

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 748

FISCAL NOTE

No. 1

Bh. Version: HB 161

(H) Publish Date: 2/25/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: Extending the State Medical Board BRU: Occupational Licensing
 Board: _____ Component: Administration
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Funding for the State Medical Board is included in the department's FY 92 operating budget request and, therefore, new funds are not required. The FY 92 projected budget for the State Medical Board is explained on the attached page.

Prepared By: Jennifer Strickler, Administrative Officer Phone: 465-2144
 Division: Occupational Licensing Date: January 31, 1991
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: January 31, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering a percentage of the administrative costs based on the number of current licensees (1,561 medical licensees) divided by the total number of current division licensees (29,108). In FY 92, costs for the State Medical Board are projected as follows:

Personal Services:		
- Administrative costs	118.2	
- 75% Licensing Examiner	31.8	
- 100% Investigative	<u>49.7</u>	
	Sub-Total:	\$199.7
Travel:		
- Administrative	3.2	
- Board Travel	<u>18.0</u>	
	Sub-Total:	\$ 21.2
Contractual:		\$ 29.2
Supplies:		\$ 2.5
Equipment:		<u>\$.3</u>
	TOTAL: FY 92 Costs	\$252.9
<u>Average Annual Revenue:</u>		\$325.6

COMPARISON OF LICENSE FEES BY OCCUPATION OR PROGRAM

The following list shows the annual license renewal fee for each occupational licensing profession. With the exception of occupations regulated by the Big Game Commercial Services Board or persons involved in charitable gaming, all professions have now been converted to a biennial renewal schedule, meaning that applicants for renewal will actually pay twice the fee shown to renew a two-year license.

Acupuncturist	\$200*
Advanced Nurse Practitioner	45 + 12.50
AELS Corporation	200
Architects, Engineer and Land Surveyor	50
Audiologist	30
Barbers and Hairdressers	50
Business License	25
Chiropractor	50
Clinical Social Worker	150
Collection Agency	50
Concert Promoter	30
Construction Contractor	90
Cosmetologist	15
Dental Hygienist	50
Dentist	90
Dispensing Optician	50
Electrical Administrator	125
Funeral Director/Embalmer	30
Games of Chance and Skill (annual)	
Permittee	20 - 100+
Operator	500
Distributor	1,000
Manufacturer (in-state)	500
Geologist (one time fee)	20
Guide/Outfitter: Assistant and Class A (annual)	100
Guide/Outfitter (annual)	200
Hearing Aid Dealer	30
Marine Pilot	90
Marine Vessel Agent	30
Mechanical Administrator	125
Naturopath	50
Nursing	45
Nursing Home Administrator	30
Occupational Therapist	50
Optometrist	50
Paramedic	25
Pharmacist	90
Physical Therapist	50
Physician	200
Physician Assistant	25
Psychological Associate	50
Psychologist	50
Public Accountant	90
Public Accounting Corporation	50
Real Estate Appraiser	150*
Real Estate Broker/Salesman	62.50
Registered Nurse Anesthetist	45 + 12.50
Transporter (annual)	150*
Veterinarian	50
Veterinary Technician	30*

*Final adoption pending.

Division of Occupational Licensing

FY 92 PROPOSED BUDGET
PORTION FUNDED BY GF/PROGRAM RECEIPTS

Licensing Area	FY 92 LICENSEES	FY 92 GF/ PR BUDGET	FY 92 REVENUE	AVERAGE REVENUE
<u>Acupuncture</u>	<u>3</u>	<u>3,877*</u>	<u>830*</u>	<u>630*</u>
<u>AELS</u>	<u>4506</u>	<u>261,175</u>	<u>540,170</u>	<u>304,820</u>
<u>Athletic Commission</u>	<u>19</u>	<u>6,034</u>	<u>490</u>	<u>490</u>
<u>Audiology</u>	<u>43</u>	<u>5,969</u>	<u>410</u>	<u>1,580</u>
<u>Barbers/Hairdressers</u>	<u>3,379</u>	<u>180,196</u>	<u>279,815</u>	<u>165,230</u>
<u>Chiropractors</u>	<u>142</u>	<u>29,131</u>	<u>1,090</u>	<u>7,890</u>
<u>Clinical Social Wkrs</u>	<u>103</u>	<u>20,241</u>	<u>25,430</u>	<u>19,250</u>
<u>Collection Agencies</u>	<u>123</u>	<u>13,380</u>	<u>5,280</u>	<u>4,650</u>
<u>Concert Promoters</u>	<u>12</u>	<u>4,762</u>	<u>180</u>	<u>480</u>
<u>Contractors</u>	<u>3,184</u>	<u>217,112</u>	<u>300,840</u>	<u>373,290</u>
<u>Dental</u>	<u>921</u>	<u>81,644</u>	<u>41,490</u>	<u>65,985</u>
<u>Data Bank</u>	<u>0</u>	<u>8,435</u>	<u>0</u>	<u>0</u>
<u>Dispensing Opticians</u>	<u>82</u>	<u>20,186</u>	<u>4,920</u>	<u>5,860</u>
<u>Electrical Admin.</u>	<u>560</u>	<u>41,713</u>	<u>142,480</u>	<u>76,355</u>
<u>Geology</u>	<u>242</u>	<u>11,535</u>	<u>720</u>	<u>720</u>
<u>Guide-Outfitters</u>	<u>1,785</u>	<u>228,956</u>	<u>166,750</u>	<u>273,450</u>
<u>Marine Pilots</u>	<u>123</u>	<u>44,690</u>	<u>2,220</u>	<u>11,310</u>
<u>Mechanical Admin.</u>	<u>477</u>	<u>36,309</u>	<u>118,600</u>	<u>63,100</u>
<u>Medical</u>	<u>1,561</u>	<u>212,879</u>	<u>81,300</u>	<u>325,575</u>
<u>Mortuary Science</u>	<u>135</u>	<u>9,553</u>	<u>2,470</u>	<u>5,680</u>
<u>Naturopathy</u>	<u>12</u>	<u>4,762</u>	<u>1,200</u>	<u>665</u>
<u>Nursing</u>	<u>6,169</u>	<u>385,378</u>	<u>116,020</u>	<u>352,440</u>
<u>Nursing Home Admin.</u>	<u>72</u>	<u>8,099</u>	<u>1,110</u>	<u>2,970</u>
<u>Optometry</u>	<u>105</u>	<u>14,678</u>	<u>900</u>	<u>5,830</u>
<u>Pharmacy</u>	<u>489</u>	<u>50,127</u>	<u>63,279</u>	<u>49,275</u>
<u>PT/OT</u>	<u>381</u>	<u>32,070</u>	<u>17,769</u>	<u>14,920</u>
<u>Psychology</u>	<u>156</u>	<u>25,491</u>	<u>9,840</u>	<u>11,910</u>
<u>Public Accountancy</u>	<u>845</u>	<u>67,981</u>	<u>138,010</u>	<u>83,740</u>
<u>RE Appraisers</u>	<u>200*</u>	<u>46,749*</u>	<u>60,000*</u>	<u>45,000*</u>
<u>Real Estate</u>	<u>2,804</u>	<u>164,990**</u>	<u>404,625</u>	<u>278,268</u>
<u>Veterinary</u>	<u>190</u>	<u>27,816</u>	<u>2,780</u>	<u>11,680</u>
TOTAL:	<u>28,823</u>	<u>\$ 2,265,918</u>	<u>\$2,531,018</u>	<u>\$ 2,563,043</u>

* = New program.

** = Actual FY 92 Real Estate budget is \$312,290. This amount was reduced by \$147,300 which is funded by real estate Surety Funds; for a GF/PR obligation of \$164,990.

