus adopting: <b>VOTE</b>  Failed to concur in Senate amendment; asked Senate to recede <b>VOTE</b>  Senate receded from amendment <b>VOTE</b>  Senate failed to recede from amendment <b>VOTE</b>  CC appointed by House  CC appointed by Senate  CC adopted by House <b>VOTE</b>  CC adopted by Senate <b>VOTE</b>  To enrolling Reported correctly enrolled Sent to Governor  ..... by Governor  Filed with Lt. Governor  Chapter No. ....

Introduced: 5/1/85  
Referred: Transportation  
and Finance

1 IN THE HOUSE

BY BOUCHER AND COTTEN

2

HOUSE BILL NO. 413

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-  
7 tion bonds in the amount of \$350,000,000 for the  
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25 \* Sec. 5. The amount withdrawn from the public facility planning fund  
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27 this Act shall be reimbursed to the fund from the proceeds of the sale of  
28 bonds authorized by this Act.

29 \* Sec. 6. The question whether the bonds authorized in this Act are to



**HOUSE  
COMMITTEE REPORT**

(11)

Date referred: 3/21/86

FURTHER REFERRALS:

DATE: 4-3-86

The FINANCE Committee has considered HB 430

"An Act regulating audiologists, hearing aid dealers and the dispensing of hearing aids."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HB 430 (FIN)  same title
- new title

and recommends do pass

further referral to the \_\_\_\_\_ Committee

- and attaches:
- letter of intent
  - first fiscal note
  - new fiscal note
  - zero fiscal note

SIGNING DO PASS:

Robert P. Adams

[Signature]

[Signature]

Ronald L. Jarm

Pat Faurachot

Mike Uehly

[Signature]

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

SIGNING OTHER RECOMMENDATIONS:

Mike [Signature] (No Rec)

[Signature] No Recommendation

[Signature] No Rec.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Robert P. Adams  
Chairman

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date : 4/3/86

**REQUEST**

Bill/Resolution No. : CASHB 430 (FIN)  
 Title : Regulating audiologists,  
 hearing aid dealers & dispensing  
 of hearing aids  
 Sponsor : House HESS  
 Requestor : House Finance Committee  
 Date of Request : 4/3/86

**FISCAL DETAIL**

Agency Affected : Commerce & Econ. Dev.  
 BRU : Occupational Licensing  
 Components : \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0	0	0	0	0
TRAVEL		0	0	0	0	0
CONTRACTUAL		0	0	0	0	0
SUPPLIES		0	0	0	0	0
EQUIPMENT		0	0	0	0	0
LAND & STRUCTURES		0	0	0	0	0
GRANTS, CLAIMS		0	0	0	0	0
MISCELLANEOUS		0	0	0	0	0
<b>TOTAL OPERATING</b>		0	0	0	0	0

<b>CAPITAL</b>		0	0	0	0	0
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<b>REVENUE</b>		10.3	2.7	3.1	3.5	10.1
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS		0	0	0	0	0
OTHER		0	0	0	0	0
<b>TOTAL</b>		0	0	0	0	0

**POSITIONS :**

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

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

The \$100 estimated as needed for printing of applications and statute booklets can be absorbed within the Department's FY 87 budget.

Prepared by : Al Adams, Chair APA Phone : 465-3706  
 Division : House Finance Committee Date : 4/3/86

Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

**Distribution (by Agency preparing fiscal note) :**

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

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (FIN)

Protection in the Department of Law, the Office of the Ombudsman, and the Department of Health and Social Services, Communicable Disease Control Section. Licensing of Audiologists and hearing aid dealers may be one instance where the need for licensure out-weighs the small number of practitioners.

An estimate of operating costs derived from comparing qualifications and numbers of practitioners with a similar existing license function indicate the costs to total \$4.5 each year. Of the yearly costs; \$.1 is expected to be new costs as a result of this legislation, for printing of application and statute booklets. The remainder of \$4.4 consists largely of personal services costs which would be absorbed by the division through funding already included in the agency's operating budget.

The following fee schedule was developed so that fees generated over the four-year renewal cycle would match, as closely as possible, costs over the same period.

Revenues were estimated on the following fee schedule:

Application Fee	\$	30	
Credentials Review Fee		20	
Temporary Permit Fee		100	
<b>Audiologist:</b>			
License & Renewal Fee		520	quadrennially (\$130 annually)
Hearing Aid Dealers		200	annually

As a result of quadrennial licenses issued to Audiologists, revenues collected in FY 87 essentially covers a portion of the costs in FY 88 to FY 90. A detailed description follows:

<b>FY 87:</b>			<b>Distribution across quadrennial renewal:</b>
	12 Audiologists seeking licensure	\$ 6.2	
	10 Hearing Aid Dealers	2.0	
	22 Application/Credentials Review	1.1	
		\$ 9.3	
			\$ 9.3
			- 4.5 costs
			\$ 4.8 balance
 <b>FY 88:</b>	 Assuming there will be two new applicants seeking Audiology temporary permits		
	2 new Hearing Aid Dealers:	\$ .2	
	Application & Credentials Review Fee	.1	
	License fee	.4	
	10 Hearing Aid Dealers renewing	2.0	
		\$ 2.7	
			\$ 4.8 balance forward
			2.7
			\$ 7.5
			- 4.5 costs
			\$ 3.0 balance

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (FIN)

FY 89:

Assuming there will be two new applicants		
seeking Audiology temporary permits	\$ .2	
2 new Hearing Aid Dealers:		
Application & Credentials Review Fee	.1	
License Fee	.4	
12 Hearing Aid Dealers	2.4	
	\$ 3.1	
		\$ 3.0 balance forward
		3.1
		\$ 6.1
		- 4.5 costs
		\$ 1.6 balance

FY 90:

Assuming there will be two new applicants		
seeking Audiology temporary permits	\$ .2	
2 new Hearing Aid Dealers:		
Application & Credentials Review Fee	.1	
License Fee	.4	
14 Hearing Aid Dealers renewing	2.8	
	\$ 3.5	
		\$ 1.6 balance forward
		3.5
		\$ 5.1
		- 4.5 costs
		\$ .6 balance

FY 91 will be the start of a new quadrennial license period for Audiologists, and is the reason for revenues increasing from \$3.5 in FY 90 to \$10.1 in FY 91.

FY 91:

Assuming there will be one new applicant	
seeking licensure as an Audiologist	\$ .5
2 new Hearing Aid Dealers, license fee	.4
Application & Credentials fee for 3 new applicants	.2
12 Audiologists renewing	6.2
14 Hearing Aid Dealers renewing	2.8
	\$10.1

Original sponsors: Navarre, Gruenberg,  
Hurley, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 430 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act regulating audiologists, hearing aid dealers  
7 and the dispensing of hearing aids."

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

9 \* Section 1. LEGISLATIVE FINDINGS, PURPOSE. (a) The legislature finds  
10 that the practice of audiology and the dispensing of hearing aids affects  
11 the health, safety and welfare of the public and requires regulation and  
12 control by the state in the public interest.

13 (b) The purpose of this Act is to establish the procedures necessary  
14 to ensure that the public is protected from the incompetent, unprofession-  
15 al, improper, and unauthorized practice of audiology and dispensing of  
16 hearing aids, and to assure the availability of the highest possible quali-  
17 ty audiology and hearing aid services for the hearing impaired persons of  
18 the state.

19 \* Sec. 2. AS 08.01.010 is amended by adding new paragraphs to read:

20 (24) regulation of audiologists under AS 08.11;

21 (25) regulation of hearing aid dealers under AS 08.55.

