

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

SB 222 thru SE 227 *Lawrence* 80

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SENATE COMMITTEE REPORT

FURTHER:

4/14/87

DATE TURNED INTO OFFICE 5/4/87

Mr. President:

FINANCE

Committee considered SB 222

registration of vehicles owned by Pearl Harbor survivors.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

(.4) zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures: John Stumpf, Jim Gandy, Phil Kelly, Willie Reynolds, Paul Grish]

[Handwritten signature: John B. ...]
Chairman signature and recommendation

Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

(Draft dated 4-28-87)

REQUEST: _____

Bill Version: SB 222
Publish Date: _____

Revision Date: _____
Title: An Act relating to registration of vehicles owned by Pearl Harbor surv...
Sponsor: Uehling
Requestor: Sen. Uehling

Agency Affected: Public Safety
BRU: Motor Vehicles
Components: Field Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		.3	-	-	-	-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	.3	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE		(.4)	(.4)	(.4)	(.4)	(.4)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	.3	-	-	-	-
FEDERAL FUNDS						
OTHER						
TOTAL	-	.3	-	-	-	-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See page 2.

Prepared by: Charles R. Hosack *CRH* Phone: 269-5551
Division: Motor Vehicles Date: 5-1-87
Approved by Commissioner: [Signature] Date: 5/1/87
Agency: Public Safety

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

JNR
5/1/87

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 222(Fin)
(Draft dated 4-28-87)

ASSUMPTIONS:

Revised information received from sponsor is that there are 23 Pearl Harbor survivors in Alaska.

Sponsor also advises all 23 survivors are over 65 years of age, therefore, currently are eligible to register one vehicle without payment of registration fee or municipal registration tax. It is estimated 10 of the survivors have an additional vehicle for which they are currently paying the fee and tax, and for which this bill will exempt them from paying.

EXPENDITURES:

Specialized plates @ \$5.00 x 50*	\$250	
Postage @ \$1.76 x 23	40	
TOTAL	\$290	.3

REVENUE:

Vehicles with specialized plates which owners currently pay registration fee. (10 x \$35)	(.4)
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INFORMATION:

As a result of the FY88 budget decrement the position in the Special Programs Unit of the Division of Motor Vehicles which now issues personalized license plates will be eliminated. Therefore, the division will discontinue issuing personalized license plates as of July 1, 1987. The division opposes being required to issue new special interest plates such as Pearl Harbor survivors at a time when we are cutting positions.

*License plates are obtained in multiples of 50. Some Pearl Harbor survivors may want more than one set of plates, and some additional survivors may move into the State.

1 IN THE SENATE

BY UEHLING, HALFORD AND KELLY

2

SENATE BILL NO. 222

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to registration of vehicles owned by

7

Pearl Harbor survivors."

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

9

* Section 1. AS 28.10.181(1) is amended to read:

10

(1) Vehicles owned by Pearl Harbor survivors and former prisoners of war. The department, upon receipt of written proof, may issue without charge special registration plates for one noncommercial motor vehicle to a person who was on active military duty in Pearl Harbor on December 7, 1941, or who has been a prisoner of war during a declared war or other conflict, as determined by the Department of Defense under federal regulations. The design and color of the Pearl Harbor survivor or prisoner of war plates shall be solely within the discretion of the commissioner.

18



Alaska State Legislature

Senate

SENATOR RICK UEHLING

P.O. BOX V
State Capitol
Juneau, Alaska 99811

Official Business
Senate Finance
Committee

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

FROM: Senator Rick Uehling

SUBJECT: SB 222, "An Act relating to registration of vehicles
owned by Pearl Harbor survivors"

DATE: May 2, 1987

I have asked my staff to provide the following background and analysis of SB 222, "An Act relating to registration of vehicles owned by Pearl Harbor survivors."

The Background

SB 222 is a bill that would require the Department of Public Safety, Division of Motor Vehicles to design and issue special license plates to anyone who was on active duty in Pearl Harbor on December 7, 1941. The special plates would be issued upon written proof and without charge to all Pearl Harbor survivors. Special plates are presently being issued to former prisoners of war.

It is my understanding that the Pearl Harbor Survivors Association, North Star Chapter of Anchorage lists the number of Pearl Harbor survivors in Alaska to be 23. We were also advised that all 23 survivors are over 65 years of age, therefore, currently eligible to register one vehicle without payment of registration fees or the municipal registration tax. A fiscal note has been attached to SB 222 and estimates expenditures to be approximately \$300 in FY 88.

5-0963B ✓
Ford
4/28/87

Original sponsors: Uehling, Halford
and Kelly

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 222 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to registration of vehicles owned by
7 Pearl Harbor survivors."

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

9 * Section 1. AS 28.10.181(1) is amended to read:

10 (1) Vehicles owned by Pearl Harbor survivors and former prison-
11 ers of war. The department, upon receipt of written proof, may issue
12 without charge special registration plates for one noncommercial motor
13 vehicle to a person who was on active military duty in Pearl Harbor on
14 December 7, 1941, or who has been a prisoner of war during a declared
15 war or other conflict, as determined by the Department of Defense
16 under federal regulations. The design and color of the Pearl Harbor
17 survivor or prisoner of war plates shall be solely within the dis-
18 cretion of the commissioner.

19 * Sec. 2. AS 28.10.421(d)(13) is amended to read:

20 (13) a vehicle owned by a former prisoner of war or Pearl
21 Harbor survivor none.

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- (2) a pick-up truck or a van not exceeding 6,000 pounds unladen weight and not used or maintained for the transportation of persons or property for hire or for other commercial use \$40;
- (3) a taxicab \$70;
- (4) a motor bus with a seating capacity for 20 or more persons and used exclusively for commercial purposes in the transporting of visitors or tourists \$85;
- (5) a motorcycle or a motor-driven cycle \$20;
- (6) a two- or four-wheeled trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including, but not limited to, a boat trailer, baggage trailer, box trailer, utility trailer or house trailer \$ 5.

(c) The annual registration fees under this subsection are imposed and are based upon the actual unladen weight as established by the manufacturer's advertised weight or upon the actual weight which the owner shall furnish, subject to the approval of the commissioner or the commissioner's representative, for a vehicle, including a motor vehicle pulling a trailer or semi-trailer, used or maintained for the transportation of passengers for hire, excepting taxicabs and buses under (b) of this section, or for the transportation of property for hire or for other commercial use, including a commercial vehicle such as a trailer, semi-trailer, truck, wrecker, tow car, hearse, ambulance, and tractor, as follows:

- (1) up to and including 5,000 pounds \$50;
- (2) more than 5,000 pounds to and including 12,000 pounds \$85;
- (3) more than 12,000 pounds to and including 18,000 pounds \$155;
- (4) more than 18,000 pounds \$220.

(d) The special registration fees under this subsection are imposed annually, unless otherwise specified, for:

- (1) an historic vehicle (one time only upon initial registration under AS 28.10.181) \$10;
- (2) special request plates including those authorized for use by Alaska National Guard personnel only \$30; plus the fee required for that vehicle under (b)(1) or (2) of this section; the fee required by this paragraph shall be collected only on the first issuance and on the replacement of special request plates;
- (3) a vehicle owned by a disabled veteran or other handicapped person, and registered under AS 28.10.181 or a resident 65 years of age or older who files a written application for an exemption on a form prescribed by the department none;
- (4) a vehicle owned by the state none;
- (5) a vehicle owned by an elected state official the fee required for that vehicle under (b) of this section;
- (6) a vehicle owned by a consular officer, unless waived under AS 28.10.181 \$35;

(7) a vehicle owned by a rancher, farmer, or dairyman and registered under AS 28.10.181 \$3;

(8) a snowmobile or off-highway vehicle \$

(9) an amateur mobile radio station vehicle,

(A) with a transceiver capable of less than 5-band operation the fee required for that vehicle under (b) or (c) of this section;

(B) in recognition of service to the public: a mobile amateur radio station owned by an amateur with general class or higher license provided the station must be satisfactorily proved capable of operation on at least five bands from 160 through 10 meters, must have an antenna, and must have a power supply and wiring as a permanent part of the vehicle; the transmitting unit may be removed from the vehicle for service or dry storage none for a mobile amateur radio station vehicle included in (b)(1) or (2) of this section;

(10) dealer registration plates,

(A) the initial set of plates \$4

(B) each subsequent set of plates \$2

(11) a vehicle owned by a municipality or charitable organization meeting the requirements of AS 28.10.181(c) \$

(12) an occasional use vehicle under AS 28.10.181(k) \$1

(13) a vehicle owned by a former prisoner of war none

(e) A vehicle registered under this section which, by the removal of seats, a camper unit, a canopy or other equipment, may be converted into a vehicle on which the registration fee is computed on a different basis or in a different amount may not be driven or moved with seat camper unit, canopy or other equipment removed unless the other applicable registration fee is paid. (§ 7 ch 178 SLA 1978; am §§ 4, 5 ch 54 SLA 1979; am § 2 ch 151 SLA 1984; am § 41 ch 21 SLA 1985; am §§ 7 — 9 ch 60 SLA 1986; am § 1 ch 70 SLA 1986)

Effect of amendments. — The 1985 amendment substituted "AS 28.10.108 and 28.10.111" for "AS 28.10.101 — 28.10.111" at the end of subsection (a).