FN 92

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CATEGORY	TOTAL	MEDICAL
NUMBER OF LICENSEES	29,108	1,561
PERCENT OF LICENSEES	100%	5.36%
PERSONAL SERVICES		
Administrative	982,185	52,672
Direct Support	266,763	60,475
# of Licensing Examiners	12.5	75%
Examiner Pay/Benefits	530,072	31,804
# of Investigator	7.5	100%
Investigator Pay/Benefits	447,633	49,737
% of Hearing Examiner	100%	5.93%
Hearing Examiners w/o RE	85,173	5,055
Real Estate Hearing Examiner	42,435	
SUB TOTAL	2,312,778	199,743
TRAVEL/PER DIEM		
Administrative	60,400	3,239
Board Meetings	227,184	18,000
SUB TOTAL	287,584	21,239
CONTRACTUAL SERVICES - ADMINISTRATIVE		
Professional Services	136,168	7,302
Communications	155,530	8,341
Transportation	10,000	536
Advertising/Printing	128,300	6,880
Repairs/Maintenance	30,700	1,646
Rental	46,900	2,515
Other (Memberships)	37,700	2,022
SUB TOTAL	545,298	29,243
CONTRACTUAL SERVICES - DESIGNATED		
Professional Services	0	
Communications	0	
Transportation	0	
Advertising/Printing	0	
Repairs/Maintenance	0	
Rental	0	
Other (Memberships)	0	
SUB TOTAL	15,402	0
CONTRACTUAL TOTAL	560,700	29,243
SUPPLIES		
Administrative	45,747	2,453
Designated	4,753	
SUB TOTAL	50,500	2,453
EQUIPMENT		
Administrative	6,253	335
Designated	2,847	
SUB TOTAL	9,100	335

TOTAL BUDGET - COLUMN 3 220,662 253,014

REVISION DATE: 1/15/91

MEDICAL BOARD

MEMBER	APPT	REAPT	REAPPT	TERM
Ray Bailey 1726 Chena Pump Road Fairbanks 99709 Public	89/01/12	0/00/00	0/00/00	92/08/13
Abigale R Hensley 7045 Tree Top Circle Anchorage 99516 Public	86/02/10	88/12/28	0/00/00	93/01/09
Joan Jelinek 2111 Cowles Street, Suite 1 Fairbanks 99701 Physician	89/01/12	0/00/00	0/00/00	92/11/06
Michael H Newman 4048 Laurel Street, #106 Anchorage 99508 Physician	88/07/18	0/00/00	0/00/00	92/07/08
Patrick M Nolan 3300 Providence Drive #206 Anchorage 99508 Physician	88/04/22	0/00/00	0/00/00	92/04/21
Raymond Shields 3289 Tongass Avenue Ketchikan 99901 Physician	90/04/22	0/00/00	0/00/00	94/04/21
James W Thompson 890 Mendenhall Peninsula Road Juneau 99801 Physician Chair	87/02/26	88/01/21	0/00/00	92/01/12

Members - State Medical Board

BOARD: MEDICAL BOARD, STATE

BOARD IDENTIFICATION NUMBER: 61

TITLE: State Medical Board

DEPT: Department of Commerce and Economic Development

AUTHORITY: AS 08.64.010

STATUS: June 30, 1991

REQUIREMENTS: LEGISLATIVE CONFIRMATION

PROHIBITIONS: Cannot serve more than all or part of two consecutive terms.

TERM: 4 years

DESCRIPTION: 7 members appointed by Governor: 5 licensed physicians residing in as many separate Alaska judicial districts as possible; 2 public members with no direct financial interest in the health care industry.

SPECIAL FACTS: Quorum - 4 members; serve at the pleasure of the Governor (AS 08.01.020). Staffed with an executive secretary located in Anchorage. Members serve until a successor is appointed. An appointment to fill a vacancy is for the remainder of the unexpired term. A member who has served all or part of two successive terms may not be reappointed unless four years have elapsed since the person has last served.

FUNCTION: Prescribes and establishes rules/regulations to carry into effect provisions of chapter.

COMPENSATION: Standard travel/per diem.

MEETINGS: 4 times per year.

*FOR FURTHER INFORMATION CONTACT: Licensing Examiner, Division of Occupational Licensing, Dept. of Commerce and Economic Development, Box D, Juneau, AK 99811 PHONE: 465-2541
(Revised 1/14/91)

HB 161: "An Act extending the State Medical Board in the Department of Commerce and Economic Development; and providing for an effective date."

The State Medical Board is responsible for the regulation and licensing of the medical profession in the state. Under AS 08.03.010(c)(11), the State Medical Board is currently scheduled to terminate on June 30, 1991. HB 161 will extend the termination date of the board to June 30, 1995.

There are approximately 1,561 practitioners licensed by the State Medical Board in Alaska. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the board is necessary to protect the public's health, safety, and welfare, therefore, the board should be reestablished.

The department strongly supports continuation of the State Medical Board and requests favorable support in passage of HB 161.



Glenn A. Olds, Commissioner

Date: 4-18-91

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DCED Position Paper

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HB 162

HOUSE COMMITTEE REPORT

(11)

Date Referred: April 10, 1991

FURTHER REFERRALS:

Date of Committee Action: 4-22-91

The FINANCE Committee considered:

HB 162

HOUSE BILL NO. 162

EXTEND BOARD OF MARINE PILOTS

"An Act extending the Board of Marine Pilots in the Department of Commerce and Economic Development; and providing for an effective date."

- RECOMMENDATIONS: the same title
 be replaced with _____ a new title
 have attached amendments(s)
 do pass
 do not pass
 no recommendations
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)
 fiscal impact _____
 zero fiscal note _____

APPROVES PREVIOUS: (Dept/Date)
 fiscal note(s) _____
 zero fiscal note(s) DCEB 2-25-91

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Eileen P. Mulvan</i>	✓				
<i>Mike Savone</i>	✓				
<i>Tom ...</i>	✓				
<i>...</i>	✓				
<i>...</i>	✓				
<i>Ronald J. ...</i>	X				
<i>...</i>	✓				
<i>...</i>	X				

Mike Savone Eileen P. Mulvan
 CHAIRMAN'S SIGNATURE

HOUSE BILL NO. 162

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/25/91

Referred: Transportation, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the Board of Marine Pilots in the Department of Commerce and
2 Economic Development; and providing for an effective date."

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

4 * Section 1. AS 08.03.010(c)(12) is amended to read:

5 (c)(12) Board of Marine Pilots (AS 08.62.010) - June 30, 1995 [1991]:

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

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Bill Version: HB 162
(H) Publish Date: 2/25/91

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: Extending the Board of BRU: Occupational Licensing
Marine Pilots Component: Administration
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Funding for the Board of Marine Pilots is included in the department's FY 92 operating budget request and, therefore, new funds are not required. The FY 92 projected budget for the Board of Marine Pilots is explained on the attached page.

Prepared By: Jennifer Strickler, Administrative Officer Phone: 465-2144

Division: Occupational Licensing Date: January 31, 1991

Approved by Commissioner: Glenn A. Olds

Agency: Department of Commerce & Economic Development Date: January 31, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering a percentage of the administrative costs based on the number of current licensees (123 marine pilot licensees) divided by the total number of current division licensees (29,108). In FY 92, costs for the Board of Marine Pilots are projected as follows:

Personal Services:			
-	Administrative costs	4.5	
-	25% Licensing Examiner	10.6	
-	50% Investigative	<u>24.9</u>	
	Sub-Total:		\$40.0
Travel:			
-	Administrative	.3	
-	Board Travel	<u>8.0</u>	
	Sub-Total:		\$ 8.3
	Contractual:		\$ 2.3
	Supplies:		\$.2
	Equipment:		<u>\$.0</u>
	TOTAL: FY 92 Costs		\$ 50.8
	<u>Average Annual Revenue:</u>		\$ 11.3

Board or
Commission

Appointed

Term

BOARD OF MARINE PILOTS

AS 08.62 - 7 members, 6 appointed by the Governor and 1 designated by the Commissioner of Commerce and Economic Development from his staff to serve a four year term; serves until new member is appointed.

Department of Commerce
and Economic Development
P.O. Box D
Juneau, AK 99811
(work) 465-2538

Harold K. Elsensohn (Pilot)
119 Austin, Apartment #506
Ketchikan, AK 99901
(work) 225-9696
(home) 225-2383

June 1, 1991

Mark A. Foster (Public)
P.O. Box 101260
Anchorage, AK 99510
(work) 263-2125
(home) 276-3838

June 1, 1991

William Lorch (Agent)
1600 A Street, Suite 220
Anchorage, AK 99501
(work) 272-0714

June 1, 1992

Michael O'Hara (Pilot)
P.O. Box 1443
Palmer, AK 99645
(work and home) 745-3518

June 1, 1993

Russell Sell (Public)
1727 W. 11th Street
Anchorage, AK 99501
(work) 276-1492
(home) 276-1492

June 1, 1992

M. Paul Taylor (Chairperson)
P.O. Box 241
Skagway, AK 99840
(work) 983-2214
(home) 983-2409

June 1, 1994

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HB 163

HOUSE COMMITTEE REPORT

(11)

Date Referred: April 26, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/7/91

The FINANCE Committee considered:

HB 163

HOUSE BILL NO. 163

EXTEND BD OF PSYCHOLOGIST, ETC. EXAMINERS

"An Act extending the Board of Psychologist and Psychological Associate Examiners in the Department of Commerce and Economic Development; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB 1103 (HES) the same title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: HES letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) DCED 4/26/91

zero fiscal note _____

zero fiscal note(s) DCED 4/26/91

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Yvonne Navarre</i> NAVARRE	✓	<i>Bo A Sharp</i> Sharp		✓	
<i>Marvin Boyer</i> Boyer	X				
<i>Tony Brown</i> BROWN	✓				
<i>Robert Koponen</i> KOPONEN	✓				
<i>James Barnes</i> BARNES	✓				
<i>Robert Phillips</i> PHILLIPS	✓				
<i>Larsen</i> LARSEN	X				
<i>John Hume</i> HUME	X				
<i>Ernie Maclean</i> MACLEAN	X				

Yvonne Navarre *Ernie Maclean*

CHAIRMAN'S SIGNATURE

NAVARRE

MACLEAN

CS FOR HOUSE BILL NO. 163 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/5/91

Referred: Labor & Commerce, Finance

Sponsor(s): HOUSE RULES/GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the Board of Psychologist and Psychological Associate Examiners in the
 2 Department of Commerce and Economic Development; increasing the amount of graduate
 3 course work directly related to a specialized area of psychology necessary to qualify for
 4 examination as a psychological associate; and providing for an effective date."