22 \* Sec. 3. AS 08.01.050(a) is amended to read:

23 (a) The department shall provide the following administrative  
24 and budgetary services when appropriate:

25 (1) collect fees and issue receipts;

26 (2) maintain records and files;

27 (3) issue and receive application forms;

28 (4) notify applicants of acceptance or rejection of appli-  
29 cants as determined by the board or as determined by the department

1 under AS 08.11 for audiologists or under AS 08.55 for hearing aid  
2 dealers;

3 (5) designate dates examinations are to be held and notify  
4 applicants;

5 (6) publish notice of examination;

6 (7) arrange space for holding examinations;

7 (8) notify applicants of results of examinations;

8 (9) issue licenses and certificates or temporary licenses  
9 or certificates as authorized by the board or as authorized by the  
10 department under AS 08.11 for audiologists or under AS 08.55 for  
11 hearing aid dealers;

12 (10) issue duplicate licenses or certificates upon proof by  
13 the licensee of loss of the original and payment by the licensee of a  
14 fee of \$? except as otherwise provided in this title;

15 (11) notify licensees of renewal dates at least 30 days  
16 before the expiration date of their licenses;

17 (12) compile and maintain current a register of licenses;

18 (13) answer routine inquiries;

19 (14) maintain files relating to individual licensees;

20 (15) arrange for printing and advertising;

21 (16) purchase supplies;

22 (17) employ secretarial help when needed;

23 (18) perform other services that [WHICH] may be requested by  
24 the board;

25 (19) provide investigative services to the boards estab-  
26 lished under AS 08.04, AS 08.20, AS 08.36, AS 08.64, AS 08.68, AS 08.-  
27 70, AS 08.71, AS 08.72, AS 08.80, AS 08.84, and AS 08.86, for the  
28 purpose of assisting those boards in matters of professional disci-  
29 pline and in responding to consumer complaints.

1 \* Sec. 4. AS 08.01.087 is amended to read:

2       Sec. 08.01.087. POWERS AND DUTIES OF DEPARTMENT. (a) The  
3 department may, upon its own motion, conduct investigations to deter-  
4 mine whether a [ANY] person has violated a provision of this chapter  
5 or a regulation adopted under it, or a provision of [A CHAPTER IN]  
6 this title or regulation adopted under this title dealing with an  
7 occupation or board [ONE OF THE BOARDS] listed in AS 08.01.010 [OR A  
8 REGULATION ADOPTED BY ONE OF THOSE BOARDS], or to secure information  
9 useful in the administration of this chapter.

10       (b) If it appears to the commissioner that a person has engaged  
11 in or is about to engage in an act or practice in violation of a  
12 provision of this chapter or a regulation adopted under it, or a  
13 provision of this title or regulation adopted under this title dealing  
14 with an occupation or board [OR ANY OF THE LAWS PERTAINING TO OR  
15 REGULATIONS ADOPTED BY THE BOARDS] listed in AS 08.01.010, the commis-  
16 sioner may, if the commissioner considers it in the public interest,  
17 and after notification of a proposed order or action by telephone or  
18 telegraph to all board members, if a board regulates the act or prac-  
19 tice involved, [BY TELEPHONE OR TELEGRAPH OF A PROPOSED ORDER OR  
20 ACTION] unless a majority of the members of the board object within 10  
21 days,

22       (1) issue an order directing the person to stop the act or  
23 practice; however, reasonable notice of and an opportunity for a  
24 hearing must first be given to the person, except that the commis-  
25 sioner may issue a temporary order before a hearing is held; a tempo-  
26 rary order remains in effect until a final order affirming, modifying,  
27 or reversing the temporary order is issued or until 15 days after the  
28 person receives the notice and has not requested a hearing by that  
29 time; a temporary order becomes final if the person to whom the notice

1 is addressed does not request a hearing within 15 days after receiving  
2 the notice; the commissioner or the commissioner's designee shall be  
3 the hearing officer at the hearing and shall issue a final order  
4 within 18 days after the hearing;

5 (2) bring an action in the superior court to enjoin the  
6 acts or practices and to enforce compliance with this chapter, a  
7 regulation adopted under it, [OR] an order issued under it, or with a  
8 provision of this title or regulation adopted under this title dealing  
9 with an occupation or board [OR ANY OF THE LAWS PERTAINING TO OR  
10 REGULATIONS ADOPTED BY THE BOARDS] listed in AS 08.01.010;

11 (3) examines or have examined the books and records of a  
12 [ANY] person whose business activities require licensure by a board  
13 listed in AS 08.01.010, or whose occupation is listed in AS 08.01.010;  
14 the commissioner [AND HE] may require the [THAT] person to pay the  
15 reasonable costs of the examination; and

16 (4) issue subpoenas for the attendance of witnesses, and  
17 the production of books, records and other documents.

18 \* Sec. 5. AS 08.01.110 is amended to read:

19 Sec. 08.01.110. DEFINITIONS. In this chapter

20 (1) "board" includes the boards and commissions listed in  
21 AS 08.01.010;

22 (2) "department" means the Department of Commerce and  
23 Economic Development;

24 (3) "commissioner" means the commissioner of commerce and  
25 economic development;

26 (4) "license" means a [ANY] license, certificate, permit,  
27 or registration or similar evidence of authority issued for an occupa-  
28 tion or by one of the boards listed in AS 08.01.010;

29 (5) "licensee" means a [ANY] person who holds a license;

1 (6) "occupation" means a trade or profession [ANY OF THE  
2 TRADES OR PROFESSIONS FOR WHICH LICENSURE IS REQUIRED BY ONE OF THE  
3 BOARDS] listed in AS 08.01.010.

4 \* Sec. 6. AS 08.02.010(a) is amended to read:

5 (a) An audiologist licensed under AS 08.11, a [A] person li-  
6 censed in the state as a chiropractor under AS 08.20, a dentist under  
7 AS 08.36, a medical practitioner or osteopath under AS 08.64, a regis-  
8 tered nurse under AS 08.68, an optometrist under AS 08.72, a regis-  
9 tered pharmacist under AS 08.80, a registered physical therapist under  
10 AS 08.84, or a psychologist under AS 08.86, shall use as professional  
11 identification appropriate letters or a title after that person's name  
12 which represents that person's specific field of practice. The letters  
13 or title shall appear on all signs, stationery or other advertising in  
14 which the person offers or displays personal professional services to  
15 the public. In addition, a person engaged in the practice of medicine  
16 or osteopathy under AS 08.64.380(2), or a person engaged in any manner  
17 in the healing arts who diagnoses, treats, tests, or counsels other  
18 persons in relation to human health or disease and uses the letters  
19 "M.D." or the title "doctor" or "physician" or another [ANY OTHER]  
20 title that [WHICH] tends to show that the person is willing or qual-  
21 ified to diagnose, treat, test, or counsel another person, shall  
22 clarify the letters or title by adding the appropriate specialist  
23 designation, if any, such as "dermatologist", "radiologist", "audio-  
24 logist", "naturopath", or the like.

25 \* Sec. 7. AS 08 is amended by adding a new chapter to read:

26 CHAPTER 11. AUDIOLOGISTS.

27 Sec. 08.11.010. QUALIFICATIONS FOR AUDIOLOGIST LICENSE. The  
28 department shall issue a license to practice audiology to an indi-  
29 vidual who

1 (1) is 18 years of age or older;  
2 (2) applies on a form provided by the department;  
3 (3) pays the fee required under AS 08.11.050;  
4 (4) furnishes evidence satisfactory to the department that  
5 the person

6 (A) has not engaged in conduct that is a ground for  
7 imposing disciplinary sanctions under AS 08.11.080;

8 (B) holds a master's degree or doctorate in audiology  
9 from an accredited educational institution approved by the de-  
10 partment; and either has

11 (i) a Certificate of Clinical Competence in  
12 Audiology from the American Speech-Language-Hearing Associa-  
13 tion or the equivalent of the certificate; or

14 (ii) practiced audiology for two years as of  
15 January 1, 1986, or is in the process of completing the year  
16 of supervised clinical experience required for the Certifi-  
17 cate of Clinical Competence of the American Speech-Language-  
18 Hearing Association.

