

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

HB 224 cont., SSHB 228 L.F. 302

Table 1. Pregnancy Leave Policies of Some Public and Private Sector Employers in Alaska

Employer	Applicable Policy	Number of Weeks Allowed	Compensation During Leave	Return Rights	Comments
PRIVATE SECTOR					
Cook Inlet Region, Inc.	medical leave	12	LWOP	Yes	medical LWOP is used for all situations where an employee is absent for medical reasons, does not commence until sick and annual leave are used, health insurance is paid during medical leave; may be extended up to an additional 12 weeks
electrical utilities (IBEW-represented workers)	disability leave	8	LWOP	Yes, with seniority	the eight weeks begins after any medical disability ends, policy applies to the mother and father of newborns and adoptions
grocery stores (retail clerks represented by the UFCW)	maternity leave	25	use sick, may be paid \$100/wk for first 6 weeks	Yes, with seniority	
National Bank of Alaska	medical leave of absence	6	use sick, then annual, then LWOP	not guaranteed but will try to place in old or similar position	

Table 1. Pregnancy Leave Policies of Some Public and Private Sector Employers in Alaska

Employer	Applicable Policy	Number of Weeks Allowed	Compensation During Leave	Return Rights	Comments
PRIVATE SECTOR					
SeaAlaska	medical leave	varies	use sick, then annual, then LWOP	yes	medical leave is used for any situation where it is medically prudent for the employee to be absent, the length of leave determined between the employee and the Vice-President of Administration; temporary disability applies to extended illness or pregnancy, and a doctor's certificate is required
	or temporary disability leave	varies	LWOP	yes	
Sohio	disability leave	12-25, but generally 6	may be paid	yes	
	or personal leave of absence	varies	no pay	no	

Data collected by telephone survey conducted during the week of January 19 - 23, 1987.

APFA = Alaska public Employees' Association

IBEW = International Brotherhood of Electrical Workers

LWOP = Leave Without Pay

NEA = National Education Association

UFCW = United Food and Commercial Workers

Prepared by the House Research Agency, January 1987 (87-079.wk1)

MATERNITY AND PARENTAL LEAVE POLICIES: A COMPARATIVE VIEW

COUNTRY	DURATION	JOB SECURITY	AMOUNT/DURATION	RECIPIENT
CANADA	17-41 WEEKS	YES	60%/15 WEEKS	MOTHER
ITALY	22-48 WEEKS	YES	80%/22 WEEKS	MOTHER
GERMANY	14-26 WEEKS	YES	100%/14-18 WEEKS	MOTHER
SWEDEN	12-52 WEEKS	YES	90%/38 WEEKS	MOTHER or FATHER
FINLAND	35 WEEKS	YES	100%/35 WEEKS	MOTHER or FATHER
AUSTRIA	16-52 WEEKS	YES	100%/20 WEEKS	MOTHER
CHILE	18 WEEKS	YES	100%/18 WEEKS	UNSPECIFIED
USA*	0	0	0	0

* No Federal Policy

Source: Women at Work, ILO Global Survey, 1984;
Kamerman, Maternity & Parental Benefits & Leave, 1980.

Table 1. Pregnancy Leave Policies of Some Public and Private Sector Employers in Alaska

Employer	Applicable Policy	Number of Weeks Allowed	Compensation During Leave	Return Rights	Comments
PUBLIC SECTOR					
Anchorage School District (NEA represented employees)	disability leave	6 if natural, 8 if Cesarean	use sick leave then LWOP	Yes	
Bristol Bay Borough	maternity leave	9	use sick, then annual then LWOP	Yes	supervisor approval required if more than 9 weeks are required
City and Borough of Juneau	none	---	---	---	no policy for pregnant workers, an employee may use their accumulated personal leave or other employees may donate their leave
Fairbanks North Star Borough (APEA represented employees)	maternity leave	13	use personal, then LWOP	Yes, with no loss of service time	may be extended an additional 90 days with a physicians statement; covered by medical benefits while on maternity leave
Juneau School District (NEA-represented employees)	maternity leave inc. in parental leave policy	not specified	use sick, then LWOP	Yes	the length of the leave period is determined by the employee and her doctor
Matanuska-Susitna Borough	maternity leave	8	use sick, then annual, then LWOP	Yes	this policy was just instituted with negotiation of current contract, prior policy was not formal, but generally 6 weeks were allowed
Municipality of Anchorage	medical LWOP or short-term disability	6 varies	no pay some possible	Yes	

Handwritten notes in the bottom right corner, including the name "M. J. ...".

Table 1. Pregnancy Leave Policies of Some Public and Private Sector Employers in Alaska

Employer	Applicable Policy	Number of Weeks Allowed	Compensation During Leave	Return Rights	Comments
PUBLIC SECTOR					
North Slope Borough	maternity leave	9	may use personal, then LWOP	Yes	may extend the leave period with doctor's certificate
State of Alaska (APEA-represented employees)	maternity leave	9	use sick, then annual, then LWOP	Yes	extensions may be granted with a doctor's certificate or by the supervisor
PRIVATE SECTOR					
ARCO	anticipated disability leave	25	may or may not be paid, can use sick leave for period actually disabled	yes, if return immediately after disability, otherwise, job not guaranteed	
construction companies (Teamsters)	disability leave	25	use sick, then annual may also be paid time loss benefits (\$100/week)	Yes, with seniority	

POSITION PAPER

For HB 224

House Bill 224 outlines the conditions and rights of employees and employers in regards to leave and medical insurance associated with the birth, adoption, or foster placement of a child and provides for continuing employment upon return from such leave unless the employer's business circumstances have changed to make it impossible or unreasonable.

The provisions concerning medical insurance and return employment rights are not inconsistent with current State practice. The proposed legislation would, however, make changes to existing State policy and practice concerning leave associated with childbirth and adoption. Current law [AS 39.20.225(b)(4)] entitles a female officer or employee to a maximum of nine weeks of leave for childbirth. Current collective bargaining agreements are consistent in providing nine weeks, and would not be affected by this proposed legislation as written. HB 224 would 1) increase the maximum leave entitlement associated with childbirth to 18 weeks; 2) provide a leave entitlement for adoption or foster placement; and 3) entitle male employees to take leave in association with the birth or placement of a child.

As the language is proposed, it appears that each parent would be eligible to take 18 weeks of leave, for a total of 36 weeks of family leave associated with the birth, adoption, or foster placement of a child. For an employer employing both parents, such a requirement may prove burdensome. We suggest consideration of the following additional language on page 2, following line 22:

Unless a longer period of leave is authorized under (a) of this section, a single employer need not provide its employees more than a total of 18 weeks of family leave associated with each instance of childbirth, adoption, or foster placement.

If this proposed legislation were to become law, Title 18 would be inconsistent with Title 39.

To provide for consistency in statute, we recommend that AS 39.20.225 be amended as follows:

Sec. 39.20.225. Use of personal leave. (a) An officer or employee may take personal leave at any time business permits upon permission by the head of the department or agency for which the officer or employee works.

(b) An officer or employee may take personal leave for medical reasons, regardless of whether business permits, upon permission by the head of the department or agency for which the officer or employee works. A department or agency head shall grant personal leave for medical reasons if the department or agency head is satisfied that the officer or employee is absent for medical reasons. The taking of personal leave for medical reasons shall be reduced by the amount of wage continuation payments made under the Alaska Workers' Compensation Act (AS 23.30). The following constitute "medical reasons" and are subject to the conditions noted:

(1) Medical disability of an officer or employee is a medical reasons for taking personal leave. A department or agency head may require a doctor's certificate showing the disability if the absence exceeds three consecutive working days.

(2) Medical disability of a member of an officer's or employee's immediate family is a medical reason for taking personal leave if the disability is such that the attendance of the officer or employee is required. A department or agency head may require a doctor's certificate showing the disability if the absence exceeds three consecutive working days.

(3) A medical condition of an officer or employee that makes presence at work a danger to the health of fellow employees is a medical reason for taking personal leave. A department or agency head may require a doctor's certificate showing the condition if the absence exceeds three consecutive working days.


(4) [PREGNANCY AND CHILDBIRTH IS A MEDICAL REASON FOR A FEMALE OFFICER OR EMPLOYEE TO TAKE PERSONAL LEAVE. A FEMALE OFFICER OR EMPLOYEE, OTHERWISE QUALIFIED FOR A LEAVE OF ABSENCE, IS ENTITLED TO TAKE A MAXIMUM OF NINE WEEKS LEAVE IMMEDIATELY PRECEDING AND FOLLOWING CHILDBIRTH. IF THE OFFICER'S OR EMPLOYEE'S ACCRUED PERSONAL LEAVE IS INSUFFICIENT FOR THIS PURPOSE, THE OFFICER OR EMPLOYEE IS ENTITLED TO TAKE LEAVE WITHOUT PAY FOR THE BALANCE OF THE NINE-WEEK PERIOD.

(5)] Death of a member of an officer's or employee's immediate family is a medical reasons for taking personal leave. No more than five days of personal leave may be taken for this purpose.


(c) Each officer and employee shall, during each 12-month period, take at least five days of personal leave. If the officer or employee does not take at least five days of personal leave during a 12-month period, the difference between five days and the amount of personal leave taken shall be canceled without pay unless the department or agency head certifies in writing that the officer or employee was denied the opportunity to take five days of personal leave during the 12-month period.

(d) An officer or employee, otherwise qualified for a leave of absence, is entitled to take a maximum of 18 weeks of leave immediately preceding and following the birth of a child or the placement of a child with the officer or employee for adoption or foster care. If the officer's or employee's accrued personal leave is insufficient for this purpose, the officer or employee is entitled to take leave without pay for the balance of the 18-week period. For each instance of childbirth, adoption, or foster placement of a child, officers or employees are entitled to a total of 18 weeks of leave under this section.

The Department of Administration is neutral on this legislation.