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

6 * Section 1. AS 08.03.010(c)(10) is amended to read:

7 (10) Board of Psychologist and Psychological Associate Examiners
 8 (AS 08.86.010) - June 30, 1995 [1991];

9 * Sec. 2. AS 08.86.162 is amended to read:

10 Sec. 08.86.162. ASSOCIATES: QUALIFICATION FOR EXAMINATION. A person
 11 is entitled to take a psychological associate examination if the board finds that the person:

12 (1) has not engaged in dishonorable conduct related to the practice of counseling
 13 or psychometry;

14 (2) holds a master's degree with primary emphasis on psychology from an

1 academic institution whose program of graduate study for a master's degree in psychology meets
2 the criteria established by the board by regulation, with the equivalent of at least 48 [24] semester
3 credit hours of graduate course work directly related to a specialized area of psychology in which
4 licensure is requested, including a practicum;

5 (3) has at least three years' supervised experience after obtaining a master's
6 degree; in this paragraph, "supervised experience" means the equivalent of at least one hour a
7 week of personal interview with a supervisor whose educational qualifications are consistent with
8 the level of activity being supervised;

9 (4) has the recommendation of an immediate supervisor if a licensed psychologist,
10 or two licensed psychologists who hold doctoral degrees; and

11 (5) has not within the preceding six months failed an examination given by the
12 board.

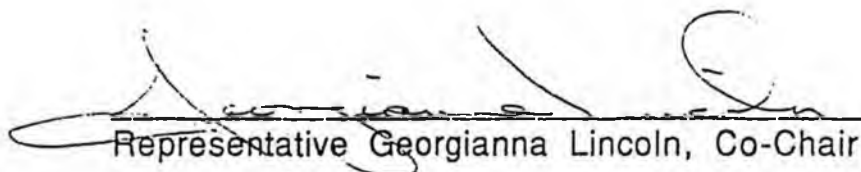
13 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

March 27, 1991


by the House Health, Education and Social Services Committee

Letter of Intent
for
HB 163

It is the intent of the House Health, Education and Social Services Committee that occupational licensing fees established pursuant to AS 08.01.065 shall reflect the actual costs to the department for which the fee is charged, except when to do so would create an unreasonable burden upon licensees. The committee requests the Board of Psychologist and Psychological Associate Examiners to work with the department in re-evaluating its current licensing fee schedule. The committee further requests the department to issue a report on fee schedules, with notation as to those fees which have been changed, to the legislature by the first day of the second session of the Seventeenth Legislature.



Representative Georgianna Lincoln, Co-Chair



Representative Pat Carney, Co-Chair

FISCAL NOTE

No. 3

Bill Version: CSHB 163 (HES)

(H) Publish Date: 4/25/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: Extending the Board of Psych. and Psychological Associate Examiners... BRU: Occupational Licensing
 Component: Administration
 Sponsor: Rules Committee/Governor
 Requestor: House HESS COMPONENT SERIAL NO.

0	3	5	5
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Funding for the Board of Psychologist and Psychological Associate Examiners is included in the department's FY 92 operating budget request; therefore, new funds are not required to extend the board or implement the amendment in Sec. 2 of the bill.

Prepared By: Jennifer Strickler, Administrative Officer Phone: 465-2144
 Division: Occupational Licensing Date: 4/11/91
 Approved by Commissioner: Glenn A. Olds
 Agency: Commerce and Economic Development Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering a percentage of the administrative costs based on the number of current licensees (156 psychologists and psychological associate licensees) divided by the total number of current division licensees (29,108). In FY 92, costs for the Board of Psychologist and Psychological Associate Examiners are projected as follows:

Personal Services:		
- Administrative costs	5.7	
- 25% Licensing Examiner	10.6	
- 10% Investigative	<u>5.0</u>	
Sub-Total:		\$21.3
Travel:		
- Administrative	.3	
- Board Travel	<u>5.0</u>	
Sub-Total:		\$ 5.3
Contractual:		\$ 2.9
Supplies:		\$.3
Equipment:		\$ <u>.0</u>
TOTAL: FY 92 Costs		\$ 29.8
<u>Average Annual Revenue:</u>		\$ 11.9

FY 92

Printed 01/30/91
Time 05:59 PM

CATEGORY	TOTAL	PSYCH
NUMBER OF LICENSEES	29,158	156
PERCENT OF LICENSEES	100%	0.54%
PERSONAL SERVICES		
Administrative	592,185	5,244
Direct Support	256,763	
# of Licensing Examiners	12.5	25%
Examiner Pay/Benefits	520,072	10,601
# of Investigator	7.5	10%
Investigator Pay/Benefits	117,633	4,974
# of Hearing Examiner	100%	1,59%
Hearing Examiners w/o RE	25,173	305
Real Estate Hearing Examiner	12,435	
SUB TOTAL	2,312,773	21,344
TRAVEL/PER DIEM		
Administrative	60,400	724
Board Meetings	227,184	5,000
SUB TOTAL	287,584	5,724
CONTRACTUAL SERVICES - ADMINISTRATIVE		
Professional Services	126,158	720
Communications	155,520	334
Transportation	10,000	54
Advertising/Printing	128,300	688
Repairs/Maintenance	20,700	165
Rental	46,900	251
Other (Memberships)	37,700	202
SUB TOTAL	515,298	2,722
CONTRACTUAL SERVICES - DESIGNATED		
Professional Services	0	
Communications	0	
Transportation	0	
Advertising/Printing	0	
Repairs/Maintenance	0	
Rental	0	
Other (Memberships)	0	
SUB TOTAL	15,402	0
CONTRACTUAL TOTAL	530,700	2,722
SUPPLIES		
Administrative	45,747	245
Designated	4,753	
SUB TOTAL	50,500	245
EQUIPMENT		
Administrative	3,250	24
Designated	2,347	
SUB TOTAL	5,597	24
TOTAL BUDGET - COLUMNS	3,220,662	27,869

HB 163

February 26, 1991

Representative Georgianna Lincoln
Chair of the House Health, Education
and Social Services Committee
PO BOX V STATE HOUSE
Juneau, AK 99811

Dear Representative Lincoln:

I am writing to you on behalf of the Alaska Psychological Association with regard to the Alaska statutes as they relate to the Psychological Associate license. Specifically, I am requesting that the educational requirement for the Psychological Associate be increased from a minimum of a Masters Degree consisting of twenty four semester hours to a minimum of a Masters Degree consisting of forty eight hours.

As you may know, the Psychological Associate license allows those holding a Masters Degree in psychology to practice psychology in Alaska. Alaska is one of approximately five states in the country that allow those holding the Masters Degree in psychology to be licensed, thus providing quality control with regard to whom may practice.

In order to be licensed, Psychological Associates must first practice under the supervision of a Psychologist (someone who holds a Doctorate Degree and is licensed by the the state) for a period of three years. After successfully completing the supervision requirement they are then eligible to sit for the written examination. This examination consists of two parts, an objective portion that is used throughout the country, and an essay portion which covers ethics and legal issues specific to the practice of psychology in Alaska. The test is the same as that taken to be licensed as a Psychologist, but the passing score is substantially lower. After being licensed, Psychological Associates must remain under the supervision of a Psychologist for five years after which they may apply to practice independently.

The difference between Psychologists and Psychological Associates is that Psychologists have two to three more years

1 of 3

Misc. Correspondence

of formal training at the graduate level, and have a far broader base of education and thus typically perform a wider variety of services. These include evaluations based upon information derived from psychological testing, and therapy to individuals, groups and families. In addition many Psychologists serve as expert witnesses in court, and do evaluations in the correctional system. Some Psychologists specialize in rehabilitation of those with brain injuries or disease and evaluate neurological capabilities. Psychologists provide services in hospitals, as well as out patient settings.

Psychological Associates may do any of these activities provided they have the necessary training. As a general rule however, most Psychological Associates limit their practice to psychotherapy, and generally restrict their practice to outpatient work.

The Alaska Psychological Association is recommending that the educational requirement for Psychological Associates be increased for two reasons. The first is that when first written, the statute required that Psychological Associates remain under the supervision of a psychologist in order to practice. With the higher level of responsibility that comes with completely independent practice that the law now allows, should come a higher level of training.