19 Sec. 08.11.020. TEMPORARY LICENSE TO PRACTICE AUDIOLOGY AS AN  
20 AUDIOLOGIST. (a) On receipt of the completed application the depart-  
21 ment shall issue a temporary license for the practice of audiology as  
22 an audiologist to an individual who is licensed to practice audiology  
23 in another state and has submitted to the department an application  
24 for a license under AS 08.11.010.

25 (b) The department may issue a temporary license to the follow-  
26 ing:

27 (1) a nonresident for the practice of audiology as an  
28 audiologist in the state for 30 days or less in a calendar year, if  
29 the individual is licensed to practice audiology in another state,

1 territory of the United States, foreign country, or province that has  
2 requirements for a license to practice audiology that are substan-  
3 tially equivalent to or higher than the requirements of AS 08.11.010;

4 (2) a nonresident for the practice of audiology as an  
5 audiologist in the state for 30 days or less in a calendar year, if  
6 the individual meets the qualifications and requirements for a license  
7 under AS 08.11.010, and resides in a state or territory of the United  
8 States or a foreign country or province that does not license indi-  
9 viduals to practice audiology.

10 (c) The department may impose by regulation additional limita-  
11 tions that it determines appropriate on a temporary license issued  
12 under this section.

13 Sec. 08.11.030. DURATION AND RENEWAL OF LICENSE. (a) A license  
14 issued under this chapter is subject to renewal every four years on a  
15 date set by the department. The department shall renew the license of  
16 an individual licensed under this chapter who applies for renewal and  
17 pays the renewal fee.

18 (b) If an individual fails to renew a license under (a) of this  
19 section, the license lapses.

20 (c) The department may reinstate a lapsed license if the license  
21 has lapsed for less than two years and if the individual submits to  
22 the department an application for renewal and pays a delinquency fee  
23 in addition to the renewal fee.

24 (d) A suspended license is subject to expiration and must be  
25 renewed as provided in this section, but the renewal does not entitle  
26 the individual while the license remains suspended to practice audiol-  
27 ogy or to engage in other activity or conduct that violates the order  
28 or judgment that suspended the license.

29 Sec. 08.11.040. DISPLAY OF LICENSE. (a) An individual licensed

1 to practice audiology as an audiologist in the state shall display the  
2 license in a prominent place at each place of business of the indi-  
3 vidual.

4 (b) If an audiologist has more than one place of business, the  
5 department shall, on request and payment of a fee, issue a duplicate  
6 license for each place of business of the individual.

7 Sec. 08.11.050. FEES. The department shall set fees under  
8 AS 08.01.065 for each of the following:

- 9 (1) application;
- 10 (2) credential review;
- 11 (3) audiologist license;
- 12 (4) temporary license;
- 13 (5) renewal of license;
- 14 (6) delinquency;
- 15 (7) reinstatement;
- 16 (8) duplicate license.

17 Sec. 08.11.060. MALPRACTICE INSURANCE. An audiologist shall  
18 maintain insurance against liability for negligence in the practice of  
19 audiology. —

20 Sec. 08.11.070. DEALING IN HEARING AIDS. An audiologist may  
21 deal in hearing aids as a hearing aid dealer without being licensed as  
22 a hearing aid dealer under AS 08.55, but shall comply with AS 08.55.-  
23 050, 08.55.070, 08.55.100, 08.55.110(a), 08.55.110(b)(3) and (c) -  
24 (h), and 08.55.130(7) - (13) when dealing in hearing aids.

25 Sec. 08.11.080. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANCTIONS  
26 ON AN AUDIOLOGIST. After a hearing, the department may impose a  
27 disciplinary sanction on an audiologist when the department finds that  
28 the licensee

- 29 (1) secured a license through deceit, fraud, or intentional

1 misrepresentation;

2 (2) engaged in deceit, fraud, or intentional misrepresenta-  
3 tion in the course of practicing audiology;

4 (3) advertised professional services in a false or mislead-  
5 ing manner;

6 (4) has been convicted of a felony or other crime that  
7 affects the person's ability to continue to practice competently and  
8 safely;

9 (5) continued to practice audiology after becoming unfit  
10 due to

11 (A) professional incompetence;

12 (B) use of drugs or alcohol in a manner that affects  
13 the person's ability to practice audiology competently and safe-  
14 ly;

15 (C) physical or mental disability;

16 (6) permitted another person to use the licensee's license;

17 (7) employed a person who does not have a valid current  
18 license to practice audiology to perform work covered by this chapter;

19 (8) failed to comply with a provision of this chapter or a  
20 regulation adopted under this chapter, or an order of the department.

21 Sec. 08.11.090. DISCIPLINARY SANCTIONS. (a) When it finds that  
22 an audiologist has committed an act listed in AS 08.11.080, the de-  
23 partment may impose the following sanctions singly or in combination:

24 (1) permanently revoke a license to practice;

25 (2) suspend a license for a determinate period of time;

26 (3) censure a licensee;

27 (4) issue a letter of reprimand;

28 (5) place a licensee on probationary status and require the  
29 licensee to

1 (A) report regularly to the department on matters  
2 involving the basis of probation;

3 (B) limit practice to those areas prescribed;

4 (C) continue professional education until a satisfac-  
5 tory degree of skill has been attained in those areas determined  
6 by the department to need improvement;

7 (6) impose limitations or conditions on the practice of a  
8 licensee.

9 (b) The department may withdraw a limitation, condition, or  
10 probationary status if it finds that the deficiency that required the  
11 sanction has been remedied.

12 (c) The department may summarily suspend a license before final  
13 hearing or during the appeals process if the department finds that the  
14 licensee poses a clear and immediate danger to the public welfare and  
15 safety if the licensee continues to practice. An individual whose  
16 license is suspended under this subsection is entitled to a hearing by  
17 the department no later than seven days after the effective date of  
18 the order. The individual may appeal the suspension after the hearing  
19 to the superior court.

20 (d) The department may reinstate a license that has been sus-  
21 pended or revoked if the department finds after a hearing that the  
22 individual is able to practice with reasonable skill and safety.

23 (e) One year after revocation of a license issued under this  
24 chapter, the individual whose license was revoked may reapply for the  
25 license. The department may require an examination for reinstatement.

26 Sec. 08.11.100. PROHIBITED ACTS. Unless a person is licensed  
27 under this chapter, the person may not

28 (1) practice audiology;

29 (2) use a title indicating or representing that the person

1 practices as an audiologist;

2 (3) advertise that the person practices audiology.

3 Sec. 08.11.110. PENALTY. A person who violates AS 08.11.100 is  
4 guilty of a class B misdemeanor.

5 Sec. 08.11.120. EXEMPTIONS. (a) This chapter does not apply to  
6 an individual who practices audiology consistent with the accepted  
7 standards and code of ethics of the individual's profession as part of  
8 the individual's duties as

9 (1) a physician licensed under AS 08.64;

10 (2) an employee of the federal government who is required  
11 to practice audiology during the employment, if

12 (A) the employer maintains appropriate supervision of  
13 the individual's practice of audiology;

14 (B) the individual practices audiology as part of the  
15 duties for which the individual is employed;

16 (C) the individual practices audiology in the facility  
17 where the individual is employed or under the supervision of the  
18 federal governmental unit where the individual is employed; and

19 (D) the individual does not render or offer to render  
20 audiology services to the public for compensation in addition to  
21 the salary the individual receives from the federal governmental  
22 unit;

23 (3) a student, intern, or resident pursuing a course of  
24 study in audiology at an accredited college or a clinical training  
25 facility approved by the department, if the activities of the student,  
26 intern, or resident constitute part of a supervised course of study  
27 and the student, intern, or resident is designated as an "audiology  
28 intern," "audiology trainee," or other title approved by the depart-  
29 ment that clearly indicates that the person is training to be an

1 audiologist.