Diana DeSimone
Director
Division of Personnel

4/17/87
Date


Commissioner Garrey Peska
Department of Administration

4/17/87
Date



STATE OF ALASKA
OFFICE OF THE GOVERNOR
BILL ANALYSIS

APR 20 1987

DEPARTMENT Health and Social Services	DIVISION Family and Youth Services	BILL NUMBER HR 224	SPONSOR Brown, et al	LEGISLATIVE FINANCE
DEPARTMENT POSITION Support in Concept				
PREPARED BY Yvonne M. Chase, Director	DATE 4/8/87	COMMISSIONER'S SIGNATURE <i>Marya M. Munnson</i>		DATE 4/15/87

SUMMARY

OTHER AGENCIES AFFECTED BY BILL State Retirement and Benefits	CONSTITUENT GROUP(S) AFFECTED BY BILL Employers
ORGANIZATIONAL SUPPORT FOR BILL	ORGANIZATIONAL OPPOSITION TO BILL

FISCAL IMPACT: NONE FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

To provide support to infants and working parents by mandating that employers allow parents reasonable leave from work at the time a child is born or adopted or placed into foster care.

ANALYSIS OF BILL/PROGRAM EFFECTS

Maternity leave for working parents is a need for the majority of families in Alaska and the U.S. In 46% of households in Alaska containing two parents, both work outside the home. 11% of Alaska's families are headed by a single parent and 60% of single mothers with children under age six are in the labor force. Research indicates that adjustment or bonding to newborns is seriously impaired if parents are not allowed to spend adequate time with the newborn. Positive adjustment of the family to any new family member is more likely if parents are provided an opportunity to bond with the child immediately after the placement.

AMENDMENTS PROPOSED

Due to the wide range of foster care situations and the number of placements which realistically may be made into a single foster home within a year, it is recommended that leave for placements into foster homes be either restricted in length of time or that leave be restricted to foster placements that are intended to be permanent at the time the placement is made. Generally, the recruitment of foster homes for preschool age children is focused on families in which one parent does not work outside the home since the adjustment of young children who have been removed involuntary from the parental home requires more support and attention than could generally be provided in a home in which both parents work.

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

TESTIMONY PRESENTED BEFORE HOUSE JUDICIARY COMMITTEE
REGARDING CS FOR HB 224

NATIONAL ORGANIZATION FOR WOMEN, STATE OF ALASKA

My name is Jan Erickson and I am legislative vice president for the National Organization for Women, State of Alaska. We are the largest women's organization in the Alaska with over 700 members in communities ranging from Barrow to Ketchikan. I would like to make a few comments today on the need for House Bill 224, an act relating to employment rights based on pregnancy, childbirth, and adoption.

We need this legislation. Without it, women will continue to be penalized for bearing children and both parents and children will suffer for lack important nurturing and bonding experiences that need to take place early in life. Protection provided by CSHB 224 is no less than has been provided for years in many countries in Europe and elsewhere. In some of those countries, leave is up to a full year, sometimes with pay, and always with guaranteed return to the job.

I know that among women's rights advocates there is some controversy over the effect of such laws. One group argues that we are setting up women for another special treatment situation which, in the past, has meant that equal rights could be more

easily denied women. The other body of thought holds that these employment rights must be guaranteed for women to prevent the common experience of dismissal or demotion when an extended leave is taken after the birth of a baby. Because this legislation offers protection for both parents it seems to me that the special treatment concern is not warranted. Male parents are treated the same as female parents. One of the principle beliefs of feminists is that men must become more involved in parenting. A protection of men's jobs through parental leave guarantees is the best opportunity for them to begin the parenting process.

For America to become truly a nation which values family life, we have to reduce the economic barriers that society has created which make it so hard for parents to raise children. We can do it; employment rights for pregnancy, childbirth and adoption plus reasonable leave policies, flexible work schedules, on-site day care, benefit options which help pay for day care expenses, and other such initiatives will help tremendously.

The provisions spelled out in the bill before us, in our opinion, are fair and do not place an undue burden on employers. The permitted 18 weeks of leave is reasonable; the option for leave to be unpaid certainly makes it an easy proposition for employers; the requirement for continuation of health coverage during the leave period is important; and the escape valve for employers who have experienced a business reversal and can not re-instate that individual is probably a necessary feature. We would hope that this will not be abused by employers.

Provisions concerning guarantees of substantially similar positions with substantially similar benefits, pay, and other terms of employment (page 3, lines 10-11) as well as those conditions that should prevail when a transfer is made (page 3, lines 12 - 24) are vital. They should be maintained so that retention of employees following the leave period does not also occur with an erosion of employment gains.

As you may know, similar legislation is before Congress; the Washington, D.C. headquarters for the National Organization for Women is lobbying hard on behalf of parental leave legislation. Alaska can become a leader by enacting CSHB 224. A sensible parental leave policy for employers will not only help improve family life, but add tremendously to our State's quality of life. This is not an insignificant fact when we are looking to stabilize our economy and expand our base by attracting new businesses and industries.

Thank you for the opportunity to testify.



Alaska Public
Employees Association **APEA**

State Headquarters: 340 N. Franklin, Juneau, AK 99801 (907) 586-2334

TO: Representative John Sund, Chairman
House Judiciary Committee

FROM: Cherie Shelley *CS*
Executive Director

SUBJECT: HB 224 - Employment Rights

DATE: May 5, 1987

The Alaska Public Employees Association endorses House Bill 224 - "An Act relating to employment rights based on pregnancy, childbirth, and adoption", and urges the committee to consider this legislation favorably.

The changing characteristics of the American family require legislative action such as that proposed by HB 224. National trends indicate that many corporations and states have already adopted similarly enlightened policies.

Social welfare experts stress the importance of parental contact in early childhood development. This bill will allow parents to spend time with their newborn or adopted children without fear of losing their jobs or suffering adverse pressure at the workplace.

House Bill 224 is the most important piece of family-oriented legislation to be considered this session. The necessity for this legislation is obvious. We urge the committee to support this measure.

CS/baa

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825 College Road
Fairbanks, AK 99701
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833 Gambell Street, Suite A
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Telephone: (907) 586-6305



May 5, 1987

The Honorable Kay Brown
Alaska House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Brown:

Thank you for sponsoring House Bill 224 regarding parental leave. The American Association of University Women supports the policy of parental leave and has been working for it in Congress. The national bill is called "The Parental and Medical Leave Act of 1986," HR 4300/S 2278. I have enclosed our policy statement for you.

We would like to suggest that there be a mention in HB 224 of the employee being able to return to the same work site or to the same city. This would close a loophole that might enable an employer to force the returning employee to move to another city in order to take an equivalent job.

We appreciate the opportunity to comment on the bill and would be happy to provide testimony during hearings.

Thank you for sponsoring this progressive bill. Keep up the good work.

Sincerely,

A handwritten signature in cursive script that reads "Ann L. Skoe".

Ann L. Skoe (sko-e)
Legislative Program Chair
8169 Thunder Street
Juneau, Alaska 99801

Enclosures

ALASKA STATE ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN

Position Statement

PARENTAL LEAVE/EMPLOYMENT RIGHTS RELATING TO PREGNANCY, CHILD BIRTH, AND ADOPTION

The Alaska State Association for the Education of Young Children (AKSAEYC) is the state affiliate of the National Association for the Education of Young Children (NAEYC). We advocate for and offer professional development opportunities to early childhood educators and provide public education and training in the area of early childhood development and education. Our goal is to improve the quality of services to children from birth to age 8 -- the critical years of development. In addition, we advocate in a supportive role for parents as the primary educators of young children.

AKSAEYC supports passage of HB 224 "An Act Relating to Employment Rights Based on Pregnancy, Child Birth, and Adoption." We see this bill as an important statement of policy for the State of Alaska in upholding parental rights and in validating the crucial role parents play in the early days of a child's development.

The first three to four months after birth is one of the most important periods of a child's life. The proposed period of parental leave provides time that is essential for quality care and bonding between a child and its parents. Research on infants and longitudinal early intervention studies indicate this bonding is necessary for the formation of healthy self-esteem and strong parental ties.

Not only is this time important for neonatal development, it is also crucial in setting the tone for child-parent relationships throughout the child's life and will help to prevent later problems for Alaska's youth, particularly in the areas of prevention of alcohol and drug abuse, youth suicide, school dropouts, runaway and delinquent behavior, and teenage pregnancy.

Parents must also have time to assist other children in the family adjust to having a new baby in the home, and to be able to spend time with the baby's siblings to foster healthy social and familial ties. This period of adjustment and bonding is equally important when a child is adopted into a new family.

In addition, this initial period of bonding is integral for the parent to strengthen nurturing skills, develop strong maternal and paternal attachments to the child, and to develop confidence and proficiency in parenting skills. Such confidence and skills are as necessary to the parent as to the child, and are important to ensure healthy parenting in the future. These are also shown to be important in the prevention of child abuse and neglect and similar problems which may result when the child-parent bond and parenting skills are not sufficiently developed.

Parental leave is also necessary to avoid problems with employee performance which is adversely affected by tardiness, low job attendance, stress-related illness, and the worry and guilt associated with placing a newborn in care outside the home.

While parents are adjusting to the changes in relationships that necessarily occur when there is a new member of the family, they should not also have to worry about whether they can keep their jobs, or how they can find medical insurance coverage.

Parents should not have to make a choice between keeping their job or having healthy, well-adjusted children and family relationships. We do not think this is a trade-off that is ethical for any employer to impose. As a primary employer in Alaska, state government should serve as a model in setting a standard for other employers to follow.

One of the important tasks of the Governor's Commission on Children and Youth will be to look at high-risk children and families, and to establish priorities and guidelines for providing a preventive environment to avoid potential future problems. This parental leave bill is one way to help provide such a preventive climate in our State.

ALASKA WOMEN'S LOBBY

POST OFFICE BOX 10-1571. ANCHORAGE, ALASKA 99510

April 22, 1987

Representative Niilo Koponen
Representative Johnny Ellis
Chairmen
House Committee on Health, Education and Social Services
P.O. Box V
Juneau, Alaska 99811

Mr. Chairman and Members of the Committee:

The Alaska Women's Lobby welcomes the introduction of House Bill 224, which would establish a statewide parental leave policy.