The second reason for the requested change is that since the law was written, the amount of knowledge has expanded sufficiently to warrant an increased educational requirement. There continues to be a wide disparity between the requirements for earning a masters degree. While some schools require as many as ninety semester hours of credit, others require less than the twenty four specified for licensure. Twenty four hours of credit is the equivalent of only eight classes, seven classes if credit is given for writing the masters thesis. When viewed in that respect it is apparent that one can just begin to scratch the surface of the current body of knowledge with only twenty four hours of credit. It is clearly not enough to practice independently.

The University of Alaska has increased its requirements for the masters degree to forty eight hours. Those trained in that program will be able to meet this requirement. Those pursuing licensure without the required course work can enroll in graduate courses offered at The University of Alaska and Alaska Pacific University. For those living in rural areas, there are several extended degree programs that a number of Alaskans are enrolled in which allow their

students to do much of the required work independently and attend short intensive seminars Outside on a regular basis. While these programs require a high degree of commitment and time, that is the price that anyone holding an advanced degree has been required to pay.

The Board of Psychologists and Psychological Associates is in support of this change, and has in fact been working toward it for some time now. They have advised me that they have experienced problems doing so due to time constraints and difficulty arranging the necessary hearings to make the change administratively. Because this is a year that the Psychology License is being reviewed for continuation by the legislature, it is a good time to consider this change legislatively. The bill for continuation is HB 163 to extend the Psychology License for another four years. Please consider amending to bill to include an increase in the educational requirement for Psychological Associates to forty eight semester hours as I have discussed above.

I hope that this letter has clarified the position the Alaska Psychological Association is taking with regard to this issue. Please feel free to contact me or our lobbyist, Sharon Macklin, if you have any questions.

Thank you for your consideration on this matter,

Joel B. Wieman Ph.D
Legislative Coordinator
Alaska Psychological Association

PLEASE MICROFILM TOP PAGE ONLY

DOCUMENTS WHICH HAVE NOT BEEN
FILMED BUT ARE AVAILABLE IN THE
ORIGINAL FILE INCLUDE:

→ Audit Report - Div. of Legislative Audit
Oct. 11, 1990 Board of Psychologist and
Psychological Associate Examiners

HB 1644

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 13, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/15/91

The FINANCE Committee considered:

HB 164

HOUSE BILL NO. 164

EXTEND BOARD OF DENTAL EXAMINERS

"An Act extending the Board of Dental Examiners in the Department of Commerce and Economic Development; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB 164 (HES) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: HES letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) DCEP 4.5.91

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
EP Madigan	✓				
Mike Havane	✓				
Mano Bepu	X				
Jan T... ..	✓				
W. K... ..	✓	direct to letter of intent			
Bert Murphy	✓				
Rob E. Kelly	✓				
Donald J. Jan	X				
J. Wilmer	X				
Francesa Barnes	X				
Samuel T.	✓				

Mike Havane
CHAIRMAN'S SIGNATURE


March 26, 1991

by the House Health, Education and Social Services Committee


**Letter of Intent
for
CS HB 164 (HES)**

It is the intent of the House Health, Education and Social Services Committee that occupational licensing fees established pursuant to AS 08.01.065 shall reflect the actual costs to the department for which the fee is charged, except when to do so would create an unreasonable burden upon licensees. The committee requests the Board of Dental Examiners to work with the department in re-evaluating its current licensing fee schedule. The committee further requests the department to issue a report on fee schedules, with notation as to those fees which have been changed, to the legislature by the first day of the second session of the Seventeenth Legislature.

It is also the intent of the House Health, Education and Social Services Committee that in the next year the Board of Dental Examiners and the Division of Occupational Licensing develop new procedures for credentialing, including credentialing for dental specialists and report their recommendations to the House and Senate HESS Committees by the first day of the second session of the Seventeenth Alaska State Legislature.



Representative Georgianna Lincoln, Co-Chair



Representative Pat Carney, Co-Chair

CS FOR HOUSE BILL NO. 164 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/5/91

Referred: Labor & Commerce, Finance

Sponsor(s): HOUSE RULES/GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the Board of Dental Examiners in the Department of Commerce and
2 Economic Development; and providing for an effective date."

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

4 * Section 1. AS 08.03.010(c)(6) is amended to read:

5 (6) Board of Dental Examiners (AS 08.36.010) - June 30, 1993 [1991];

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

STATE OF ALASKA
1991 LEGISLATIVE SESSION

No. 2

Bill Version: C/S/H 164 (HES)

(H) Publish Date: 4/5/91

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: Extending the Board of Dental BRU: Occupational Licensing
 Examiners _____ Component: Administration
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Funding for the Board of Dental Examiners is included in the department's FY 92 operating budget request, and therefore, new funds are not required.

Prepared By: Jennifer Savelker, Administrative Officer Phone: 465-2144
 Division: Occupational Licensing Date: 3/22/91
 Approved by Commissioner: Glenn A. Olds *Glenn A. Olds* ASST. COMM.
 Agency: Commerce and Economic Development Date: 3-22-91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

PLEASE MICROFILM TOP PAGE ONLY

HB165

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 3, 1991

FURTHER REFERRALS:

Date of Committee Action: 5-9-91

The FINANCE Committee considered:

HB 165

HOUSE BILL NO. 165

EXTEND BOARD OF NURSING

"An Act extending the Board of Nursing in the Department of Commerce and Economic Development; and providing for an effective date."

RECOMMENDATIONS:

be replaced with _____ the same title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) DLCD 2-25-91

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input type="checkbox"/>				
<i>[Signature]</i>	<input type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				

[Signature] *[Signature]*
CHAIRMAN'S SIGNATURE

HOUSE BILL NO. 165

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/25/91

Referred: Health, Education and Social Services, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the Board of Nursing in the Department of Commerce and Economic
2 Development; and providing for an effective date."

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

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

5 (c)(1) Board of Nursing (AS 08.68.010) - June 30, 1995 [1991];

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

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

No. 1
Bill Version: HB 165
(H) Publish Date: 2/25/91
Commerce & Economic Dev.

Revision Date: _____ Department Affected: _____
Title: Extending the Board of BRU: Occupational Licensing
Nursing Component: Administration
Sponsor: Rules Committee
Requestor: Governor COMPONENT SERIAL NO.

0	3	5	6
---	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Funding for the Board of Nursing is included in the department's FY 92 operating budget request and, therefore, new funds are not required. The FY 92 projected budget for the Board of Nursing is explained on the attached page.

Prepared By: Jennifer Strickler, Administrative Officer Phone: 465-2144
Division: Occupational Licensing Date: January 31, 1991
Approved by Commissioner: Glenn A. Olds
Agency: Department of Commerce & Economic Development Date: January 31, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering a percentage of the administrative costs based on the number of current licensees (6,169 nursing licensees) divided by the total number of current division licensees (29,108). In FY 92, costs for the Board of Nursing are projected as follows:

Personal Services:		
- Administrative costs	297.0	
- 75% Licensing Examiner	31.8	
- 65% Investigative	<u>32.3</u>	
	Sub-Total:	\$361.1
Travel:		
- Administrative	12.8	
- Board Travel	<u>18.0</u>	
	Sub-Total:	\$ 30.8
Contractual:		\$115.6
Supplies:		\$ 9.7
Equipment:		<u>\$ 1.3</u>
	TOTAL: FY 92 Costs	\$518.5
<u>Average Annual Revenue:</u>		\$352.4

HOUSE BILL NO. 165

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/25/91

Referred: Health, Education and Social Services, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the Board of Nursing in the Department of Commerce and Economic
2 Development; and providing for an effective date."

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

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

5 (c)(1) Board of Nursing (AS 08.68.010) - June 30, 1995 [1991];

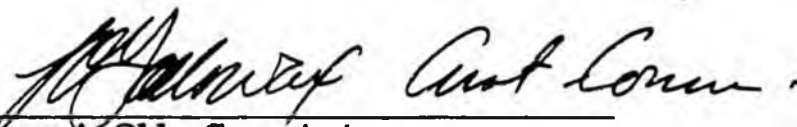
6 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

HB 165: "An Act extending the Board of Nursing in the Department of Commerce and Economic Development; and providing for an effective date."

The Board of Nursing is responsible for the regulation and licensing of the nursing profession in the state. Under AS 08.03.010(c)(1), the Board of Nursing is currently scheduled to terminate on June 30, 1991. HB 165 will extend the termination date of the board to June 30, 1995.

There are approximately 6,169 nurses licensed in Alaska. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the board is necessary to protect the public's health, safety, and welfare, therefore, the board should be reestablished.

The department strongly supports continuation of the Board of Nursing and requests favorable support in passage of HB 165.



