

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES, 2005-2006 2885



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the David Gattenberg
 Committee on HB 208 ^{Interior of AK} Vet Cemetery Committee Name: 4 09 05
 Bill / Subject Dated

Representative

I would like to ask for HB 208 which seeks to establish a state veterans' cemetery in the Interior of Alaska.

It is my concern that our veterans has to travel over 300 miles to the nearest state veterans cemetery. In other states it is not that much of a hardship to travel to there state veterans cemetery.

I feel it is our duty to help our veterans in any way possible to help honor our military that protect our America the land of the free May God Bless us always

SIGNED: Margaret Mantel
Testifier

I am a member of the D.A.R.
Representing

506 Sprucewood Rd Fairbanks, AK 99709
Address / Phone Number 907 479-5384

RECEIVED

4-2-2005

MAR 06 2005

Rep. David Guttenberg
State Capital, Room 13
Juneau, AK 99801

Re: HB 208

Dear Sir:

I want to thank you for your efforts on
above House Bill.

I am a Widow of a Korean Veteran residing
in Ftko. Since he was Commander of The
Coast Guard Auxiliary, they provided a
burial at sea, Hoonah, I hope the plaque
provided by the Air Force & would like to
place it here in Ftko so I could honor
his service.

He was very active in American
Legion; Charter member of VFW; Masons, Shrines,
English & worked hard for Veterans' benefits.

I am also a Charter member VFW - Anchorage Pt &
a 37 year member of The American Legion.
He was awarded many honors for his
Search & Rescue work in Hoonah, Alaska and
instrumental in sending several children to
The Shrines Hospital.

Thank you,

Donna Perogine
2593 Chief Wadsworth Dr. #7
Fairbanks, Alaska 99709

11-16 - God Bless You

Sponsored by: Mayor Jacobson
Introduced and Adopted: April 18, 2005

CITY OF NORTH POLE

RESOLUTION 05-07

**A RESOLUTION SUPPORTING STATE OF ALASKA HOUSE BILL 208
ESTABLISHING A STATE VETERAN'S CEMETERY IN FAIRBANKS**

WHEREAS, the Fairbanks North Star Borough is home to approximately 11,000 veterans; and

WHEREAS, we understand the hardships of losing a loved one and the frustration of having to drive great distances to visit their gravesite; and

WHEREAS, a state veteran's cemetery in the Interior would better serve the needs of veterans and their families, and provide a place that is both honorable and well maintained; and

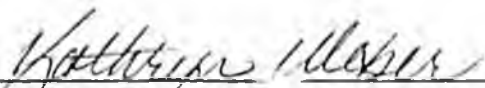
WHEREAS, the cemetery will be modeled similar to the Fort Richardson and Sitka National Cemeteries, providing a resting place in the Interior for deceased soldiers to have a dignified place to be laid with full military honors, pallbearers, rifle team, flag folding and flag presentation.

NOW THEREFORE BE IT RESOLVED, that the North Pole City Council supports House Bill 208, Establishing a State Veteran's Cemetery in Fairbanks.

Passed and approved by a duly constituted quorum of the North Pole City Council on April 18, 2005.


JEFFREY JAMES JACOBSON, Mayor

ATTEST:


KATHRYN WEBBER, CMC, City Clerk

HB

210

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 1, 2005

FURTHER REFERRALS:

Date of Committee Action: 4/12/05

The FINANCE Committee considered:

HB 210

HOUSE BILL NO. 210

BLOODBORNE PATHOGEN TESTING

"An Act relating to blood testing of certain persons alleged to have committed certain offenses directed toward peace officers or emergency workers."

Recommends it be replaced with HCS or CS for HB 210 (JUD)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

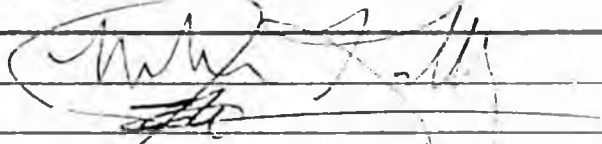

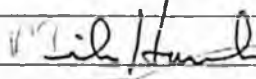
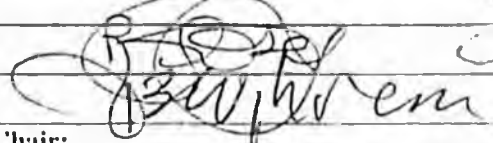
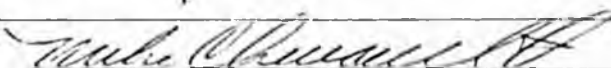
- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts.:

- ADM
- CEC
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
AK Court	1			
DOC	#2			✓
LAW	#3			✓
DPS	#4			✓

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Kelly Holm	X	✓		
	Stan	X			
	Hawker	X			
	FOSTER Weyhranch	X		X	
Chair: 	Chenault	X			

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 210(JUD)
(H) Publish Date: 4/1/05

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
Title Bloodborne Pathogen Testing BRU Alaska Court System
Component Trial Courts
Sponsor McGuire
Requester _____ Component No. 768

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The court system does not anticipate any fiscal impact from the passage of HB 210.

Prepared by: Douglas Wooliver, Administrative Attorney
Division: Alaska Court System
Approved by: Doug Wooliver for Stephanie Cole, Administrative Director
Agency: Alaska Court System

Phone 463-4750
Date/Time 3/24/05 9:12 AM
Date 3/24/2005

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 210(JUD)
(H) Publish Date: 4/1/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Corrections
Title "An act relating to blood testing of certain persons
alleged to have committed certain offenses directed" RDU Administration & Operations
Sponsor Representative McGuire Component: Inmate Health Care
Requester Judiciary, Finance Component No. 705

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

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)

This legislation expands Ch 142, SLA 04, HCS CSSB 309 (JUD) to include other "public safety officers from other public safety agencies and exposure from juvenile offenders".

The Department of Corrections does not anticipate a significant fiscal impact with the passage of this legislation.

Prepared by: Sharleen Griffin, Acting Director Phone (907) 465-4647
Division Administrative Services Date/Time 3/28/05 9:39 AM
Approved by: Portia C. K. Parker, Deputy Commissioner Date 3/28/2005
Agency Department of Corrections

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 3
Bill Version: CSHB 210(JUD)
(H) Publish Date: 4/1/05

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
Title: "An Act relating to blood testing of certain
persons alleged to have committed certain offenses..." RDU: CRIMINAL
Component: Criminal Justice Litigation
Sponsor: Representative McGuire
Requester: House Judiciary Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 18.15.400 (Health, Safety, and Housing - Disease Control - Blood Testing of Prisoners for Bloodborne Pathogens) by broadening it to include all peace officers and emergency workers who may have exposure to offenders with blood borne pathogens. The current statute protects correctional officers from exposure to prisoners. This bill would also extend beyond prisoners, to any adult or juvenile offender whether incarcerated or not. The bill seeks to acknowledge that the risk of exposure to blood born pathogens is significant for all peace officers and the ability to test blood to identify where and when medical treatment might be needed is an important protection measure.

Passage of this legislation will have no fiscal impact on the Department of Law.

Prepared by: Kathryn Daughhete, Director Phone 465-3673
Division: Administrative Services Division Date/Time 3/29/05 4:18 PM
Approved by: K. Daughhete for Scott Nordstrand, Acting Attorney General Date 3/29/2005
Agency: Department of Law

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: CSHB 210(JUD)
(H) Publish Date: 4/1/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
Title: "An Act relating to blood testing of certain persons
alleged to have committed certain offenses..." RDU: Alaska State Troopers
Component: AST Detachments
Sponsor: Rep. McGuire
Requester: House Judiciary Component No.: 2325

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 18.15.400 -18.15.450. Peace officers, fire fighters, emergency medical technicians, mobile intensive care paramedics employed or volunteering for the state or municipality, a volunteer department or emergency medical service provider will be able to request bloodborne pathogen testing when they have been exposed to blood or body fluids during the performance of their duties. The bill will now allow bloodborne testing of certain adult or juvenile offenders in addition to prisoners. The "employing agency" is responsible for insuring the testing procedures are followed correctly. Passage of this bill will have no immediate fiscal impact on the Department of Public Safety, and simply outlines the proper course of action when personnel are exposed to blood or body fluids. DPS has a policy for reporting this kind of exposure.

Prepared by: Lieutenant Todd Sharp Phone: 907-465-3223
Division: Alaska State Troopers Date/Time: 3/30/05 12:01 PM
Approved by: Commissioner William Tandeske Date: 3/30/2005
Agency: Department of Public Safety

ALASKA STATE LEGISLATURE



Session
State Capitol Building, Room 110
Juneau, Alaska 99801-1182
Phone (907) 465-2995
Fax (907) 465-6592

Interim
716 West Fourth Avenue, Suite 430
Anchorage, Alaska 99501
Phone (907) 269-0250
Fax (907) 269-0249

REPRESENTATIVE LESLIE MCGUIRE
HOUSE DISTRICT 28

Chair
Judiciary Committee

Member
House Leadership
Rules Committee
Health, Education
& Social Services
Committee
Oil & Gas Committee
Military & Veterans'
Affairs Committee

SPONSOR STATEMENT HB 210

"An Act relating to blood testing of certain persons alleged to have committed certain offenses directed toward peace officers or emergency workers."

HB 210 takes policies and procedures for testing for blood borne pathogen exposure to correctional officers that were passed by the 23rd Alaskan Legislature and expands them to include peace officers, firefighters, emergency medical technicians and mobile paramedics.

The bill first sets out procedures for determining if the first responders were exposed to blood borne pathogens in the course of their work. Once it is reasonably concluded that such exposure has occurred, the bill then sets out procedures for obtaining the consent of the person who exposed the first responder to have his or her blood tested. These procedures protect the identity of the person tested and pass on only the results of the test to the first responder exposed to the blood borne pathogens. The results of the test are also passed on to the person tested.

The bill also provides procedures for court ordered testing of the person who exposed the first responder to blood borne pathogens if that person refuses to be tested. The bill does not enact any new policies or procedures for blood borne pathogen testing, it simply extends the policies and procedures enacted by the 23rd Alaskan Legislature for correctional officers to the other first responders mentioned above.

circumstances that are inconsistent with the intent required under (a) of this section remain a resident of this state. (§ 1 ch 67 SLA 1983)

NOTES TO DECISIONS

Jurisdiction over divorce action. — This section does not affect the common-law rule that Alaska courts have jurisdiction over a divorce action when one of the parties is domiciled in Alaska, where "domicile" is defined as physical presence plus an intent to remain permanently. *Perito v. Perito*, 756 P.2d 895 (Alaska 1988).