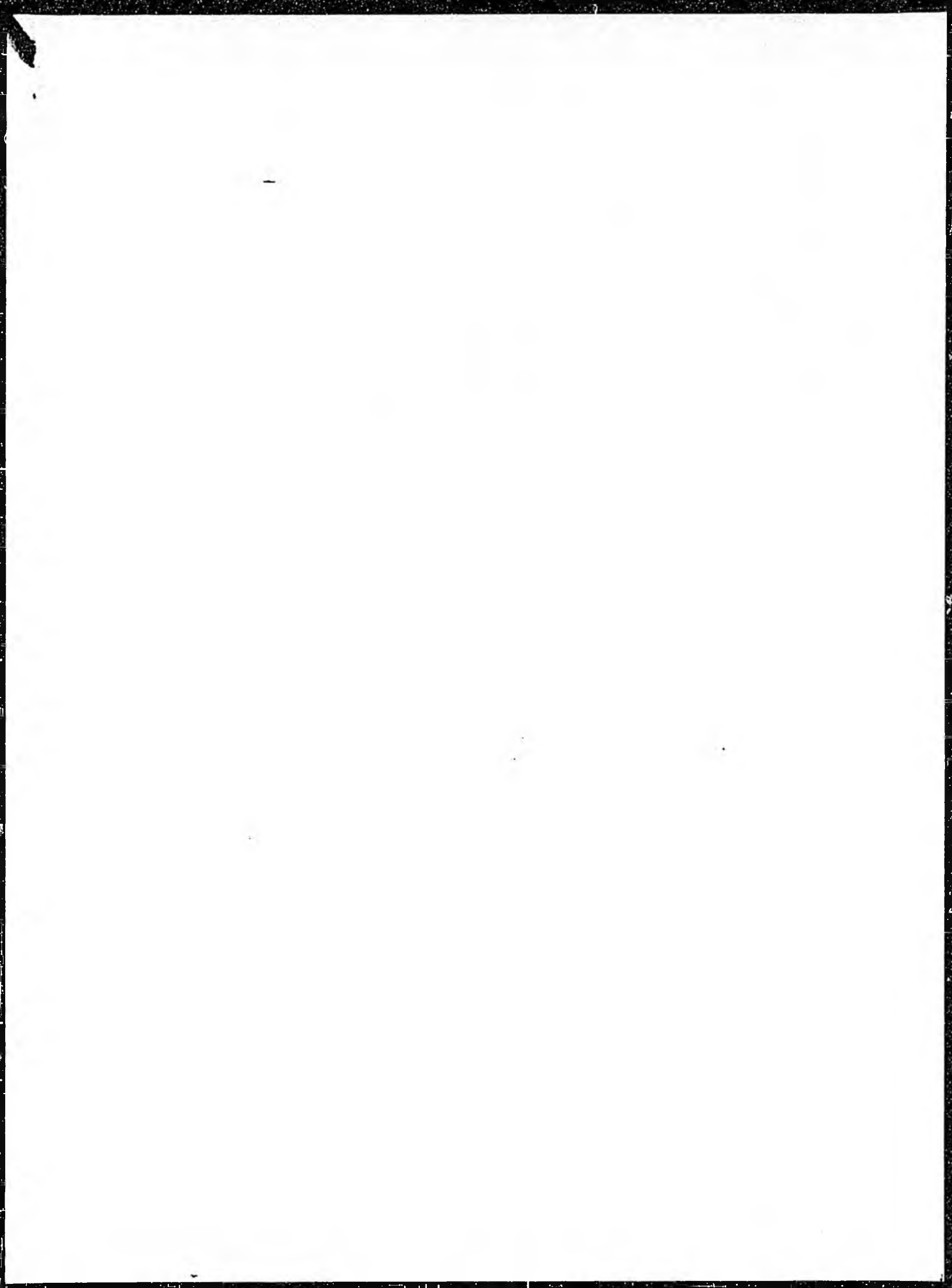
Statistics show that half of all mothers of children under three work outside the home, and that 85 per cent of all women in today's work-force are likely to become pregnant during their working years. The majority of mothers work because of economic necessity.

In January, the U.S. Supreme Court ruled that states may require employers to provide short, unpaid disability leave for new mothers.

We believe this legislation which would guarantee job security for all workers who want unpaid leave to care for newborn or newly adopted children is long overdue. It is time the workplace changed to accommodate the changing work force.

Nine (*) other states already give some job protection to new parents. Even these protections pale when compared to those in nations such as Sweden, West Germany and France, where workers get from 4.5 to 9.5 months of parental leave with pay of up to 90 per cent of their salary.

(*) Connecticut, Hawaii, Kansas, Montana, New Hampshire, Ohio, Washington, Massachusetts and California.



A recent survey of 400 major U.S. companies found that 65 per cent offered up to three months unpaid leave with the guarantee of a job upon return, and 46 per cent guaranteed a comparable job. Many Alaskan public and private sector employers already provide leave for childbirth.

Family leave is not a radical idea, but is an important step towards ensuring that families can function in today's environment. Society can no longer view the workplace and the family as two completely separate parts of an employee's life.

House Bill 224 will accommodate family life in the workplace, and will result in more productive workers and in healthier families. We urge its speedy passage.

Sincerely,

Sherrie Goll

Sherrie Goll
for the Alaska Women's Lobby



STATE OF ALASKA
OFFICE OF THE GOVERNOR

ALASKA WOMEN'S COMMISSION
3601 C STREET - SUITE 742
ANCHORAGE, ALASKA 99503

STATEMENT OF SUPPORT
FOR PARENTAL LEAVE

The demographic forces shaping the Alaskan workforce require new solutions for the care of our children. Since 1950, Alaska women have increased their labor force participation by more than 500 percent. This rate of increase has been faster for Alaska women than for women nationally. More than one-half of all women in Alaska participate in the labor force, narrowing the gap of participation between men and women to only 22 percent.

The pattern of labor force participation for Alaska women has changed radically over the decade. Fewer women drop out of the workforce during their childbearing years, yet they continue to raise families, thus creating an increasing need for a policy on parental leave.

The two income family is no longer an anomaly but a necessity of life. Yet the dilemma exists. How do you balance the competing needs of job security and parenting?

This is a national problem since, unlike most other industrialized nations, the United States does not have a policy on parental leave. Extensive parental benefits are provided in over 80 nations either by the employer or by national insurance plans. In France, women are entitled to 90% of their earnings for a sixteen week period and are guaranteed the same or a comparable job on their return. In Sweden, "parent insurance" allows either parent to leave work for up to nine months after the birth of a child, without loss of pay. In West Germany, women receive about seven months paid leave.

The absence of a national parental leave policy has left the determination of parental leave up to individual employers. Some employers have recognized the important relationship of family to work. However, very often employers do not routinely assure that employees who must be out of work for any period of time can get their jobs back, regardless of whether they were out of work because they were having a child.

Two bills which have been introduced this session represent a positive response to the social and economic reality that the majority of parents - fathers and mothers - work outside the

home. HB224, introduced by Representative Kay Brown, and SB124, introduced by Senator Joe Josephson, provide 18 weeks of unpaid leave for either parent after the birth or adoption of a child. Both bills ease the burden on small businesses by exempting firms with fewer than 15 employees.

These bills represent an important starting place for Alaska employers and families. The details may change as the bills are discussed. Is 18 weeks too long or too short? Is the exemption for small businesses too high or too low?

But discussion of these details should not be allowed to obscure the need for the law. Alaska can no longer view family life as entirely separate from work responsibilities. These bills, and the policy that they will create, will put Alaska in the forefront of states whose employment policies recognize the importance of family life.

Kris Chatfield
Kris Chatfield,
Chair

~~PARENTAL~~ LEAVE WOULD COST JOBS, REDUCE EMPLOYMENT OPPORTUNITIES

by Gary Jenkins

Advocates of the parental leave concept would have us believe that it is as innately American as apple pie and baseball. After all, everybody recognizes the benefits of post-natal bonding. And requiring businesses to give employees four ^{1/2} months of leave to care for newborns seems, at first glance, natural and desirable.

But take a second look. Parental leave is not without cost to employees as well as employers. If we're smart, we'll take a lesson from Europe. There, mandated parental leave has led to decreased economic growth, as well as a decline in full-time job opportunities for women.

Bills requiring employers to grant parental leave are now before the Alaska legislature and Congress. In Juneau, Representative Kay Brown (D-Anchorage) has introduced H.B. 224. This bill would require all businesses with 15 or more employees to grant up to four ^{1/2} months of leave to men and women for care of newborn (and adopted) infants and guarantee their job (or an equivalent) upon return. It is patterned after a bill introduced in Congress by Rep. Pat Schroeder (D-Colorado).

While everybody is in favor of strengthening the family unit, the passage of restrictive legislation that would weaken the economy of our state and the nation is not the answer. The National Federation of Independent Business, the nation's largest small-business organization, has taken the lead in opposing the parental leave bills because they would hit small-business owners particularly hard.

Why care about the impact on small business? Because 70 to 80 percent of all new jobs created in the nation today come from the small-business sector, not the Fortune 500, which actually lost three million jobs between 1980-83. At a time when the President and Congress have widely acknowledged that our nation is on the brink of losing its competitiveness, placing such burdens as mandated parental leave on our most productive economic resource is highly unwise.

MORE

There is no such thing as a free lunch, and there is no such thing as a free benefit. Again, just look at European countries, which have burdened employers with a wide range of mandated benefits, of which maternal leave is one of the most expensive.

The major European countries -- France, Germany, England, Holland -- all require paid, or partially paid, leave for mothers for 12 to 26 weeks. Between 1969-1984, according to Europe's Organization of Economic Cooperation and Development (OECD), employment in these countries grew less than 10 percent (Germany and England actually lost jobs). By comparison, employment in the United States grew by 36 percent.

While mandated benefits reduce job growth overall, mandated maternal leave especially reduced full-time employment opportunities for women. A comparison (see chart 1) of the major European countries plus Sweden and Japan (which also mandate maternal leave) shows that between 1973 and 1983, growth of full-time employment of women has been flat. However, in the United States, which has no such requirement, the number of women workers has grown by more than 36 percent in the same period.

During this period, these European countries have experienced major growth in part-time employment for women. Employers -- reluctant to incur the costs of providing maternal leave -- chose to hire women as part-time workers (who are exempt from the benefit).

Part-time employment, of course, eliminates the possibility of any serious career advancement. Therefore, relegating women to part-time employment would mean a return to the days when females were economically dependent upon males and worked primarily for "pin money."