2 (b) Notwithstanding the provision of this chapter,

3 (1) a nurse licensed under AS 08.68 may perform hearing  
4 sensitivity evaluations;

5 (2) an individual licensed as a hearing aid dealer under  
6 AS 08.55 may deal in hearing aids;

7 (3) an individual holding a class A certificate issued by  
8 the Conference of Executives of American Schools of the Deaf may teach  
9 the hearing impaired;

10 (4) an individual may engage in the testing of hearing as  
11 part of a hearing conservation program that complies with the regu-  
12 lations of the Occupational Safety and Health Administration of the  
13 federal government if the individual is certified to do the testing by  
14 a state or federal agency acceptable to the Occupational Safety and  
15 Health Administration.

16 (c) An individual who is not an audiologist, but who is exempt  
17 under this section may not use a title or description stating or  
18 implying that the person is an audiologist.

19 (d) An individual exempt under (a)(2) of this section may con-  
20 sult with and disseminate research findings and scientific information  
21 to accredited academic institutions or governmental agencies, and  
22 offer lectures to the public for a fee, monetary or otherwise, without  
23 being licensed under this chapter.

24 (e) An individual who is not licensed under this chapter but who  
25 teaches the practice of audiology in an audiologist training program  
26 at a college or university may use the title "audiologist" but may not  
27 practice audiology.

28 Sec. 08.11 130. PROCEDURES. The Administrative Procedure Act  
29 (AS 44.62) applies to regulations and proceedings under this chapter.

1           Sec. 08.11.200. DEFINITIONS. In this chapter, unless the con-  
2 text indicates otherwise,

3           (1) "audiologist" means an individual who is licensed under  
4 AS 08.11.010 to practice audiology in the state;

5           (2) "dealing in hearing aids" has the meaning given in  
6 AS 08.55.200;

7           (3) "department" means the Department of Commerce and  
8 Economic Development;

9           (4) "hearing aid" has the meaning given in AS 08.55.200;

10           (5) "practice of audiology" means the application of prin-  
11 ciples, methods, and procedures of measurement, testing, appraisal,  
12 prediction, consultation, habilitation, rehabilitation, counseling and  
13 instruction related to hearing and hearing impairment for the purpose  
14 of modifying communicative disorders involving speech, language,  
15 auditory function, including auditory training, speech reading and the  
16 recommendation, evaluation, fitting, and sale of hearing aids, includ-  
17 ing the fitting of ear molds.

18 \* Sec. 8. AS 08 is amended by adding a new chapter to read:

19                           CHAPTER 55. HEARING AID DEALERS.

20           Sec. 08.55.010. QUALIFICATIONS FOR LICENSE. (a) The department  
21 shall issue a license to act as a hearing aid dealer to an individual  
22 who

23           (1) is 18 years of age or older;

24           (2) applies on a form provided by the department;

25           (3) has a high school diploma or the equivalent;

26           (4) has a business license issued under AS 43.70.020;

27           (5) furnishes evidence satisfactory to the department that  
28 the individual has not engaged in conduct that is a ground for impos-  
29 ing disciplinary sanctions under AS 08.55.130;

1 (6) submits with the application a statement disclosing  
2 whether the applicant

3 (A) has, during the five-year period immediately  
4 preceding the date of the application been convicted of a felony,  
5 or had a final judgment entered against the applicant in a civil  
6 action, if the felony or civil action involved fraud, embezzle-  
7 ment, or misappropriation of property;

8 (B) is subject to an injunctive order that is current-  
9 ly in effect from a pending proceeding or action brought by a  
10 public agency;

11 (C) is a defendant in a pending criminal or civil  
12 action relating to fraud, embezzlement, misappropriation of  
13 property, or the antitrust or trade regulation laws of the United  
14 States or a state;

15 (D) has, during the five-year period immediately  
16 preceding the date of the application, been reorganized, had a  
17 debt adjustment, or has been adjudicated a bankrupt under bank-  
18 ruptcy proceedings due to insolvency or was a principal executive  
19 officer or general partner of a business that has been recr-  
20 ganized, had a debt adjustment, or has been adjudicated a bank-  
21 rupt due to insolvency during the five-year period;

22 (7) furnishes a description of each item in (6) of this  
23 subsection that the applicant disclosed as being applicable to the  
24 applicant.

25 (b) An individual who is a physician or an audiologist may deal  
26 in hearing aids without being licensed under this chapter, but shall  
27 comply with AS 08.55.050, 08.55.070, 08.55.100, 08.55.110(a), 08.55.-  
28 110(b)(3) and (c) - (h), and 08.55.130(7) - (13) when dealing in  
29 hearing aids.

1 (c) If an individual licensed under this chapter has more than  
2 one place of business, the department shall, on request and payment of  
3 a fee, issue a duplicate license for each place of business of the  
4 individual.

5 Sec. 08.55.020. DURATION AND RENEWAL OF LICENSE. (a) A license  
6 to act as a hearing aid dealer is valid for one year and is subject to  
7 renewal.

8 (b) On or before the expiration of one year after the issuance  
9 of a license under this chapter, a licensee may apply for renewal of  
10 the license, and the department shall renew the license if the li-  
11 censee pays the renewal fee, has a current business license to act as  
12 a hearing aid dealer under AS 43.70.020, and provides evidence satis-  
13 factory to the department that the individual has not engaged in  
14 conduct that is a ground for imposing disciplinary sanctions under  
15 AS 08.55.130.

16 (c) If a licensee fails to renew a license under (b) of this  
17 section, the license lapses.

18 (d) The department may reinstate a lapsed license under (b) of  
19 this section if the license has not lapsed for more than two years and  
20 if the person pays a delinquency fee in addition to the renewal fee.

21 Sec. 08.55.030. BOND REQUIRED. (a) An applicant for a license  
22 under AS 08.55.010 shall at the time of applying for the license file  
23 with the department a surety bond in the amount of \$5,000 running to  
24 the state and conditioned on the applicant's promise to pay all

25 (1) taxes and contributions due the state and political  
26 subdivisions of the state;

27 (2) amounts that may be adjudged against the applicant by  
28 reason of negligently or improperly dealing in hearing aids or  
29 breaching a contract when dealing in hearing aids.

1 (b) In lieu of the surety bond the applicant may file with the  
2 department a cash deposit or other negotiable security acceptable to  
3 the department in the amount specified for the bond.

4 (c) The bond required by this section remains in effect until  
5 cancelled by action of the surety, the principal, or the department.  
6 A person may not commence an action on the bond later than three years  
7 after cancellation of the bond.

8 Sec. 08.55.040. FEES. The department shall set fees under  
9 AS 08.01.065 for each of the following:

- 10 (1) application;
- 11 (2) hearing aid dealer license;
- 12 (3) renewal of license;
- 13 (4) renewal delinquency;
- 14 (5) duplicate license.

