

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

4215 SLAB HB 392 - HB 430 1095



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James O. Smith
Signature of Camera Operator

11/24/89
Date

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STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

BILL SHEFFIELD, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

May 4, 1985

The Honorable Don Clocksin
Alaska State Legislature
Pouch V
Juneau, AK 99811

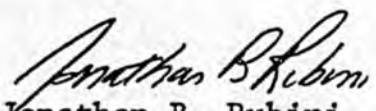
Dear Representative Clocksin:

You have asked for our preliminary view as to the effect of adoption of HB 392, as amended, on those projects for which money has been previously appropriated. Where the state has already entered into a lease-financing agreements prior to the effective date of the legislation, as in the case of the Alaska Vocational and Technical Education Center, the bill would not, in our view, have any application. In contrast, where the state has not entered into a lease-financing agreement, the bill would condition the authority to do so upon specific review and approval by the legislature. With specific reference to the proposed Seward prison facility, the state has not as yet entered into a lease-financing agreement, and HB 392, as amended on the floor, would therefore require specific legislative approval.

We attach a draft letter of intent which clarifies the question of retroactive application of HB 392.

Sincerely yours,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 
Jonathan B. Rubini
Assistant Attorney General

JBR:bap

Attachment

cc: The Honorable Mike Szymanski
Representative

Ray Gillespie
Legislative Liaison
Office of the Governor

DRAFT LETTER OF INTENT

It is the intent of the Legislature that the requirement of specific legislative approval of lease-financing agreements apply to only those projects or office facilities for which the state has not previously entered into a lease-financing agreement. Projects for which the state has entered into lease-financing agreement are not affected by this legislation.

LETTER OF INTENT

House Bill 392

It is the intent of the Legislature that the requirement of specific legislative approval of lease-financing agreements apply to only those projects or office facilities for which the state has not previously entered into a lease-financing agreement. Projects for which the state has entered into lease-financing agreements are not affected by this legislation.

Further, It is the intent of the Legislature that the Department of Administration examine the opportunities for centralizing of government office space in Alaska communities which express an interest in consolidating office space. The Department should work closely with these communities to define options for office space consolidation. A report on the possibilities of office space centralization, including an evaluation of costs, should be submitted to the Legislature by January 15th, 1986.

The purpose of this analysis is to identify opportunities for cost savings to the state through more efficient use of office space. A related benefit would be to make government offices more accessible to constituents by centralizing many different offices which may be scattered throughout a community. Where appropriate, consideration should be given to inclusion of federal and/or local government office space in central facility.



Approved
37-3

HOUSE CALENDAR: MAY 4, 1985 - SATURDAY

BILL HB0392
 PAGE 01001
 DATE 04/19/85
 CHAMBER HOUSE
 TEXT HOUSE BILL NO. 392 by the Rules Committee by request of the Governor, entitled:

"An Act relating to the acquisition and development of state office and prison facilities; and providing for an effective date."

was read the first time and referred to the Finance Committee.

A zero fiscal note with an analysis was attached and appears in House Journal Supplement No. 52.

The Governor's transmittal letter, dated April 19, 1985, appears below:

"Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that relates to financing for the acquisition and development of public facilities.

During my recent address to the joint session of the legislature, I stated that the Anchorage Office Complex would not proceed unless the project is approved by the legislature. As you know, the money for developing the Anchorage Office Complex is intended to be provided through the sale of certificates of participation in rental payments, i.e., lease-financing agreements. My commitment to seek legislative approval was offered in recognition of the substantial legislative interest in a project as substantial and as costly as the proposed Anchorage Office Complex.

It is important for the Legislature to understand the long-term implications of this legislation. I believe it is good public policy to find creative ways to finance buildings when such financing saves us money in the future. We have an obligation to our citizens to take advantage of these savings whenever we can.