Glenn A. Olds, Commissioner

Date: 4-18-91

GAO/JS/dgl9428D-1
041891a

Position Paper - DCED

REVISION DATE: 1/15/91

BOARD: NURSING, BOARD OF

BOARD IDENTIFICATION NUMBER: 67

TITLE: Board of Nursing

DEPT: Department of Commerce and Economic Development

AUTHORITY: AS 08.68.010

STATUS: June 30, 1991

REQUIREMENTS: LEGISLATIVE CONFIRMATION

PROHIBITIONS: Cannot serve more than all or part of two consecutive terms.

TERM: 4 years

DESCRIPTION: 7 members appointed by Governor: 5 nurses licensed in Alaska, actively engaged in nursing for four years (refer to statute AS 08.68.060): 1 licensed practical nurse currently involved in institutional nursing, 1 registered nurse engaged in baccalaureate nursing education, 3 registered nurses at large; 2 public members with no direct financial interest in health care industry; board elects chair.

SPECIAL FACTS: Serve at pleasure of the Governor; quorum is majority. Staffed with an executive secretary located in Anchorage. Members serve until a successor is appointed. An appointment to fill a vacancy is for the remainder of the unexpired term. A member who has served all or part of two successive terms may not be reappointed unless four years have elapsed since the person has last served.

FUNCTION: Regulates and controls applications, licenses, and permits of the nursing profession.

COMPENSATION: Standard travel/per diem.

MEETINGS: Usually 4 times per year.

*FOR FURTHER INFORMATION CONTACT: Licensing Examiner, Division of Occupational Licensing, Dept. of Commerce and Economic Development, Box D, Juneau, AK 99811 PHONE: 465-2541 (Revised 1/14/91)

NURSING

MEMBER	APPT	REAPT	REAPPT	TERM
Janet L Bunes P.O. Box 1192 Wrangell Registered Nurse 99929	86/08/07	0/00/00	0/00/00	91/03/31
Louise M Dean 1911 Waldron Drive Anchorage Public 99507	90/04/10	0/00/00	0/00/00	94/03/31
Tina D DeLapp 13101 South Bragaw Anchorage RN/Bacc. Education 99516	89/04/01	0/00/00	0/00/00	93/03/31
Kathi Hewitt 1660 Peger Road Fairbanks LPN 99709	88/08/02	0/00/00	0/00/00	91/03/31
Gail Stewart 12220 Rainbow Avenue Anchorage Registered Nurse Chair 99516	88/08/02	0/00/00	0/00/00	92/03/31
Mary A Stroeing P.O. Box 020267 Juneau Registered Nurse 99802	90/04/10	0/00/00	0/00/00	94/03/31
Georgianna Waskey P.O. Box 1432 Bethel Public 99559	86/08/07	0/00/00	0/00/00	91/03/31

Members - State Nursing Board

PLEASE MICROFILM TOP PAGE ONLY

HB 166

HOUSE BILL NO. 166

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/25/91

Referred: Health, Education and Social Services, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act continuing the correctional industries program; and providing for an effective
2 date."

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

4 * Section 1. Section 7, ch. 53, SLA 1982, as amended by sec. 1, ch. 25, SLA 1987, is amended to
5 read:

6 Sec. 7. AS 33.32 is repealed July 1, 1995 [1991].

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

STATE OF ALASKA
Department of Corrections
LEGISLATIVE POSITION PAPER
Lloyd Hamae, Commissioner

P.O. Box 17, Juneau, AK 99801-0017 (907) 466-2878

Carl Niemi, Legislative Liaison

HOUSE BILL NO. 166
ALASKA CORRECTIONAL INDUSTRIES
"SUNSET" LEGISLATION

The Alaska Correctional Industries (ACI) is dedicated to the rehabilitation of prisoners by providing employment in realistic work experiences. The jobs provide prisoners a chance to develop good work habits through a monetary reward for a job well done. The realistic work experience allows for an acquisition of skills and a sense of self-worth. Also important is the fact that ACI provides a strong management tool for providing meaningful activity thus reducing inmate idleness.

Currently, all 50 states, the federal government and Canada operate correctional industries programs. Nationwide, correctional industries has expanded into a \$600+ million industry, employing 57,400 inmates. Approximately 10% of the nation's incarcerated population is actively involved in a industries program.

An average of 150 Alaska prisoners are involved in ACI within its eight industrial operations. This is roughly 6% of the total prison population.

The products and services produced by ACI are available to local, state, federal government, school districts, non-profit organizations and designated wholesalers. In FY 90, ACI generated approximately \$2 million in gross sales. To accomplish this, ACI purchased \$1,352,907.00 from 262 Alaskan Vendors; this represents 83% of ACI purchases.

As of February, ACI has generated \$1.2 million this fiscal year and projects gross sales of \$2.3 million.

Besides becoming a viable program, ACI is addressed in the Cleary Suit. It states the Department shall maintain industries in as many sentenced facilities as possible.

In summary, ACI has become a major factor in keeping State dollars at home. The main value, however, is ACI has been returning productive citizens to society. By providing greater numbers of prisoners work opportunities and teaching a positive work ethic, ACI has reduced recidivism and the cost of incarceration.

FISCAL NOTE:

ZERO
ATTACHED

APPROVED:


Commissioner

DATE:

4/6/91

CORRECTION

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

STATE OF ALASKA
Department of Corrections
LEGISLATIVE POSITION PAPER
Lloyd Hemes, Commissioner

P.O. Box 17, Juneau, AK 99801-0017 (907) 465-8878

Carl Niemi, Legislative Liaison

HOUSE BILL NO. 166
ALASKA CORRECTIONAL INDUSTRIES
"SUNSET" LEGISLATION

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FISCAL NOTE:

ZERO
ATTACHED

APPROVED:


Commissioner

DATE:

4/6/91



KAWERAK, INC.



P.O. BOX 948 • NOME, ALASKA 99762



(907) 443-5231

SERVING THE
VILLAGES OF:

- BREVIK MISSION
- COUNCIL
- DIOMEDE
- ELIM
- GAMBELL
- GOLOVIN
- KOYUK
- NOME
- SAVOONGA
- SHAKTOOLIK
- SHISHMAREF
- SOLOMON
- STEBBINS
- ST MICHAEL
- TELLER
- UNALAKLEET
- WALES
- WHITE MOUNTAIN

APR 24 1991

April 18, 1991

The Honorable David Finkelstein, Chairman
 House Labor & Commerce Committee
 P.O. Box V
 Juneau, Alaska 99811

Dear Representative Finkelstein:

You will find enclosed a copy of an approved resolution which was formally passed at the 1991 Annual Meeting of the Reindeer Herders Association on March 15, 1991.

The resolution, 91-01, supports the continuation of the correctional industries program, as proposed by SB 227 and HB 166.

Please feel free to contact me for more information at 443-5231.

Sincerely,

REINDEER HERDERS ASSOCIATION

Rose Atuk Fosdick
 Rose Atuk Fosdick
 Director

Enclosure



KAWERAK, INC.



P.O. BOX 948 • NOME, ALASKA 99762



(907) 443-5231

REINDEER HERDEPS ASSOCIATION CORRECTIONAL INDUSTRIES RESOLUTION 91-01

SERVING THE
VILLAGES OF:

- BREVIG MISSION
- COUNCIL
- DIOMEDE
- ELIM
- GAMBELL
- GOLOVIN
- KOYUK
- NOME
- SAVOONGA
- SHAKTOOLIK
- SHISHMAREF
- SOLOMON
- STEBBINS
- ST. MICHAEL
- TELLER
- UNALAKLEET
- WALES
- WHITE MOUNTAIN

WHEREAS, the Correctional Industries Meat Plant is operating to provide a stable market for Alaska Grown livestock, including reindeer, and

WHEREAS, the meat plant is providing a source of quality local products for consumption by state institutions and purchases by local meat wholesalers and processors and

WHEREAS, the \$850,00 of livestock purchased for local producers stayed in the state economy instead of going to lower 48 producers and

WHEREAS, the slaughter and processing of reindeer through this inspected plant is providing a critical marketing service in expanding the industry and

WHEREAS, the Correctional Industries is providing training in proper handling and marketing of Alaska Grown products for both instate and potential export markets of meat products.

NOW THEREFORE BE IT RESOLVED, that continued operation of the Correctional Industry Meat Plant is recommended to provide a cost effective means of developing the reindeer industry as a key part of the livestock production sector in the Alaska economy.

BE IT FURTHER RESOLVED that the Reindeer Herders Association in its annual meeting March 14-15, 1991 in Nome endorse the Correctional Industries Meat Plant project and the continued processing of reindeer and encourage the Alaska State Legislature to support House Bill 166 which continues the Correctional Industries Program.

Tom [Signature]
President, Reindeer Herders Assn.

11-11-91
Date



RECEIVED
MAR 13 P.M.