15 Sec. 08.55.050. ITEMS TO BE PROVIDED BY HEARING AID DEALER. (a)  
16 A hearing aid dealer shall give the following items to a consumer at  
17 the time the consumer contracts with the hearing aid dealer to buy or  
18 lease a hearing aid:

- 19 (1) an instructional brochure that contains operating  
20 instructions, purchase privileges, and performance data for the hear-  
21 ing aid;
- 22 (2) a statement of the dealer's registration number;
- 23 (3) a statement of the manufacturer's specifications, make,  
24 model, and serial number for the hearing aid;
- 25 (4) a clear statement of the full terms of the contract;  
26 and
- 27 (5) a written statement indicating that the consumer may  
28 file a written complaint about a hearing aid or a hearing aid dealer  
29 with the department and giving the mailing address and location

1 address of the department.

2 (b) Before the sale of a used hearing aid, the hearing aid  
3 dealer shall clearly mark the receipt and the container for the hear-  
4 ing aid as "used" or "reconditioned," whichever is applicable, and  
5 with the terms of a guarantee that the dealer provides.

6 Sec. 08.55.060. PRIOR MEDICAL EVALUATION. (a) A hearing aid  
7 dealer who is not a physician may not sell or lease a hearing aid  
8 unless the prospective user of the hearing aid presents to the hearing  
9 aid dealer a written statement signed by a physician stating that the  
10 physician has evaluated the prospective user's hearing and that the  
11 prospective user is a candidate for a hearing aid.

12 (b) The exam on which the physician bases the statement required  
13 in (a) of this section must have occurred within the six months  
14 immediately preceding the date when the prospective user presents the  
15 statement to the hearing aid dispenser.

16 (c) If the prospective user is 18 years of age or older, the  
17 hearing aid dealer may afford the prospective user an opportunity to  
18 waive in writing the evaluation required by (a) of this section if the  
19 hearing aid dealer

20 (1) informs the prospective user that the exercise of the  
21 waiver is not in the best interest of the prospective user's health;

22 (2) does not actively encourage the prospective user to  
23 waive the evaluation; and

24 (3) affords the prospective user the opportunity to sign  
25 the following statement:

26 I have been advised by (HEARING AID DEALER'S NAME)  
27 that it would be in my best interest if I had a  
28 medical evaluation by a licensed physician (pref-  
29 erably a physician who specializes in diseases of

1 the ear) before purchasing or leasing a hearing aid.

2  
3 (PROSPECTIVE USER'S SIGNATURE)

4 (d) The hearing aid dealer shall retain the evaluation statement  
5 of the physician, or the prospective user's signed waiver statement  
6 for four years after the date of the sale of the hearing aid.

7 **Sec. 08.55.070. TRANSMITTAL OF HEARING AID BY MAIL.** If a hear-  
8 ing aid dealer mails a hearing aid to a customer, the dealer shall  
9 send the hearing aid by certified mail.

10 **Sec. 08.55.080. COMPLAINTS.** (a) A person may file a complaint  
11 with the department about a hearing aid or a hearing aid dealer within  
12 three years from the date of the cause of the complaint.

13 (b) A hearing aid dealer shall prominently display in the busi-  
14 ness establishment of the dealer a sign indicating that a person may  
15 file a complaint with the department about a hearing aid or a hearing  
16 aid dealer and giving the mailing and location address of the depart-  
17 ment.

18 **Sec. 08.55.090. INSURANCE REQUIREMENTS.** A hearing aid dealer  
19 shall maintain liability insurance for dealing in hearing aids in an  
20 amount that the department determines by regulation to be appropriate.

21 **Sec. 08.55.100. CALIBRATION REQUIREMENTS.** A hearing aid dealer  
22 shall maintain in conformity with the standards set by the American  
23 National Standard Institute the calibration of each audiometer used by  
24 the hearing aid dispenser, and shall keep a record of the results of  
25 the annual calibration of each audiometer used by the dealer.

26 **Sec. 08.55.110. CANCELLATION OPTION.** (a) In addition to the  
27 cancellation allowed under AS 45.02.350, a person who has purchased or  
28 leased a hearing aid from a hearing aid dealer may cancel the sale or  
29 lease as provided under (b) of this section or by giving written

1 notice of the intention to cancel the sale or lease to the dealer not  
2 later than 30 days following the later of (1) the date the person  
3 receives the hearing aid, or (2) the date the hearing aid dealer  
4 provides the person with the notice under (c) of this section. The  
5 person may use the notice received under (c) of this section to cancel  
6 the sale or lease by signing the form where indicated.

7 (b) In addition to the other rights and remedies the purchaser  
8 or lessee of a hearing aid may have, the purchaser or lessee of a  
9 hearing aid has the right to cancel the sale or lease by giving writ-  
10 ten notice of the cancellation to the hearing aid dealer if

11 (1) the hearing aid dealer is not a physician or an audio-  
12 logist, and within 60 days from the receipt by the purchaser or lessee  
13 of the hearing aid or the notice to be provided under (c) of this  
14 section, whichever receipt is later, a physician or an audiologist  
15 advises the person in writing to cancel the sale or lease and speci-  
16 fies in writing the medical or audiological reason for the advice; or

17 (2) the hearing aid dealer, if not a physician or audio-  
18 logist, has violated a provision of this chapter in the sale or lease  
19 of the hearing aid to the person;

20 (3) the hearing aid dealer who is a physician or audio-  
21 logist has violated (a) or (c) - (h) of this section or AS 08.55.050,  
22 08.55.070, 08.55.100, or 08.55.130(7) - (13) in the sale or lease of  
23 the hearing aid to the person.

24 (c) A hearing aid dealer shall give a person who has purchased  
25 or leased a hearing aid from the dealer notice of the right to cancel  
26 the purchase or lease that is substantially identical to the following  
27 form with all of the information filled in except the signature and  
28 date lines for the purchaser or lessee:

29 NOTICE OF RIGHT TO CANCEL

1 \_\_\_\_\_  
2 Name of Hearing Aid Dealer

3 \_\_\_\_\_  
4 Address of Hearing Aid Dealer

5 \_\_\_\_\_  
6 Date of Sale or Lease

7 You may cancel this transaction within 30  
8 days from the date you receive the hearing aid  
9 or this notice, whichever is later.

10 You may also cancel this transaction within  
11 60 days from the date you receive the hearing aid  
12 or this notice, whichever is later, if the hearing  
13 aid dealer is not a licensed physician or a licensed  
14 audiologist and if a licensed physician or a  
15 licensed audiologist advises you in writing to  
16 cancel this transaction.

17 If you cancel this transaction, the property  
18 you traded in, the payments you made under the  
19 sale or lease (less certain costs allowed by state  
20 law) and any negotiable instrument executed by you  
21 will be returned within 20 days following receipt  
22 by the hearing aid dealer of your cancellation  
23 notice, and the hearing aid dealer will cancel any  
24 security interest arising out of the sale or lease.

25 If you cancel, you must make available to the  
26 hearing aid dealer, in as good a condition as when  
27 received, less normal wear and tear, the goods  
28 delivered to you under this sale or lease, unless  
29 the dealer notifies you to keep the goods or to

1 hold them until the dealer collects them.

2 If the goods have been damaged, the hearing aid  
3 dealer may deduct from any refund due you the reasonable  
4 costs incurred in repairing the goods to make them  
5 suitable for resale. If the goods have been damaged  
6 beyond repair, you are liable for the full purchase  
7 price, even if you are just leasing the goods.

8 If you make the goods available for the hearing  
9 aid dealer to collect after your cancellation,  
10 and within 20 days of receiving your cancellation the  
11 hearing aid dealer does not collect them from you  
12 or provide you with instructions for returning the goods  
13 by mail, you may retain or dispose of the goods  
14 without further obligation to the hearing aid dealer.  
15 If you fail to make the goods available for the  
16 hearing aid dealer to collect after your cancella-  
17 tion, then the sale or lease is not cancelled and  
18 you remain liable for performance of the obligations  
19 of the sale or lease.