The desirability of legislative review of the Anchorage Office Complex raises the more general question of how to assure adequate legislative involvement when the state seeks to enter into lease-financing agreements. As we enter an era of declining state revenues, I believe that it is all the more critical to explore all available opportunities to provide needed public facilities in the most cost-efficient method. In some instances, lease-financing transactions offer an extremely attractive vehicle to finance the development of public buildings. While I believe that the authority to enter into long-term leases under AS 37.05.280 provides a statutory basis for lease-financing, I am equally cognizant of the need to assure that the legislature is accorded an opportunity to review these projects before their actual development. Section 1 of

this bill amends AS 37.05.280 to provide that legislative approval must be obtained before the Department of Administration may enter into a lease-financing agreement. I must observe that the proposed amendment to AS 37.05.280 poses difficult separation-of-powers considerations. Traditionally, a requirement of specific project approval is not a proper exercise of legislative powers. Yet where lease-financing arrangements are at issue, the practical fact is that the decision to enter into such an agreement may, as a practical matter, place a far-reaching economic burden on the state. In these circumstances, I recognize that providing legislative review only through the annual appropriation process is somewhat limited. In short, because I believe lease-financing transactions do have a substantial impact on the state's fiscal affairs over a period of fiscal years, I welcome the legislature's participation in the process of project review.

I believe that this bill offers the legislature a strong role in review and approval of proposed lease-financings. I urge your prompt review and passage of this legislation.

Sincerely,

/s/

Bill Sheffield
Governor"

HB0392
01232
05/02/85
HOUSE

The Finance Committee has considered HOUSE BILL NO. 392 (acquisition and development of state office and prison facilities; effective date) and reports it back as follows: Adams (Chairman), Ringstad, Szymanski, Cotten, Uehling and Larson recommend do pass. Duncan, Rieger, Pourchot and Frank have no recommendation.

HB 392 was referred to the Rules Committee for placement on the calendar.

State Offices & Prison Facilities - HOUSE BILL NO.-392, by the Rules Committee by Request of the Governor. Relates to acquisition and development of state office and prison facilities (see SB 293, page 645, identical, also Governor's letter). (below)

Introduced April 19 and referred to Finance.

* SENATE BILL NO.-293, by the Rules Committee by request of the Governor. Authorizes the state to enter into lease-financing agreements, including lease-purchase arrangements for the financing of state office and prison facilities. Effective immediately. Identical to HB 392.

Introduced April 19 and referred to State Affairs, Judiciary and Finance.

In his message transmitting the bill to the Senate for consideration, Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that relates to financing for the acquisition and development of public facilities.

During my recent address to the joint session of the legislature, I stated that the Anchorage Office Complex would not proceed unless the project is approved by the legislature. As you know, the money for developing the Anchorage Office Complex is intended to be provided through the sale of certificates of participation in rental payments, i.e., lease-financing agreements. My commitment to seek legislative approval was offered in recognition of the substantial legislative interest in a project as substantial and as costly as the proposed Anchorage Office Complex.

It is important for the Legislature to understand the long-term implications of this legislation. I believe it is good public policy to find creative ways to finance buildings when such financing saves us money in the future. We have an obligation to our citizens to take advantage of these savings whenever we can.

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I must observe that the proposed amendment to AS 37.05.280 poses difficult separation-of-powers considerations. Traditionally, a requirement of specific project approval is not a proper exercise of legislative powers. Yet where lease-financing arrangements are at issue, the practical fact is that the decision to enter into such an agreement may, as a practical matter, place a far-reaching economic burden on the state. In these circumstances, I recognize that providing legislative review only through the annual appropriation process is somewhat limited. In short, because I believe lease-financing transactions do have a substantial impact on the state's fiscal affairs over a period of fiscal years, I welcome the legislature's participation in the process of project review.

I believe that this bill offers the legislature a strong role in review and approval of proposed lease-financings. I urge your prompt review and passage of this legislation.



Official Business

Alaska State Legislature

Senate

Committee on Labor & Commerce

Fouch V
State Capitol
Juneau, Alaska 99811

HB 392am

Department may enter into lease financing agreements which provide:

- a) lease financing agreement must provide that payments are subject to annual appropriation
- b) notice to the legislature; this notice must include annual anticipated lease obligations, and total anticipated construction or acquisition costs.
- c) Office or project must be specifically approved by the legislature thru law, other than appropriation.