March 7, 1991

Representative Lincoln
Health, Ed. and Social Services
P.O. Box V
Juneau, Alaska 99811

Dear Representative Lincoln:

It is my understanding the State Administration has submitted a bill (HB166) that will allow the continuation of Chapter 32, Correctional Industries, and satisfy the sunset clause that will affect this bill if not acted upon.

Though I applaud the efforts of the Administration and Legislature to deal with this ever mounting problem, I do see a need to alter a portion of this act to minimize the negative impact this legislation creates on my business and other Alaskan businesses.

Presently, the Correctional Industries Program creates a mandatory purchasing situation by the State of Alaska with Correctional Industries as it relates to the purchase of office furniture. I have gone along with some of the intended reasons as to the merits of this program except for it's recent entry into the Panel System work station concept. If this is allowed to continue, private business will be totally excluded from providing it's products to the State Of Alaska.

I suggest that a portion of the particular Section be eliminated as an alternative to requiring that the program/products/services undertaken by Correctional Industries *MUST not create a negative impact in the private sector. I am suggesting Section 33.32.030 be repealed and item (c) in it's entirety be remove from the Statute. It would also seem practical that public hearings be held when there is an attempt to expand the program in any manner.

It is my understanding Senator Jim Duncan is in the process of submitting a bill dealing with the problem to which I refer.

If I can provide further information in this matter, please feel free to contact me at any time.

Yours truly,



T.C. Quinn
President & General Manager

* See Sec. 33.32.015 Item (3); "minimal impact"

P.O.

Misc. Correspondence

586-2830 - FAX (907) 463-3850



Chamber of Commerce

124 West 5th St., Juneau, Alaska 99801

Phone: (907) 586-6420 FAX: (907) 463-5670

March 25, 1991

The Honorable Representative Lincoln, Chairman
HESS
State of Alaska Legislature
P.O.Box "V"
Juneau Alaska

referral

Madam Chairman:

I am here to testify on HB166

We, the Greater Juneau Chamber of Commerce, do not believe that the State of Alaska should compete with the private sector for public business. This situation currently exists within the Department of Corrections program. We recognize the importance of vocational training for inmates within our prison system, but feel that some of the existing programs do not train these inmates for jobs currently available within the State of Alaska. If Alaskan taxpayers are paying for this program, inmates should be trained for vocations that exist within our State .

Some of other concerns that we have are as follows;

- (1) Currently the State Department of Corrections has the blessing of the Department of Administration and the Legislature to bypass the established purchasing policy for competitive bids. The Legislature currently mandates that "a product or service provided by correctional industries that meets marketable standards of quality and that meets the needs of state agencies at reasonable cost,... SHALL BE purchased by state agencies. It does not say MAY BE purchased. The administration does not even appear to have a formal method to evaluate comparable value and the Commissioner of Administration is a member of the board of charged with the responsibility to promote this concept.

Currently the Dept of Corrections is in the butcher business, office furniture business, laundry business, agricultural business, garment manufacturing and auto body repair business. They pay far less than current market value for labor, in fact a range of \$.65 to \$1.25 per labor hour.

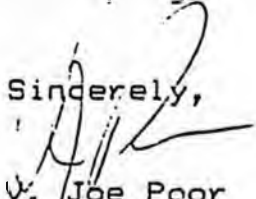
Juneau Col C Position Statement

We do not appreciate the direction that the Department of Corrections appears to be going and strongly object to the provision of the law that allows them to by-pass the competitive bid process of the State of Alaska.

- (2) We do not feel the composition of the existing Corrections Board provides adequate representation from the private sector. Since this Commission authorizes the Department of Corrections to enter or expand commercial revenue generating programs that may compete with the private sector, it is paramount that adequate representation from the private sector be present on this Board. We feel if the Board composition cannot be "balanced" then perhaps the program should be allowed to "sunset".
- (3) We feel the board should be mandated to revisit each prison program at least every two years to insure that the intent of the law is met. Specifically the provision that there is "minimal negative impact" to the private sector.
- (4) We are not aware of any appeal process that can be initiated by the private sector to get a fair, unbiased hearing if it appears the "minimal negative impact" has been exceeded. The appeal process should have a provision for reversal of the Department of Corrections action.
- (5) Finally, please remember that Alaska cannot be compared to the Corrections programs in the "lower 48". The State of Alaska is one of the largest employers within our state and plays a major role in our economic health. Whereas in the "lower 48", State government purchases is a minimal contributor to their economic stability.

If these concerns cannot be satisfied then we recommend that this program be allowed to "sunset".

Sincerely,


W. Joe Poor
Executive Director

NFIB Alaska

National Federation of
Independent Business

POSITION PAPER

OF

NATIONAL FEDERATION OF INDEPENDENT BUSINESS
(NFIB/ALASKA)

TO THE

HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

MARCH 25, 1991

ON

HB 166

AN ACT CONTINUING THE CORRECTIONAL INDUSTRIES PROGRAM.

State Office
9159 Skywood Lane
Juneau, AK 99801
(907) 789-4278



The Guardian of
Small Business

NFIB Position Statement

Madam Chairman, members of the Health, Education and Social Service Committee, my name is Resa Jerrel, and I represent the National Federation of Independent Business - NFIB/Alaska.

NFIB/Alaska is comprised of 5,240 small and independent business owners. The legislative agenda of NFIB/Alaska is determined by our ballot. The ballot is our annual poll of our membership on a series of issues deemed critical to small business. A majority vote, of the members in response to the poll, sets our policy and position on legislative issues. We then share the results of our poll with the legislature and administration. There is not enough space on the annual poll to place every possible issue to our membership. Therefore, we also use the three previous years ballot results as guidance on issues. I have attached a copy of the results of our 1988 and 1991 NFIB/Alaska questions regarding unfair competition.

Currently the Department of Corrections, Correctional Industries Program, is in the Agriculture, Butcher, Office Furniture, Office Panels/Systems, Metal Products, Auto Body Repair, Garment Making and Laundry Businesses. This puts them in direct competition with small businesses.

The Correctional Industries Commission was designed to provide general policy direction for the Program. The Commission has eight members with one from private industry, agriculture, general public, ex-offender and two representatives from organized labor. The Commissioner of Administration serves on the Commission and the Commissioner of Corrections serves as the chairperson. They are required to meet at least four times a year.

In two sections of the statutes AS 33.32.015 (4) and AS 33.32.30(b) the Commission is to determine that an employment project "will have minimal negative impact on an existing private industry or labor force in the state."

The Correction Industries Program is having a growing impact on existing private industry. With only one member on the Commission from the private sector, five from other walks of life and two bureaucrats it easy to see why the Program is having a growing negative impact on business. At the present time the Commission is not fulfilling the statutory obligation of making sure a project "will have minimal negative impact on an existing private industry..."

NFIB/Alaska would suggest that the Commission be allowed to sunset. In the ensuring one year wind down period, see if they can work more cooperatively with private business.

NFIB/Alaska would like to offer some alternatives:

First, require them to hold hearings when they propose either entering into a new area of industry or expanding the scope of an

existing industry. They could better inform the public of their hearings. Their most recent hearing was published in the news paper. The notice did not specify the location of the hearing in Juneau. The first time I called, I was informed that they "thought" it was going to be in the Commissioners office, could I call back. Second, the legislature could eliminate the statute that requires the state to purchase goods and services from the program. Both of these are being proposed in the other body. If you would like to take a look at that bill - it is SB 184. If you are interested, it will be heard for the first time April 3rd.

Also, instead of selling directly to the State of Alaska, they could offer their products directly to private businesses. This would allow the Program to not only indirectly sell to the State but, potentially their products could be purchased by other customers serviced by the private retailer. This way they would be fulfilling their goal of training the inmates, act like a true manufacturer and small business would not be faced with unfair competition from the state.

The following is the result of the 1988 NFIB/Alaska ballot question regarding unfair competition:

Should legislation be enacted to restrict the commercial activities of government entities so they are not permitted to compete with existing private enterprises?

Yes 78% No 12% Undecided 10%

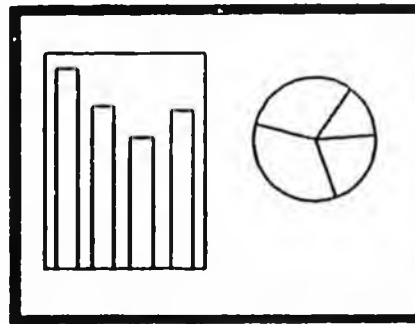
More recently, the following is the result of the 1991 NFIB/A ballot question on this issue:

Should the legislature establish a Private Enterprise Preservation Task force in order to study and recommend legislation to limit competition with private business by state and local government?