The first 1986 amendment increased the fees in paragraphs (1) through (5) of subsection (b), increased the fees in subsection (c), and in subsection (d) in paragraph (2) added "including those authorized for use by Alaska National Guard personnel only" and increased the fee, in

paragraph (3) substituted "files a written application for an exemption on a form prescribed by the department" for "complies with AS 28.10.411(c)," and increased the fees in paragraphs (6), (7) and (11).

The second 1986 amendment of paragraph (3) of subsection (d) made by § 1 ch. 70, SLA 1986 was identical to the amendment made by § 9, ch. 60, SLA 1986, which is already in effect.

Sec. 28.10.421. Registration fee Unless otherwise provided by law, the fees prescribed in this section shall be paid to the department at the times provided under AS 28.10.108 and 28.10.111.
 (b) The annual registration fees under this subsection are imposed within the following classifications for:
 (1) a passenger vehicle or motor home not used or maintained for the transportation of persons or property for hire or for other commercial use \$35;

Special License Plates Authorized

The Nebraska State Legislature during the 1986 session, passed a bill that authorized a special motor vehicle license plate for Nebraska residents, who are survivors of the Japanese attack on Pearl Harbor. The bill became law on July 17, 1986 and in ceremonies at the state capitol in Lincoln, Gov. Bob Kerrey, Congressional Medal of Honor winner for Navy SEAL team action in Vietnam, presented "Pearl Harbor Survivor" license plate #1 to Ralph Naslund of Beatrice, Nebraska.

Naslund, in the U.S. Army Air Corps at Hickam Field on Dec. 7, 1941, was appointed Nebraska's first state chairman on Dec. 1, 1965 by then-National President Gene Lindsay. Ralph formed and eventually chartered the Nebraska chapter in October 1966 with eight charter members.

At the spring chapter meeting in 1985 the membership decided to embark on this project. One member wrote up the bill, another had his two state senators introduce it, a few members appeared before the hearing

committee in early January 1986 and the bill was accepted onto the legislative agenda. The membership's letter writing campaign to their district senator accomplished their goal, as the bill passed through four separate readings and became a law.

The Nebraska chapter membership was down to 82 members, but with publicity of the pending bill and final passage, many Pearl Harbor survivors are coming forth to meet and get reacquainted with old shipmates and buddies. Membership will increase by 50% before the project is complete.

This license plate will be a mobile "ever present reminder" to the state and the nation of the PHSA motto, "Remember Pearl Harbor — Keep America Alert."

This is the second project of the Nebraska chapter to keep alive the memory of our shipmates, who died that "Day of Infamy." In November 1982, the Bo Wilson Nebraska Chapter placed a 1700 pound granite bench beside a reflective pool on the Centennial Mall in front of the state capitol in Lincoln, which commemorates the Nebraska Chapter, the Pearl Harbor Survivors Association and Dec. 7, 1941.

What will the third project be??? Only time will tell!!!!

—Burt Amgwert
Nebraska State Chairman



Pictured from left to right — Nebraska Gov. Bob Kerrey, Nebraska State Chairman Burt Amgwert, First Nebraska State Chairman, Ralph Naslund.
Photo AP Laser Photo by Harald Drelmanis

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SB 222

Publish Date: _____

Revision Date: 4-16-87

Agency Affected: Public Safety

Title: An Act relating to registration of vehicles owned by Pearl Harbor surv...

BRU: Motor Vehicles

Sponsor: Uehling

Components: Field Services

Requestor: Uehling

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		.6	-	-	-	-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	.6	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE		(2.2)	(2.2)	(2.2)	(2.2)	(2.2)
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	.6	-	-	-	-
FEDERAL FUNDS						
OTHER						
TOTAL	-	.6	-	-	-	-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See page 2.

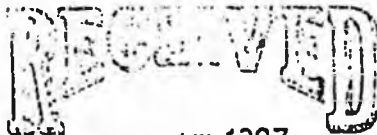
Prepared by: Charles R. Hosack
Division: Motor Vehicles

Phone: 269-5551
Date: 4-16-87

Approved by Commissioner: [Signature]
Agency: Public Safety

Date: 4/17/87

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary



APR 17 1987

JMM
4/17/87

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 222

ASSUMPTIONS:

There are 64 Pearl Harbor survivors in Alaska who will apply for the special license plates.

The bill does not mention what the fee for these special plates would be. For this fiscal note an assumption was made the plates would be issued for no fee.

EXPENDITURES:

Specialized plates @ \$5.00 x 100*	.5
Postage @ \$1.76 x 64	<u>.1</u>
TOTAL	.6

After the first full year of issuance, it is assumed there would not be more than 10 new applications per year.

REVENUE:

Vehicles with specialized plates (64 x \$35)	(2.2)
---	-------

Revenue loss would remain fairly consistent.

INFORMATION:

As a result of the FY88 budget decrement the position in the Special Programs Unit of the Division of Motor Vehicles which now issues personalized license plates will be eliminated. Therefore, the division will discontinue issuing personalized license plates as of July 1, 1987. The division opposes being required to issue new special interest plates such as Pearl Harbor survivors at a time when we are cutting positions.

*License plates are obtained in multiples of 50.

110

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version : SB 222

Publish Date : _____

Revision Date: _____

Agency Affected: Public Safety

Title: An Act relating to registration of vehicles owned by Pearl Harbor survivors.

BRU: Motor Vehicles

Sponsor: Uehling

Components: Field Services

Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL SUPPLIES		1.4	.1	.1	.1	.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		1.4	.1	.1	.1	.1

CAPITAL						
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REVENUE		(7.0)	(7.0)	(7.0)	(7.0)	(7.0)
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FUNDING: (Thousands of Dollars)

GENERAL FUND		1.4	.1	.1	.1	.1
FEDERAL FUNDS						
OTHER						
TOTAL		1.4	.1	.1	.1	.1

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Page 2.

JMR
4/7/87

Prepared by: Charles R. Hosack
Division: Motor Vehicles

Phone: 269-5551

Date: 4-7-87

Approved by Commissioner: [Signature]
Agency: Public Safety

Date: 4/7/87

Distribution (by preparer):

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

RECEIVED

APR 08 1987

page 1 of 2

LEGISLATIVE FINANCE

18 222

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 222

ASSUMPTIONS:

Since we have no idea how many Pearl Harbor survivors there are in Alaska, an estimate of 200 was used to prepare this fiscal note.

The bill does not mention what the fee for these special plates would be. For this fiscal note an assumption was made the plates would be issued for no fee.

EXPENDITURES:

Specialized plates @ \$5.00 x 200	1.0
Postage @ \$1.76 x 200	.4
TOTAL	1.4

After the first full year of issuance, it is assumed there would not be more than 20 new applications per year.

REVENUE:

Vehicles with specialized plates (200 x \$35)	(7.0)
--	-------

Revenue loss would remain fairly consistent.

INFORMATION:

As a result of the FY88 budget decrement the position in the Special Programs Unit of the Division of Motor Vehicles which now issues personalized license plates will be eliminated. Therefore, the division will discontinue issuing personalized license plates as of July 1, 1987. The division opposes being required to issue new special interest plates such as Pearl Harbor survivors at a time we are cutting positions.

BILL NO: SB 222

DATE: April 2, 1987

TITLE: An Act relating to registration of vehicles owned by Pearl Harbor survivors

CONTACT: Bill Brown
465-4335

DEPARTMENT OF
PUBLIC SAFETY

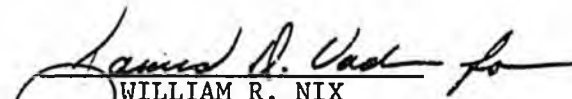
This bill requires the department to design and issue special license plates to anyone who was on active duty in Pearl Harbor on 12-7-41.

Issuing special registration plates to any select group of individuals requires more documentation, and more employee effort than a normal registration. With any one group, such as Pearl Harbor survivors, the effort may not be large, but with several groups the effort expended in proportion to the total number of registrations can be excessive.

Since there are so many groups deserving of recognition, the problem with this type of legislation is where to stop once it's started. The reasoning seems to be that since one group has the plates another group is just as deserving of special recognition, and so on.

If the legislature acts on this piece of legislation it should also set a fee in AS 28.10.421. A fee must be set before these type plates could be processed.

The department is opposed to this bill because it is felt that a time when we are cutting positions and functions is not the time to be adding additional duties.


WILLIAM R. NIX
Acting Commissioner

SB 222
Read

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4-8-87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

3/31/87

DATE TURNED INTO OFFICE 4/14/87

Mr. President:

STATE AFFAIRS

Committee considered SB 222

registration of vehicles owned by Pearl Harbor survivors.

and recommended:

replace with CS _____ same title

attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

Rich Uebay

OTHER RECOMMENDATIONS

Joe Grantham - No Rec.
Jan Tracy No Rec
Winnie Hunsley No Rec.

Stan Wood No Rec
Chairman signature and recommendation

Committee Backup Attached

CSSB

226

HOUSE COMMITTEE REPORT

(11).

Date referred: 5/6/87

FURTHER REFERRALS:

DATE: 4/26/88

The Finance Committee has considered CSSB 226(R1s)

"An Act relating to the regulation of optometry."