Quoted in *E.H. v. State*, 23 P.3d 1186 (2001).

Stated in *State v. Andrade*, 23 P.3d 58 (2001).

Sec. 01.10.060. Definitions. (a) In the laws of the state, unless the context otherwise requires,

- (1) "action" includes any matter or proceeding in a court, civil or criminal;
- (2) "daytime" means the period between sunrise and sunset;
- (3) "month" means a calendar month unless otherwise expressed;
- (4) "municipality" means a political subdivision incorporated under the laws of the state that is a home rule or general law city, a home rule or general law borough, unified municipality;
- (5) "nighttime" means the period between sunset and sunrise;
- (6) "oath" includes affirmation or declaration;
- (7) "peace officer" means
 - (A) an officer of the state troopers;
 - (B) a member of the police force of a municipality;
 - (C) a village public safety officer;
 - (D) a regional public safety officer;
 - (E) a United States marshal or deputy marshal; and
 - (F) an officer whose duty it is to enforce and preserve the public peace;
- (8) "person" includes a corporation, company, partnership, firm, association, organization, business trust, or society, as well as a natural person;
- (9) "personal property" includes money, goods, chattels, things in action, and evidence of debt;
- (10) "property" includes real and personal property;
- (11) "real property" is coextensive with land, tenements, and hereditaments;
- (12) "signature" or "subscription" includes the mark of a person who cannot write, or the name of that person written near the mark by a witness who writes the witness's name near the name of the person who cannot write; but a signature or subscription mark can be acknowledged or can serve as a signature or subscription to a sworn statement only when two witnesses so sign their own names to the sworn statement;
- (13) "state" means the State of Alaska unless applied to the different parts of the United States and in the latter case it includes the District of Columbia and territories;
- (14) "writing" includes printing.

(b) In the laws of the state, "lewd conduct," "lewd touching," "immoral conduct," "indecent conduct," and similar terms do not include the act of a woman breast-feeding a child in a public or private location where the woman and child are otherwise authorized to be. Nothing in this subsection may be construed to authorize an act that is an offense under AS 11.61.123. (§ 4 ch 62 SLA 1962; am § 2 ch 66 SLA 1965; am § 10 ch 117 SLA 1963; am § 19 ch 74 SLA 1985; am § 1 ch 60 SLA 1990; am § 2 ch 78 SLA 1998; am § 1 ch 97 SLA 2001)

Revisor's notes. — Reorganized in 1985 to alphabetize the defined terms.

Cross references. — For additional definition of

"peace officer", see AS 11.81.900(b); for listing of police officers for purposes of the Fish and Game Code, see AS 16.05.150; for a definition of "police officer", see

HB

211

HFIN

FILE

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



Alaska Dental Society, Inc.

9170 Jewel Lake Road, Suite 203
Anchorage, Alaska 99502-5390
(907) 563-2003 • FAX: 563-3009
akdental@alaska.net

The Honorable Mike Kelly
House of Representatives
State Capitol, Rm. 434
Juneau, AK 99801 + 1182

RECEIVED

MAR 29 2005

Dear Sir:

Thank you for your sponsorship of the Alaska Dental Society's legislation that is being incorporated into the Sunset Review of the Alaska Board of Dental Examiners, House Bill 211.

These changes incorporated in HB-211 were discussed and negotiated with representatives of the Board of Dental Examiners, the Division of Occupational Licensing and the Alaska State Dental Hygiene Association. Accordingly we have dubbed this bill the "consensus bill" because we proposed these changes with the consensus of all parties involved and affected.

We appreciate your willingness to undertake this critical legislation and your support for the Alaska Dental Society and its members across the state.

If we can be of any assistance, please don't hesitate to contact me.

Respectfully yours

A handwritten signature in black ink, appearing to read "James R. Towle", written over a horizontal line.

James R. Towle
Executive Director

ADS 2005 Legislative Issues House Bill 211 -- Fact Sheet

Bill # & Title: HB-211 "Dental Board Sunset Review"
Bill Sponsor: Rep. (Mike Kelly), Fairbanks
Capitol Office 907-465-4976
866-465-4976
Capitol Fax 907-465-3883
Capitol Address State Capitol Rm 434
Juneau, AK 99801 + 1182

Purpose of bill:

This bill makes changes to the Dental Practice Law that will:

- ① allow the Alaska Board of Dental Examiners to **more expeditiously** approve licenses for **qualified new dental school graduates** who want to practice in Alaska. The changes in the bill will allow the board to **delegate** the performance of routine administrative functions to **appropriate, board designated**, staff within the Division of Occupational Licensing.
- ② **Enhance** the Alaska Board of Dental Examiners authority to **authorize** a dental hygiene license to **qualified applicants** under the existing "Licensure by credentials" criteria.
- ③ **Grant** the Alaska Board of Dental Examiners the authority to "supervise an informal and confidential chemical dependency intervention program."
And,
- ④ makes administrative changes to the "Dental radiological equipment" provision of the Dental Practice Law **necessary for a timely renewal process.**

Why needed:

- ① The present requirements commonly result in **long delays** from the time a **qualified applicant**, who has recently graduated from dental school, can receive their Alaska license and **begin practicing** in the state. The Alaska Dental Society has worked with the Alaska Board of Dental Examiners and the Division of Occupational Licensing to achieve consensus on these issues and to ensure that the process **continues to provide first and foremost** for the safety and well being of the public.
- ② The present requirements can cause **undue delay** for **fully qualified applicants** to become licensed, primarily because certain actions that can **appropriately be delegated** to a staff person are restricted to be done at quarterly board meetings. The Alaska Dental Society has worked with the Board of Dental Examiners and the Alaska State Dental Hygiene Association for consensus of all parties affected.
- ③ The Alaska Board of Dental Examiners is **one of the few** dental regulatory boards in the nation that **does not have the authority to refer dentists and**

ADS 2005 Legislative Issues House Bill 211 -- Fact Sheet

hygienists to participate in a monitored program for individuals that are either identified as having an alcohol or chemical dependency problem. The effectiveness of these types of programs at getting individuals who suffer from alcohol or chemical dependency of getting assistance before they harm patients or family members is greatly enhanced when voluntary enlistment is included. The Alaska Dental Society has worked with the Board of Dental Examiners and the Division of Occupational Licensing in developing a consensus on the appropriateness of granting the dental board this authority.

- ④ The original legislation inadvertently contained a provision that would require all machines in the state to be inspected during the same calendar year. The original intent was to have machines inspected once every five years, with a rotational initial inspection so that each machine would be inspected within on the fifth year. This provision corrects the bill to reflect the original intent and implementation of effective and sustainable ongoing inspections.

Supported by:

Alaska Dental Society,
Alaska State Dental Hygiene Association,
Alaska Board of Dental Examiners,
Division of Occupational Licensing

Opposed by:

Its supporters are aware of no groups or organizations that are opposed to, or can be expected to oppose this legislation.

24-LS0707G
Mischel
4/8/05

adopted 4/14 N/D

CS FOR HOUSE BILL NO. 211()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE KELLY

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the termination date of the Board of Dental Examiners; and relating
2 to dentists and dental hygienists."

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

4 * Section 1. AS 08.03.010(c)(7) is amended to read:

5 (7) Board of Dental Examiners (AS 08.36.010) - June 30, 2011 [2005];

6 * Sec. 2. AS 08.32.030 is amended to read:

7 Sec. 08.32.030. Licensure by credentials. The board may provide for the
8 licensing without examination of a dental hygienist who

9 (1) meets the criteria of AS 08.32.020(a);

10 (2) has successfully passed a state or regional dental hygiene clinical
11 examination that [WHICH] the board has determined is at least equivalent in scope,
12 quality, and difficulty to the Alaska clinical examination;

13 (3) has been in active clinical dental hygiene practice averaging not
14 [NO] less than 700 hours a year [14 HOURS PER WEEK] for each of the two years

1 immediately preceding application for state licensure;

2 (4) has not failed the clinical dental hygiene examination of this state;

3 (5) has not previously had a license to practice dental hygiene issued
4 by any state or region revoked;

5 (6) has completed not less than 14 hours of continuing education
6 related to clinical hygiene in the two years before filing an application with the
7 board; the continuing education required under this paragraph must be
8 approved by the board, the American Dental Association, the Academy of
9 General Dentistry, or the American Dental Hygienists' Association [IS
10 PERSONALLY INTERVIEWED BY A BOARD MEMBER];

11 (7) pays the fees required under AS 08.32.097; and

12 (8) is not the subject of an unresolved complaint, review procedure, or
13 disciplinary proceeding undertaken by a dental or dental hygiene licensing
14 jurisdiction.

15 * Sec. 3. AS 08.36.075(d) is amended to read:

16 (d) The board shall require that inspection of dental radiological equipment
17 occur once within every six [FIVE] calendar years and require that records concerning
18 the inspection be provided to the board by the owner or lessee of the equipment and
19 kept on file where the equipment is located. The board shall, upon application by the
20 owner or lessee of the dental radiological equipment, submission of evidence
21 documenting compliance with the inspection standards of the board, and payment of a
22 fee set by the board, issue to the owner or lessee an inspection seal indicating the date
23 by which the dental radiological equipment must pass inspection again. The date on
24 the inspection seal shall be December 31 of the fifth [FOURTH] calendar year that
25 occurs after the calendar year in which the inspection occurred. A dentist may not use,
26 or allow a person under the dentist's supervision to use, dental radiological equipment
27 in this state after the date on the most recent inspection seal. The board may authorize
28 an inspector who is not a member of the board to determine whether the owner or
29 lessee of dental radiological equipment is in compliance with the inspection standards
30 of the board, collect the appropriate fee and remit the fee to the board, and issue an
31 inspection seal indicating the date by which the dental radiological equipment must

1 pass inspection again. An inspector who performs an inspection under this subsection
 2 shall report the results of each inspection to the board and to the department,
 3 indicating whether the dental radiological equipment was in compliance with the
 4 inspection standards of the board and whether an inspection seal was issued.