Rep. Schroeder ^(U.S. Congress) has stated that parental leave should be seen as a "minimum labor standard" rather than a fringe benefit -- not unlike child labor laws or wage and hour laws.

This attitude reveals a shocking naivete by Rep. Schroeder about the relationship between benefits and jobs in the United States. Should mandated employee benefits such as parental leave and medical leave become "family rights," they will pre-empt the economic discretion of the individual employer.

At the 1986 White House Conference on Small Business attended by 2,000 business owners from across the country, delegates named mandated benefits as the top issue facing them nationwide. Small businesses --

MORE

because of their small work force and fluctuating work loads -- need to be able to negotiate individually with employees over hours, wages and benefits.

Health insurance is the most common type of fringe benefit provided to employees in small businesses. Yet over one-third of small-business employers do not provide coverage, largely because of workforce composition or cost. Clearly, mandating benefits, such as parental leave or health insurance, is likely to result in the elimination of jobs altogether.

Mandated parental leave would be a particularly onerous requirement for small business because small companies cannot operate efficiently while tolerating vacancies among very limited numbers of employees.

Large companies, with hundreds or thousands of employees, are often able to transfer workers or shift work loads to cover absent employees. In fact, because of this ability, many large companies already offer maternal leave to their employees.

Smaller companies cannot afford the cost of training new workers to fill temporary vacancies or the expense of making room for employees who return after an absence of several months.

These expenses are high, in many cases prohibitive, for small-business employers. For example, studies have found that the cost of replacing a skilled clerical worker in Washington D.C. for 18 weeks was \$5,188.

It is hidden, added costs like these that have caused problems in Europe. As noted earlier, the European countries in which employees receive increasing numbers of non-wage benefits have not created any additional new jobs since 1975. America's small, entrepreneurial businesses were responsible for the creation of one million new jobs during the recession years 1980-83, while large businesses had a net decline.

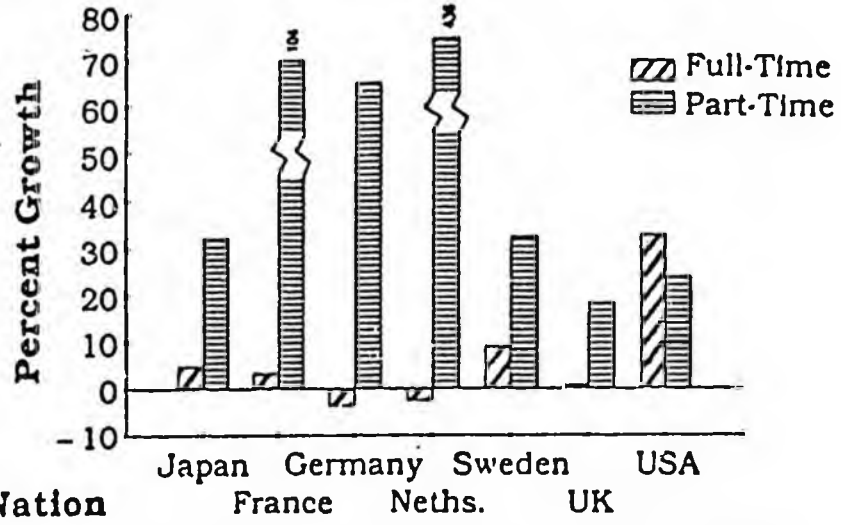
If we "Europeanize" employee benefits in the United States with requirements like parental leave, we may also Europeanize job growth.

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Gary Jenkins is state director of the National Federation of Independent Business/Alaska, the state's largest small-business organization with 3,300 members. Nationally, the NFIB has 500,000 members and offices in all 50 states.

(xxNF8705xx)

Chart
Growth Rates of Female Full-Time
and Part-Time Employment
By Selected Nation: 1973-1983



Source: *International Labour Review*, Sept./Oct. 1985

CONCERNED ALLIANCE OF RESPONSIBLE EMPLOYERS

TESTIMONY OF
CYNTHIA GRANTZ
PRESIDENT AND CHAIRMAN OF THE BOARD
ROCKFORD COATINGS CORPORATION
ROCKFORD, ILLINOIS

ON BEHALF OF
THE CONCERNED ALLIANCE OF RESPONSIBLE EMPLOYERS
BEFORE THE HOUSE SUBCOMMITTEE
ON LABOR-MANAGEMENT RELATIONS

FEBRUARY 25, 1987

CONCERNED ALLIANCE OF RESPONSIBLE EMPLOYERS

Mr. Chairman and members of the subcommittee, I am Cynthia Grantz, president and chairman of the board of Rockford Coatings Corporation, a manufacturing firm in Rockford, Illinois, which employs 89 people. I am testifying today on behalf of the Concerned Alliance of Responsible Employers, CARE; the National Association of Manufacturers; and the National Federation of Independent Businessess. CARE is a coalition of 140 organizations, which is actively seeking to preserve the voluntary system of benefit structuring which allows employees and employers to determine which benefits are best suited for their individual and mutual needs. Overall, CARE's members directly represent a wide range of businesses and professionals, including manufacturing and service sectors, wholesaler-distributors, retailers, the food and restaurant industry, personnel administrators and hundreds of thousands of small to mid-size firms across the country.

The National Association of Manufacturers (NAM) is an organization of 13,500 corporations -- 80 percent of which are small business -- located in every state and involved in the spectrum of manufacturing enterprises. NAM members employ 85 percent of the nation's industrial workers and produce more than 80 percent of the nation's manufactured goods. NAM is affiliated

with an additional 158,000 businesses through its Associations Council and the National Industrial Council.

The National Federation of Independent Businesses (NFIB) is the nation's largest small-business organization, representing more than 500,000 small and independent enterprises. NFIB's legislative positions are set through membership polling; eight out of ten NFIB members oppose mandated parental leaves.

On behalf of all the members of CARE, NAM and NFIB, I would like to thank you for this opportunity to express our opinion on federally mandated family leave policies.

I. Introduction

CARE's member organizations strongly support company programs to assist workers in meeting their dual work-family responsibilities, and encourage employers to seek innovative solutions to problems working parents encounter. CARE recognizes that the retention of experienced, trained workers is important to compete effectively in a global marketplace and encourages employers to explore all avenues of change and accommodation to that end. CARE believes the private sector is best equipped and provides the most flexible and efficient response to the changing demands and requirements of its workforce, and encourages Congress to protect the voluntary, private enterprise system which allows maximum latitude for both employees and employers.

As more workers with family responsibilities enter the workforce, companies have implemented programs designed to assist workers in meeting their dual work-family responsibilities. Among such programs are (1) alternative work schedules including flextime, voluntarily reduced workweeks, job-sharing and part-time employment; (2) child and dependent care programs such as on-site or near-site day care, day care subsidies and child care vouchers; (3) employee assistance programs; (4) flexible benefit plans, cafeteria-style benefit plans which allow workers to choose those benefits most suited to their particular needs; (5) family leave policies; and (6) information and referral programs.

The types and feasibility of such programs differ for each employer, based on a variety of factors such as the type of industry, size and skill of the workforce, individual workforce needs, competing standards in the industry and the ability to assume costs.

For example, small employers typically institute vacation and sick leave benefits first. Then, as their profitability increases, health insurance is the next most widely offered -- and desired -- benefit. Yet, the number one problem for small employers, according to an NFIB survey, is the cost of health insurance. Legislating new benefits and requiring benefit coverage at employer cost during extended leave periods will only exacerbate this problem. In August, the White House Conference on Small Business selected mandated benefits as the number two priority issue, second only to liability insurance. Small

businesses expand benefit coverage as their profitability increases; nowhere is this fact recognized in this legislation.

CARE opposes legislation that would mandate across-the-board requirements that ignore the very real differences among businesses, their workforces and changing economic and business climates. The family and medical leave bills, H.R. 925 and H.R. 284, would seriously undermine many business operations, particularly smaller concerns that may find it impossible to hold open a position for the leave periods mandated in these bills. The legislation would result in additional costs and hamper productivity. As a consequence, businesses may be forced to scale back or drop other needed and desired benefits. Without a doubt, this legislation will severely limit this country's greatest job generators -- small business.

The major share, 70 to 80 percent, of all new job creation in this nation today comes from the small-business sector. At a time when the President and Congress have widely acknowledged that our nation is teetering on the brink of losing its competitiveness, to place additional requirements such as mandated family leave upon business is unimaginable and most certainly unwise. European economies burdened with mandated benefits are generating fewer jobs, have higher levels and longer periods of unemployment and typically boost their productivity by adding more capital rather than labor.

Family leave policies are excellent benefits but an extended leave policy is only one benefit option among many that can be instituted to help workers with their family responsibilities. Benefits and policies to help working families are important to employers because they are becoming increasingly important to their workforces. They are valuable recruitment and retention tools, and as the workplace evolves, more and more employers will formally implement work-family policies.

II. Effects of Legislation.

Companies today are faced, as never before, with the challenge of improving productivity and controlling costs. The costs that would be incurred with this legislation are not consistent with the emphasis Congress is placing on competitiveness and economic growth.

Because the leave periods stipulated in these bills are unpaid, a casual analysis would lead one to believe these bills are cost-free. Nothing could be further from the truth. One of the obvious costs of the proposal is in advertising for, obtaining and training replacement personnel for those employees on leave. Even large companies are segmented into small work groups where the absence of as few as one or two employees could critically affect the group's performance.

Replacing employees for a leave period is often inefficient because there is not enough time available for adequate training

and consequently the work performance is substandard. If an employee cannot be found or it is impracticable to hire a replacement, the additional workload must be assumed by coworkers and overtime costs are incurred. In the case of highly specialized positions, temporary replacements may be impossible to find.

In addition, there are other costs such as unemployment insurance taxation. As employers are forced to dismiss temporary employees when the regular employee returns to work, unemployment taxation costs will increase. In fact, in all but 14 states, an employee working the temporary family leave period would be eligible for unemployment insurance based solely on an 18 week period.

In this debate, attention has been drawn to a comparison of family policies among industrialized nations, and much has been made of the lack of policy in the United States. The whole picture must be examined prior to making hasty judgements. Consider that pay and benefits for American workers are among the highest in the world and the U.S. continues to be a marvel of job creation, particularly in the small business sector. European countries, on the other hand, have had no net job creation since 1975, and unemployment continues in the double digit range.