RECOMMENDS:

replace with HCS CSSB 226(Fin) the same title
 attached amendment(s) a new title

- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

RODMAN Al Adams

POURCHOT Kat Pourchot

GOLL Peter Goll

BOYER Mark Boyer

FRANK John Frank

BROWN Lay Brown

DAVIS Mike Davis

WALLIS Kay Wallis

SWACK John Swack

LARSON Bob Larson

SIGNING OTHER RECOMMENDATIONS:

RIEGER Al Adams

Al Adams
 Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to the regulation of optometry.
Sponsor: House Finance
Requestor: _____

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jennifer Strickler, Management Analyst
Division: Occupational Licensing

Phone: 465-2144
Date: 4/26/88

Approved by Commissioner: J. Anthony Smith
Agency: Commerce and Economic Development

Date: 4-26-88

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Original sponsor: Health, Education and
Social Services Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 226 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of optometry."

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

8 * Section 1. FINDINGS AND INTENT. (a) The legislature finds that

9 (1) the scope of practice of optometry is a matter affecting the
10 public health, safety, and welfare;

11 (2) expansion of the scope of practice of optometry to include
12 the use of certain pharmaceutical agents will enhance the breadth and
13 quality of professional optometric services available in the state; and

14 (3) a high degree of public trust is bestowed upon licensed
15 optometrists who qualify to use pharmaceutical agents and that these op-
16 tometrists should reward this trust by exercising great care in the use of
17 pharmaceutical agents.

18 (b) It is the intent of the legislature that optometrists

19 (1) abide by the scope of practice of optometry as provided by
20 law;

21 (2) not treat ocular diseases or disorders except as provided by
22 law; and

23 (3) refer patients with ocular diseases or disorders to appro-
24 priate health care providers.

25 * Sec. 2. AS 08.72.160(a) is amended to read:

26 (a) The examination shall be written, practical, and oral in
27 nature. The [NATIONAL BOARD OF EXAMINERS IN OPTOMETRY EXAMINATION,
28 PARTS 1 AND 2, SHALL COMPRISE THE] written portion of the Alaska
29 examination shall consist of all or part of a national or inter-

1 national examination designated by regulation by the board. The oral
2 portion of the examination shall be recorded and retained for two
3 years.

4 * Sec. 3. AS 08.72.160(c) is amended to read:

5 (c) An applicant who fails a [THE WRITTEN] portion of the exam-
6 ination may take a reexamination in the portion failed [WRITTEN POR-
7 TION] upon payment of a reexamination [AN ADDITIONAL EXAMINATION] fee
8 established under AS 08.01.065.

9 * Sec. 4. AS 08.72.160(d) is amended to read:

10 (d) An applicant who fails more than one portion of the examina-
11 tion must retake the entire examination and pay the [FULL] examination
12 fee.

13 * Sec. 5. AS 08.72 is amended by adding a new section to read:

14 Sec. 08.72.175. LICENSE ENDORSEMENT. (a) The board may issue a
15 license endorsement authorizing a licensee to use the pharmaceutical
16 agents described in AS 08.72.272, if the licensee or applicant for a
17 license passes the written and practical portions of an examination on
18 ocular pharmacology, approved by the board, that tests the licensee's
19 or the applicant's knowledge of the characteristics, pharmacological
20 effects, indications, contraindications, and emergency care associated
21 with the use of pharmaceutical agents. The endorsement expires at the
22 same time as the license to which it attaches. The endorsement may be
23 renewed upon satisfactory completion of continuing education require-
24 ments established by the board by regulation.

25 (b) A pharmacist or pharmaceutical supplier may supply a li-
26 censee with pharmaceutical agents as provided under AS 08.72.272 upon
27 presentation of evidence that the licensee holds a license endorsement
28 under this section.

29 * Sec. 6. AS 08.72.240 is amended to read:

1 Sec. 08.72.240. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANC-
2 TIONS. The board may impose disciplinary sanctions when the board
3 finds after a hearing that a licensee

4 (1) secured a license through deceit, fraud, or intentional
5 misrepresentation;

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

9 (3) advertised professional services in a false or mislead-
10 ing manner;

11 (4) has been convicted of a felony or other crime which
12 affects the licensee's ability to continue to practice competently and
13 safely;

14 (5) intentionally or negligently engaged in or permitted
15 the performance of patient care by persons under the licensee's super-
16 vision which does not conform to minimum professional standards re-
17 gardless of whether actual injury to the patient occurred;

18 (6) failed to comply with this chapter, with a regulation
19 adopted under this chapter, or with an order of the board;

20 (7) continued to practice after becoming unfit due to

21 (A) professional incompetence;

22 (B) failure to keep informed of or use current profes-
23 sional theories or practices;

24 (C) addiction or severe dependency on alcohol or other
25 drugs which impairs the licensee's ability to practice safely;

26 (D) physical or mental disability;

27 (8) engaged in lewd or immoral conduct in connection with
28 the delivery of professional service to patients;

29 (9) failed to refer a patient to a physician [THE

1 APPROPRIATE HEALTH CARE PRACTITIONER] after ascertaining the [POSSI-
2 BLE] presence of ocular or systemic conditions requiring management by
3 a physician [DISEASE].

4 * Sec. 7. AS 08.72 is amended by adding new sections to article 3 to
5 read:

6 Sec. 08.72.272. USE OF PHARMACEUTICAL AGENTS. (a) A licensee
7 may use a pharmaceutical agent in the practice of optometry if

8 (1) the pharmaceutical agent is

9 (A) a drug, used for examination purposes only, within
10 the categories of

11 (i) topically applied ocular anesthetics, but not
12 including cocaine;

13 (ii) cycloplegics or mydriatics, but not including
14 atropine, homatropine, scopolamine, epinephrine, and 10
15 percent phenylephrine; or

16 (B) a drug, within the category of miotics used, after
17 consultation with an ophthalmologist, for the treatment of an
18 inadvertently induced angle closure; and

19 (2) the person holds a license endorsement issued by the
20 board authorizing the use of pharmaceutical agents.

21 (b) Except as provided in (a) of this section, a licensee may
22 not use pharmaceutical agents for treatment of an eye disease or
23 disorder or for any other therapeutic purpose.

24 (c) A licensee may not purchase, possess, or administer a phar-
25 maceutical agent unless the licensee has obtained a license endorse-
26 ment under AS 08.72.175.

27 Sec. 08.72.274. EXEMPTION. This chapter and regulations adopted
28 under this chapter do not limit the practice of an optician licensed
29 under AS 08.71.

1 * Sec. 8. AS 08.72.300 is repealed and reenacted to read:

2 Sec. 08.72.300. DEFINITIONS. In this chapter:

3 (1) "board" means the Board of Examiners in Optometry;

4 (2) "department" means the Department of Commerce and
5 Economic Development;

6 (3) "optometry" means the examination, diagnosis, and
7 treatment of conditions of the human eyes and visual system, other
8 than by use of laser, x-rays, surgery, or pharmaceutical agents, other
9 than those permitted under AS 08.72.272; "optometry" includes the
10 employment of methods that a person licensed under this chapter is
11 educationally qualified to use, as established by the board;

12 (4) "practicing optometry" means the performance of, or
13 offer to perform, optometry for compensation;

14 (5) "recognized school or college of optometry" means a
15 school or college approved by the American Optometric Association or a
16 committee of the American Optometric Association.

17 * Sec. 9. AS 08.72.160(b) is repealed.

FISCAL NOTE

REQUEST:

Revision Date: -
Title: An Act relating to the practice of optometry.
Sponsor: Senate HESS
Requestor: House Finance

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

SB 226 establishes a new category of regulation for optometrists who wish to administer drugs. The bill requires applicants to complete an exam required by the board. A national exam is available and applicants are expected to cover costs of the exams. The exam can also be administered in conjunction with the existing exams and therefore, new funds are not needed to implement this bill.

Prepared by: Jennifer Strickler, Management Analyst Phone: 465-2144
Division: Occupational Licensing Date: 2/8/88

Approved by Commissioner: J. Anthony Smith Date: 2/8/88
Agency: Commerce and Economic Development

Distribution (by preparer):

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



Alaska State Legislature

math

Representative Mike Davis

District 19

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Juneau, Alaska 99811
(907) 465-4930/4941

Interim Office
P.O. Box 81435
Fairbanks, Alaska 99708
(907) 456-8161

MEMORANDUM

TO: Rep. Al Adams *al*
FROM: Rep. Mike Davis *-mike*
DATE: April 26, 1988
RE: HCS CSSB 226

The following are the changes made in the CS:

1. Section 1. Findings and intent: This is a new section that makes findings on the subject and states the intent of the Legislature that optometrists not treat diseases or disorders except as specified by law and that they refer patients to appropriate health providers.

2. Section 5 of the bill contains a rewritten section on the license endorsement examination that better reflects the examination that the optometry board now gives. This section also designates areas the examination should cover.

Language was also added to allow pharmacists to supply a licensed optometrist.

3. Section 7 contains changes to state the use of pharmaceuticals in positive language and to remove nonprescription drugs from the list. Except as provided, licensees may not use pharmaceuticals for treatment of eye disease or disorder and may not possess them without a license endorsement.

4. Section 8 contains changes to the definition section to bring it in to line with the changes in the rest of the bill.

SB 226: An Act relating to the practice of optometry.