5 * Sec. 4. AS 08.36.110 is amended to read:

6 Sec. 08.36.110. **Qualifications for license.** An applicant for a license to
 7 practice dentistry shall

8 (1) provide certification to the board that the applicant

9 (A) is a graduate of a dental school that, at the time of
 10 graduation, is accredited by the Commission on Accreditation of the American
 11 Dental Association;

12 (B) holds a certificate from the American Dental Association
 13 Joint Commission on National Dental Examinations that the applicant has
 14 successfully passed the written examinations given by the commission;

15 (C) has not had a license to practice dentistry revoked,
 16 suspended, or voluntarily surrendered in this state or another state;

17 (D) is not the subject of an adverse decision based upon a
 18 complaint, investigation, review procedure, or other disciplinary proceeding
 19 within the five years immediately preceding application, or of an unresolved
 20 complaint, investigation, review procedure, or other disciplinary proceeding,
 21 undertaken by a state, territorial, local, or federal dental licensing jurisdiction
 22 or a dental society;

23 (E) is not the subject of an unresolved or an adverse decision
 24 based upon a complaint, investigation, review procedure, or other disciplinary
 25 proceeding, undertaken by a state, territorial, local, or federal dental licensing
 26 jurisdiction, dental society, or law enforcement agency that relates to criminal
 27 or fraudulent activity, dental malpractice, or negligent dental care and that
 28 adversely reflects on the applicant's ability or competence to practice dentistry
 29 or on the safety or well-being of patients;

30 (F) is not the subject of an adverse report from the National
 31 Practitioner Data Bank or the American Association of Dental Examiners

1 Clearinghouse for Board Actions that relates to criminal or fraudulent activity,
2 or dental malpractice;

3 (G) is not [AN] impaired to an extent that affects the
4 applicant's ability to practice dentistry [PRACTITIONER];

5 (H) has not been convicted of a crime that adversely reflects
6 on the applicant's ability or competency to practice dentistry or that
7 jeopardizes the safety or well-being of a patient;

8 (2) pass, to the satisfaction of the board, written, clinical, and other
9 examinations administered or approved by the board; and

10 (3) meet the other qualifications for a license established by the board
11 by regulation.

12 * Sec. 5. AS 08.36.234(a) is amended to read:

13 (a) The board shall provide for the licensing without examination, except as
14 provided in (2) of this subsection, of a dentist who

15 (1) provides certification to the board that the dentist

16 (A) is a graduate of a dental school accredited by the
17 Commission on Accreditation of the American Dental Association, or its
18 successor agency, and holds a certificate from the American Dental
19 Association Joint Commission on National Dental Examinations that the
20 dentist has passed the written examination given by the commission;

21 (B) has passed clinical and written examinations required for
22 licensure in another state, territory, or region of the United States and is
23 licensed to practice dentistry in a state, territory, or region of the United States;
24 the state, territory, or region in which the dentist is licensed must have
25 licensing requirements at least generally equivalent to those of this state at the
26 time of application; if the board does not consider the licensing requirements
27 of the other jurisdiction to be generally equivalent to those of this state at the
28 time of application because certain areas of subject matter were not included in
29 the other jurisdiction's examinations, the board may find compliance with the
30 requirements of this subparagraph if the dentist holds a specialty certification
31 in the omitted subject areas;

1 (C) is in good standing with the licensing entity in the
2 jurisdiction where the dentist is currently licensed and in all jurisdictions in
3 which the dentist was previously licensed while practicing in those
4 jurisdictions; if the dentist is employed by the federal government, the dentist
5 must be in good standing with the employing federal agency;

6 (D) has been engaged in continuous active clinical practice
7 averaging at least 20 hours a week for each of the five years immediately
8 preceding the application

9 (i) in a jurisdiction in which the dentist was licensed
10 and in good standing; or

11 (ii) working for the federal government while in good
12 standing with the employing federal agency and after having been
13 licensed by a jurisdiction;

14 (E) is not the subject of an adverse decision based upon a
15 complaint, investigation, review procedure, or other disciplinary proceeding
16 within the five years immediately preceding application, or of an unresolved
17 complaint, investigation, review procedure, or other disciplinary proceeding,
18 undertaken by a state, territorial, local, or federal dental licensing jurisdiction
19 or a dental society;

20 (F) is not the subject of an unresolved or an adverse decision
21 based upon a complaint, investigation, review procedure, or other disciplinary
22 proceeding undertaken by a state, territorial, local, or federal dental licensing
23 jurisdiction, dental society, or law enforcement agency that relates to criminal
24 or fraudulent activity, dental malpractice, or negligent dental care and that
25 adversely reflects on the applicant's ability or competence to practice dentistry
26 or on the safety or well-being of patients;

27 (G) has not previously had a license to practice dentistry
28 suspended for grounds similar to those specified under AS 08.36.315, revoked,
29 or voluntarily surrendered;

30 (H) has completed at least 42 hours of continuing education
31 related to clinical dentistry in the three years preceding application for a

1 license in this state; the continuing education must have been approved by the
2 American Dental Association, the Academy of General Dentistry, or the
3 appropriate specialty board;

4 (I) has not, within the previous three years, failed the clinical
5 exam given by the Western Regional Examining Board;

6 (J) is not the subject of an adverse report from the National
7 Practitioner Data Bank or the American Association of Dental Examiners
8 Clearinghouse for Board Actions that relates to criminal or fraudulent activity,
9 negligent dental care, or malpractice;

10 (2) has passed, to the satisfaction of the board, a written examination
11 [THAT CONSISTS OF THE PORTION OF THE WRITTEN EXAMINATION
12 GIVEN UNDER AS 08.36.160(b)] that pertains to the state's laws on the practice of
13 dentistry; the board may not require a higher passing score for applicants under this
14 section than the board requires for applicants under AS 08.36.110;

15 (3) is personally interviewed by the board for purposes of verifying
16 credentials;

17 (4) pays all required fees;

18 (5) provides the board with an affidavit that the dentist is not an
19 impaired practitioner;

20 (6) provides to the board an authorization for release of records in a
21 form prescribed by the board.

22 * Sec. 6. AS 08.36.246(a) is amended to read:

23 (a) An applicant for a specialty license shall

24 (1) meet all of the requirements under AS 08.36.110(1) and (3)
25 [POSSESS A LICENSE TO PRACTICE DENTISTRY IN THE STATE];

26 (2) have completed as many academic years of advanced education in
27 the specialty as are required by the appropriate specialty board in a program accredited
28 by the Commission on Accreditation of the American Dental Association or its
29 successor agency; [AND]

30 (3) be a diplomate or the equivalent of the appropriate specialty board,
31 or be eligible to be examined for diplomate status as documented by an organization

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recognized by the American Dental Association; and

(4) satisfy one of the following:

(A) pass an examination approved by the board;

(B) pass a specialty examination given by the Central
Regional Examining Board; or

(C) be board certified by a specialty certification board
recognized by the American Dental Association.

* Sec. 7. The uncodified law of the State of Alaska is amended by adding a new section to read:

REVISOR'S INSTRUCTION. The revisor is instructed to substitute the word "practice" for the word "work" in the catch line to AS 08.32.110.

* Sec. 8. AS 08.32.020(b); AS 08.36.120, 08.36.130, 08.36.160, 08.36.180, and 08.36.190 are repealed.

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Representative Mike Kelly *House District 7*

Explanation of Changes HB 211 v. CSHB 211() (24-LS0707A) (24-LS0707G)

Page 2, Line 8 – “approved by the board [AND], [BY] the American Dental Association”

The purpose of this amendment is to provide greater flexibility in licensing authorities.

Page 7, Lines 2-9 – (4) satisfy one of the following:

- (A) pass a clinical examination [GIVEN] approved by the [WESTERN REGIONAL EXAMINING] Board;
- [(B) PASS A CLINICAL EXAMINATION GIVEN BY THE CENTRAL REGIONAL DENTAL TESTING SERVICE, INC., AFTER JANUARY 1, 2001;]
- (B)[(C)] pass a specialty examination given by the Central Regional Examining Board;
- or
- (C)[(D)] be board certified by a specialty certification board recognized by the American Dental Association.

The purpose of this amendment is to allow the Board of Dental Examiners to approve any examination it deems appropriate for issuing a license.

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Representative Mike Kelly

House District 7

Sponsor Statement

HB 211

(24-LS0707A)

House Bill 211 provides for the extension of the Board of Dental Examiners to June 30, 2011 as recommended by Legislative Audit #08-20031-04 dated August 5, 2004. The Audit states "The board is operating in the public interest by effectively regulating the individuals who hold themselves out to the public as licensed dentists and dental hygienists." The extension to 2011 is recommended by Legislative Audit to aid in "smoothing out the number of boards and commissions that come under sunset in a particular year."

House Bill 211 also includes several changes to the Dental Board Statutes that clean-up issues for the Board of Dental Examiners. The changes are further described as follows:

- Implements continuing education requirements for dental hygienists in an amount of 14 hours for the previous two years.
- Modifies inspection period for radiological equipment used in dentistry to five years from four years to better accommodate periodic inspections.
- Clarifies qualifications for licensure by more clearly identifying impairment "that affects the applicant's ability to practice dentistry", and by adding a new section that provides an applicant "has not been convicted of a crime that adversely reflects on the applicant's ability or competency to practice dentistry or that jeopardizes the safety or well-being of a patient"
- Clarifies the requirements for specialty licensure by requiring that the applicant meet the qualifications for licensure as a dentist in Alaska, and passes an examination given by either the Western Regional Examining Board, Central Region Dental Testing Service, Central Region Examining Board, or that the applicant meet the qualifications for licensure as a dentist in Alaska, and be board

certified by a specialty certification board which is recognized by the American Dental Association.

These changes were the result of a joint meeting with representatives from the Department of Occupational Licensing, Alaska Board of Dental Examiners, and Alaska Dental Society. The changes were also discussed with representatives of the Alaska State Dental Hygiene Association. All involved could not think of any opposition to these changes.

September 1, 2004

Members of the Legislative Budget
and Audit Committee:

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

DEPARTMENT OF COMMERCE, COMMUNITY,
AND ECONOMIC DEVELOPMENT
BOARD OF DENTAL EXAMINERS

August 5, 2004

Audit Control Number

08-20031-04

This audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Alaska Statute 44.66.050(c) lists criteria to be used to assess the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 68.03.010(c)(7), the Board of Dental Examiners is scheduled to terminate on June 30, 2005. If the legislature takes no action to extend the termination date, the board would be allowed one year in which to conclude its administrative operations. We recommend that the legislature extend the board's termination date to June 30, 2011.

The sunset review was conducted in accordance with generally accepted government audit standards. Fieldwork procedures utilized in the course of developing this report are set out in the Objectives, Scope, and Methodology section.