Yes 67% No 23.1% Undecided 9.9%

HOUSE BILL 166

ALASKA CORRECTIONAL INDUSTRIES Presentation



to the
17th Legislature

Lloyd Hames, Commissioner
Rich Bentson, Director
Wally Roman, General Manager

FY 92

ALASKA CORRECTIONAL INDUSTRIES PROGRAM

COMMISSION MEMBERS

GOVERNMENT MEMBERS:

Millet Keller, Commissioner
Department of Administration
P.O. Box C, MS 0200, Juneau, Alaska 99811
Juneau Office: 465-2200

Lloyd Hames, Commissioner
Department of Corrections
P.O. Box T, Juneau, Alaska 99811-2000
Juneau Office: 465-3376
Anch. Office: 561-4426

LABOR REPRESENTATIVES:

James Carroll
Ironworker's Union
315 5th Ave., Fairbanks, Alaska 99701
Fbx. Office: 456-6960

AnnaBell Stevens
Laundry & Dry Cleaning Local 333
825 E. 8th Ave., Anchorage, Alaska 99501
Anch. Office: 279-1124

BUSINESS REPRESENTATIVE:

Roger Lewis
635 Main Street, Juneau, Alaska 99801
Juneau Office: 586-1700

AGRICULTURAL REPRESENTATIVE:

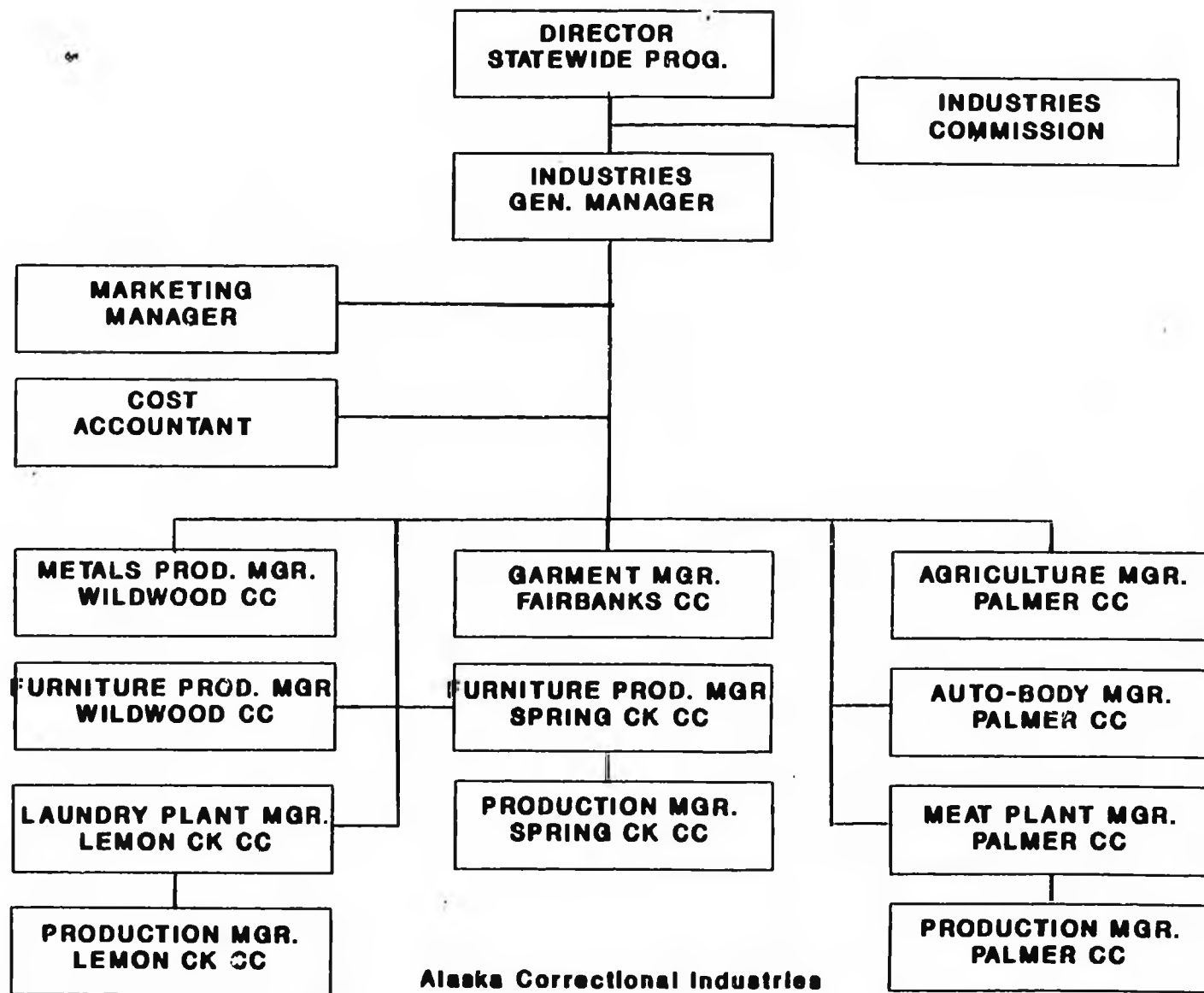
Joan Koponen
710 Chena Ridge, Fairbanks, Alaska 99709
Fbx. Office: 479-6782

PUBLIC REPRESENTATIVE:

Calvin Williams
P.O. Box 200332, Anchorage, Alaska 99520
Anch. Office: 786-8585

EX-OFFENDER REPRESENTATIVE:

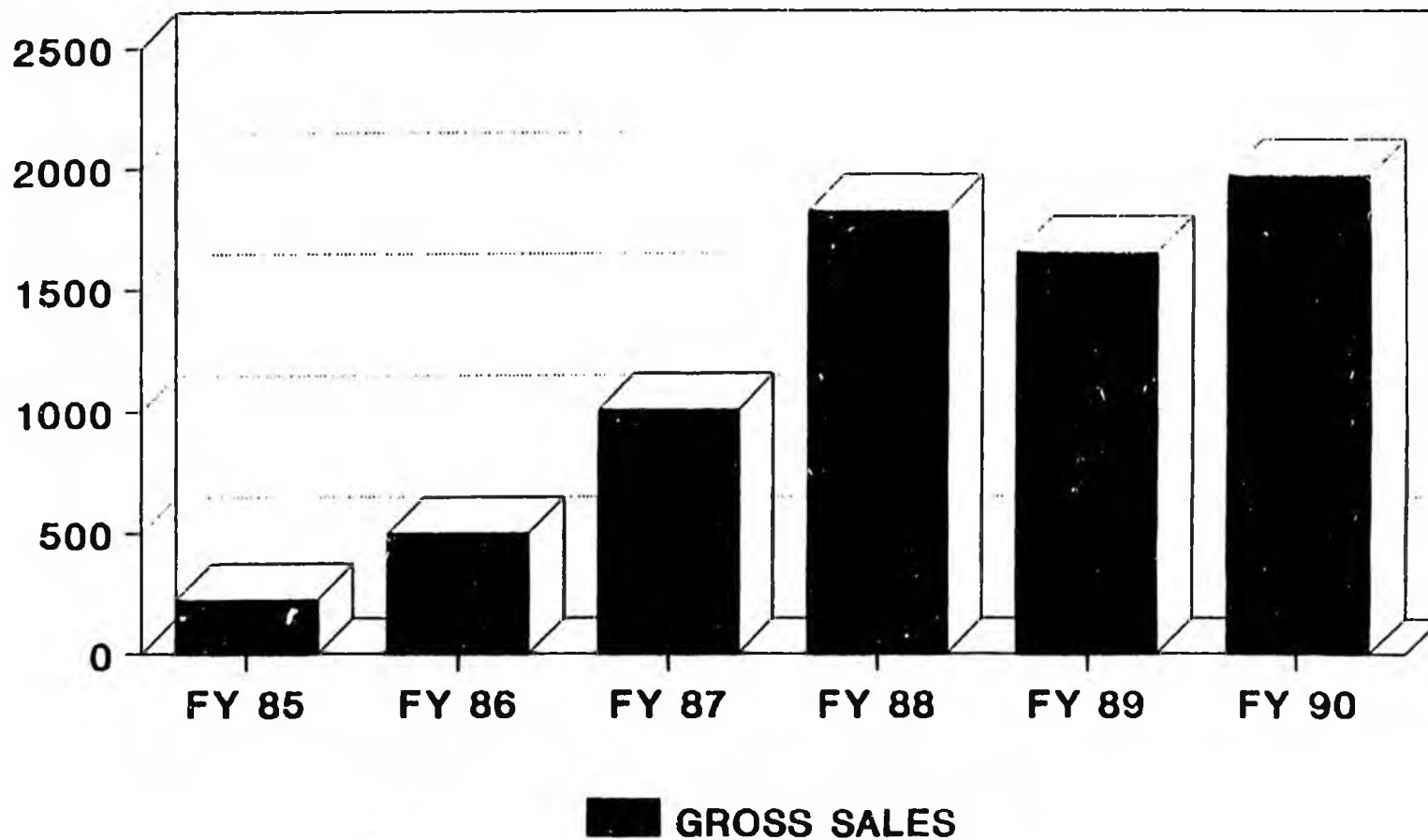
James L. Hesson
601 West Willoughby, Juneau, Alaska 99801
Juneau Office: 463-5577