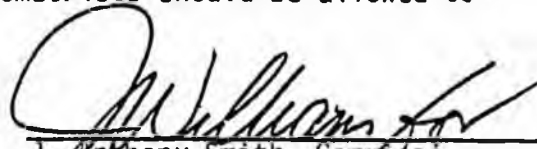
SB 226 grants authority to the Board of Examiners in Optometry to authorize licensed optometrists to administer certain drugs, defined in section 3 of the bill. Basically, the bill creates a new category of regulation - optometrists qualified to administer drugs. The department can support the provision of granting special authorization to qualified individuals rather than providing an overall authorization for all licensees as proposed in previous legislation.

Information obtained by the department indicates that a national pharmacology examination is available for use through contract with the national optometry testing services. In addition, the national exams administered to optometry graduates in 1975 and subsequent years contained a section relating to pharmacology. Therefore, some of the 72 licensed optometrists in Alaska may already be qualified to administer certain drugs.

There are 35 states which presently allow optometrists to administer diagnostic drugs, and 13 states which allow optometrists to use both diagnostic and therapeutic drugs. Alaska is one of two remaining states which do not allow optometrists to administer drugs.

The department does not have the expertise to provide input on the type of drugs optometrists should be permitted to administer. Therefore, the department will defer comment on section 3 of the bill to other health professions (i.e., medical, pharmacy, etc.) or to the Department of Health and Social Services.

In summary, the department does not oppose the establishment of a separate category for optometrists to administer drugs. However, the department will remain neutral since it does not have the expertise to comment on the type of drugs optometrists should be allowed to administer.



J. Anthony Smith, Commissioner
Department of Commerce and Economic
Development

Date: _____

4/10/87

We, the undersigned authorized representatives of the Legislative Committee of the Alaska Optometric Association and the Legislative Affairs Committee of the Alaska Association of Ophthalmology, assign the support of our respective organizations to the attached negotiated bill that amends the current Alaska optometry statute. By our signatures below and on the attached bill we attest that support. We will, if called upon, testify before the Alaska State Legislature in favor of the bill as written. This agreement expires at the end of the 1987 session of the 15th Alaska Legislature.

Lynn J. Coon, O.D. 3/24/87

Oliver M. Korshin, M.D.

Edward E. Crouch, M.D.

WHY ALASKA SHOULD SUPPORT LEGISLATION ALLOWING OPTOMETRISTS
TO FULLY UTILIZE THEIR TRAINING INCLUDING USING
PHARMACEUTICAL AGENTS

Optometry is an independent health care profession that specializes in comprehensive vision care.

- A. Education: The modern optometrist has attended an accredited school or college of optometry for four years with 80% of all optometry students having four years of pre-optometric college education and a bachelor's degree. The intensive education that the optometric student receives includes 156 hours of pharmacology, which is equal to or greater than all other health care professions using therapeutic pharmaceuticals. Systemic disease and eye disease education are comprehensive and cover complete diagnosis of all eye disease (primary and complicated).
- B. Distribution: Alaska currently has 51 optometrists distributed in 13 towns and cities across the state. Several optometrists provide services to remote villages and towns such that optometric care is accessible and available to all Alaskans. Several optometrists in Alaska are employed by the Federal government and serve large segments of the armed forces and native populations.
- C. Continuing education: Alaskan optometrists are required to attend a minimum of 48 hours of certified continuing education every 4 years. This education is oriented towards primary care with diagnosis, therapy, and management of eye disease a major component. It has been competency based and has included a 104 hour university course on management of eye disease that a majority of the Alaska optometrists attended.
- D. National trends: In 48 states optometrists presently utilize diagnostic drugs. In 12 states optometrists use both diagnostic and therapeutic drugs. Alaska is one of the two remaining states without a drug law allowing optometrists to utilize pharmaceutical agents.
- E. Safety: Optometrists in 12 states are utilizing therapeutic agents with the same success enjoyed by patients of physicians, dentists, osteopaths, bush health aids and others who now use these agents. Most public health authorities agree on substantial benefits from optometric use of pharmaceutical agents. Optometrists have employed therapeutic drugs in West Virginia for 10 years without reported incidence of abuse or negligence. Optometrists have proved convincingly that the public is treated in a safe and effective manner.

December 1, 1986

Dear State Legislator,

The profession of optometry is undergoing a significant expansion in the scope of services that it can offer to patients. On the national level forty-eight states now have laws that allow optometrists to utilize diagnostic pharmaceutical agents to evaluate the eye, and twelve of these states allow optometrists to treat eye conditions with therapeutic drugs.

Alaska is one of the two remaining states without a law that allows optometrists to utilize pharmaceutical agents. Yet Alaskan optometrists are among the best trained in the nation. The majority of optometrists in Alaska have successfully completed a competency based 104 hour university course on management of eye disease.

The people of Alaska would greatly benefit from expansion of the scope of optometry. Please take a few minutes to study the next few pages. The expansion of optometric services would allow Alaskans to enjoy better eye care at a lower cost.

I. Need

- A. OD's are the best distributed trained eye care professionals in rural Alaska. Alaska currently has 46 optometrists distributed in 13 towns and cities across the state. Several optometrists provide services to remote villages and towns such that optometric care is accessible and available to all Alaskans. Several optometrists in Alaska are employed by the Federal government and serve large segments of the armed forces and native populations.
- B. Better quality care: OD's are better trained than any of the primary health practitioners who must provide therapeutic eye care due to limited access to ophthalmological care.
- C. Increased access and availability to care is also a benefit in that the ability to get care quickly reduces discomfort and suffering, reduces extra travel time and cost, and reduces delayed care due to referrals to remote specialists.
- D. Controlling costs: therapeutic primary eye care by optometrists reduces unnecessary referral and maximizes primary level practitioner's training and skills. Optometrists entering into this area would produce competition in the eye care market - a natural way of controlling cost escalation suffered

by all of health care. Non-surgical health professionals are traditionally less costly to the public due to lower training costs and therefore lower charges.

II. Education

- A. Optometrists in Alaska are the only primary level practitioner with education equal and exceeding peers but is severely limited by medical (ophthalmology) license monopoly. For years optometrists have been statutorily required to diagnose properly and have done an effective job. Diagnosis is the most important job and responsibility in therapeutic eye care and now with our training in pharmacology and disease management, OD's are ready to serve their patients primary care needs totally!
- B. The modern optometrist has attended an accredited school or college of optometry for four years with 80% of all optometry students having four years of pre-optometric college education and a bachelor's degree. The intensive education that the optometric student receives includes 156 hours of pharmacology, which is equal to or greater than all other health care professions using therapeutic pharmaceuticals. Systemic disease and eye disease education are comprehensive and cover complete diagnosis of all eye disease (primary and complicated.) The courses are more concentrated on ocular pharmacology than any other health care profession including medicine. The courses do not train OD's to treat systemic disease but rather to recognize it and understand the ocular manifestations. Emergency medical care is taught relating to ocular drugs in first aid, antidotes, shock, seizure, and CPR.

Eye disease education taught at schools and colleges of optometry is the most intense comprehensive course of any health professional school teaching the difference between diseases (differential diagnosis), proper ocular disease management including disease resistance, complications, probable therapeutic response, referral and need for timely course of treatment. These subjects are taught by highly qualified experts including optometrists board certified ophthalmologists and subspecialist ophthalmologists.

- C. Continuing education: Alaskan optometrists are required to attend a minimum of 48 hours of certified continuing education every 4 years. This education is oriented towards primary care with diagnosis, therapy, and management of eye disease a major

component. It has been competency based and has included a 104 hour university course on management of eye disease that a majority of Alaskan optometrists attended.

- D. Today's optometric pharmacology education is equal to or in excess of that offered to medical, dental, osteopathic, or podiatric students and each of those professions use pharmaceuticals without statutory limitations. Remember, optometry's pharmacology education is equal or superior to all others in ocular and systemic eye related pharmacology.
- E. Optometric education and competencies are dramatically superior to many general physicians in therapeutic eye care, yet general MD's treat a lot of eye disease in Alaska due to access problems with ophthalmology. Optometrists offer a sound fundamental knowledge base, excellence in training and advanced instrumentation not found in a non-specialized medical practice.

III. Safety

- A. Optometrists in the 47 of the "lower 48" have used diagnostic pharmaceutical agents for 15 years without serious incidence of toxic reactions, improper use or misuse. Most public health authorities agree on substantial benefits from optometric use of pharmaceutical agents.
- B. Optometrists in twelve states now use therapeutic agents without serious incidence of problems.
- C. As with all optometric diagnostic drug legislation, all therapeutic legislation passed to date (and proposed legislation) requires stiff education and training requirements before certification to begin use of therapeutic agents. The mandatory education is extensive, competency based and clinically oriented.
- D. Professional conservatism protects patients and doctors: no reasonable doctor would be such a maverick as to tackle something beyond his/her competency for the glory or the fee in today's climate of malpractice oriented patients, attorney's and risks. Furthermore, optometry's track record of safety in diagnosis and therapeutic management is as much a product of conservatism as it is a product of competency.
- E. Finally, there is no mystique about therapeutic care. It's provided daily by people with little or no training in eye care including teachers, nurses,

physicians assistants, military personnel (in some cases, non-medical) and patients themselves in self-care.

Alaskan Optometry merely wants to update the definition of optometry to reflect present day training in the area of therapeutic care of eye disease relating to eye care practiced at the primary level -- the level of first contact services or the gatekeeper for the patient into the health care system.