Across-the-board mandates are based on erroneous assumptions. In fact, (1) all businesses are not alike (2) economic and business climates are not stable (3) all employee needs are not the same

(4) and the costs of mandated family leaves will limit the availability of other benefits.

Congress is attempting to micro-manage the nation's businesses, while refusing to accept the burdens of inflexibility itself. Employers need the flexibility to tailor benefit and wages to market demands and individual workforces. In any event, the most important employee benefit is a paycheck. For example, a Massachusetts bank recently tried to attract employees with a generous benefit package. The effort failed. Trying another tactic, the bank then costed out the benefits and increased the wages offered. They were inundated with applicants!

III. Rockford Coatings Corporation.

I am president and chairman of the board of Rockford Coatings Corporation, a family business founded by my late husband's grandfather in 1906. The company manufactures industrial paints and coatings for manufacturers of primarily metal products, such as lawn and garden equipment, metal shelving, furniture and fixtures and aluminum extrusions. We are a job shop in that each formula is developed to customer specifications and all our paint is manufactured per customer order. The company operates plants in Rockford, Illinois and St. Louis, Missouri.

Paint has become highly technical in recent years, not only because of the demand for improved quality and performance, but also because of EPA regulations for solvent emissions in the

workplace and the on-going culling out of suspected health hazards in chemical products. The paint we make goes directly on our customer's line and is an integral part of his manufacturing process. Because of this, there is great demand for continual technical service. Rockford Coatings' particular strength is in its ability to both respond quickly to customer line emergencies and meet the short lead-times required by just-in-time deliveries.

Everyone knows well the lament of American manufacturers today. It is tough. Price increases are frequently impossible and price reductions are often demanded. We have had to swallow whole much of the massive insurance increases which, as you might image, are substantial in a chemically related business. And, in addition, we are in a Superfund site where we are participating in what I understand is the first voluntary clean-up in the country. Last fiscal year alone this cost us five percent of gross sales, and I would add that this figure represents not only our own purported share, but also a portion of the shares for those companies no longer in business or solvent.

We employ 89 people company-wide which is a net increase of five in the last two years. The company provides group life and medical insurance for which it contributes 80 percent of the premium; both short- and long-term disability coverage; and a new 401(K) plan at the request of our employees. As a result, we terminated a defined benefit plan. This plan is not only fully funded, but we elected to distribute the company portion to our

employees. We have given salary and wage increases every year since 1958. We have had one strike in our 80-year history but not one lay-off.

The company encourages long-term employment and makes every effort to accomodate the special needs of its employees when problems occur. The flexibility needed to make these accomodations would be limited if government were to begin mandating benefits such as leave.

I first learned of the family and medical leave legislation about one month before the White House Conference on Small Business to which I was a delegate. It took many of us by surprise, at least in the Midwest, but I think it is significant that "no mandated benefits" emerged as the second most important issue to that Small Business Conference in its final recommendations to the Congress.

I am opposed to the legislation, not because of its intent or the issues it addresses, but because it would give to government rather than to employers the right to construct the appropriate benefit packages. If it were to pass, it would have severe consequences for Rockford Coatings because it would require leaves of such a nature and length that it would threaten the stability of our business. If the legislation were in effect today, paternity leave alone would cost our company four months' service of 10 percent of our technical force, including our Rockford lab manager. Paint chemists and service technicians are

not available in the temporary market. We would have to choose between overburdening other employees or violating an unreasonable law by denying the leave or hiring replacements. Surely, lawsuits would be inevitable, productivity would suffer and the costs would be grave.

I would like to add one final word about Rockford which is the second largest city in Illinois and the city most dependent on a manufacturing base.

Rockford has had a net loss of 8500 jobs since 1979. According to the Rockford Chamber of Commerce, we have 700 manufacturing firms in the Rockford area, 600 of which -- like us -- employ fewer than 100 people. According to the State of Illinois, manufacturing jobs account for 38 percent of Rockford's labor force, but when manufacturing support jobs are added, that figure increases to 51 percent. Small manufacturing is essential to our community and must be maintained.

In conclusion, I would only add that a good business has responsibility to its customers, employers, suppliers and stockholders. The private sector must be free to meet these responsibilities and keep them in balance. I would urge the Congress to permit us to do so.

CONCERNED ALLIANCE OF RESPONSIBLE EMPLOYERS

"IF IT AIN'T BROKE, DON'T FIX IT..."

WE URGE CONGRESS TO PROTECT THE VOLUNTARY BENEFIT SYSTEM CURRENTLY ENJOYED BY EMPLOYERS AND EMPLOYEES. Currently there are only three government-required entitlements -- Social Security, worker's compensation, unemployment insurance. It did not take an act of Congress for employers to provide a vast array of employee benefits:

- health insurance, including dependent coverage
- dental and vision care
- long and short-term disability coverage
- life insurance
- vacation and sick leave
- maternity leave
- pension and retirement coverage
- holidays
- bereavement leave
- education assistance
- legal assistance
- adoption assistance
- profit sharing
- employee assistance programs
- employee discounts

DICTATING ANY ONE PARTICULAR BENEFIT LIMITS THE ABILITY OF EMPLOYERS TO OFFER BENEFITS THAT MAY BE MORE APPROPRIATE FOR THEIR WORKFORCE. Financial assistance for child care is just one example of a benefit that may be more desired by working parents.

ACROSS-THE-BOARD MANDATES ARE BASED ON ERRONEOUS ASSUMPTIONS. In fact:

- All businesses are not alike.
- Economic and business climates are not stable.
- All employee needs are not the same.
- The costs of mandated parental leaves will limit the availability of other benefits.

CONGRESS IS ATTEMPTING TO MICRO-MANAGE THE NATION'S BUSINESSES, WHILE REFUSING TO ACCEPT THE BURDEN ITSELF.

THE MOST IMPORTANT EMPLOYEE BENEFIT IS A PAYCHECK. Indiscriminate across-the-board mandates threatens the viability of firms and the jobs they provide.

Offered: 4/29/87
Referred: Judiciary and
Finance

5-0887B

Original sponsors: Brown, Ulmer,
Pearce, et al.

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 224 (HESS)

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 employment rights based on preg-
7 nancy, childbirth, and adoption."

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

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

10 (1) the number of single-parent households and two-parent house-
11 holds in which the single parent or both parents work outside the home is
12 increasing significantly;

13 (2) it is important to the development of a child and to the
14 family unit that parents be able to participate in early childrearing; and

15 (3) the lack of employment opportunities to accommodate working
16 parents can force individuals to choose between job security and parenting.

17 (b) The legislature declares that the purposes of this Act are

18 (1) to balance the demands of the workplace with the needs of
19 families, and to promote stability and economic security in families;

20 (2) to entitle employees to take reasonable leave for the birth
21 or adoption of a child; and

22 (3) to accommodate the legitimate interests of employers.

23 * Sec. 2. AS 18.80 is amended by adding a new section to read:

24 Sec. 18.80.225. PREGNANCY, CHILDBIRTH, AND RELATED CONDITIONS.

25 (a) An employer shall grant an employee whose health is affected by
26 pregnancy, childbirth, or a related medical condition the same employ-
27 ment benefits and privileges that the employer grants to other employ-
28 ees with similar ability to work who are not so affected, including
29 allowing the employee to take disability or sick leave or other

1 accrued leave that the employer makes available to temporarily dis-
2 abled employees. However, except as provided in (d) of this section,
3 an employer is not required to provide an employee health insurance
4 coverage for the medical costs of pregnancy, childbirth, or a related
5 medical condition. The inclusion in health insurance coverage of
6 provisions or coverage relating to medical costs of pregnancy, child-
7 birth, or a related medical condition does not require the inclusion
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9 tion is not required by virtue of coverage of medical costs of preg-
10 nancy, childbirth, or another related medical condition.

11 (b) An employer shall permit an employee who has been employed
12 by the employer for at least three consecutive months to take family
13 leave for a total of 18 workweeks because of the birth of a child of
14 the employee or the placement of a child with the employee for adop-
15 tion. The leave may be unpaid leave. However, the employee may
16 choose to substitute, or the employer may require the employee to
17 substitute, accrued paid vacation leave, sick leave, personal leave,
18 or other paid leave during this period. The leave shall be taken
19 immediately preceding and immediately following the birth or placement
20 of the child. If the employee is entitled to a longer period of time
21 under (a) of this section, then the longer period applies.

22 (c) An employee who plans to take leave under (a) or (b) of this
23 section shall give the employer reasonable notice of the date the
24 leave will commence and the estimated duration of the leave.

25 (d) During the time that an employee is on leave under this
26 section, the employer shall maintain coverage under any group health
27 plan at the level and under the conditions that coverage would have
28 been provided if the employee had continued in employment continuously
29 from the date the leave commenced to the date the employee returns

1 from leave under (e) of this section. However, the employer may
2 require that the employee pay all of the costs for maintaining cover-
3 age during a period of unpaid leave.

4 (e) Unless the employer's business circumstances have changed to
5 make it impossible or unreasonable, when an employee returns from
6 leave under (a) or (b) of this section, the employer shall restore the
7 employee

8 (1) to the position of employment held by the employee when
9 the leave began; or

10 (2) to a substantially similar position with substantially
11 similar benefits, pay, and other terms and conditions of employment.

12 (f) An employer may not refuse to temporarily transfer a preg-
13 nant employee to an existing, unfilled position that is less strenuous
14 or less hazardous if the employee requests the transfer, the transfer
15 is recommended by a licensed health care provider, the employee is
16 qualified to perform the job, and the transfer will not subject the
17 employer to legal liability. An employer shall compensate an employee
18 who requests a transfer under this subsection at least the lesser of

19 (1) the rate at which the employee was compensated immedi-
20 ately before requesting the transfer, as adjusted by changes to com-
21 pensation that apply generally to the work force; or

22 (2) the rate of compensation set for the position into
23 which the employee transfers, as adjusted by changes to compensation
24 that apply generally to the work force.

25 (g) This section does not affect any other provision of law
26 relating to sex discrimination or pregnancy.