20 To cancel this transaction, mail (by certified  
21 mail, return receipt requested) or deliver a signed and  
22 dated copy of this notice or another written notice  
23 to (name of hearing aid dealer), at (address of hear-  
24 ing aid dealer's place of business) and (hearing aid  
25 dealer's telephone number) no later than midnight of  
26 (Date).

27 I hereby cancel this transaction.

28 (Date) \_\_\_\_\_  
29 \_\_\_\_\_

1 (Purchaser's or Lessee's signature)

2 I have read and understand the terms of  
3 cancellation of this purchase/lease.  
4

5 \_\_\_\_\_  
6 Purchaser's or Lessee's signature

7 \_\_\_\_\_  
8 Date

9 (d) If a purchaser or lessee of a hearing aid cancels the pur-  
10 chase or lease under (a) or (b) of this section, the hearing aid  
11 dealer shall within 20 days of receipt of a notice of the cancellation

12 (1) refund to the purchaser or lessee all deposits, in-  
13 cluding the downpayment, less (A) 10 percent of the total purchase  
14 price for each 30 days that the purchaser or lessee had the hearing  
15 aid, to pay for the reasonable rental value of the hearing aid; (B)  
16 the reasonable price of ear molds or custom casings prepared for the  
17 purchaser or lessee; and (C) the reasonable costs actually incurred by  
18 the hearing aid dealer to make goods that were traded in by the pur-  
19 chaser or lessee ready for sale; the hearing aid dealer may retain the  
20 money allowed under this paragraph only up to the amount of a down-  
21 payment made by the purchaser or lessee;

22 (2) return to the purchaser or lessee all goods traded in  
23 to the hearing aid dealer as part of the sale or lease;

24 (3) return to the purchaser or lessee a negotiable instru-  
25 ment signed by the purchaser or lessee; and

26 (4) cancel a security interest taken by the hearing aid  
27 dealer for the purchase or lease.

28 (e) If the hearing aid returned by the purchaser or lessee has  
29 been damaged, the hearing aid dealer may deduct from any refund due  
the purchaser or lessee the reasonable costs incurred in repairs

1 necessary to make the hearing aid suitable for resale. If the hearing  
2 aid is damaged beyond repair, the purchaser or lessee is liable for  
3 the full purchase price.

4 (f) The purchaser or lessee may retain or dispose of the hearing  
5 aid if within 20 days of receipt of the notice of cancellation, the  
6 hearing aid dealer fails

7 (1) to collect the hearing aid from the purchaser or  
8 lessee; or

9 (2) to provide the purchaser or lessee with instructions  
10 for returning the hearing aid by mail.

11 (g) If a purchaser or lessee of a hearing aid fails to make the  
12 hearing aid available for the hearing aid dealer to collect, the  
13 purchaser or lessee remains liable for the purchase or lease.

14 (b) To give written notice under this section, a person shall  
15 deliver the notice to the hearing aid dealer in person or to the place  
16 of business of the dealer, or mail the notice to the place of business  
17 of the dealer by certified mail, return receipt requested.

18 **Sec. 08.55.120. TESTING OF HEARING.** (a) A hearing aid dealer  
19 may take threshold measurements to determine the need for a hearing  
20 aid, but may not perform other diagnostic procedures to determine the  
21 cause of a hearing impairment or charge a fee for a hearing measure-  
22 ment.

23 (b) A hearing aid dealer shall include in every printed  
24 advertisement for the services of the dealer the following statement  
25 bordered in black:

26 Alaska law permits a hearing aid dealer who is not a li-  
27 censed physician or a licensed audiologist to test hearing  
28 only for the purpose of selling or leasing hearing aids;  
29 the tests given by a hearing aid dealer are not to be

1 used to diagnose the cause of a hearing impairment.

2 Sec. 08.55.130. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANC-  
3 TIONS. After a hearing, the department may impose a disciplinary  
4 sanction on an individual licensed under this chapter when the depart-  
5 ment finds that the person

6 (1) secured a license through deceit, fraud, or intentional  
7 misrepresentation;

8 (2) engaged in deceit, fraud, or intentional misrepresenta-  
9 tion in the course of providing professional services or engaging in  
10 professional activities;

11 (3) advertised professional services in a false or mislead-  
12 ing manner;

13 (4) has been convicted of a felony or other crime that  
14 affects the individual's ability to continue to practice competently  
15 and safely;

16 (5) failed to comply with a provision of this chapter or a  
17 regulation adopted under this chapter, or an order of the department;

18 (6) continued to practice after becoming unfit due to

19 (A) professional incompetence;

20 (B) addiction to or severe dependency on alcohol or  
21 another drug that impairs the individual's ability to practice  
22 safely;

23 (C) physical or mental disability;

24 (7) employed a person who did not have a valid current  
25 license to deal in hearing aids to perform work covered by this chap-  
26 ter;

27 (8) failed or refused to honor a representation, promise,  
28 agreement or warranty made by the person while dealing in hearing  
29 aids;

1 (9) advertised a model, type, or kind of hearing aid for  
2 sale that the person does not sell;

3 (10) failed to maintain a business address and telephone  
4 number at which the individual could normally be reached during regu-  
5 lar business hours;

6 (11) included in a contract or receipt for the purchase or  
7 lease of a hearing aid a confession of judgment or a waiver of a right  
8 of the consumer under this chapter;

9 (12) used undue influence, coercion, or other wilful act or  
10 representation to interfere with the exercise by the consumer of the  
11 rights provided in this chapter;

12 (13) negotiated, transferred, sold, or assigned a note or  
13 other evidence of indebtedness to a finance company or other third  
14 party within two months of delivering a hearing aid to a purchaser or  
15 lessee of the hearing aid by mail or in person;

16 (14) permitted another person to use the licensee's license;

17 (15) dealt in hearing aids while suffering from a serious  
18 disease that was contagious or infectious.

19 Sec. 08.55.140. DISCIPLINARY SANCTIONS. (a) When it finds that  
20 a licensee has committed an act listed in AS 08.55.130, the department  
21 may impose the following sanctions singly or in combination:

22 (1) permanently revoke a license to practice;

23 (2) suspend a license for a determinate period of time;

24 (3) censure a licensee;

25 (4) issue a letter of reprimand;

26 (5) place a licensee on probationary status and require the  
27 licensee to

28 (A) report regularly to the department on matters  
29 involving the basis of probation;

1 (B) limit practice to those areas prescribed;

2 (C) continue professional education until a satisfac-  
3 tory degree of skill has been attained in those areas determined  
4 by the department to need improvement;

5 (6) impose limitations or conditions on the practice of a  
6 licensee.

7 (b) The department may withdraw a limitation, condition, or  
8 probationary status if it finds that the deficiency that required the  
9 sanction has been remedied.

10 (c) The department may summarily suspend a license before final  
11 hearing or during the appeals process if the department finds that the  
12 licensee poses a clear and immediate danger to the public welfare and  
13 safety if the licensee continues to practice. A person whose license  
14 is suspended under this subsection is entitled to a hearing by the de-  
15 partment no later than seven days after the effective date of the  
16 order. The person may appeal the suspension after the hearing to the  
17 superior court.

18 (d) The department may reinstate a license that has been sus-  
19 pended or revoked if the department finds after a hearing that the  
20 applicant is able to deal in hearing aids with reasonable skill and  
21 safety.