Sec. 08.72.150. Application for examination and issuance of certificate. An applicant shall apply for the examination by filing an application with the department together with the examination fee at least 15 days before the examination. Upon successful completion of the examination by the applicant and payment of the fee, the board shall issue a certificate of registration as a licensed optometrist to the applicant. After the applicant has properly filed a certificate of registration the applicant may practice optometry in the state. (§ 35-3-141 ACLA 1949; am § 6 ch 76 SLA 1969)

Sec. 08.72.160. Examination. (a) The examination shall be written, practical, and oral in nature. The National Board of Examiners in Optometry Examination, Parts 1 and 2, shall comprise the written portion of the Alaska examination. The oral portion of the examination shall be recorded and retained for two years.

(b) An applicant who fails the practical or the oral portion of the examination may take a re-examination in that portion without paying an additional examination fee.

(c) An applicant who fails the written portion of the examination may take a reexamination in the written portion upon payment of an additional examination fee.

(d) An applicant who fails more than one portion of the examination must retake the entire examination and pay the full examination fee. (§ 35-3-141 ACLA 1949; am § 7 ch 76 SLA 1969; am § 11 ch 75 SLA 1980)

Sec. 08.72.170. Issuance of certificate by waiver of written examination. (a) The board may waive the written portion of the examination requirement for an applicant who:

(1) meets the qualifications of AS 08.72.140;

(2) holds a current license by examination in another state or a province of Canada and has been established in ethical optometric practice for at least three years before the application, or shows satisfactory evidence of having passed the written portion of the examination given by the National Board of Examiners in Optometry; and

(3) has not had a certificate or license revoked for cause in any state, territory or foreign country.

(b) A waiver of the practical or oral portions of the examinations may not be given. (§ 35-3-142 ACLA 1949; am § 8 ch 76 SLA 1969; am § 12 ch 75 SLA 1980)

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Secs. 08.72.200 — 08.72.220. Examination, certificate and renewal fees. [Repealed, § 10 ch 76 SLA 1969.]

Sec. 08.72.230. Fees and disbursements. The department shall collect all fees and keep a record of each transaction, and shall remit to the Department of Revenue all money received. (§ 35-3-138 ACLA 1949; am § 12 ch 76 SLA 1969)

Sec. 08.72.240. Grounds for imposition of disciplinary sanctions. The board may impose disciplinary sanctions when the board finds after a hearing that a licensee

- (1) secured a license through deceit, fraud, or intentional misrepresentation;
- (2) engaged in deceit, fraud, or intentional misrepresentation in the course of providing professional services or engaging in professional activities;
- (3) advertised professional services in a false or misleading manner;
- (4) has been convicted of a felony or other crime which affects the licensee's ability to continue to practice competently and safely;
- (5) intentionally or negligently engaged in or permitted the performance of patient care by persons under the licensee's supervision which does not conform to minimum professional standards regardless of whether actual injury to the patient occurred;
- (6) failed to comply with this chapter, with a regulation adopted under this chapter, or with an order of the board;
- (7) continued to practice after becoming unfit due to
 - (A) professional incompetence;
 - (B) failure to keep informed of or use current professional theories or practices;
 - (C) addiction or severe dependency on alcohol or other drugs which impairs the licensee's ability to practice safely;
 - (D) physical or mental disability;
- (8) engaged in lewd or immoral conduct in connection with the delivery of professional service to patients;
- (9) failed to refer a patient to the appropriate health care practitioner after ascertaining the possible presence of ocular disease. (§ 35-3-140 ACLA 1949; am § 32 ch 177 SLA 1978; am § 17 ch 75 SLA 1980)

Secs. 08.72.250, 08.72.255. Disciplinary sanctions; limits or conditions on license; discipline. [Repealed, § 49 ch 94 SLA 1987. For current law, see AS 08.01.075.]

Sec. 08.72.260. Licensee's license shall be revoked by the board for cause for violation of this chapter. The attorney general shall be notified upon request.

Sec. 08.72.265. Licensee's license shall be revoked if the licensee is ordered by the board to wear corrective lenses or glasses and fails to do so. This section shall not apply to contact lenses. (Repealed, ch 75 SLA 1980)

Section 08.72.275. Lenses and sunglasses.

Collateral references. Physicicians and Healers, §§ 46-48.

Sec. 08.72.275. Lenses and sunglasses. (a) A licensee shall not deliver or provide eyeglasses, contact lenses, or contact lenses, before the lens from the lens is at room temperature, less than one-eighth inch inside. (b) A licensee shall not possess with him or her sunglasses or other high powered lenses. (c) A licensee shall not possess less than \$

Original sponsor: Health, Education and
Social Services Committee

1 IN THE SENATE BY THE RULES COMMITTEE
 2 CS FOR SENATE BILL NO. 226 (Rules)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 FIFTEENTH LEGISLATURE - FIRST SESSION
 5 A BILL

6 For an Act entitled: "An Act relating to the regulation of optometry."
 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 08.72.160(a) is amended to read:

9 (a) The examination shall be written, practical, and oral in
 10 nature. The [NATIONAL BOARD OF EXAMINERS IN OPTOMETRY EXAMINATION,
 11 PARTS 1 AND 2, SHALL COMPRISE THE] written portion of the Alaska
 12 examination shall consist of all or part of a national or internation-
 13 al examination designated by regulation by the board. The oral por-
 14 tion of the examination shall be recorded and retained for two years.

15 * Sec. 2. AS 08.72.160(c) is amended to read:

16 (c) An applicant who fails a [THE WRITTEN] portion of the exam-
 17 ination may take a reexamination in the portion failed [WRITTEN POR-
 18 TION] upon payment of a reexamir ion [AN ADDITIONAL EXAMINATION] fee
 19 established under AS 08.01.065.

20 * Sec. 3. AS 08.72.160(d) is amended to read:

21 (d) An applicant who fails more than one portion of the examina-
 22 tion must retake the entire examination and pay the [FULL] examination
 23 fee.

24 * Sec. 4. AS 08.72 is amended by adding a new section to read:

25 Sec. 08.72.175. LICENSE ENDORSEMENT. The board may issue a
 26 license endorsement authorizing a licensee who completes an examina-
 27 tion and other requirements established by the board by regulation to
 28 administer drugs, except as prohibited under AS 08.72.272. The en-
 29 dorsement expires at the same time as the license to which it

1 attaches. The endorsement may be renewed upon satisfactory completion
2 of continuing education requirements established by the board by
3 regulation.

4 * Sec. 5. AS 08.72.240 is amended to read:

5 Sec. 08.72.240. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANC-
6 TIONS. The board may impose disciplinary sanctions when the board
7 finds after a hearing that a licensee

8 (1) secured a license through deceit, fraud, or intentional
9 misrepresentation;

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

13 (3) advertised professional services in a false or mislead-
14 ing manner;

15 (4) has been convicted of a felony or other crime which
16 affects the licensee's ability to continue to practice competently and
17 safely;

18 (5) intentionally or negligently engaged in or permitted
19 the performance of patient care by persons under the licensee's super-
20 vision which does not conform to minimum professional standards re-
21 gardless of whether actual injury to the patient occurred;

22 (6) failed to comply with this chapter, with a regulation
23 adopted under this chapter, or with an order of the board;

24 (7) continued to practice after becoming unfit due to

25 (A) professional incompetence;

26 (B) failure to keep informed of or use current profes-
27 sional theories or practices;

28 (C) addiction or severe dependency on alcohol or other
29 drugs which impairs the licensee's ability to practice safely;

- 1 (D) physical or mental disability;
- 2 (8) engaged in lewd or immoral conduct in connection with
3 the delivery of professional service to patients;
- 4 (9) failed to refer a patient to a physician [THE APPROPRI-
5 ATE HEALTH CARE PRACTITIONER] after ascertaining the [POSSIBLE] pres-
6 ence of ocular or systemic conditions requiring management by a physi-
7 cian [DISEASE].

8 * Sec. 6. AS 08.72 is amended by adding new sections to article 3 to
9 read:

10 Sec. 08.72.272. USE OF DRUGS. A licensee may not use a drug in
11 the practice of optometry unless

- 12 (1) the drug is
- 13 (A) a nonprescription drug;
- 14 (B) a drug, used for examination purposes only, within
15 the categories of
- 16 (i) topically applied ocular anesthetics, but not
17 including cocaine;
- 18 (ii) cycloplegics or mydriatics, but not including
19 atropine, homatropine, scopolamine, epinephrine, and 10
20 percent phenylephrine; or
- 21 (C) a drug, within the category of miotics used, after
22 consultation with an ophthalmologist, for the treatment of an
23 inadvertently induced angle closure; and

24 (2) the person holds a license endorsement issued by the
25 board authorizing the use of drugs.

26 Sec. 08.72.274. EXEMPTION. This chapter and regulations adopted
27 under this chapter do not limit the practice of an optician licensed
28 under AS 08.71.