27 (h) This section applies to an employer only if the employer
28 employs at least 15 employees for each working day during each of at
29 least 20 calendar workweeks in either the current calendar year or the

1 preceding calendar year. However, this section does not apply to a
2 facility of an employer at which fewer than 15 employees are employed
3 if the combined number of employees employed by the employer within
4 200 miles of the facility is fewer than 15.

Original sponsors: Brown, Ulmer,
Pearce, et al.

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11 (b) An employer shall permit an employee who has been employed
12 by the employer for at least three consecutive months immediately
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15 placement of a child with the employee for adoption. The leave may be
16 unpaid leave. However, the employee may choose to substitute, or the
17 employer may require the employee to substitute, accrued paid vacation
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21 entitled to a longer period of time under (a) of this section, then
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25 leave will commence and the estimated duration of the leave.

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26 (g) This section does not affect any other provision of law
27 relating to sex discrimination or pregnancy.

28 (h) This section applies to an employer only if the employer
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1 least 20 calendar workweeks in either the current calendar year or the
2 preceding calendar year. However, this section does not apply to a
3 facility of an employer at which fewer than 15 employees are employed
4 if the combined number of employees employed by the employer within 50
5 road miles of the facility is fewer than 15.

6 * Sec. 3. AS 39.20.225 is amended by adding a new subsection to read:

7 (d) An officer or employee who is otherwise qualified to take
8 leave of absence may take a maximum of 18 weeks of leave immediately
9 preceding and following the birth of a child or the placement of a
10 child with the officer or employee for adoption. An officer or em-
11 ployee taking leave under this subsection shall use accrued personal
12 leave. After exhausting accrued personal leave, the officer or em-
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14 period.

15 * Sec. 4. AS 39.20.225(b)(4) is repealed.

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BY BROWN, ULMER, PEARCE,
ELLIS, COLLINS, GRUENBERG
AND GOLL

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13 (2) it is important to the development of a child and to the
14 family unit that parents be able to participate in early childrearing; and

15 (3) the lack of employment opportunities to accommodate working
16 parents can force individuals to choose between job security and parenting.

17 (b) The legislature declares that the purposes of this Act are

18 (1) to balance the demands of the workplace with the needs of
19 families, and to promote stability and economic security in families;

20 (2) to entitle employees to take reasonable leave for the birth
21 or adoption of a child; and

22 (3) to accommodate the legitimate interests of employers.

23 * Sec. 2. AS 18.80 is amended by adding a new section to read:

24 Sec. 18.80.225. PREGNANCY, CHILDBIRTH, AND RELATED CONDITIONS.

25 (a) An employer shall grant an employee whose health is affected by
26 pregnancy, childbirth, or a related medical condition the same employ-
27 ment benefits and privileges that the employer grants to other employ-
28 ees with similar ability to work who are not so affected, including
29 allowing the employee to take disability or sick leave or other

1 accrued leave that the employer makes available to temporarily dis-
2 abled employees. However, except as provided in (d) of this section,
3 an employer is not required to provide an employee health insurance
4 coverage for the medical costs of pregnancy, childbirth, or a related
5 medical condition. The inclusion in health insurance coverage of
6 provisions or coverage relating to medical costs of pregnancy, child-
7 birth, or a related medical condition does not require the inclusion
8 of other provisions or coverage. Coverage of a related medical condi-
9 tion is not required by virtue of coverage of medical costs of preg-
10 nancy, childbirth, or another related medical condition.

11 (b) An employer shall permit an employee who has been employed
12 by the employer for at least three consecutive months to take family
13 leave for a total of 18 workweeks because of the birth of a child of
14 the employee or the placement of a child with the employee for adop-
15 tion or foster care. The leave may be unpaid leave. However, the em-
16 ployee may choose to substitute, or the employer may require the em-
17 ployee to substitute, accrued paid vacation leave, sick leave,
18 personal leave, or other paid leave during this period. The leave
19 shall be taken immediately preceding and immediately following the
20 birth or placement of the child. If the employee is entitled to a
21 longer period of time under (a) of this section, then the longer
22 period applies.

23 (c) An employee who plans to take leave under (a) or (b) of this
24 section shall give the employer reasonable notice of the date the
25 leave will commence and the estimated duration of the leave.

26 (d) During the time that an employee is on leave under this
27 section, the employer shall maintain coverage under any group health
28 plan at the level and under the conditions that coverage would have
29 been provided if the employee had continued in employment continuously

1 from the date the leave commenced to the date the employee returns
2 from leave under (e) of this section. However, the employer may
3 require that the employee pay all of the costs for maintaining cover-
4 age during a period of unpaid leave.

5 (e) Unless the employer's business circumstances have changed to
6 make it impossible or unreasonable, when an employee returns from
7 leave under (a) or (b) of this section, the employer shall restore the
8 employee

9 (1) to the position of employment held by the employee when
10 the leave began; or

11 (2) to a substantially similar position with substantially
12 similar benefits, pay, and other terms and conditions of employment.

13 (f) An employer may not refuse to temporarily transfer a preg-
14 nant employee to an existing, unfilled position that is less strenuous
15 or less hazardous if the employee requests the transfer, the transfer
16 is recommended by a licensed health care provider, the employee is
17 qualified to perform the job, and the transfer will not subject the
18 employer to legal liability. An employer shall compensate an employee
19 who requests a transfer under this subsection at least the lesser of

20 (1) the rate at which the employee was compensated immedi-
21 ately before requesting the transfer, as adjusted by changes to com-
22 pensation that apply generally to the work force; or

23 (2) the rate of compensation set for the position into
24 which the employee transfers, as adjusted by changes to compensation
25 that apply generally to the work force.

26 (g) This section does not affect any other provision of law
27 relating to sex discrimination or pregnancy.

28 (h) This section applies to an employer only if the employer
29 employs at least 15 employees for each working day during each of at

1 least 20 calendar workweeks in either the current calendar year or the
2 preceding calendar year. However, this section does not apply to a
3 facility of an employer at which fewer than 15 employees are employed
4 if the combined number of employees employed by the employer within
5 200 miles of the facility is fewer than 15.

1 IN THE HOUSE

BY BROWN, ULMER, PEARCE,
ELLIS, COLLINS, GRUENBERG
AND GOLL

2

HOUSE BILL NO. 224

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 employment rights based on preg-
nancy, childbirth, and adoption."

7

8

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

9

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

10

(1) the number of single-parent households and two-parent house-
holds in which the single parent or both parents work outside the home is
increasing significantly;

13

(2) it is important to the development of a child and to the
family unit that parents be able to participate in early childrearing; and

15

(3) the lack of employment opportunities to accommodate working
parents can force individuals to choose between job security and parenting.

17

(b) The legislature declares that the purposes of this Act are

18

(1) to balance the demands of the workplace with the needs of
families, and to promote stability and economic security in families;

20

(2) to entitle employees to take reasonable leave for the birth
or adoption of a child; and

22

(3) to accommodate the legitimate interests of employers.

23

* Sec. 2. AS 18.80 is amended by adding a new section to read:

24

Sec. 18.80.225. PREGNANCY, CHILDBIRTH, AND RELATED CONDITIONS.

25

(a) An employer shall grant an employee whose health is affected by
pregnancy, childbirth, or a related medical condition the same employ-
ment benefits and privileges that the employer grants to other employ-
ees with similar ability to work who are not so affected, including
allowing the employee to take disability or sick leave or other

29

1 accrued leave that the employer makes available to temporarily dis-
2 abled employees. However, except as provided in (d) of this section,
3 an employer is not required to provide an employee health insurance
4 coverage for the medical costs of pregnancy, childbirth, or a related
5 medical condition. The inclusion in health insurance coverage of
6 provisions or coverage relating to medical costs of pregnancy, child-
7 birth, or a related medical condition does not require the inclusion
8 of other provisions or coverage. Coverage of a related medical condi-
9 tion is not required by virtue of coverage of medical costs of preg-
10 nancy, childbirth, or another related medical condition.

11 (b) An employer shall permit an employee who has been employed
12 by the employer for at least three consecutive months to take family
13 leave for a total of 18 workweeks because of the birth of a child of
14 the employee or the placement of a child with the employee for adop-
15 tion or foster care. The leave may be unpaid leave. However, the em-
16 ployee may choose to substitute, or the employer may require the em-
17 ployee to substitute, accrued paid vacation leave, sick leave,
18 personal leave, or other paid leave during this period. The leave
19 shall be taken immediately preceding and immediately following the
20 birth or placement of the child. If the employee is entitled to a
21 longer period of time under (a) of this section, then the longer
22 period applies.

23 (c) An employee who plans to take leave under (a) or (b) of this
24 section shall give the employer reasonable notice of the date the
25 leave will commence and the estimated duration of the leave.

26 (d) During the time that an employee is on leave under this
27 section, the employer shall maintain coverage under any group health
28 plan at the level and under the conditions that coverage would have
29 been provided if the employee had continued in employment continuously

1 from the date the leave commenced to the date the employee returns
2 from leave under (e) of this section. However, the employer may
3 require that the employee pay all of the costs for maintaining cover-
4 age during a period of unpaid leave.

5 (e) Unless the employer's business circumstances have changed to
6 make it impossible or unreasonable, when an employee returns from
7 leave under (a) or (b) of this section, the employer shall restore the
8 employee

9 (1) to the position of employment held by the employee when
10 the leave began; or

11 (2) to a substantially similar position with substantially
12 similar benefits, pay, and other terms and conditions of employment.

13 (f) An employer may not refuse to temporarily transfer a preg-
14 nant employee to an existing, unfilled position that is less strenuous
15 or less hazardous if the employee requests the transfer, the transfer
16 is recommended by a licensed health care provider, the employee is
17 qualified to perform the job, and the transfer will not subject the
18 employer to legal liability. An employer shall compensate an employee
19 who requests a transfer under this subsection at least the lesser of

20 (1) the rate at which the employee was compensated immedi-
21 ately before requesting the transfer, as adjusted by changes to com-
22 pensation that apply generally to the work force; or

23 (2) the rate of compensation set for the position into
24 which the employee transfers, as adjusted by changes to compensation
25 that apply generally to the work force.

26 (g) This section does not affect any other provision of law
27 relating to sex discrimination or pregnancy.