22 Sec. 08.55.150. PROHIBITED ACTS. (a) Unless a person is li-  
23 censed under this chapter or AS 08.11, the person may not

24 (1) deal in hearing aids;

25 (2) use a title indicating or representing that the person  
26 deals in hearing aids or is licensed to deal in hearing aids;

27 (3) advertise that the person deals in hearing aids.

28 (b) A person may not

29 (1) sell, barter, or offer to sell or barter a license

1 issued under this chapter;

2 (2) purchase or obtain by barter a license issued under  
3 this chapter with the intent to use it as evidence of the holder's  
4 qualification to deal in hearing aids;

5 (3) materially alter a license issued under this chapter  
6 with fraudulent intent;

7 (4) use or attempt to use as valid a license to deal in  
8 hearing aids that has been purchased, fraudulently obtained, counter-  
9 feited, or materially altered.

10 Sec. 08.55.160. PENAITY. A person who violates AS 08.55.150 is  
11 guilty of a class B misdemeanor.

12 Sec. 08.55.170. NOTICE OF PLACE OF BUSINESS. A person who holds  
13 a license under this chapter shall notify the department in writing of  
14 the regular address of the place or places where the person deals or  
15 intends to deal in hearing aids.

16 Sec. 08.55.180. PROCEDURES. The Administrative Procedure Act  
17 (AS 44.62) applies to regulations and proceedings under this chapter.

18 Sec. 08.55.200. DEFINITIONS. In this chapter

19 (1) "audiologist" means an individual licensed as an audio-  
20 logist under AS 08.11;

21 (2) "dealing in hearing aids" means the sale or lease, or  
22 attempted sale or lease of hearing aids, and the recommendation,  
23 selection, fitting, or adaptation of hearing aids;

24 (3) "department" means the Department of Commerce and  
25 Economic Development;

26 (4) "hearing aid" means a prosthetic instrument or device  
27 designed for or represented as aiding, improving, or correcting defec-  
28 tive human hearing and the parts, attachments, or accessories of the  
29 instrument or device; "hearing aid" does not include cochlear

1 implants, middle-ear implants, vibro-tactile speech-reading aids,  
2 other aids for cued speech, or group or individual auditory training  
3 units and assistive devices;

4 (5) "hearing aid dealer" means an individual licensed under  
5 AS 08.55.010;

6 (6) "physician" means a person licensed as a physician  
7 under AS 08.64.

8 \* Sec. 9. AS 09.55.560(1) is amended to read:

9 (1) "health care provider" means an audiologist licensed  
10 under AS 08.11; a chiropractor licensed under AS 08.20; a dental  
11 hygienist licensed under AS 08.32; a dentist licensed under AS 08.36;  
12 a nurse licensed under AS 08.68; a dispensing optician licensed under  
13 AS 08.71; an optometrist licensed under AS 08.72; a pharmacist li-  
14 censed under AS 08.80; a physical therapist licensed under AS 08.84; a  
15 physician licensed under AS 08.64; a podiatrist; a psychologist and a  
16 psychological associate licensed under AS 08.86; and a hospital as  
17 defined in AS 18.20.130, including a governmentally owned or operated  
18 hospital; a corporate entity covered under AS 21.88.050(b)(12); and an  
19 employee of a health care provider acting within the course and scope  
20 of employment;

21 \* Sec. 10. AS 21.88.900(a)(9) is amended to read:

22 (9) "health care provider" means an audiologist licensed  
23 under AS 08.11; a chiropractor licensed under AS 08.20; a dental  
24 hygienist licensed under AS 08.32; a dentist licensed under AS 08.36;  
25 a nurse licensed under AS 08.68; a dispensing optician licensed under  
26 AS 08.71; an optometrist licensed under AS 08.72; a pharmacist li-  
27 censed under AS 08.80; a physical therapist licensed under AS 08.84; a  
28 physician licensed under AS 08.64; a podiatrist; a psychologist and a  
29 psychological associate licensed under AS 08.86; a hospital as defined

1 in AS 18.20.130, including a governmentally owned or operated hospi-  
2 tal; a corporate entity covered under AS 21.88.050(b)(11); an employee  
3 of a health care provider acting within the course and scope of em-  
4 ployment;

5 \* Sec. 11. AS 44.62.330(a) is amended by adding new paragraphs to read:

6 (53) Department of Commerce and Economic Development con-  
7 cerning the licensing and regulation of audiologists (AS 08.11);

8 (54) Department of Commerce and Economic Development con-  
9 cerning the licensing and regulation of hearing aid dealers (AS 08.-  
10 55).

11 \* Sec. 12. AS 45.50.471(b) is amended by adding a new paragraph to  
12 read:

13 (26) dealing in hearing aids and failing to comply with  
14 AS 08.55.

15 \* Sec. 13. AS 45.50.561 is amended by adding new paragraphs to read:

16 (10) "dealing in hearing aids" has the meaning given in  
17 AS 08.55.200;

18 (11) "hearing aid" has the meaning given in AS 08.55.200.

19 \* Sec. 14. AS 47.17.070(9) is amended to read:

20 (9) "practitioner of the healing arts" includes ch'iroprac-  
21 tors, dental hygienists, dentists, health aides, nurses, nurse practi-  
22 tioners, optometrists, osteopaths, physical therapists, physicians,  
23 physician's assistants, psychiatrists, psychologists, psychological  
24 associates, audiologists licensed under AS 08.11, hearing aid dealers  
25 licensed under AS 08.55, religious healing practitioners, and  
26 surgeons;

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : HB 696  
 Title : "An Act relating to the provision of and charges for state services; and accounting for and appropriation of receipts..."  
 Sponsor : Rules/Governor's Request  
 Requestor : House Finance  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Public Safety  
 BRU : DPS Administration  
 Components : Academy

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		0	0	0	0	0

<b>CAPITAL</b>						
----------------	--	--	--	--	--	--

<b>REVENUE</b>						
----------------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		0	0	0	0	0

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Prepared by : *K Niles* Kathy Niles, Admin Assistant Phone : 465-4336  
 Division : Commissioner's Office Date : 4/01/86  
 Approved by Commissioner : *J. Hughes* Date : 4/2/86  
 Agency : Public Safety

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA  
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 4, 1986

SUBJECT: Proposed CSHB 430(Fin)  
TO: Representative Al Adams  
Chair, Finance  
FROM: T. Eannister *TE*  
Legislative Counsel

This memo accompanies a draft for the proposed CSHB 430(Fin) that your committee adopted yesterday.

It is unclear whether the proposed amendments apply to a lessee as well as to a purchaser of a hearing aid. In addition, the language of the notice in Sec. 08.55.110(c) needs alteration to be consistent with the new amendments. AS 08.55.110(c) indicates that under certain circumstances the purchaser or lessee can cancel the transaction "without penalty or obligation"; the words in quotes are misleading since the new amendments hold the person liable for cost of repairs or for the full purchase price if the goods are damaged beyond repair. Finally, internal citations need correction to reflect the addition of the new subsection AS 08.55.110(e).

I have added language to the amendments to clarify that a lessee is covered. The first amendment now reads at page 21, lines 2-7:

"If the goods have been damaged, the hearing aid dealer may deduct from any refund due you the reasonable costs incurred in repairing the goods to make them suitable for resale. If the goods have been damaged beyond repair, you are liable for the full purchase price, even if you are just leasing the goods." (The underlining indicates the changes I made.)

Representative Adams  
Page 2  
April 4, 1986

The second amendment now reads, beginning at page 22,  
line 27:

"(e) If the hearing aid returned by the purchaser or lessee has been damaged, the hearing aid dealer may deduct from any refund due the purchaser or lessee the reasonable costs incurred for repairs necessary to make the hearing aid suitable for resale. If the hearing aid is damaged beyond repair, the purchaser or lessee is liable for the full purchase price." (The underlining indicates the changes I made.)