29 * Sec. 7. AS 08.72.300 is repealed and reenacted to read:

1 Sec. 08.72.300. DEFINITIONS. In this chapter

2 (1) "board" means the Board of Examiners in Optometry;

3 (2) "department" means the Department of Commerce and
4 Economic Development;

5 (3) "optometry" means the examination, diagnosis, and
6 treatment of conditions of the human eyes and visual system, other
7 than by use of laser, x-rays, surgery, or drugs prohibited under
8 AS 08.72.272; "optometry" includes the employment of methods that a
9 person licensed under this chapter is educationally qualified to use,
10 as established by the board;

11 (4) "practicing optometry" means the performance of, or
12 offer to perform, optometry for compensation;

13 (5) "recognized school or college of optometry" means a
14 school or college approved by the American Optometric Association or a
15 committee of the American Optometric Association.

16 * Sec. 8. AS 08.72.160(b) is repealed.

Original sponsor: Health, Education and
Social Services Committee

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2

CS FOR SENATE BILL NO. 226 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the practice of optometry."

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

8 * Section 1. AS 08.72.160(a) is amended to read:

9 (a) The examination shall be written, practical, and oral in
10 nature. The [NATIONAL BOARD OF EXAMINERS IN OPTOMETRY EXAMINATION,
11 PARTS 1 AND 2, SHALL COMPRISE THE] written portion of the Alaska
12 examination shall consist of all or part of a national or inter-
13 national examination designated by regulation by the board. The oral
14 portion of the examination shall be recorded and retained for two
15 years.

16 * Sec. 2. AS 08.72.160(c) is amended to read:

17 (c) An applicant who fails a [THE WRITTEN] portion of the exam-
18 ination may take a reexamination in the portion failed [WRITTEN POR-
19 TION] upon payment of a reexamination [AN ADDITIONAL EXAMINATION] fee
20 established under AS 08.01.065.

21 * Sec. 3. AS 08.72.160(d) is amended to read:

22 (d) An applicant who fails more than one portion of the examina-
23 tion must retake the entire examination and pay the [FULL] examination
24 fee.

25 * Sec. 4. AS 08.72 is amended by adding a new section to read:

26 Sec. 08.72.175. LICENSE ENDORSEMENT. The board may issue a
27 license endorsement authorizing a licensee who completes an examina-
28 tion and other requirements established by the board by regulation to
29 administer drugs, except as prohibited under AS 08.72.272. The

1 endorsement expires at the same time as the license to which it at-
2 taches. The endorsement may be renewed upon satisfactory completion
3 of continuing education requirements established by the board by
4 regulation.

5 * Sec. 5. AS 08.72.240 is amended to read:

6 Sec. 08.72.240. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANC-
7 TIONS. The board may impose disciplinary sanctions when the board
8 finds after a hearing that a licensee

9 (1) secured a license through deceit, fraud, or intentional
10 misrepresentation;

11 (2) engaged in deceit, fraud, or intentional misrepresenta-
12 tion in the course of providing professional services or engaging in
13 professional activities;

14 (3) advertised professional services in a false or mislead-
15 ing manner;

16 (4) has been convicted of a felony or other crime which
17 affects the licensee's ability to continue to practice competently and
18 safely;

19 (5) intentionally or negligently engaged in or permitted
20 the performance of patient care by persons under the licensee's super-
21 vision which does not conform to minimum professional standards re-
22 gardless of whether actual injury to the patient occurred;

23 (6) failed to comply with this chapter, with a regulation
24 adopted under this chapter, or with an order of the board;

25 (7) continued to practice after becoming unfit due to

26 (A) professional incompetence;

27 (B) failure to keep informed of or use current profes-
28 sional theories or practices;

29 (C) addiction or severe dependency on alcohol or other

1 drugs which impairs the licensee's ability to practice safely;
2 (D) physical or mental disability;
3 (8) engaged in lewd or immoral conduct in connection with
4 the delivery of professional service to patients;
5 (9) failed to refer a patient to a physician [THE APPROPRI-
6 ATE HEALTH CARE PRACTITIONER] after ascertaining the [POSSIBLE] pres-
7 ence of ocular or systemic conditions requiring management by a physi-
8 cian [DISEASE].

9 * Sec. 6. AS 08.72 is amended by adding a new section to article 3 to
10 read:

11 Sec. 08.72.272. USE OF DRUGS. A licensee may not use a drug in
12 the practice of optometry unless

13 (1) the drug is
14 (A) a nonprescription drug;
15 (B) a drug, used for examination purposes only, within
16 the categories of

17 (i) topically applied ocular anesthetics, but not
18 including cocaine;

19 (ii) cycloplegics or mydriatics, but not including
20 atropine, homatropine, scopolamine, epinephrine, and 10
21 percent phenylephrine; or

22 (C) a drug, within the category of miotics used, after
23 consultation with an ophthalmologist, for the treatment of an
24 inadvertently induced angle closure; and

25 (2) the person holds a license endorsement issued by the
26 board authorizing the use of drugs.

27 * Sec. 7. AS 08.72.300 is repealed and reenacted to read:

28 Sec. 08.72.300. DEFINITIONS. In this chapter

29 (1) "board" means the Board of Examiners in Optometry;

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

3 (3) "optometry" means the examination, diagnosis, and
4 treatment of conditions of the human eyes and visual system, other
5 than by use of laser, x-rays, surgery, or drugs prohibited under
6 AS 08.72.272; "optometry" includes the employment of methods that a
7 person licensed under this chapter is educationally qualified to use,
8 as established by the board;

9 (4) "practicing optometry" means the performance of, or
10 offer to perform, optometry for compensation;

11 (5) "recognized school or college of optometry" means a
12 school or college approved by the American Optometric Association or a
13 committee of the American Optometric Association.

14 * Sec. 8. AS 08.72.160(b) is repealed.

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

SENATE BILL NO. 226

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the practice of optometry."

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

8 * Section 1. AS 08.72 is amended by adding a new section to read:

9 Sec. 08.72.175. LICENSE ENDORSEMENT. The board may issue a
10 license endorsement authorizing a licensee who completes an examina-
11 tion and other requirements established by the board by regulation to
12 administer drugs, except as prohibited under AS 08.72.272. The
13 endorsement expires at the same time as the license to which it
14 attaches. The endorsement may be renewed upon satisfactory completion
15 of continuing education requirements established by the board by
16 regulation.

17 * Sec. 2. AS 08.72.240 is amended to read:

18 Sec. 08.72.240. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANC-
19 TIONS. The board may impose disciplinary sanctions when the board
20 finds after a hearing that a licensee

21 (1) secured a license through deceit, fraud, or intentional
22 misrepresentation;

23 (2) engaged in deceit, fraud, or intentional misrepresenta-
24 tion in the course of providing professional services or engaging in
25 professional activities;

26 (3) advertised professional services in a false or mislead-
27 ing manner;

28 (4) has been convicted of a felony or other crime which
29 affects the licensee's ability to continue to practice competently and

1 safely;

2 (5) intentionally or negligently engaged in or permitted
3 the performance of patient care by persons under the licensee's super-
4 vision which does not conform to minimum professional standards re-
5 gardless of whether actual injury to the patient occurred;

6 (6) failed to comply with this chapter, with a regulation
7 adopted under this chapter, or with an order of the board;

8 (7) continued to practice after becoming unfit due to

9 (A) professional incompetence;

10 (B) failure to keep informed of or use current profes-
11 sional theories or practices;

12 (C) addiction or severe dependency on alcohol or other
13 drugs which impairs the licensee's ability to practice safely;

14 (D) physical or mental disability;

15 (8) engaged in lewd or immoral conduct in connection with
16 the delivery of professional service to patients;

17 (9) failed to refer a patient to a physician [THE APPROPRI-
18 ATE HEALTH CARE PRACTITIONER] after ascertaining the [POSSIBLE] pres-
19 ence of ocular or systemic conditions requiring management by a physi-
20 cian [DISEASE].

21 * Sec. 3. AS 08.72 is amended by adding a new section to article 3 to
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23 Sec. 08.72.272. USE OF DRUGS. A licensee may not use a drug in
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25 (1) the drug is

26 (A) a nonprescription drug;

27 (B) a drug, used for examination purposes only, within
28 the categories of

29 (i) topically applied ocular anesthetics, but not

1 including cocaine;
2 (ii) cycloplegics or mydriatics, but not including
3 atropine, homatropine, scopolamine, epinephrine, and 10
4 percent phenylephrine; or
5 (C) a drug, within the category of miotics used, after
6 consultation with an ophthalmologist, for the treatment of an
7 inadvertently induced angle closure; and

8 (2) the person holds a license endorsement issued by the
9 board authorizing the use of drugs.

10 * Sec. 4. AS 08.72.300 is repealed and reenacted to read:

11 Sec. 08.72.300. DEFINITIONS. In this chapter

12 (1) "board" means the Board of Examiners in Optometry;

13 (2) "department" means the Department of Commerce and
14 Economic Development;

15 (3) "optometry" means the examination, diagnosis, and
16 treatment of conditions of the human eyes and visual system, other
17 than by use of laser, x-rays, surgery, or drugs prohibited under
18 AS 08.72.272; "optometry" includes the employment of methods that a
19 person licensed under this chapter is educationally qualified to use,
20 as established by the board;

21 (4) "practicing optometry" means the performance of, or
22 offer to perform, optometry for compensation;

23 (5) "recognized school or college of optometry" means a
24 school or college approved by the American Optometric Association or a
25 committee of the American Optometric Association.