28 (h) This section applies to an employer only if the employer
29 employs at least 15 employees for each working day during each of at

1 least 20 calendar workweeks in either the current calendar year or the
2 preceding calendar year. However, this section does not apply to a
3 facility of an employer at which fewer than 15 employees are employed
4 if the combined number of employees employed by the employer within
5 200 miles of the facility is fewer than 15.

S S H B

2 2 8

HOUSE COMMITTEE REPORT

(11)

Date referred: 4/27/87

FURTHER REFERRALS:

DATE: 5/7/87

The Finance Committee has considered SSHB 228

"An Act relating to regulation of the practice of dentistry; and providing for an effective date."

RECOMMENDS:

- replace with CSSS HB 228 (HESS) 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 4-27-87
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Al Lyden

Pat Fauschot

Ronald J. Jarrow

Rita Jarrow

Mark Boyer

Steve King

David

SIGNING OTHER RECOMMENDATIONS:

Ray Brown - No Rec

Mike Deane NO Rec

Albert B. Adams
Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: CS SS HB 228 (HES)
Publish Date: HOUSE 4/27/87

REQUEST: _____

Revision Date: _____

Agency Affected: Commerce & Economic Dev.

Title: An Act relating to regulation of the practice of dentistry; and providing for an effective date.

BRU: Occupational Licensing

Sponsor: Reps. Menard, Gruenberg & Boucher

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	4.3	4.3	4.3	4.3	4.3
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	4.3	4.3	4.3	4.3	4.3
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	4.3	4.3	4.3	4.3	4.3
TOTAL	0	4.3	4.3	4.3	4.3	4.3

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: 4/15/87

Approved by Commissioner: 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

FISCAL NOTE

The bill broadens the dental examination statutes to allow the board to utilize a regional board examination. Because of the time commitment required of board members in using the regional exam, it was necessary to increase the number of members to alleviate the burden associated with administering the exam.

The regional board exam agency will assume costs associated with transporting members to assist with the exam. However, increasing the size of the board will also require funding for the new members to attend board meetings. Therefore, the \$4,300.00 provides funding for the two new members to travel to the four dental board meetings required by statute, assuming one member is appointed from Southeast and the other appointed from the Northern region of the State. This cost is also expected to be covered through program receipts.

Original sponsors: Menard, Gruenberg
and Boucher

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 228 (HESS)

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 regulation of the practice of
7 dentistry; and providing for an effective date."

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

9 * Section 1. AS 08.36.010 is amended to read:

10 Sec. 08.36.010. CREATION AND MEMBERSHIP OF BOARD. There is
11 created the Board of Dental Examiners consisting of nine [SEVEN]
12 members. Six [FOUR] members shall be licensed dentists who have been
13 engaged in the practice of dentistry in the state for five years
14 immediately preceding appointment, one member shall be a dental hy-
15 gienist licensed under AS 08.32 who has been engaged in the practice
16 of dental hygiene in the state for five years immediately preceding
17 appointment, and two members shall be public members.

18 * Sec. 2. AS 08.36.070(a) is amended to read:

19 (a) The board shall [:]

20 (1) provide for the examination of [EXAMINE] applicants and
21 issue licenses to those applicants it finds qualified;

22 (2) register licensed dentists and licensed dental hygien-
23 ists who are in good standing;

24 (3) report annually to the governor and the department on
25 the board's proceedings during the year, findings concerning the
26 standards and availability of dental services in the state including
27 the number of licensees, examination and licensing activities, other
28 matters related to dental practice, and board receipts and expendi-
29 tures;

1 (4) affiliate with the American Association of Dental
2 Examiners, and pay annual dues to the association;

3 (5) hold hearings, and order the disciplinary sanction of a
4 person who violates this chapter, AS 08.32, or a regulation of the
5 board;

6 (6) supply forms for applications, licenses, permits,
7 certificates, and other papers and records;

8 (7) enforce the provisions of this chapter and AS 08.32 and
9 adopt or amend the regulations necessary to make the provisions of
10 this chapter and AS 08.32 effective;

11 (8) adopt regulations ensuring that renewal of registration
12 is contingent upon proof of continued professional competence by a
13 licensed dentist or licensed dental hygienist;

14 (9) provide the department with the requirements for proof
15 of continued professional competence and request the department to
16 make these requirements available to each licensed dentist and li-
17 censed dental hygienist at least one year before the date on which the
18 dentist or dental hygienist must renew registration;

19 (10) at least annually cause to be published in a newspaper
20 of general circulation in each major city in the state, a summary of
21 disciplinary actions the board has taken during the preceding calendar
22 year;

23 (11) issue permits or certificates to licensed dentists,
24 licensed dental hygienists, and dental assistants who meet standards
25 determined by the board for specific procedures that require specific
26 education and training;

27 (12) regulate the reentry into practice of inactive dentists
28 and dental hygienists.

29 * Sec. 3. AS 08.36.110 is repealed and reenacted to read:

1 Sec. 08.36.110. QUALIFICATIONS FOR LICENSE. An applicant for a
2 license to practice dentistry shall

3 (1) be a graduate of a dental school that at the time of
4 graduation is accredited by the Commission on Accreditation of the
5 American Dental Association;

6 (2) hold a certificate from the American Dental Association
7 Joint Committee on National Dental Examinations that the applicant has
8 successfully passed the written examinations given by the commission;

9 (3) submit proof satisfactory to the board that the appli-
10 cant

11 (A) has not had a license to practice dentistry re-
12 voked or suspended in this state or another state; and

13 (B) is not the subject of an unresolved complaint,
14 review procedure, or disciplinary proceeding in another state;

15 (4) pass, to the satisfaction of the board, written, clin-
16 ical, and other examinations administered or approved by the board;
17 and

18 (5) meet the other qualifications for a license established
19 by the board by regulation.

20 * Sec. 4. AS 08.36.130 is amended to read:

21 Sec. 08.36.130. EXAMINATION. An examination shall be given at
22 least once a year and at other times and at places determined by the
23 board to be convenient and economical for the applicants and the
24 state. At least once each year the board shall appoint an examination
25 committee of at least three licensed dentists who have been engaged in
26 the practice of dentistry in the state for five years immediately
27 preceding appointment to conduct or to supervise the examination
28 process for applicants for licenses to practice dentistry. The board
29 shall also appoint an examination committee of at least two licensed

1 dentists who have been engaged in the practice of dentistry in the
2 state for five years immediately preceding appointment and one person
3 licensed to practice dental hygiene in the state to conduct the ex-
4 amination for applicants for licenses to practice dental hygiene. The
5 examination committees shall report the results to the board for
6 official action.

7 * Sec. 5. AS 08.36.160(a) is amended to read:

8 (a) The examination conducted or approved by the board shall be
9 designed to test the qualifications of the applicant to practice
10 dentistry and shall consist of a written and a clinical examination.

11 * Sec. 6. AS 08.36.180 is amended to read:

12 Sec. 08.36.180. REEXAMINATION [RE-EXAMINATION]. An applicant
13 shall pass [EACH SUBJECT OF EACH SECTION OF] the examination conducted
14 or approved by the board with a score equal to or exceeding the mini-
15 mal acceptable score set by the board by regulation [OF AT LEAST 75
16 PERCENT]. If an applicant fails the examination [IN ONE SUBJECT IN
17 EACH SECTION], the applicant may be reexamined [RE-EXAMINED IN THAT
18 SUBJECT. IF AN APPLICANT FAILS IN MORE THAN ONE SUBJECT IN ANY SEC-
19 TION, THE APPLICANT SHALL BE RE-EXAMINED IN THE WHOLE SECTION]. If an
20 applicant fails the examination [OR ANY SECTION OF IT] on two separate
21 occasions, the board shall refuse to examine the applicant further
22 until the applicant produces evidence satisfactory to the board that
23 the applicant has pursued further study in preparation for the exami-
24 nation.

25 * Sec. 7. INITIAL APPOINTMENT. The governor shall appoint one quali-
26 fied person to an initial term of four years and another qualified person
27 to an initial term of two years to fill the new positions created on the
28 Board of Dental Examiners by sec. 1 of this Act.

29 * Sec. 8. Sections 2 - 5 of this Act are retroactive to January 1,

1 1987.

2 * Sec. 9. This Act takes effect immediately under AS 01.10.070(c).

Curt Menard

351 W. Swanson Ave.
Wasilla, Alaska 99687

Or

P.O. Box V
Juneau, Alaska 99811

376-5315 Work
745-8122 Work
376-5855 Home
465-2579 Juneau



M E M O R A N D U M

DATE: May 4, 1987

TO: All Members, House Finance *Curt*

FROM: Representative Curt Menard *Curt*

RE: An Act Relating to Regulation of the Practice of Dentistry; and Providing for an Effective Date

CSSSHB228 (HESS) is a straight-forward, worthwhile and potentially money-saving piece of legislation.

Basically, the purpose of the bill is to allow the Alaska Board of Dental Examiners to join the Western Regional Examining Board (WREB).

The recommendation to allow the Board this opportunity was made by the Division of Legislative Audit in their August 27, 1986 report. It is supported by the Department of Commerce and Economic Development, Division of Occupational Licensing, and by the Alaska Board of Dental Examiners.

The House Health, Education and Social Services Committee passed CSSSHB228 (HESS) out of committee on April 27 with an unanimous "Do Pass."

The original version made these changes in existing law: 1) Because participation in the WREB requires 72 days devoted to administering and grading the exam, the number of dentists on the board increased from four to six; 2) Current law required the Alaska Board of Dental Examiners to directly administer the exam, this legislation allows the Board to participate in regional testing through the WREB.

The current version of the bill differs from the original in the following ways: 1) an immediate effective date was added; 2) a retroactive provision was adopted to allow for candidates in the May, 1987 WREB to qualify; and 3) all constricting references to a purely Alaskan test were deleted.

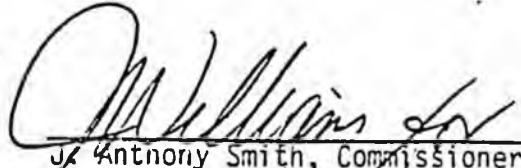
Thank you for your swift consideration of this legislation.

HB 228: An Act relating to the regulation of the practice of dentistry.