Alaska Correctional Industries
Organizational Chart
Statewide Programs

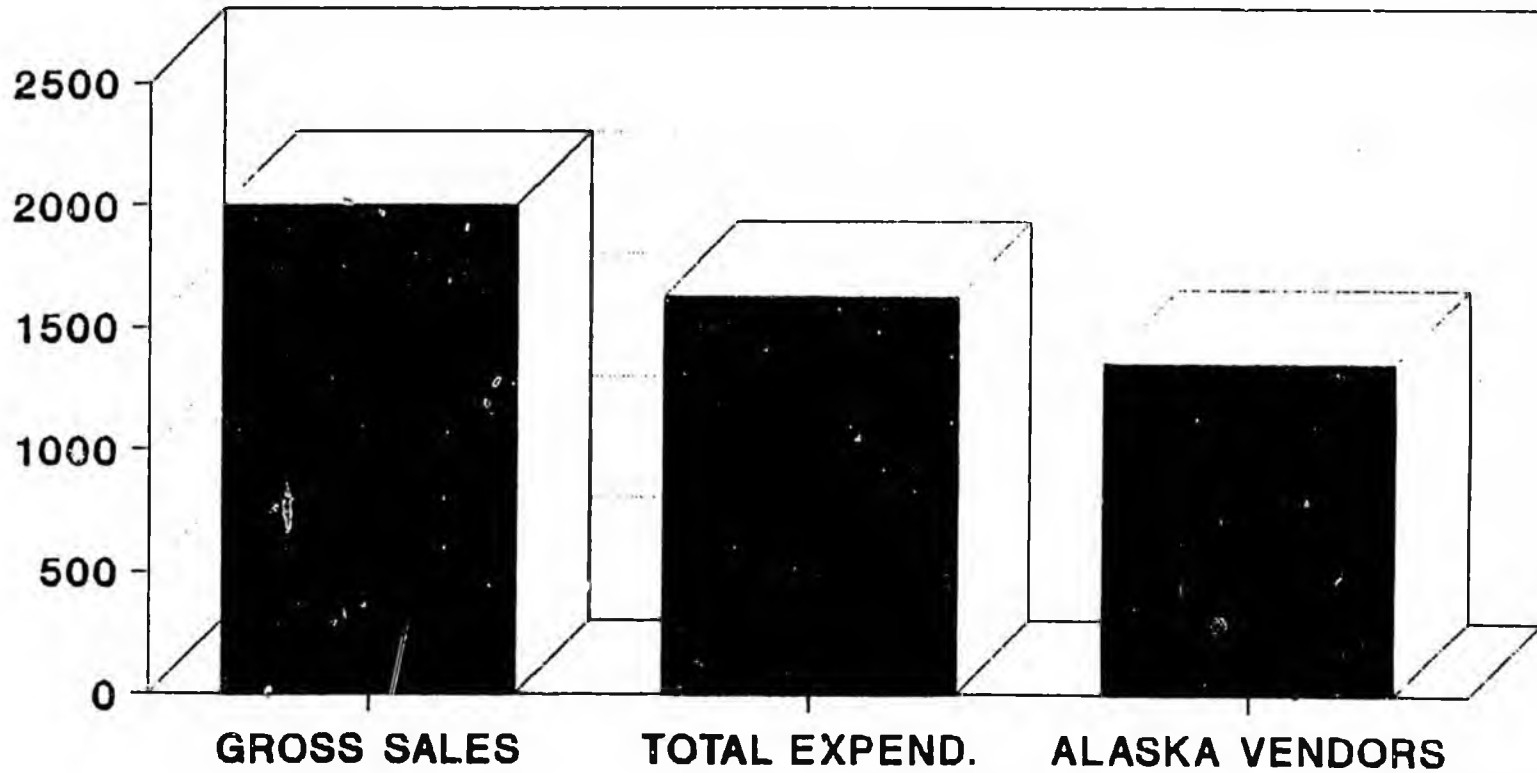
CORRECTIONAL INDUSTRIES

Annual Sales



In Thousands

CORRECTIONAL INDUSTRIES FY 90 SALES



262 ALASKAN VENDORS USED

OR

83% OF ALL
PURCHASES

■ ACI ACTIVITY

IN THOUSANDS

ALASKA CORRECTIONAL INDUSTRIES

LEGISLATIVE REPORT

March 12, 1991

INDUSTRIES OPERATIONS:

The Alaska Correctional Industries program had an active operation by the end of February, 1991 in the following industries:

1. Juneau Commercial Laundry
2. Kenai Metals Plant
3. Kenai Furniture/Office Systems Panels Plant
4. Palmer Farm/Green House Operation
5. Palmer Auto-Body Repair Shop
6. Palmer Mt. McKinley Meat Plant
7. Fairbanks Garment/Flat Goods Shop
8. Seward Furniture Plant

The employment of 160 inmates at the end of February, 1991 represents an increase of 6.6% over the prior year's employment level. This represents employment of approximately 6% of the state's incarcerated inmate population. Since our programs inception in 1982, the program has continued to expand and now in fiscal year 1991 is operating eight industries in six separate locations. Year-to-date in January, the Correctional Industries Program had provided 157,410 hours of inmate labor in the production of its services and products.

REVENUE SALES:

FY-88	\$1,827,000
FY-89	\$1,655,000
FY-90	\$1,970,154

The products and services produced by Alaska Correctional Industries are available to local, state, and federal government, school districts, non-profit organizations, and approved designated wholesalers. This year's year to date gross sales as of January was established at approximately \$1.2 million. projections for this fiscal year's gross sales is anticipated to approach \$2.3 million.

LEMON CREEK CORRECTIONAL CENTER:

The Juneau Commercial Laundry Operation continues doing excellent work for the Alaska Marine Highway system, as well as meeting the correctional center's needs at the Lemon Creek and the Johnson Youth facilities. The Juneau Recovery Unit and the Shrine of St. Teresa are also active customers. Approximately 97% of this operation's business are receipts from the Alaska Marine Highway system who formerly had its laundry serviced in Seattle, Washington and Prince Rupert, Canada. The total operation's FY-90 Gross Sales of \$270,531 surpassed the FY-89 sales volume of \$243,789. The

Laundry's projection for FY-91 indicates a slight increase in gross sales. Due to labor intensity, the Commercial Laundry operation will remain as one of the mainstays of the Industries program.

Staffing: Two production managers and 29 inmate staff

WILDWOOD CORRECTIONAL CENTER:

The Kenai Metal Fabrication Plant came on line in 1986, but did not receive a large production order until 1987. At that time, the plant turned out the metal cell furniture order for the new Spring Creek Correctional Center at Seward, Alaska. The order was originally to be placed with a firm in Hayward, California, but the order was changed so that the correctional industries metal plant could produce the job. Steel was bought from local vendors, the finished products were trucked to the site by local vendors, and the local economy enjoyed an additional \$150,000 of purchases that would otherwise have gone to a California vendor. The plant currently has a small standard product line and will provide custom work for all qualified markets. In FY-90, the shop produced \$60,000 in fish incubator (Kotoi) boxes for the Department of Fish and Game that had previously been awarded to out of state vendors. This shop attained \$145,677 in gross sales which was a large increase over its FY-89 sales level of \$68,536 primarily due to the Fish and Game order.

Staffing: One production manager and 10 inmate staff

The Kenai Furniture Plant began limited operations in 1986 and came fully on line in 1987. Quality control measures have been improved and sales to the State of Alaska agencies have been successful. There are no wholesale sales to the private sector, although several inquiries from private vendors have been received and this market is under analysis for development. The standard products include the more institutional line of couches, chairs, end tables, data tables, conference tables, dorm furniture, and book cases. In January of 1991, the program received the necessary approvals to develop a product line of office panels systems furniture. This product line will replace a majority of products made at the Kenai facility. The current product line will be transferred to the new furniture facility in Seward. The Kenai furniture operation attained a FY-90 gross sales level of \$455,319. \$343,636 was expended to attain this level of sales with 73.5% or \$252,421 of total expenditures through Alaskan vendors.

Staffing: One production manager and 34 inmate staff

PALMER CORRECTIONAL CENTER

The Palmer Farm Operation was instituted as a correctional industry in 1984, and has made slow steady progress over the ensuing time. Additional acreage has been prepared to increase the harvest size to meet the needs of the Department of Corrections. The farm continued in FY-90 and FY-91 in selling potatoes and vegetables to Southcentral Correctional Facilities and other State Institutions