SR

227

SENATE COMMITTEE REPORT

FURTHER:

4/28/87

DATE TURNED INTO OFFICE 4/30/87

Mr. President:

FINANCE Committee considered SB 227

claims of state agencies to permanent fund dividends.

and recommended:

replace with CS FOR _____) same title
 or adopt CS FOR SB 227 (SH)) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

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

[Signature] DO PASS
Chairman signature and recommendation

Committee Backup Attached

Replacement note
for FN R/o
4/30/87

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
Revision Date: May 5, 1987
Title: Claims to Permanent Fund
Dividend
Sponsor: Uehling, Faiks
Requestor: Senate Finance

Bill Version: SB 227
Publish Date: April 16, 1987
Agency Affected: Education
BRU: Postsecondary Education
Components: Student Loan Admin.
Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL	N.A.	(670.0)	(300.0)	(300.0)	(300.0)	(300.0)
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	(670.0)	(300.0)	(300.0)	(300.0)	(300.0)
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.	(670.0)	(300.0)	(300.0)	(300.0)	(300.0)

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Loan impact is estimated at \$670,000 based upon what would have been recovered in FY 87. This will vary with dividend amount and default rate.

Prepared by: Kerry D. Romesburg, Deputy Director Phone: 465-2854
Division: Alaska Commission on Postsecondary Education Date: May 5, 1987

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

MAY 05 1987

LEGISLATIVE FINANCE

Original sponsors: Uehling and Faiks

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 227 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to claims of state agencies to
7 permanent fund dividends."

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

9 * Section 1. AS 43.23 is amended by adding a new section to read:

10 Sec. 43.23.067. CLAIMS OF STATE AGENCIES. (a) AS 09.38 does
11 not apply to permanent fund dividends taken to satisfy debts under
12 AS 43.23.065(b)(4). Notwithstanding AS 09.35, execution on a claim
13 under AS 43.23.065(b)(4) is accomplished by delivering a certified
14 claim to the department containing the following information:

15 (1) the name and social security number of the individual
16 whose dividend is being claimed;

17 (2) the amount the individual owes to the agency; and

18 (3) a statement that

19 (A) the debt has not been contested, or, if contested,
20 that the issue has been resolved in favor of the agency; and

21 (B) if the debt has been contested and resolved in
22 favor of the agency, no appeal is pending, the time limit for
23 filing an appeal has expired, or the appeal has been resolved in
24 favor of the agency.

25 (b) Upon receipt of a claim under (a) of this section the de-
26 partment shall notify the individual of the claim. The notice shall
27 be sent to the address provided in the individual's permanent fund
28 dividend application and must provide the following information:

29 (1) the identity of the agency that has made the claim;

1 (2) the amount of the claim;

2 (3) notice that the amount of the permanent fund dividend
3 that does not exceed the amount of the claim shall be paid to the
4 agency unless the agency releases the claim or the individual requests
5 a hearing from the agency making the claim within 10 days after the
6 date the notice is sent by the department.

7 (c) If a hearing is requested by an individual under (b)(3) of
8 this section, the agency making the claim shall notify the department.
9 The agency making the claim is responsible for affording the individ-
10 ual a hearing on the claim. AS 44.62.330 - 44.62.630 apply to the
11 hearing. If no notice of a request for a hearing or release of the
12 claim is received by the department from the agency, the department
13 shall pay the amount of the permanent fund dividend that does not
14 exceed the amount of the claim to the agency making the claim.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: SB 227
Publish Date: 4-1-87

Revision Date: _____

Agency Affected: Education
BRU: Postsecondary Commission

Title: Re: Claims to Permanent
Fund Dividends

Sponsor: Uehling, Faiks

Components: Student Loan Admin.
Student Loan Fund

Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL	N.A.	-----	see attached-----			
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REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.					

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

(see attached page)

Prepared by: Kerry D. Romesburg, Executive Director Phone: 465-2854
Division: Postsecondary Education Commission Date: 4-8-87

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

RECEIVED
APR 08 1987

LEGISLATIVE FINANCE

SB 227
FISCAL IMPACT ANALYSIS

1. Operating budget: The Commission currently runs a tape match of defaulted borrowers against the permanent fund dividend file, so there would be no additional administrative expense associated with this bill.
2. Loan fund (Capital): SB 227 will produce a positive revenue source for the student loan revolving fund. Since the amount of the dividend varies, and since the number of defaulters applying will also vary, it is not possible to predict the fiscal impact with any accuracy. However, if the terms of SB 227 had been in place in FY87, the impact would have been:

<u>Default Match</u>	<u>Claims Filed</u>	<u>Dividends "missed"</u>	<u>Funds Not Received</u>
2,000	800	1,200	\$673,200

Hence, this bill could produce \$400,000 to \$800,000 annually if the application and default rate remains relatively constant.



Alaska State Legislature

Senate

SENATOR RICK UEHLING

P.O. BOX V
State Capitol
Juneau, Alaska 99811

Official Business

Senate Finance
Committee

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

From: Senator Rick Uehling

DATE: April 28, 1987

RE: SB227, "An Act Relating To Claims Of State Agencies
To Permanent Fund Dividends"

I have asked staff to provide the following information and analysis of SB227, "An Act Relating To Claims Of State Agencies To Permanent Fund Dividends." Attached is a brief summary, a copy of the bill, a sectional analysis, copies of the affected statutes, and the fiscal notes.

Summary

SB227 would allow state agencies to garnish an individual's Permanent Fund Dividend to satisfy the nonpayment of a debt to that agency. This bill allows the procedure to occur outside of the courts, yet still provides due process to the individual through an appeals process under the Administrative Procedures Act. The burden on the court system and the excessive time and expense on the part of the agency is eliminated.

An example, and one of the reasons for the introduction of this bill, is the Postsecondary Education Commission. Currently, \$41,000,000 in student loans are in default! These are not delinquent loans, but those in default which are turned over to collection agencies who immediately file suit in court. Last year 2,000 individuals who applied for the dividend were also in default on the student loans. As noted in the Postsecondary Education Commission's fiscal note, if this bill passes it could mean an additional \$400,000 to \$800,000 in revenue each year for the student loan program. Other Departments such as Commerce & Economic Development, Health & Social Services and the Court system have indicated that this bill could result in additional revenue for them as well.

It does not seem equitable for individuals to receive the Permanent Fund Dividend when they are in default on a debt to a state agency. This bill takes steps to remedy that inequity.

STATE OF ALASKA THE LEGISLATURE

FOURTH STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 8, 1987

SUBJECT: Sectional analysis of SB 227

TO: Senator Rick Uehling

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Here is the sectional analysis that you requested of SB 227 dealing with claims of state agencies to permanent fund dividends.

Sec. 1. A new section is added providing that AS 09.38 (Alaska Exemptions Act) does not apply to a dividend taken to satisfy a debt of a state agency. Execution on such a claim is accomplished by delivering a certified claim to the Department of Revenue containing certain information. Upon receipt of the claim the department is required to notify the individual and provide certain information, including notice that the individual may request a hearing within 10 days after the date the notice is sent by the department. AS 44.62.330 - 44.62.630 (Administrative Procedure Act) apply to a hearing requested by an individual. If no request for a hearing is received, the department is required to pay the amount of the permanent fund dividend that does not exceed the amount of the claim to the agency making the claim.

You have also asked whether the bill presents due process problems. I believe the bill would survive a due process challenge because the individual whose dividend is being claimed is given notice of that fact and accorded a hearing on the claim at his request. The hearing is subject to provisions of the Administrative Procedure Act that relate to administrative hearings, which set out procedures to be followed in the hearing and includes the opportunity to appeal a final administrative order to the superior court (AS 44.62.560). It is only when no request for a hearing is received that the department may proceed to pay money from the dividend to the agency making the claim.

TBC:mkr
m10/121

provision, see § 22, ch. 99, SLA 1985 in amendment substituted "October" for the Temporary and Special Acts. "December" in paragraph (2).
Effect of amendments. — The 1984

Sec. 43.23.065. Exemption of permanent fund dividends. (a) Except as provided in (b) of this section, 50 percent of the annual permanent fund dividend payable to an individual is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual.

(b) An exemption is not available under this section for permanent fund dividends taken to satisfy

(1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220;

(2) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100;

(3) a court ordered probation fee under AS 12.55.105; or

(4) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order listed over other claims on a permanent fund dividend. (§ 1 ch 102 SLA 1982; am § 1 ch 157 SLA 1984; am § 57 SLA 1985; am § 67 ch 138 SLA 1986)

Revisor's notes. — Sections 12 and 13, ch. 99, SLA 1985, amend this section and add new (b) and (c). The amendments are effective if § 1, ch. 99, SLA 1985 is repealed (see § 25, ch. 99, SLA 1985). If the amendments become law, the section will read: "(a) Fifty percent of a cash permanent fund dividend payment is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual. An exemption is not available under this section for cash permanent fund dividend payments taken to satisfy (1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220; (2) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired; or (3) court ordered restitution under AS

12.55.045 — 12.55.051 or 12.55.100. A child support obligation under (1) of this section has priority over a debt owed to an agency of the state, and a permanent fund dividend may not be taken to satisfy a debt under (2) of this section until any portion of the dividend necessary to satisfy a child support obligation has been taken.

"(b) The department shall require an individual to take 100 percent of the permanent fund dividend in cash if the department receives a levy, execution, garnishment, attachment or other legal remedy for the collection of a past due debt described in (a)(1) or (2) of this section.