Current Law: Contract or lease must be approved by the legislature thru concurrent resolution

House letter of Intent pertains to consolidation of office space

Alaska State Legislature



REPRESENTATIVE
ADELHEID HERRMANN

P. O. BOX 83
NAKNEK, ALASKA 99833
(907) 246- .95

While in Juneau
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4842, 465-4943

CO-CHAIRMAN
RESOURCES COMMITTEE

MEMBER
TRANSPORTATION
COMMITTEE

House of Representatives

DISTRICT 26

ADAK
AKUTAN
ALEKNAGIK
ATKA
BELKOFSKI
CLARK'S POINT
COLD BAY
DILLINGHAM
DUTCH HARBOR
EGEGIK
EKUK
EKWOK
FALSE PASS
IGIUGIG
IL'AMNA
KING COVE
KING SALMON
KOKHANOK
KOLIGANEK
LEVELOCK
MANOKOTAK
NAKNEK
NELSON LAGOON
NEWHALEN
NEW STUYAHOK
NIKOLSKI
NONDALTON
PEDRO BAY
PILOT POINT
PORT ALSWORTH
PORT HEIDEN
PORT MOLLER
PORTAGE CREEK
SAND POINT
SOUTH NAKNEK
SQUAW HARBOR
ST. GEORGE
ST. PAUL
TOGIAK
TWIN HILLS
UGASHIK
UNALASKA

TO: Senator Fred Zharoff
FROM: Representative Adelheid Herrmann
DATE: June 10, 1985
SUBJECT: Legislative Intent of House Bill 392

As you are no doubt aware, House Bill 392 passed the House and is currently in the Senate Labor and Commerce Committee awaiting action next session.

Please find attached a copy of the letter of intent which was adopted with this bill which has particular relevance for District 26. More specifically, the City of Dillingham is interested in the possibility of consolidating State and/or federal office space in a single complex. At this point, the idea is only tentative but some preliminary information is available. I have also enclosed a copy of a House Research Agency Report which identifies the current State and federal office space requirements.

I wanted to draw your attention to this bill in the hope that the provisions contained in the letter of intent regarding office space consolidation are given favorable consideration and possibly made stronger by inclusion in the bill itself.

NAYS: 0
EXCUSED: 0
ABSENT: 0

AND SO, HB 392AM PASSED THE HOUSE ON RECONSIDERATION.
REPRESENTATIVE CLOCKSIN MOVED THAT THE ROLL CALL ON THE
PASSAGE OF THE BILL BE CONSIDERED THE ROLL CALL ON THE
EFFECTIVE DATE CLAUSE. THERE BEING NO OBJECTION, IT WAS SO
ORDERED.

REPRESENTATIVE CLOCKSIN MOVED THAT THE HOUSE ADOPT THE
FOLLOWING LETTER OF INTENT.

REPRESENTATIVE MARTIN OBJECTED.

"LETTER OF INTENT

~~FOR~~
HOUSE BILL NO. 392 AMENDED

IT IS THE INTENT OF THE LEGISLATURE THAT THE REQUIREMENT OF
SPECIFIC LEGISLATIVE APPROVAL OF LEASE-FINANCING AGREEMENTS
APPLY TO ONLY THOSE PROJECTS OR OFFICE FACILITIES FOR WHICH
THE STATE HAS NOT PREVIOUSLY ENTERED INTO A LEASE-FINANCING
AGREEMENT. PROJECTS FOR WHICH THE STATE HAS ENTERED INTO

LEASE-FINANCING AGREEMENTS ARE NOT AFFECTED BY THIS
LEGISLATION.

FURTHER, IT IS THE INTENT OF THE LEGISLATURE THAT THE
DEPARTMENT OF ADMINISTRATION EXAMINE THE OPPORTUNITIES FOR
CENTRALIZING OF GOVERNMENT OFFICE SPACE IN ALASKA
COMMUNITIES WHICH EXPRESS AN INTEREST IN CONSOLIDATING
OFFICE SPACE. THE DEPARTMENT SHOULD WORK CLOSELY WITH
THESE COMMUNITIES TO DEFINE OPTIONS FOR OFFICE SPACE
CONSOLIDATION. A REPORT ON THE POSSIBILITIES OF OFFICE
SPACE CENTRALIZATION, INCLUDING AN EVALUATION OF COSTS,
SHOULD BE SUBMITTED TO THE LEGISLATURE BY JANUARY 15, 1986.