In response to legislative intent, the Dental Board has explored the feasibility of Alaska's affiliation with the Western Regional Examining Board (WREB). Two members of the board, a dentist and a dental hygienist, attended a WREB examination in September 1986. In addition, a member of the WREB board came to Alaska to meet with the full Dental Board to explain how the WREB functions. HB 228 amends the current statute regulating dentists to permit participation in WREB.

The department supports the Dental Board's affiliation with the regional testing service. The current Alaska dental exam is difficult and expensive to administer. Twenty-six states utilize regionally administered examinations. WREB conducts six uniform clinical examinations per year at a location selected by WREB. The total cost of testing is the applicant's responsibility. The average cost of the exam is \$400.00 per candidate depending on the total number of candidates taking a given exam. All participating states are required to send Dental Board members to conduct and grade the examination. The current board has only four dental members which would mean each member would be required to spend approximately 18 days per year out of state. Although WREB pays all costs of travel and per diem, the time commitment required would pose a hardship unless the number of dentists on the existing board was increased. Section 1 of the bill increases the number of dentists on the board from four to six, which should alleviate the hardship. The cost of adding the two new members will be offset by WREB assuming the travel and per diem for board members to conduct the exam.

The department believes affiliation with WREB will not only eventually save the state money but dental candidates for licensure will benefit by utilizing an established, impartial dental testing organization.


J. Anthony Smith, Commissioner

DATE: 4/6/87

FISCAL NOTE

The bill broadens the dental examination statutes to allow the board to utilize a regional board examination. Because of the time commitment required of board members in using the regional exam, it was necessary to increase the number of members to alleviate the burden associated with administering the exam.

The regional board exam agency will assume costs associated with transporting members to assist with the exam. However, increasing the size of the board will also require funding for the new members to attend board meetings. Therefore, the \$4,300.00 provides funding for the two new members to travel to the four dental board meetings required by statute, assuming one member is appointed from Southeast and the other appointed from the Northern region of the State. This cost is also expected to be covered through program receipts.

All members, The Alaska Legislature
Juneau, Alaska

April 1, 1987

To all members, The Alaska Legislature:

I am writing all of you as in an effort to emphasize the importance and significance of speedy passage of the House Bill entitled " An Act relating to the regulation of the practice of dentistry."

I am presently a fourth year dental student at the University of Washington. I am writing as a spokesperson for the applicants that are planning on becoming practicing dentists in 1987 in the State of Alaska.

The dental licensing examination is a requirement all applicants must successfully pass before they may begin dental practice in each respective state. It is very costly to the State to put on such an Exam for the small number of applicants to Alaska . This fact, coupled with recent budget cuts , has led to a recent vote by the State of Alaska Board of Dental Examiners to join a testing service called the Western Regional Examining Board (WREB). This is the same service that is used for Dental Licensing Exams for the States of Montana, Idaho, Utah, and Arizona. The Exams are given at least 4 times per year and they are usually held in California, Arizona or Oregon.

The current Law in Alaska, Sec. 08.36.130 of the Dentistry Act states: "an examination shall be given at least once a year and at times and at places determined by the board to be convenient and economical for the applicants and the state." At present, the Alaska Dental Board cannot tell applicants for certain if or when the next Exam will be. They suggest there may be one "sometime in August" but are not sure. **They are waiting for the results of *this* Legislation.** We, as applicants, are left in the uncomfortable position of total uncertainty.

The law states the exam must be "...convenient and economical for the applicants and the state." At present it is neither convenient nor economical for anyone. Since Alaska does not have its own Dental School, all applicants must be trained out of the state. The applicants must fly or drive to Alaska from all parts of the country to take the Exam. This is costly and inconvenient for the applicants. The State has already determined that it is in the states best interest to join the WREB. This is cost effective for the state.

The main question that remains is *when* will the exceptance of scores from the WREB take place to allow licensure for the practice of dentistry in Alaska. A decision to except results from this Exam effective immediately will solve both problems at once. The State of Alaska would not need to stage another costly licensing Exam and the dental applicants would have a variety of testing sites and dates to choose from that are either at or near their respective dental schools.

The Western Regional Exam is offered next in Portland, Oregon on May 23-25th, 1987. Spaces available for applicants to this Exam are filling up. If this Legislation is passed and is effective immediately, applicants can take the WREB Exam in May and begin practicing dentistry in Alaska in June. If this is not passed in time, it is conceivable an applicant could take the WREB Exam in May, pass the exam, but not be licensed for practice in Alaska. These applicants would then have to retake the same exact Exam at some unspecified later date. In addition, if an applicant is to wait for an Exam that may be given in Alaska in mid-August, they would sit idle from graduation in June until late August (when the test results are published). This would be a very inconvenient use of over two months of time for the applicant.

I hope this helps to clarify the importance of this Bill as it relates to the State and the impact it has upon new dentists in the State of Alaska. **I urge you all to please help all parties involved by working toward a speedy passage of this Bill.** I believe it is in everyone's best interest.

-3-

Thak you very much for your prompt attention to this matter. I look forward to returning to our beautiful State.

Sincerely,

Kirk Johnson

Kirk Johnson
University of Washington
Dental School

10536 39th Ave N.E.
Seattle, WA 98125
(206) 543-7072

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

325

Bill Version: CS SS HB 228 (Hess)
Publish Date: HOUSE 4/27/87

REQUEST: _____

Revision Date: _____

Agency Affected: Commerce & Economic Dev.

Title: An Act relating to regulation of the practice of dentistry; and providing for an effective date.

BRU: Occupational Licensine

Sponsor: Reps. Menard, Gruenberg & Boucher

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	4.3	4.3	4.3	4.3	4.3
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	4.3	4.3	4.3	4.3	4.3

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	4.3	4.3	4.3	4.3	4.3
TOTAL	0	4.3	4.3	4.3	4.3	4.3

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)

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Date: 4/15/87

Approved by Commissioner: L. Anthony Smyth
Agency: Commerce and Economic Development

Date: _____

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A SPECIAL REPORT ON THE
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
BOARD OF DENTAL EXAMINERS

August 27, 1986

Audit Control Number

08-4271-87-S

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Commerce and Economic Development

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THE LEGISLATURE
BUDGET AND AUDIT COMMITTEE

August 27, 1986

Members of the Legislative Budget
and Audit Committee:

In accordance with a Legislative Budget and Audit Committee special request and the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

A SPECIAL REPORT ON THE
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
BOARD OF DENTAL EXAMINERS

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Audit Control Number

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Gerald L. Wilkerson, CPA
Legislative Auditor
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PURPOSE OF THE REPORT

In accordance with a Legislative Budget and Audit Committee request and the provisions of Title 24 of the Alaska Statutes, this special report has been prepared to evaluate the Alaska Board of Dental Examiners' licensing and examination practices.

We were requested to review the Board's examination practices to determine whether they are setting standards which are artificially high in order to limit competition. In addition, we performed a follow-up review of actions taken by the Board in response to House and Senate Letters of Intent adopted in conjunction with the passage of CSHB 614(HESS) (title am), an act extending the termination date of the Board of Dental Examiners, during the second session of the 14th Alaska State Legislature.

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ORGANIZATION AND FUNCTION

The Alaska Board of Dental Examiners was created in 1955. The Board consists of seven members; four licensed dentists, one dental hygienist, and two public members which are appointed by the Governor subject to confirmation of the Legislature. Board members serve terms of four years.

The Board is organized under the Department of Commerce and Economic Development, Division of Occupational Licensing. Administrative functions of the Board are provided by Occupational Licensing, such as processing applications, maintaining licensing files, answering inquiries, and providing investigative support.

The primary function of the Board is to ensure a minimum quality of dental care to Alaskans by licensing qualified applicants and establishing regulations necessary to enforce statutes. The Board regulates dentists, dental specialists, and dental hygienists who perform services in the State. Special permits are issued by the Board to Federal agencies that supply dentistry to residents of isolated areas remote from major population centers.

The responsibility and authority for evaluating the competence of candidates for dental licensure are vested in the Board. A clinical and written examination has been developed by the Board to assess a candidate's competency. The clinical examination is a two day practical examination, requiring candidates to complete an amalgam and a gold inlay restoration procedure. Dental hygienists are also required to take a clinical and written examination. Although dental specialists are not required to take an examination, they must be licensed dentists in Alaska and may be required to have completed additional years of education in their specialty area.

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REPORT CONCLUSIONS

AUDITOR COMMENTS/CONCLUSIONS

The Alaska Board of Dental Examiners has historically been the subject of much criticism. Criticism has been prompted by high failure rates experienced on past dental examinations and by the Board's decision not to provide a means for dental licensure by credentials as allowed by Alaska law. Though it is an inherent nature of all licensing boards to restrict entry into regulated professions to only those applicants possessing satisfactory qualifications, it has been suggested that the Alaska Board of Dental Examiners may be overly restricting entry into the dental profession in Alaska through adherence to licensing standards which are artificially high in order to limit competition. In our review of the Board's examination and licensing practices and procedures we did not find evidence which supports this contention. We did find, however, that entry into the dental profession in Alaska has been effectively limited due, in part, to the Board's failure to provide a means for dental licensure by credentials and, in part, to the commonness of high failure rates on past dental examinations.

We have included recommendations in this report which, if implemented, would serve to minimize the natural tendency to restrict entry into the dental profession in Alaska by allowing easier access to dental licensure in the State, while at the same time continuing to ensure adequate protection to the public by only allowing licensure to those dentists who are qualified and competent to practice dentistry. Our recommendations are included in the findings and recommendations section of this audit report.

REGULATION OF THE DENTAL PROFESSION

All fifty states plus Puerto Rico, the Virgin Islands, and the District of Columbia, regulate dentists through licensure. Regulation through licensure of qualified dentists is necessary to protect the public's health, safety, and welfare. Though specific requirements for licensure vary between jurisdictions, two common elements involve the need to ensure that all candidates for initial licensure possess satisfactory theoretical knowledge and can demonstrate satisfactory clinical skills. Theoretical knowledge is measured by the use of written examinations while clinical skills are assessed through the use of practical, or clinical, examinations requiring procedures to be performed on patients. Successful completion of both written and clinical examinations, in some form, is required prior to initial licensure in all jurisdictions. (See Appendix B and Appendix C.)