"(c) The courts of this state may, as a condition of any civil judgment or restitution order under AS 12.55.045 — 12.55.051 or 12.55.100, require the defendant to take the defendant's permanent fund dividend in cash."

Section 22, ch. 99, SLA 1985 provides for an advisory vote to be held at the general election in 1986. For the text of that

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version: SB 227 / HB 223
Publish Date: 4/1/87

REQUEST:

Revision Date: 4/13/87
Title: An Act relating to claims of state agencies to permanent fund dividends.
Sponsor: Senators Uehling and Faiks
Requestor: Senator Uehling

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

(See Attached)

Prepared by: Jennifer Strickler, Management Analyst
Division: Occupational Licensing

Phone: 465-2144

Date: 4/13/87

Approved by Commissioner: J. Anthony Smith
Agency: Commerce and Economic Development

Date: _____

Distribution (by preparer):

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

SB 227 /HB 223

The Division of Occupational Licensing has experienced approximately 3% of NSF checks submitted annually for licensing fees in FY 86 and FY 87. At that rate, 3% of the projected FY 88 revenue will total \$36,600.00.

SB 227 will allow the division to recover funds for NSF checks through filing a claim against an individual's permanent fund dividend check, after all other attempts to recover the funds are unsuccessful. The impact of the bill should discourage future non-compliance with attempts to recover funds.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SB 227
Publish Date: 4/1/87

Revision Date: _____

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing

Title: An Act relating to claims of state agencies to permanent fund dividends.

Sponsor: Senators Uehling and Faiks

Components: _____

Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE	0	[36.6]	[36.6]	[36.6]	[36.6]	[36.6]
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

(See Attached)

Prepared by: Jennifer Strickler, Management Analyst
Division: Occupational Licensing

Phone: 465-2144

Date: 4-10-87

Approved by Commissioner: J. Anthony Sullivan
Agency: Commerce and Economic Development

Date: _____

Distribution (by preparer):

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

SB 227

The decrement of \$36,600.00 in revenue represent 3% of the projected FY 88 revenues. The division has experienced approximately 3% of NSF checks submitted annually for licensing fees in FY 86 and FY 87. At the present rate, the division can also expect to recover the same amount in subsequent years.

Although the strongest impact will occur within the first year upon passage of the bill, the impact should discourage future non-compliance with attempts to recover funds for NSF checks.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 227

Publish Date: _____

REQUEST

Revision Date: _____

Title: An act relating to claims of state agencies to PFD's

Sponsor: Uehling and Faiks

Requestor: State Affairs, Judiciary

Agency Affected: Revenue

BRU: Administrative Services

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	4.2	4.2	4.2	4.2	4.2
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	2.2	2.2	2.2	2.2	2.2
SUPPLIES	-	0.1	0.1	0.1	0.1	0.1
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	6.5	6.5	6.5	6.5	6.5
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	6.5	6.5	6.5	6.5	6.5
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	6.5	6.5	6.5	6.5	6.5

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

(See attached)

Prepared By: Ervin D. Jones
Division: Administrative Services

Phone: 465-2313

Date: 4/13/87

Approved by Commissioner: J. Malone
Agency: Revenue

Date: 4/13/87

Distribution (by Agency preparing fiscal note):

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

page _____ of _____

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 227
4/6/87

Assumptions:

- 1) It is assumed that the term "state agency" does not include the court system.
- 2) It is assumed that all state agencies which now execute judgments by serving the Department of Revenue with writs will instead use the procedure prescribed in this bill. In 1986, the department received approximately 5,000 writs from state agencies under AS 43.23.065(b)(4).
- 3) Given the ease by which the debtor agency is allowed to attach the PFD, an estimated increase of 3,000 claims is expected.
- 4) It is assumed that certified claims filed before April 1 of each calendar year will be returned to the agency as the department will not be holding revenue for the individual until he files a PFD application. Claims filed between April 1 and December 31 will be held and matched against the current year dividend file and will be honored in the order provided in AS 43.23.065.
- 5) Competing claims from different agencies will be honored in the order received.
- 6) Since Section 1 of the bill requires the Department of Revenue to send a notice to the address on the PFD file, the department will hold the claim until the PFD application is on file before sending the notice.

Program Summary:

The Department of Revenue will print a form for state agencies to use in claiming the permanent fund dividend of eligible individuals. This will ensure a uniform presentation of information required by the bill and will facilitate processing of the claim. Claims received will be matched against the PFD file. Except for claims filed between April 1 and July 31 of each year, if a payable application is not on file, the claim will be returned to the agency, marked "no funds available." If, on the other hand, a payable application is on file, the Department of Revenue will send the applicant a notice as described in Section 1.

During the period of April 1 - July 31 of each year, the current year's PFD file is being compiled. Agency claims filed during this period will be held until the current year PFD file is completed and will then be matched, resulting in either a notice of no funds available to the agency or a notice to the dividend applicant.

The provision of subparagraph (c) in the new Sec. AS 43.23.067 implies that the Department of Revenue will hold hearings under AS 44.62.330 - 44.62.630 if requested by the dividend applicant within 10 days of the date of the aforementioned notice. It would seem much more appropriate and practical for the agency making the claim to defend against any challenge, and we would therefore recommend that the bill be amended to provide that any challenge to the execution should be made to the agency making the claim. Unless the claim is released, it will be honored at the time of payment. Without access to the factual record supporting the claim and without the specialized program knowledge of the agency filing the claim, it would be impossible for Revenue to provide such a hearing.

At the time of payment of the dividend, a notice of payment and/or garnishment will be sent to the applicant, notifying him of the attachment(s) and/or assignment(s) and/or dividend contributions which reduced his dividend.

1. Positions

1 PPT Document Processor, R7,
@ \$2,117.76/Mo including salary
and benefits for 2 months = \$4.2

This position will assist in the processing of agency claims and the issuance of the related notices to PFD applicants.

Other Costs:

Travel: None

Contractual:

Printing of 10,000 agency claim forms and 10,000 notices to applicants = \$0.4

Postage for 8,000 notices to applicants = 1.8

TOTAL Contractual \$2.2

Supplies: \$0.1

Equipment: None

TOTAL Costs \$6.5

1 IN THE SENATE

BY UEHLING AND FAIKS

2

SENATE BILL NO. 227

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to claims of state agencies to
7 permanent fund dividends."

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

9 * Section 1. AS 43.23 is amended by adding a new section to read:

10 Sec. 43.23.067. CLAIMS OF STATE AGENCIES. (a) AS 09.38 does
11 not apply to permanent fund dividends taken to satisfy debts under
12 AS 43.23.065(b)(4). Notwithstanding AS 09.35, execution on a claim
13 under AS 43.23.065(b)(4) is accomplished by delivering a certified
14 claim to the department containing the following information:

15 (1) the name and social security number of the individual
16 whose dividend is being claimed;

17 (2) the amount the individual owes to the agency; and

18 (3) a statement that

19 (A) the debt has not been contested, or, if contested,
20 that the issue has been resolved in favor of the agency; and

21 (B) if the debt has been contested and resolved in
22 favor of the agency, no appeal is pending, the time limit for
23 filing an appeal has expired, or the appeal has been resolved in
24 favor of the agency.

25 (b) Upon receipt of a claim under (a) of this section the de-
26 partment shall notify the individual of the claim. The notice shall
27 be sent to the address provided in the individual's permanent fund
28 dividend application and must provide the following information:

29 (1) the identity of the agency that has made the claim;

1 (2) the amount of the claim;

2 (3) notice that the amount of the permanent fund dividend
3 that does not exceed the amount of the claim shall be paid to the
4 agency unless the agency releases the claim or the individual requests
5 a hearing within 10 days after the date the notice is sent by the
6 department.

7 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an
8 individual under (b)(3) of this section. If no request for a hearing
9 is received by the department within the required time limit, the
10 department shall pay the amount of the permanent fund dividend that
11 does not exceed the amount of the claim to the agency making the
12 claim.

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11 not apply to permanent fund dividends taken to satisfy debts under
12 AS 43.23.055(b)(4). Notwithstanding AS 09.35, execution on a claim
13 under AS 43.23.065(b)(4) is accomplished by delivering a certified
14 claim to the department containing the following information:

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10 department shall pay the amount of the permanent fund dividend that
11 does not exceed the amount of the claim to the agency making the
12 claim.

FURTHER:

DATE TURNED INTO OFFICE _____

Mr. President:

JUDICIARY Committee considered SB 227

claims of state agencies to permanent fund dividends.

and recommended:

replace with _____ CS FOR _____) same
 or adopt _____ CS FOR _____) p

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted

Committee attach

new

7
0
7

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4/8/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY

**FISCAL NOTE(S) ATTACHED, **
IN ACCORDANCE WITH AS 24/08.035
(see below)

4/1/87 DATE TURNED INTO OFFICE 4/16/87
Mr. President:
STATE AFFAIRS Committee considered SB 227

claims of state agencies to permanent fund dividends.

and recommended:

replace with CS SB 227 (State Affairs) same title
 attached amendment(s) and new title

APC do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

Rich Cleary (NO PASS)

OTHER RECOMMENDATIONS

Winnie Hensley - no Rec.

Don McMillan
Chairman signature and recommendation

Committee Backup Attached