Pat Davidson, CPA
Legislative Auditor

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and Title 44 of the Alaska Statutes, we have reviewed the activities of the Board of Dental Examiners (BDE). As required by state law, the legislative committees of reference are to consider this report when considering whether to extend the termination date for BDE. Currently under AS 08.03.010(c)(7) the board will terminate on June 30, 2005. If the legislature does not extend the termination date for the board, BDE will have one year to conclude its administrative operations.

Objectives

Central, interrelated objectives of our report are:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public interest.
3. To determine if the board has exercised appropriate regulatory oversight of licensed dentists and dental hygienists.

The assessment of the operations and performance of the board was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the board.

Scope and Methodology

Under the direction and supervision of the Division of Legislative Audit, another auditor conducted the majority of this review. We followed professional standards to determine that the other auditor was independent and their work was competent and sufficient.

The major areas of our review were board proceedings, licensing, complaint investigation, and resolution functions for fiscal years ending June 30, 2001, 2002, and 2003. During the course of our examination we reviewed and evaluated the following:

- Applicable statutes and regulations related to the licensing of dentists and dental hygienists.
- Minutes of meetings of the Board of Dental Examiners.

- Annual reports issued by the Board of Dental Examiners.
- Complaints filed with the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Reading and correspondence files maintained with the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Interviews with employees of the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Review of financial records related to the revenues generated and the operating costs incurred by BDE.
- Files related to applicants for, and holders of, licenses issued by BDE.

ORGANIZATION AND FUNCTION

The Board of Dental Examiners was established in 1955, through Alaska Statute 08.36.010. The board is made up of six licensed dentists, two licensed dental hygienists, and one public member. The dentists and dental hygienists must have been practicing in Alaska for the five years immediately preceding their appointment to the board. Alaska statute also requires that the public member not have direct financial interest in the occupation the board regulates. Board members are appointed by the governor and serve staggered terms for four years.

The powers of the board include:

- Examining and issuing licenses to qualified applicants.
- Hold hearings and order the disciplinary sanction of a person who violates this chapter, Alaska Statute 08.32, Alaska Statute 08.36 or a regulation of the Board.
- Adopting regulations ensuring that renewal of registration is contingent upon proof of continued professional competence by a licensed dentist or licensed dental hygienist.
- Provide the department with the requirements for proof of continued professional education.
- Issuing permits or certificates to licensed dentists and licensed dental hygienists who meet the standards determined by the board for specific procedures that require specific education and training.

Board of Dental Examiners

(as of June 30, 2004)

Robert E. Warren, Dentist, Chairman
James B. Blasingame, Public Member
Mary Ann Cerney, Dental Hygienist
David L. Fiehler, Dentist
William Gerace, Dentist
Keith L. Gottlieb, Dentist
Rena L. Lehmann, Dental Hygienist
Rebecca Neslund, Dentist
Arne R. Pihl, Dentist

The board is responsible for safeguarding the public interest by ensuring the competence and integrity of those who hold themselves out to the public as dentists and dental hygienists. The board evaluates the qualifications of candidates, administers examinations, issues certificates and licenses to practice, promulgates rules of professional conduct, and takes disciplinary action.

Department of Commerce, Community, and Economic Development, Division of Occupational Licensing

The Department of Commerce, Community, and Economic Development, Division of Occupational Licensing, provides administrative and investigative assistance to the Board of Dental Examiners. Administrative assistance includes budgetary services and functions such as collecting fees, maintaining files, receiving and issuing application forms, and publishing notices of examinations and meetings.

REPORT CONCLUSIONS

In our opinion, the termination date for the Board of Dental Examiners should be extended. The board is operating in the public interest by effectively regulating the individuals who hold themselves out to the public as licensed dentists and dental hygienists.

The board has adopted regulatory changes and supported legislation that improved the board's oversight process and has promoted more effective regulation of licensed dentists and dental hygienists.

Alaska Statute 08.03.010(c)(7) requires the Board of Dental Examiners be terminated on June 30, 2005. If the legislature does not extend the termination date, the board will have a one-year "wrap-up" period to administratively conclude its operations. We recommend the legislature extend the termination date of the board until June 30, 2011.

Implementation of our recommendation would require the legislature to exercise some discretion permitted by state law. Alaska Statute 08.03.020(c) provides for the following:

A board scheduled for termination ... may be continued or reestablished by the legislature for a period not to exceed four years unless the board is continued or reestablished for a longer period ... [emphasis added]

Two factors influence our recommendation that the legislature extend the board to June 30, 2011. First, the board has operated effectively and in the public's interest over the past four years. Secondly, this extension would work towards smoothing out the number of boards and commissions that come under sunset in a particular year. Typically, there are four to six boards and/or commissions scheduled for a legislative sunset review; however, in 2005 there are 12 boards scheduled for sunset. Nonstandard extension dates will allow for a more even distribution of organizations going through the sunset process in any given year.

ANALYSIS OF PUBLIC NEED

The following analyses of board activities relate to the public-need factors defined in AS 44.66.050(c). These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

The extent to which the board, commission, or program has operated in the public interest.

The board, through regulation of the licensure of dentists and dental hygienists, has provided the public with qualified professionals in the dental industry. The profession has adopted regulations related to continuing professional education to ensure licensees remain current in the field of dentistry and dental hygiene practice.

The board licenses applicants in two ways, by examination and by credentials. Licensure by credentials requires that the applicant document their previous work history as a dentist or dental hygienist as basis for receiving a state license to practice. In prior reports we have expressed concerns that licensure by credential has been unnecessarily cumbersome and difficult. The board adopted new and revised old regulations related to licensure by credentials that have made this process less restrictive. Further, the board adopted new regulations that expanded continuing education requirements and provided for the issuance of licenses in a more uniform and consistent manner.

The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters.

Regulations pertaining to background checks and administration of anesthetic agents were amended, both of which benefit the public by: (1) promoting the integrity and competence of dentists and dental hygienists; and, (2) allowing more efficient access to licensure by prospective applicants. Specifically, regulations were amended allowing dental hygienists to become licensed to administer a local anesthetic on the basis of practical work experience alone.¹ Previously, only individuals who passed an examination were allowed to administer anesthetic agents. The board also instituted change to both dental and dental hygienist regulations relating to background investigations, making it less expensive and time intensive for new graduates entering the dental profession.²

¹ 12 AAC 28.320

² The new regulation also applies to those individuals who have not previously held a dental license in any jurisdiction before the 90 days immediately preceding the date of application for licensure.

Annual reports for fiscal years ended June 30, 2001, 2002, and 2003 were submitted in a timely manner to the Division of Occupational Licensing.

As reflected by the schedule below, the board renews licenses in the odd-numbered fiscal years. This is reflected in the fluctuation of board revenues between each fiscal year. Even though FY 04 revenues will be significantly less compared to that of the prior year, the board's surplus carryover will be sufficient to cover costs, given anticipated FY 04 expenditures. The table summarizes financial information for the board for fiscal years 2001, 2002, and 2003:

State of Alaska Board of Dental Examiners FY 01 - FY 03 Schedule of License Revenues and Board Expenditures (Unaudited)			
	<u>FY 03</u>	<u>FY 02</u>	<u>FY 01</u>
Revenue	\$ 375,100	\$ 158,200	\$ 357,300
Direct Expenses			
Personal Services	88,800	112,400	74,900
Travel	14,600	14,100	15,700
Contractual	37,600	154,300 ¹	65,000
Supplies	200	300	100
Equipment	-	-	-
Total Expenses	<u>141,200</u>	<u>281,100</u>	<u>155,600</u>
Indirect Expense	<u>50,700</u>	<u>53,000</u>	<u>45,500</u>
Total Expenses	<u>191,900</u>	<u>334,100</u>	<u>201,200</u>
Annual Surplus (Deficit)	<u>183,200</u>	<u>(175,900)</u>	<u>156,100</u>
Beginning Cumulative Surplus (Deficit)	(128,500)	47,400	(108,700)
Ending Cumulative Surplus (Deficit)	<u>\$ 54,700</u>	<u>\$ (128,500)</u>	<u>\$ 47,400</u>

¹ The increase in contractual expenses is attributable primarily to two significant disciplinary hearings.

HB

211

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

MAY 5 2005

SENATE FINANCE
COMMITTEE

DATE: 4/29/05

FURTHER:

DATE TURNED
IN TO OFFICE: 5 May 2005

Finance Committee considered CS FOR HOUSE BILL NO. 211(FIN)

HB 211 DENTISTS; HYGIENISTS; BD OF DENTAL EXAM.

"An Act extending the termination date of the Board of Dental Examiners; and relating to dentists and dental hygienists."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:
 Same Title
 New Title

SCS House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
DCEED	3/25/05	F407			#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

MAY 5 2005

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 211
(H) Publish Date: 4/4/05

Revision Date/Time (Note if correction):
Title: Dentists; Hygienists; Board of Dental Examiners
Sponsor: Kelly
Requester: House Labor & Commerce
Dept Affected: Commerce
RDU: Occupational Licensing (117)
Component: Occupational Licensing
Component No.: 2360

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services		90.5	90.5	90.5	90.5	90.5
Travel		12.1	12.1	12.1	12.1	12.1
Contractual		21.4	21.4	21.4	21.4	21.4
Supplies		0.1	0.1	0.1	0.1	0.1
Equipment		0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	124.1	124.1	124.1	124.1	124.1

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1156)	0.0	124.1	124.1	124.1	124.1	124.1
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 Receipts Supported Services	0.0	124.1	124.1	124.1	124.1	124.1
TOTAL	0.0	124.1	124.1	124.1	124.1	124.1

Estimate of any current year (FY2005) cost: 124.1
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill extends the Board of Dental Examiners to June 30, 2011. In accordance with AS 08.03.020, funding is extended one year following the termination date allowing the Board to conclude its affairs. FY 2006 funding is included in the Operating Budget request. The costs shown for subsequent fiscal years reflect the direct costs included in the FY 2006 budget. The bill also makes other amendments to AS 08.32 and AS 08.36 relating to dentists and dental hygienists. New funds are not required to implement the provisions of this bill.

Prepared by: Jennifer Strickler, Administrative Manager Phone: (907) 465-2144
Division: Occupational Licensing Date/Time: 3/29/05 7:07 PM
Approved by: Edgar Blatchford, Commissioner Date: 3/29/2005
Agency: Commerce, Community, and Economic Development

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Representative Mike Kelly *House District 7*

Sponsor Statement

HB 211

(24-LS0707A)

House Bill 211 provides for the extension of the Board of Dental Examiners to June 30, 2011 as recommended by Legislative Audit #08-20031-04 dated August 5, 2004. The Audit states "The board is operating in the public interest by effectively regulating the individuals who hold themselves out to the public as licensed dentists and dental hygienists." The extension to 2011 is recommended by Legislative Audit to aid in "smoothing out the number of boards and commissions that come under sunset in a particular year."