END OF DOCUMENT



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3591

April 19, 1985

MEMORANDUM

TO: Representative Adelheid Herrmann

ATTN: Eric Myers

FROM: Eric Laschever
Legislative Analyst

RE: Dillingham Government Employees and Office Costs
Research Request 85-301

At your request, I have prepared the following information regarding the number of State and federal employees based in Dillingham and the costs of leasing space for these individuals.

I was able to identify a total of 64 to 71 employees, 31,268 square feet of space and \$17,938.49 per month in lease expenses.

State Employees and Office Costs

Table 1 summarizes the number of State employees, the amount of office space and office space costs by agency. The table is based on information provided by the Department of Administration, the Division of Legislative Finance and the Dillingham phone book. According to these sources, there are 40 State employees located in Dillingham, not including summer seasonal staff for the Department of Fish and Game. State workers occupy approximately 17,573 square feet of office and shop space. The Departments of Administration, Fish and Game, Health and Social Services, Public Safety and Transportation occupy State-owned facilities. The State is still making ASHA payments on the facility occupied by the Departments of Health and Social Services and Labor. These payments were \$10,733.41 in FY 84, the most recent year for which I could find data. Five departments lease space, paying \$16,186.49 per month or \$194,237 per year. The University of Alaska has nine employees in Dillingham. They occupy 4,370 square feet of space. The University owns the facility which is located on land for which it has a \$1.00 100-year lease from the city.

Table 1

State Employees and Office Space

<u>Department</u>	<u>Number of Employees</u>	<u>Square Feet</u>	<u>Monthly Costs</u>
Administration, Division of Communication	1	256	State-Owned
Commerce	1	238	\$ 449.82
Community and Regional Affairs	3	1,030	1,957.00
Environmental Conservation	1	331	662.40
Fish & Game	10 ^a	4,000	State-Owned
Health and Social Services	3 - 5	331	State-Owned
Labor	2	600	State-Owned
Law	3	1,154	2,480.09
Legislative Affairs	2	800	1,600.00
Public Safety	2	2,000	State-Owned
Transportation	7	3,200	State-Owned
District Court System	3.5	3,633	\$ 8,937.18
Universtiy of Alaska	9	4,370	State-Owned
TOTAL	47.5 - 49.5	21,943	\$16,186.49

^aIncludes Department of Natural Resources Park Ranger.

Source: Personal Communications with State Agencies.

Prepared by the House Research Agency, April 1985.

* * * *

Federal Employees and Office Costs

I was able to identify five federal agencies which have offices in Dillingham. Table 2 lists the number of employees, amount of space and lease costs for these agencies. The people whom I interviewed at the hospital and air field said that it was unlikely that they would be able to relocate away from their current locations. The Corps of Engineers occupies a federally owned building. The remaining two agencies occupy 2,963 square feet of leased space.

Table 2
Federal Employees and Office Space

<u>Program</u>	<u>Number of Employees</u>	<u>Square Feet</u>	<u>Monthly Costs</u>
Corps of Engineers	2-7	3,500	Federal Govt. owns building
Togiak National Wildlife Refuge	5	975	\$1,852
Post Office	6	4,850	NA
Public Health	NA	Stationed at Hospital	
Federal Aviation Administration	4	Stationed at Airfield	
TOTAL	17-22	9,325	\$1,852

Source: Dillingham Phone Book, Personal communication with staff.

Prepared by the House Research Agency, April 1985.

* * * *

I hope this information is useful. If you need additional information, please do not hesitate to contact our agency.

EL

LETTER OF INTENT

House Bill 392

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BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 19, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

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cognizant of the need to assure that the legislature is accorded an opportunity to review these projects before their actual development. Section 1 of this bill amends AS 37.05.280 to provide that legislative approval must be obtained before the Department of Administration may enter into a lease-financing agreement.

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I believe that this bill offers the legislature a strong role in review and approval of proposed lease-financings. I urge your prompt review and passage of this legislation.