I substituted "hearing aid" for "goods" in the second amendment to make the amendment consistent with the rest of the section. The term, "hearing aid", is broadly defined in Sec. 08.55.200(4) and is an appropriate substitute for "goods".

I deleted the phrase "without penalty or obligation" from the first two paragraphs of the notice (on page 20) in Sec. 08.55.110(c).

I relettered the subsections after (e) in AS 08.55.110 and changed other internal references in the bill accordingly (see pages 8, 14, and 19).

If I can be of further assistance, please advise.

TLB:csh  
06/063

4B  
430

Alaska State Legislature

REPRESENTATIVE  
MIKE NAVARRE

DISTRICT 5A

CHAIR, LABOR & COMMERCE  
VICE-CHAIR, STATE AFFAIRS



HOME ADDRESS:  
P. O. BOX E  
KENAI, ALASKA 99611  
(907) 293-7813

WHILE IN SESSION  
POUCH V  
JUNEAU, ALASKA 99811  
(907) 465-3893

House of Representatives

MEMORANDUM

April 2, 1986

TO : Rep. Al Adams, Chair  
All Committee Members  
House Finance Committee

FROM: Rep. Mike Navarre <sup>MD</sup>

House Bill 430 was introduced to provide some consumer protection for hearing impaired Alaskans. The problem was brought to my attention by one of my own staff. A hearing aid dealer attempted to sell a hearing aid to a member of the staff person's family for a price of \$1,200. A subsequent hearing evaluation by a practicing audiologist resulted in this person being fitted with a hearing aid (the same model, incidentally), for a cost of \$450. After further investigation, I discovered that this problem is a recurring one in our state.

Unscrupulous, unqualified people are billing themselves as "audiologists" with no education or training as such. Many hearing aid dealers are from out of state. The common practice is to breeze through town, selling from a suitcase, never to be seen again. The primary victims of these people are the elderly, most of whom are on a fixed income.

Some complaints have been filed with the Consumer Protection agency, but it is a general consensus that the complaints registered represent only a portion of the actual offenses.

In discussing potential consumer protection legislation with expert audiologists, it was decided that audiologists and hearing aid dealers should be regulated, and requiring hearing aid dealers to post a surety bond should be required as a means to prevent the "fly by night" operators. The actual consumer protection language in this measure was worked out as a means of protecting both the consumer and the bona fide dealer and audiologist.

Back up material is attached that supports the legislation. This measure is supported by the Division of Occupational Licensing, the Older Alaskans Commission, the Alask-Speech-Hearing Association, and the Older Persons Action Group. I am not aware of objections to the legislation from any sector of the public.

Two sponsor offered amendments that improve the bill are attached.

Thank you for your consideration. If you have any questions or comments, I will be happy to respond.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: CSHB 430 (HESS)  
 Title: Regulating Audiologists, Hearing Aid Dealers and dispensing of hearing aids;  
 Sponsor: House HESS  
 Requester: House Finance  
 Date of Request: 4/2/86

**FISCAL DETAIL**

Agency Affected: Commerce & Econ. Dev.  
 BRU: Occupational Licensing  
 Components: \_\_\_\_\_

**EXPENDITURES / REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		-0-	-0-	-0-	-0-	-0-
TRAVEL		-0-	-0-	-0-	-0-	-0-
CONTRACTUAL		.1	-0-	-0-	-0-	-0-
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		.1	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE		10.3	2.7	3.1	3.5	10.1
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**FUNDING: (Thousands of dollars)**

GENERAL FUND		.1	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL		.1	-0-	-0-	-0-	-0-

**POSITIONS:**

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

**ANALYSIS:** Attach a separate page if necessary.

The bill charges the department with the responsibility of licensing audiologists and hearing aid dealers. Information received indicates that the number of practitioners affected by the bill are few-- 12 audiologists and 10 legitimate hearing aid dealers. Apparently, fly-by-night individuals have harmed Alaskan consumers as documented by complaints on file with Consumer

Prepared by: Jennifer Strickler Management Analyst  
 Division: Occupational Licensing

Phone: 465-2144  
 Date: 4-3-86

Approved by Commissioner: Loren S. Lounsbury  
 Agency: Commerce and Economic Development

Date: 4/3/86

**Distribution (by Agency preparing fiscal note):**

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

# CONTINUATION of FISCAL NOTE ANALYSIS

## For Bill/Resolution No. CSHB 430 (HESS)

Protection in the Department of Law, the Office of the Ombudsman, and the Department of Health and Social Services, Communicable Disease Control Section. Licensing of Audiologists and hearing aid dealers may be one instance where the need for licensure out-weighs the small number of practitioners.

An estimate of operating costs derived from comparing qualifications and numbers of practitioners with a similar existing license function indicate the costs to total \$4.5 each year. Of the yearly costs; \$.1 is expected to be new costs as a result of this legislation, for printing of application and statute booklets. The remainder of \$4.4 consists largely of personal services costs which would be absorbed by the division through funding already included in the agency's operating budget.

The following fee schedule was developed so that fees generated over the four-year renewal cycle would match, as closely as possible, costs over the same period.

Revenues were estimated on the following fee schedule:

Application Fee	\$	30
Credentials Review Fee		20
Temporary Permit Fee		100
Audiologist:		
License & Renewal Fee		520 quadrennially (\$130 annually)
Hearing Aid Dealers		200 annually

As a result of quadrennial licenses issued to Audiologists, revenues collected in FY 87 essentially covers a portion of the costs in FY 88 to FY 90. A detailed description follows:

FY 87:		Distribution across quadrennial renewal:
	12 Audiologists seeking licensure	\$ 6.2
	10 Hearing Aid Dealers	2.0
	22 Application/Credentials Review	1.1
		\$ 9.3
		\$ 9.3
		- 4.5 costs
		\$ 4.8 balance
FY 88:		
	Assuming there will be two new applicants seeking Audiology temporary permits	\$ .2
	2 new Hearing Aid Dealers:	
	. Application & Credentials Review Fee	.1
	License fee	.4
	10 Hearing Aid Dealers renewing	2.0
		\$ 2.7
		\$ 4.8 balance forward
		.2.7
		\$ 7.5
		- 4.5 costs
		\$ 3.0 balance

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (MESS)

FY 89:

Assuming there will be two new applicants seeking Audiology temporary permits	\$ .2		
2 new Hearing Aid Dealers:			
Application & Credentials Review Fee	.1		
License Fee	.4		
12 Hearing Aid Dealers	2.4		
	\$ 3.1		
		\$ 3.0	balance forward
		3.1	
		\$ 6.1	
		- 4.5	costs
		\$ 1.6	balance

FY 90:

Assuming there will be two new applicants seeking Audiology temporary permits	\$ .2		
2 new Hearing Aid Dealers:			
Application & Credentials Review Fee	.1		
License Fee	.4		
14 Hearing Aid Dealers renewing	2.8		
	\$ 3.5		
		\$ 1.6	balance forward
		3.5	
		\$ 5.1	
		- 4.5	costs
		\$ .6	balance

FY 91 will be the start of a new quadrennial license period for Audiologists, and is the reason for revenues increasing from \$3.5 in FY 90 to \$10.1 in FY 91.

FY 91:

Assuming there will be one new applicant seeking licensure as an Audiologist	\$ .5		
2 new Hearing Aid Dealers, license fee	.4		
Application & Credentials fee for 3 new applicants	.2		
12 Audiologists renewing	6.2		
14 Hearing Aid Dealers renewing	2.8		
	\$10.1		