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certified by a specialty certification board which is recognized by the American Dental Association.

These changes were the result of a joint meeting with representatives from the Department of Occupational Licensing, Alaska Board of Dental Examiners, and Alaska Dental Society. The changes were also discussed with representatives of the Alaska State Dental Hygiene Association. All involved could not think of any opposition to these changes.

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Representative Mike Kelly

House District 7

Explanation of Changes

HB 211 v. CSHB 211()

(24-LS0707A)

(24-LS0707G)

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The purpose of this amendment is to provide greater flexibility in licensing authorities.

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(A) pass a clinical examination [GIVEN] approved by the [WESTERN REGIONAL EXAMINING] Board;

[(B) PASS A CLINICAL EXAMINATION GIVEN BY THE CENTRAL REGIONAL DENTAL TESTING SERVICE, INC., AFTER JANUARY 1, 2001;]

(B)[(C)] pass a specialty examination given by the Central Regional Examining Board;
or

(C)[(D)] be board certified by a specialty certification board recognized by the American Dental Association.

The purpose of this amendment is to allow the Board of Dental Examiners to approve any examination it deems appropriate for issuing a license.

ADS 2005 Legislative Issues House Bill 211 -- Fact Sheet

Bill # & Title: HB-211 "Dental Board Sunset Review"
Bill Sponsor: Rep. (Mike Kelly), Fairbanks
Capitol Office 907-465-4976
866-465-4976
Capitol Fax 907-465-3883
Capitol Address State Capitol Rm 434
Juneau, AK 99801 + 1182

Purpose of bill:

This bill makes changes to the Dental Practice Law that will:

- ① allow the Alaska Board of Dental Examiners to more expeditiously approve licenses for qualified new dental school graduates who want to practice in Alaska. The changes in the bill will allow the board to delegate the performance of routine administrative functions to appropriate, board designated, staff within the Division of Occupational Licensing.
- ② Enhance the Alaska Board of Dental Examiners authority to authorize a dental hygiene license to qualified applicants under the existing "Licensure by credentials" criteria.
- ③ Grant the Alaska Board of Dental Examiners the authority to "supervise an informal and confidential chemical dependency intervention program."
And,
- ④ makes administrative changes to the "Dental radiological equipment" provision of the Dental Practice Law necessary for a timely renewal process.

Why needed:

- ① The present requirements commonly result in long delays from the time a qualified applicant, who has recently graduated from dental school, can receive their Alaska license and begin practicing in the state. The Alaska Dental Society has worked with the Alaska Board of Dental Examiners and the Division of Occupational Licensing to achieve consensus on these issues and to ensure that the process continues to provide first and foremost for the safety and well being of the public.
- ② The present requirements can cause undue delay for fully qualified applicants to become licensed, primarily because certain actions that can appropriately be delegated to a staff person are restricted to be done at quarterly board meetings. The Alaska Dental Society has worked with the Board of Dental Examiners and the Alaska State Dental Hygiene Association for consensus of all parties affected.
- ③ The Alaska Board of Dental Examiners is one of the few dental regulatory boards in the nation that does not have the authority to refer dentists and

ADS 2005 Legislative Issues House Bill 211 -- Fact Sheet

hygienists to participate in a monitored program for individuals that are either identified as having an alcohol or chemical dependency problem. The effectiveness of these types of programs at getting individuals who suffer from alcohol or chemical dependency of getting assistance before they harm patients or family members is greatly enhanced when voluntary enlistment is included. The Alaska Dental Society has worked with the Board of Dental Examiners and the Division of Occupational Licensing in developing a consensus on the appropriateness of granting the dental board this authority.

- ④ The original legislation inadvertently contained a provision that would require all machines in the state to be inspected during the same calendar year. The original intent was to have machines inspected once every five years, with a rotational initial inspection so that each machine would be inspected within on the fifth year. This provision corrects the bill to reflect the original intent and implementation of effective and sustainable ongoing inspections.

Supported by:

Alaska Dental Society,
Alaska State Dental Hygiene Association,
Alaska Board of Dental Examiners,
Division of Occupational Licensing

Opposed by:

Its supporters are aware of no groups or organizations that are opposed to, or can be expected to oppose this legislation.

September 1, 2004

Members of the Legislative Budget
and Audit Committee:

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

DEPARTMENT OF COMMERCE, COMMUNITY,
AND ECONOMIC DEVELOPMENT
BOARD OF DENTAL EXAMINERS

August 5, 2004

Audit Control Number

08-20031-04

This audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Alaska Statute 44.66.050(c) lists criteria to be used to assess the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(7), the Board of Dental Examiners is scheduled to terminate on June 30, 2005. If the legislature takes no action to extend the termination date, the board would be allowed one year in which to conclude its administrative operations. We recommend that the legislature extend the board's termination date to June 30, 2011.

The sunset review was conducted in accordance with generally accepted government audit standards. Fieldwork procedures utilized in the course of developing this report are set out in the Objectives, Scope, and Methodology section.

Pat Davidson, CPA
Legislative Auditor

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and Title 44 of the Alaska Statutes, we have reviewed the activities of the Board of Dental Examiners (BDE). As required by state law, the legislative committees of reference are to consider this report when considering whether to extend the termination date for BDE. Currently under AS 08.03.010(c)(7) the board will terminate on June 30, 2005. If the legislature does not extend the termination date for the board, BDE will have one year to conclude its administrative operations.

Objectives

Central, interrelated objectives of our report are:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public interest.
3. To determine if the board has exercised appropriate regulatory oversight of licensed dentists and dental hygienists.

The assessment of the operations and performance of the board was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the board.

Scope and Methodology

Under the direction and supervision of the Division of Legislative Audit, another auditor conducted the majority of this review. We followed professional standards to determine that the other auditor was independent and their work was competent and sufficient.

The major areas of our review were board proceedings, licensing, complaint investigation, and resolution functions for fiscal years ending June 30, 2001, 2002, and 2003. During the course of our examination we reviewed and evaluated the following:

- Applicable statutes and regulations related to the licensing of dentists and dental hygienists.
- Minutes of meetings of the Board of Dental Examiners.

- Annual reports issued by the Board of Dental Examiners.
- Complaints filed with the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Reading and correspondence files maintained with the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing
- Interviews with employees of the Department of Commerce, Community, and Economic Development, Division of Occupational Licensing.
- Review of financial records related to the revenues generated and the operating costs incurred by BDE.
- Files related to applicants for, and holders of, licenses issued by BDE.

ORGANIZATION AND FUNCTION

The Board of Dental Examiners was established in 1955, through Alaska Statute 08.36.010. The board is made up of six licensed dentists, two licensed dental hygienists, and one public member. The dentists and dental hygienists must have been practicing in Alaska for the five years immediately preceding their appointment to the board. Alaska statute also requires that the public member not have direct financial interest in the occupation the board regulates. Board members are appointed by the governor and serve staggered terms for four years.

The powers of the board include:

- Examining and issuing licenses to qualified applicants.
- Hold hearings and order the disciplinary sanction of a person who violates this chapter, Alaska Statute 08.32, Alaska Statute 08.36 or a regulation of the Board.
- Adopting regulations ensuring that renewal of registration is contingent upon proof of continued professional competence by a licensed dentist or licensed dental hygienist.
- Provide the department with the requirements for proof of continued professional education.
- Issuing permits or certificates to licensed dentists and licensed dental hygienists who meet the standards determined by the board for specific procedures that require specific education and training.

Board of Dental Examiners

(as of June 30, 2004)

Robert E. Warren, Dentist, Chairman
James B. Plasingame, Public Member
Mary Ann Cemey, Dental Hygienist
David L. Eichler, Dentist
William Gerace, Dentist
Keith L. Gottlieb, Dentist
Rena L. Lehmann, Dental Hygienist
Rebecca Neslund, Dentist
Arne R. Pihl, Dentist

The board is responsible for safeguarding the public interest by ensuring the competence and integrity of those who hold themselves out to the public as dentists and dental hygienists. The board evaluates the qualifications of candidates, administers examinations, issues certificates and licenses to practice, promulgates rules of professional conduct, and takes disciplinary action.

Department of Commerce, Community, and Economic Development, Division of Occupational Licensing

The Department of Commerce, Community, and Economic Development, Division of Occupational Licensing, provides administrative and investigative assistance to the Board of Dental Examiners. Administrative assistance includes budgetary services and functions such as collecting fees, maintaining files, receiving and issuing application forms, and publishing notices of examinations and meetings.

REPORT CONCLUSIONS

In our opinion, the termination date for the Board of Dental Examiners should be extended. The board is operating in the public interest by effectively regulating the individuals who hold themselves out to the public as licensed dentists and dental hygienists.

The board has adopted regulatory changes and supported legislation that improved the board's oversight process and has promoted more effective regulation of licensed dentists and dental hygienists.

Alaska Statute 08.03.010(c)(7) requires the Board of Dental Examiners be terminated on June 30, 2005. If the legislature does not extend the termination date, the board will have a one-year "wrap-up" period to administratively conclude its operations. We recommend the legislature extend the termination date of the board until June 30, 2011.

Implementation of our recommendation would require the legislature to exercise some discretion permitted by state law. Alaska Statute 08.03.023(c) provides for the following:

A board scheduled for termination ... may be continued or reestablished by the legislature for a period not to exceed four years unless the board is continued or reestablished for a longer period ... [emphasis added]

Two factors influence our recommendation that the legislature extend the board to June 30, 2011. First, the board has operated effectively and in the public's interest over the past four years. Secondly, this extension would work towards smoothing out the number of boards and commissions that come under sunset in a particular year. Typically, there are four to six boards and/or commissions scheduled for a legislative sunset review; however, in 2005 there are 12 boards scheduled for sunset. Nonstandard extension dates will allow for a more even distribution of organizations going through the sunset process in any given year.

ANALYSIS OF PUBLIC NEED

The following analyses of board activities relate to the public-need factors defined in AS 44.66.050(c). These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

The extent to which the board, commission, or program has operated in the public interest.

The board, through regulation of the licensure of dentists and dental hygienists, has provided the public with qualified professionals in the dental industry. The profession has adopted regulations related to continuing professional education to ensure licensees remain current in the field of dentistry and dental hygiene practice.

The board licenses applicants in two ways, by examination and by credentials. Licensure by credentials requires that the applicant document their previous work history as a dentist or dental hygienist as basis for receiving a state license to practice. In prior reports we have expressed concerns that licensure by credential has been unnecessarily cumbersome and difficult. The board adopted new and revised old regulations related to licensure by credentials that have made this process less restrictive. Further, the board adopted new regulations that expanded continuing education requirements and provided for the issuance of licenses in a more uniform and consistent manner.

The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters.

Regulations pertaining to background checks and administration of anesthetic agents were amended, both of which benefit the public by: (1) promoting the integrity and competence of dentists and dental hygienists; and, (2) allowing more efficient access to licensure by prospective applicants. Specifically, regulations were amended allowing dental hygienists to become licensed to administer a local anesthetic on the basis of practical work experience alone.¹ Previously, only individuals who passed an examination were allowed to administer anesthetic agents. The board also instituted change to both dental and dental hygienist regulations relating to background investigations, making it less expensive and time intensive for new graduates entering the dental profession.²

¹ 12 AAC 28.320

² The new regulation also applies to those individuals who have not previously held a dental license in any jurisdiction before the 90 days immediately preceding the date of application for licensure.

Annual reports for fiscal years ended June 30, 2001, 2002, and 2003 were submitted in a timely manner to the Division of Occupational Licensing.

As reflected by the schedule below, the board renews licenses in the odd-numbered fiscal years. This is reflected in the fluctuation of board revenues between each fiscal year. Even though FY 04 revenues will be significantly less compared to that of the prior year, the board's surplus carryover will be sufficient to cover costs, given anticipated FY 04 expenditures. The table summarizes financial information for the board for fiscal years 2001, 2002, and 2003:

State of Alaska Board of Dental Examiners FY 01 - FY 03 Schedule of License Revenues and Board Expenditures (Unaudited)			
	<u>FY 03</u>	<u>FY 02</u>	<u>FY 01</u>
Revenue	\$ 375,100	\$ 158,200	\$ 357,300
Direct Expenses			
Personal Services	88,800	112,400	74,900
Travel	14,600	14,100	15,700
Contractual	37,600	154,300 ¹	65,000
Supplies	200	300	100
Equipment	-	-	-
Total Expenses	<u>141,200</u>	<u>281,100</u>	<u>155,600</u>
Indirect Expense	<u>50,700</u>	<u>53,000</u>	<u>45,500</u>
Total Expenses	<u>191,900</u>	<u>334,100</u>	<u>201,200</u>
Annual Surplus (Deficit)	<u>183,200</u>	<u>(175,900)</u>	<u>156,100</u>
Beginning Cumulative Surplus (Deficit)	(128,500)	47,400	(108,700)
Ending Cumulative Surplus (Deficit)	<u>\$ 54,700</u>	<u>\$ (128,500)</u>	<u>\$ 47,400</u>

¹ The increase in contractual expenses is attributable primarily to two significant disciplinary hearings.



Alaska Dental Society, Inc.

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Anchorage, Alaska 99502-5390
(907) 563-3003 • FAX: 563-3009
akdental@alaska.net

The Honorable Mike Kelly
House of Representatives
State Capitol, Rm. 434
Juneau, AK 99801 + 1182

RECEIVED

MAR 29 2005

Dear Sir:


Thank you for your sponsorship of the Alaska Dental Society's legislation that is being incorporated into the Sunset Review of the Alaska Board of Dental Examiners, House Bill 211.

These changes incorporated in HB-211 were discussed and negotiated with representatives of the Board of Dental Examiners, the Division of Occupational Licensing and the Alaska State Dental Hygiene Association. Accordingly we have dubbed this bill the 'consensus bill' because we proposed these changes with the consensus of all parties involved and affected.

We appreciate your willingness to undertake this critical legislation and your support for the Alaska Dental Society and its members across the state.

If we can be of any assistance, please don't hesitate to contact me.

Respectfully yours


James R. Towle
Executive Director

SENATE COMMITTEE REPORT

DATE: 4/21/05

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 4/28/05

Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 211(FIN)

HB 211 DENTISTS; HYGIENISTS; BD OF DENTAL EXAM.

"An Act extending the termination date of the Board of Dental Examiners; and relating to dentists and dental hygienists."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:
 Same Title
 New Title

SCS House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	indet.	Zero	FN#
DCED	3/29/05	✓			1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
Ellis			X	
Davis	X			
B. Stevens	✓			
CHAIR:	✓			

Seekins

HB

213

HFIN

FILE

Representative Jay Ramras
Co-Chair, House Resources
V-Chair, Economic Develop.
Tourism & Trade
House State Affairs
119 N. Cushman St. Suite 207
Fairbanks, Alaska 99701
Phone: (907) 452-1088
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Alaska State Legislature



While in Session
State Capitol, Room 104
Juneau, Alaska 99801-1182
(907) 465-3004
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Toll Free: (877) 465-3004

House District 10

House of Representatives

Sponsor Statement

HB 213

HB 213 will work to make it easier for alcohol servers to maintain their livelihood by removing unnecessary coursework for those competent enough to pass their alcohol server education test.

HB 213 works to amend current laws and allow bartenders to renew their alcohol server education card, by passing a written test, demonstrating understanding of the course subjects. Previously, an alcohol server would have to take the alcohol server education course every three years.

Representative Jay Ramras
Co-Chair, House Resources
V-Chair, Economic Develop.

Tourism & Trade

House State Affairs

119 N. Cushman St. Suite 207

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House District 10

House of Representatives

Sectional Summary

HB 213/Renewal of Alcohol Server Education Cards

Work Order 24-LS0753\A

Section 1. States that a person who sells or serves alcoholic beverages shall keep their alcohol server identification card on the licensed premises during work hours.

Section 2. Amends the requirement for renewing an alcohol server education card. Under this bill, a licensee, agent, or employee may renew their alcohol server education card by passing a written test demonstrating an understanding of the course subjects, without having to retake the whole four-hour course.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 213
(H) Publish Date: 4/18/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
Title: "An Act relating to alcohol server RDU Alcohol Beverage Control Board
education." Component: Alcohol Beverage Control Board
Sponsor: Representative Ramras
Requester: House Finance Committee Component No.: 2690

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS. (Attach a separate page if necessary)

Section 1 amends state law pertaining to alcohol server training to require a card demonstrating successful completion of the approved alcohol server education course.

Section 2 adds that upon completion of this training course, a written test has to be taken to show sufficient mastery of the subject of safely serving alcohol. An appropriate card will be issued by the course provider to reflect that the individual bearing the card has completed the course work and passed the written test. The card is valid for three years and may be renewed by passing another written test at that time. This means the alcohol server does not need to sit through the 4 to 5 hour training course every three years.

Passage of this legislation is not anticipated to have a fiscal impact on the Department of Public Safety.

Prepared by: Director Douglas B. Griffin Phone: 907-269-0751
Division: Alcoholic Beverage Control Board Date/Time: 4/18/05 10:25 AM
Approved by: Commissioner William Tarduske Date: 4/18/2005
Agency: Department of Public Safety

alcoholic beverages manufactured in a quantity that exceeds the limit imposed on private manufacture under federal law; or an area that has adopted a local option law under AS 04.11.491.

Sec. 04.21.020. Civil liability of persons providing alcoholic beverages.

(a) Except as provided under (b) and (d) of this section, a person who provides alcoholic beverages to another person may not be held civilly liable for injuries resulting from the intoxication of that person unless the person who provides the alcoholic beverages holds a license authorized under AS 04.11.080 - 04.11.220 or is an agent or employee of such a licensee and

(1) the alcoholic beverages are provided to a person under the age of 21 years in violation of AS 04.16.051, unless the licensee, agent, or employee secures in good faith from the person a signed statement, liquor identification card, or driver's license meeting the requirements of AS 04.21.050 (a) and (b), that indicates that the person is 21 years of age or older; or

(2) the alcoholic beverages are provided to a drunken person in violation of AS 04.16.030.

(b) A person who sells or barter an alcoholic beverage to another person in violation of AS 04.11.010 is strictly liable (1) to the recipient or another person for civil damages if, while under the influence of the alcoholic beverage, the person receiving the alcoholic beverage engages in conduct that results in civil damages and the recipient's being under the influence of the alcoholic beverage substantially contributes to the civil damages; and (2) for the cost to the state or a political subdivision of the state to criminally prosecute a person who receives an alcoholic beverage from a person who violates AS 04.11.010 if the prosecution results from the violation of AS 04.11.010 described in this subsection.

(c) In an action under (b) or (d) of this section, it is not a defense that the person receiving the alcoholic beverage voluntarily consumed the alcoholic beverage or that the person receiving the alcoholic beverage was voluntarily under the influence of the alcoholic beverage.

(d) A person who knowingly furnishes or delivers an alcoholic beverage to a person under 21 years of age in violation of AS 04.16.051 is civilly liable to the recipient or another person for civil damages if, while under the influence of the alcoholic beverage, the person receiving the alcoholic beverage engages in conduct that results in civil damages and the recipient's being under the influence of the alcoholic beverage substantially contributes to the civil damages.

(e) In this section, "civil damages" includes damages for personal injury, death, or injury to property of a person, including the state or a political subdivision of the state.

Sec. 04.21.025. Alcohol server education course.

(a) As a condition of issuance or renewal of a license and selling alcoholic beverages under a license, the board shall require a licensee who sells or serves alcoholic beverages and a licensee's agents and employees who sell or serve alcoholic beverages or check the identification of a patron to complete an alcohol server education course approved by the board, if the license is for a

(1) beverage dispensary;

(2) restaurant or eating place;

- (3) club;
- (4) package store;
- (5) recreational site;
- (6) pub;
- (7) conditional contractor.

(b) The subjects that are included in an approved alcohol server education course shall be determined under regulations adopted by the board. In approving alcohol server education courses, the board shall consider the needs of both urban and rural licensees regarding access to an approved alcohol server education course. A licensee, agent, or employee who sells or serves alcoholic beverages shall keep proof acceptable to the board of successful completion of an approved alcohol server education course on the licensed premises during working hours.

(c) A licensee, agent, or employee shall complete the course required under (a) of this section not more than 30 days after being licensed or employed.

(d) The board shall review an approved alcohol server education course at least once every three years.

(e) A person licensed as a common carrier dispensary shall train agents and employees who sell or serve alcoholic beverages or who check the identification of a patron on provisions of state law regarding sale of alcoholic beverages, including AS 04.16.015, 04.16.020, 04.16.030, 04.16.051, 04.16.052, 04.16.120, 04.16.125, AS 04.21.030, and 04.21.050. The training must include the subjects of the effects of alcohol consumption, identifying a drunken person, determining valid identification, intervention to prevent unlawful alcohol consumption, and penalties for unlawful acts by agents and employees of licensees. A common carrier licensee shall, once every three years, provide the board with a description of its training program including the subjects taught, teaching method, and testing required.





13 AAC 104.465. Alcohol server education course

(a) While selling or serving alcoholic beverages, a person required under AS 04.21.025 to complete an alcohol server education course and the person's on-duty supervisor shall carry a current course card certifying completion of an approved alcohol server education course. The card is effective for three years from date of issuance during which time the person shall complete another approved course. The card must be made of or encased in plastic, and must include the name and birth date of the card holder, the name of the course, date of expiration of the card, and a signature of an authorized course representative. If the card does not include a photograph of the holder, the person shall also carry a valid identification under 13 AAC 104.425(b). The card must be shown upon request of a peace officer or board representative. If the person cannot show a current card or a copy of it on file on the premises, or show a date of hire less than 30 days earlier, the person shall immediately cease selling or serving alcoholic beverages.

(b) State or nationally recognized organizations or associations that address the subject of responsible alcoholic beverage service may obtain approval of an alcohol server education course by making written application on forms provided by the board. The application must include the course book to be provided to students, any video or audio presentations that will be used, the written test required under (d) of this section, detailed lesson plans, and a description of the qualifications of and training provided to course instructors. The application must identify the communities where the course will be presented and the frequency of the presentation. The applicant shall explain how rural premises will be served under (e) of this section.

(c) In addition to written materials and audio and video presentations provided to students, an instructor shall be available during a alcohol server education course to answer questions from students. Subjects covered by alcohol server education courses must include:

- (1) function of Alcoholic Beverage Control Board, licensing procedures, and types of licenses;
- (2) server responsibilities to the employer, patron, and law;
- (3) criminal and civil liability, including discussion of criminal negligence standard;
- (4) effects of alcohol consumption, including
 - (A) effect of food on alcohol consumption;
 - (B) blood alcohol levels;
 - (C) identifying a drunken person; and
 - (D) fetal alcohol syndrome and fetal alcohol effect;
- (5) drunken persons and intervention;
- (6) underage persons;

- (A) checking identification;
- (B) identifying valid identification; and
- (C) obtaining "statement of proof of age";
- (7) state and local hours of service and cutting off service;
- (8) "happy hour" laws;
- (9) restaurant designation;
- (10) other permits;
- (11) local option provisions;
- (12) warning signs;
- (13) gambling, drugs, and prostitution;
- (14) adulteration;
- (15) penalties for licensees and their agents and employees; and
- (16) sale by package stores in response to written orders.

(d) A provider of an alcohol server education course shall issue a card as described under (a) of this section to a student who successfully completes the course. Before issuing the card, the course provider shall require the student to pass a written test that demonstrates that the student understands the course subjects.

(e) Rural premises are those licensed premises not on a state-wide road system or further than 50 miles on a road system from a community where a course is offered. For the purpose of training for rural premises, course providers may provide video or audiotapes and written materials to a licensee that cover all topics required under (c) of this section, and conduct telephonic question and answer sessions for the students. The students shall, under the supervision of the licensee or licensee's manager, take the test required under (d) of this section. The licensee or licensee's manager, whoever supervises the test, shall certify to the course provider that the student did not receive outside help in taking the test and that no copies of the test have been kept.

(f) The board will issue a certificate of approval for each alcohol server education course the board approves. Certificates of approval may not be transferred.

(g) A course provider shall

- (1) maintain records of each student's participation, and completion of server training, including rural training;
- (2) use, at a minimum, the course approved by the board; and

(3) make its records available to peace officers or board investigators.

(h) An organization or association that has received board approval for an alcohol server education course shall apply for board reapproval within 33 months of last board approval. Application must be made on a form provided by the board. If application for reapproval is not approved by the board within 36 months after last board approval, training must cease. The application for reapproval must state the following for training provided since the last application:

(1) the number and names of students trained;

(2) the locations and dates of training; and

(3) the names of instructors.

(i) The board will, in its discretion, terminate approval of a course if the board determines that the course is not being presented as approved, that records are not being maintained as required, that students are being certified who have not successfully completed the course, or for other reasons in the public interest. The board will, in its discretion, make its termination of approval effective immediately, if the board determines that immediate termination is in the public interest.

(j) For the purposes of this section and AS 04.21.025 , a person who, before 4/1/94, successfully completed:

(1) Techniques of Alcohol Management (Alaska Cabaret, Hotel, Restaurant and Retailers Association);

(2) Training In Intervention Procedures for Servers (Health Communications, Inc.);

(3) Come of Age (Tesaro Northstar Co.);

(4) Serve Safe (Alaska Professional Bartender School);

(5) Providing Alcohol With Care and Empathy (Stuart Anderson Cattle Co.);

(6) Responsible Establishments Alcohol Consumption Trained Servers (Bartenders Against Drunk Driving); or

(7) Alcohol Servers Knowledge (Alaska Training Academy), has completed an approved course, but shall complete a course approved under (f) of this section within 36 months of 4/1/93.

(k) A provider of an alcohol server education course approved by the board under this section shall advise the board of the methods used to train and certify the instructors providing the training.

History: Eff. 4/1/94, Register 129; am 8/24/2001, Register 159

Authority: AS 04.06.090

AS 04.06.100

AS 04.21.025

Editor's note: As of Register 166 (July 2003), and acting under AS 44.62.125 (b)(6), the regulations attorney relocated former 15 AAC 104.465 to 13 AAC 104.465, and made a conforming technical change to 13 AAC 104.465(a), to reflect Executive Order 110 (2003). Executive Order 110 relocated the Alcoholic Beverage Control Board from the Department of Revenue to the Department of Public Safety. The history note for 13 AAC 104.465 carries forward the history from former 15 AAC 104.465.

Article 5 Enforcement

Section

505. Powers of investigative personnel.

515. Inspection.

525. Communication with licensees.

535. Suspension and revocation of license.

540. Civil fine.

545. Effect of revocation.

13 AAC 104.505. Powers of investigative personnel

(a) The board's investigative personnel may

(1) conduct inspections of licensed premises and investigations of licensees, applicants, transferees and other persons with respect to applications, the possession and sale of alcoholic beverages, or licensed premises;

(2) issue notices of violation;

(3) seize alcoholic beverages which are subject to forfeiture under AS 04.16.220 ;

(4) serve subpoenas issued by a hearing officer in a board adjudicative proceeding;

(5) execute search warrants;

(6) exercise specified peace officer powers upon the written concurrence of the commissioner of public safety filed with the lieutenant governor and the director, but only if necessary for the enforcement of the criminally punishable provisions of AS 04 and regulations adopted under AS 04;

(7) take such other action as is considered necessary by the director to assure the enforcement of AS 04 and is not in conflict with a law or regulation.

(b) Consistent with federal, state, and local law, the board's investigative personnel may carry firearms in the performance of their duties, if individually authorized by the board.

HB

215

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 215
(H) Publish Date: 4/13/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title: Perm Fund Corp. Investments/Regulations RDU: AK Permanent Fund Corporation
Sponsor: Representative Rokeberg Component: AK Permanent Fund Corporation
Requester: House State Affairs Committee Component No.: 109

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 215 would move the Permanent Fund's allowed investment list from statute to regulation. APFC does not anticipate significant changes in staff workload or management fees as a result of this legislation.

Prepared by: Michael Burns, Executive Director/CEO Phone: 907-465-2047
Division: Alaska Permanent Fund Corporation Date/Time: 04/08/05
Approved by: _____ Date: 4/6/2005
Agency: _____



Alaska Permanent Fund Corporation

Reducing Risk, Increasing Return

Background

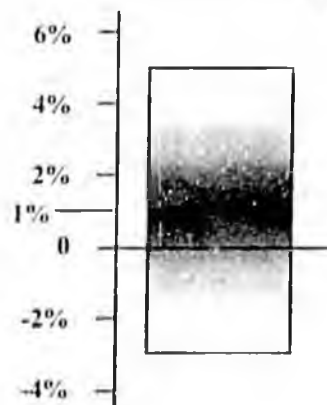
AS 37.13.120 contains a "legal list" of allowed investments for the Alaska Permanent Fund.

The Board of Trustees recently asked two consulting firms, Callan Associates and RV Kuhns, to determine the list's impact on the Fund's potential investment returns and risk. These firms found that the Fund may be taking on greater risk without the promise of commensurate returns under the restrictions in the legal list.

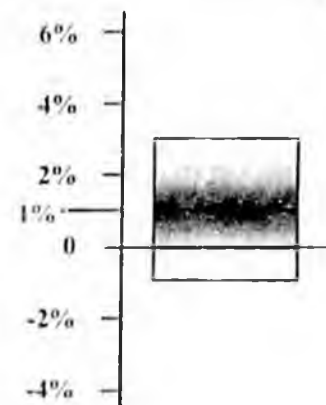
What is risk? Standard deviation? Volatility?

Risk is defined as the measurable possibility of losing value on an investment. It is expressed as the standard deviation above and below the return, the range of possible returns. In the example on the left, 4% is the standard deviation.

Expected return of 1% \pm 4%



Expected return of 1% \pm 2%

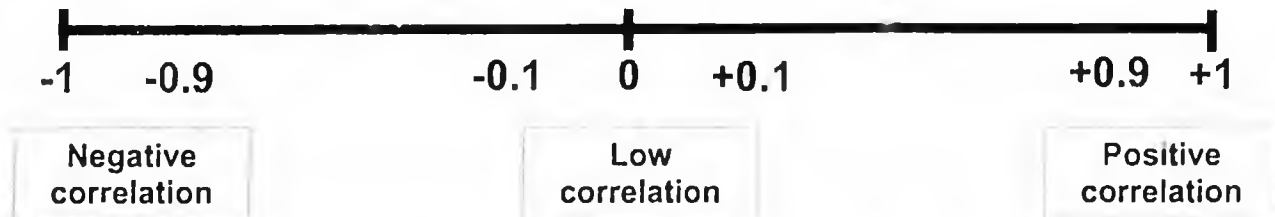


Volatility describes the level of risk for investments, from individual securities to investment strategies to a total portfolio. The returns on highly volatile investments can swing wildly, while the expected returns for less volatile investments will fall into a more narrow range. In the examples above, the figure on the left shows greater volatility and risk than the figure on the right.

What is correlation?

Correlation is a statistical measure of the relationship between two different assets, describing whether or not they move in tandem under various market conditions.

This relationship is expressed with a number between plus one (perfect positive correlation) and minus one (perfect negative correlation). Positively correlated investments usually rise and fall together, while negatively correlated investments move in opposite directions.



Investments with a low correlation (a correlation value close to zero) do not move in relationship to each other. The less correlated the assets, the less able we are to predict how these investments will perform in relation to each other.

Diversifying assets among negatively correlated investments can increase the likelihood of stable performance under various market conditions. Investing in assets with low correlation to each other can lower total portfolio risk even further.

Modern portfolio theory

In the past, institutional portfolios were managed by assessing the individual risk for each asset type. Investments that were considered too risky would not be included in the portfolio.

This is similar to how many individual investors approach their personal retirement portfolios. When the investor is young, they are open to more risk and can invest in more volatile assets. As they approach retirement age and the eventual payout of earnings, it becomes more important to protect the value of the portfolio and the investor shifts to less risky assets.

However, institutional funds have different characteristics than a retirement account. Institutional funds must be protected for the long term, while providing annual payouts. As markets have changed, this has created a modern portfolio theory that focuses more on spreading investments across non-correlated assets than focusing on the individual risk of each asset type. Managing investments in this manner can lower the overall risk of the portfolio, even while the fund is invested in assets that are considered risky.

How does this work?

The following hypothetical examples show how the correlation between assets can affect the overall risk for a portfolio.

Portfolio A is invested in race horses and race tracks.

	Race horses	Race tracks
Return	10.0%	7.0%
Std. deviation (risk)	12.0%	8.0%
Correlation between assets: .90		

Portfolio B is invested in Beanie Babies and fine art.

	Beanie Babies	Fine art
Return	10.0%	7.0%
Std. deviation (risk)	13.2%	8.8%
Correlation between assets: .10		

While the assets in each portfolio have corresponding returns, they have different risk levels and different correlations. When they are weighted the same, which portfolio has the greater total risk?

Portfolio A

Race horses = 56% of portfolio
 Race tracks = 44% of portfolio
 Expected return is 8.68%
 Standard deviation (risk) 10.00%

Portfolio B

Beanie Babies = 56% of portfolio
 Fine art = 44% of portfolio
 Expected return is 8.69%
 Standard deviation (risk) 8.70%

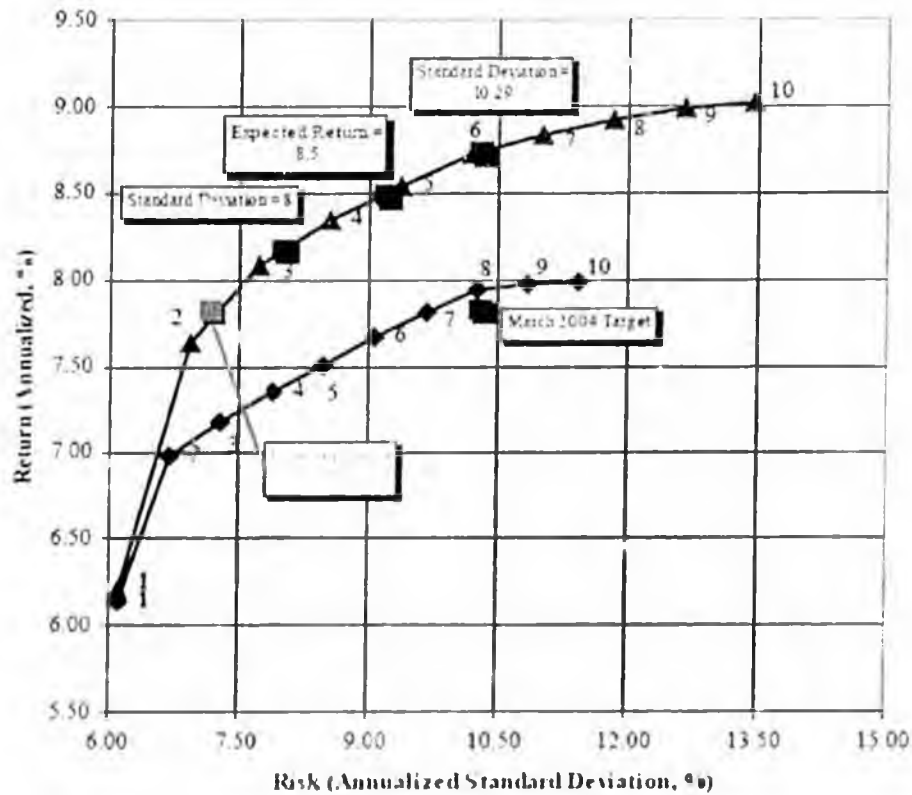
The portfolio using higher risk investments was able to achieve a lower overall risk for equal returns because it used investments that are less correlated.

Where is the Permanent Fund?

The following chart shows potential risk and return for various portfolios under the Fund's current investment restrictions (blue line), and under the Prudent Investor Rule alone (red line). The underlying asset allocations for the main points of this chart are shown on the next page.

The chart demonstrates that under the Prudent Investor Rule, the Fund could potentially earn the same return as the current portfolio (March 2004 target) with more than 3% less risk (Expected Return = 7.83). Or, for the same risk the Fund could earn almost 1% more return (Standard Deviation = 10.29).

Efficient Frontier



The Trustees understand the Legislature's need to balance risk and return for the Fund. While an aggressive rate of growth may be desired by some, others may find it more important to lower the Fund's risk while maintaining a reasonable rate of return.

Increasing the Fund's investment options would allow the Trustees greater flexibility in managing the Fund for the benefit of all Alaskans, whether it is for greater return, lower risk or both. This is especially important as the Legislature begins to contemplate the use of Fund earnings for more than just the dividend program.

How would the Trustees use that flexibility?

The statutory list prevents investments in newer high risk assets such as broad emerging market debt, high yield bonds and certain forms of real estate investments. These assets, while considered risky on their own, can lower the overall risk of a portfolio through low correlation with other asset types.

These asset types are fairly easy to describe, and with time could be added to the statutory list with Legislative approval. However, by the time they are added, the investment opportunity may have closed, leaving the Permanent Fund out in the cold.

As the investment world seeks new ways to improve returns in increasingly efficient markets, investors are creating new strategies that mix multiple investment options or asset types within a single investment mandate. Absolute return strategies, an alternative asset type that the Fund currently invests in under the 10% basket clause, are portfolios that invest for an absolute target return using the most promising investment opportunities available. These portfolios are defined by their return targets, not by the assets they hold.

Asset Classes	March 2004 Target	Expected Return = 7.8%	Standard Deviation = 10.29	Standard Deviation = 8	Expected Return = 8.5
Large Cap US Equity	30	20	20	20	20
Small/Mid Cap US Equity	7	5	5	5	5
International Equity	16	10	10	10	10
Emerging Markets	2	0	6	0	4
Fixed Income	28	20	20	20	20
Non-US Fixed Income	4	5	0	5	1
Real Estate	6	15	14	15	15
REITs	4	0	0	0	0
Private Equity	2	0	10	4	6
Absolute Return	1	10	5	10	9
Cash Equivalents	0	0	0	0	0
Commodities	0	5	5	5	5
Convertibles	0	0	0	0	0
High Yield	0	0	0	0	0
Real Return	0	1	0	1	0
Timber	0	5	5	5	5
HIPS	0	1	0	0	0
Total	100	100	100	100	100

This new wave of investment practice does not fit well within the rigid structure of a legal list. If the Fund's legal list were moved to regulation as suggested by a recent Attorney General's opinion, it would still require that these strategies have some form of definition. However, the less cumbersome regulatory process would allow Trustees to craft and modify regulatory definitions of alternative investment strategies.

The Prudent Investor Rule

STATE/TERRITORY ADOPTIONS* of the PRUDENT INVESTOR ACT		
Alaska (ASPIB)	Maryland **	Pennsylvania
Arizona	Michigan	Rhode Island
Arkansas	Minnesota	South Carolina
California	Missouri	South Dakota
Colorado	Montana	Tennessee
Connecticut	Nebraska	Texas
District of Columbia	Nevada	Utah
Hawaii	New Hampshire	U.S. Virgin Islands
Idaho	New Jersey	Vermont
Illinois	New Mexico	Virginia
Indiana	North Carolina	Washington
Iowa	North Dakota	West Virginia
Kansas	Ohio	Wisconsin
Maine	Oklahoma	Wyoming
Massachusetts	Oregon	

* Source is National Conference of Commissioners on Uniform State Laws
 ** Substantially Similar

The Prudent Investor Rule is a legal standard that requires the APFC Board of Trustees to act as a prudent institutional investor would when making investment decisions. Alaska statutes require that the Board follow the Prudent Investor Rule in addition to the other statutory investment restrictions.

The Permanent Fund's peers—state pension funds and large institutional endowment funds—have been moving away from legal investment lists. Instead, they are simply required to conform to the Prudent Investor Rule.

New York and New Mexico are both seeking legislative approval to expand the investment flexibility for their state pension funds.

What can we do?

The Constitution says that the Alaska Permanent Fund will be invested in assets "specifically designated by law." This prevents the Legislature from removing the legal list and simply requiring that all Fund investments conform to the Prudent Investor Rule. However, a recent Attorney General's opinion says the Legislature may delegate authority to the Board of Trustees to create a list of allowed investments in regulation. A regulatory list may be amended more quickly than statutes, allowing the Trustees the flexibility to respond to changes in the investment world.

Legislation drafted at the request of the Trustees would allow the list to be moved to regulation, while maintaining key restrictions in statute. The most important of these restrictions is the requirement that all Fund investments conform to the Prudent Investor Rule.

The Alaska Permanent Fund Corporation thanks Michael O'Leary of Callan Associates, and Russ Kuhns, Rebecca Gratsinger, and Jim Voytko of RV Kuhns, for their assistance in producing this handout.

4/14/05

24-LS0698VA.1
Cook
4/14/05

4/14/05
adopted

N/O

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 215

1 Page 4, line 13:

2 Delete all material and insert:

3 ** Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 REGULATIONS. The Board of Trustees of the Alaska Permanent Fund Corporation
6 may immediately adopt regulations under AS 37.13.206, added by sec. 2 of this Act,
7 necessary to implement the changes made by sec. 1 of this Act. The regulations may not take
8 effect before January 1, 2006.

9 * Sec. 5. Sections 2 - 4 of this Act take effect immediately under AS 01.10.070(c).

10 * Sec. 6. Section 1 of this Act takes effect January 1, 2006."