Sincerely,



Bill Sheffield
Governor

ce
sup 52

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

Page 1 of 1

REQUEST
Bill/Resolution No.: HB 392
Title: Relating to various state facilities
Sponsor: Rules/Governor
Requestor: _____
Date of Request: 4-18-85

FISCAL DETAIL
Agency Affected: Administration
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected: Leasing & Facilities

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill provides for prior project notification to the legislature if the department intends to use lease-purchase agreements. At that time, the agency must provide details as to anticipated annual lease costs, total project or acquisition costs. A separate law must be passed to approve the project. At that time a separate fiscal note would indicate the full fiscal impact for that particular project.

Prepared By: Anselm Staack *A. Staack* Phone: 465-2200
Division: Deputy Comm./Administrative Mgmt. Date: 4-18-85

Approved by Commissioner: Lisa Rudd *LJR* Date: 4/18/85
Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

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

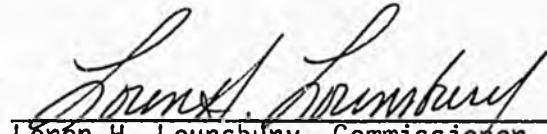
SB 392: "An Act relating to periodic payments for future damages in certain civil actions; amending Alaska Rules of Civil Procedure 49 and 58; and providing for an effective date."

This bill is focused on a tort reform concerning periodic payments for future damages in certain civil actions. The position of the department on these issues is neutral.

This bill has an impact on the Division of Insurance. The division would be required to adopt regulations under this legislation to determine which insurers, self insurers, plans, or arrangements are financially qualified to provide security under the section dealing with security for payment of annuity and to designate those entities as qualified insurers. This requires a fiscal impact and places the division in the position of making regulatory judgments concerning entities that it does not regulate. The entire expense can be avoided as well as the conflict by using a slightly different approach to Sec. 09.30.480, which changes the fiscal impact to \$0.

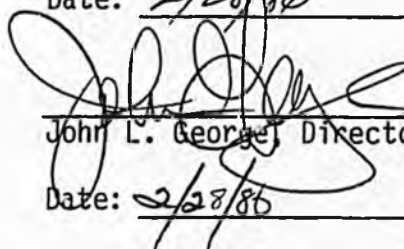
On Page 6, replace lines 13 - 18 with the following:

Sec. 09.30.480. ELIGIBLE SECURITIES FOR PAYMENT OF ANNUITY. A governmental entity with taxing authority, or an insurer authorized under AS 21.09 by the Director of Insurance to sell annuities, is qualified to provide the security required under AS 09.30.430.



Loren H. Lounsbury, Commissioner
Department of Commerce & Economic
Development

Date: 2/28/86



John L. George, Director of Insurance

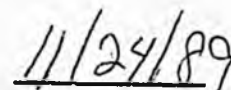
Date: 2/28/86



RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

HB


430

CSHB 430 (HESS) "An Act regulating audiologists, hearing aid dealers and the dispensing of hearing aids.

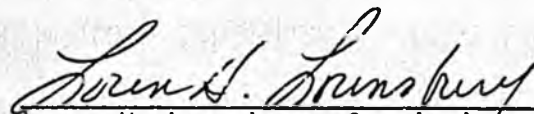
The Department of Commerce and Economic Development, Division of Occupational Licensing, supports the regulation of audiologists, hearing aid dealers, and the dispensing of hearing aids.

Although the division is aware of only 12 audiologists and approximately 10 legitimate hearing aid dealers, complaints filed with Consumer Protection in the Department of Law, the Communicable Disease Control Section of the Department of Health & Social Services and the Office of the Ombudsman document that Alaskan consumers have been financially harmed by many fly-by-night individuals.

The elderly population is the most vulnerable to abuse by fly-by-night individuals. Therefore, in the interest of public protection, the department feels that regulation of audiologists and hearing aid dealers may be one instance where the need for licensure outweighs the small number of practitioners.


Nancy Dunn, Director 465-2534
Division of Occupational Licensing

Date: 5/1/86


Lorer H. Lounsbury, Commissioner
Department of Commerce and
Economic Development

Date: 5/1/86

CSHB 430 (Fin) Sectional Analysis

- Section 1) Legislative Findings and Purpose Section
- Section 2) Adds audiologists and hearing aid dealers to the centralized licensing chapter.
- Section 3) Adds audiologists and hearing aid dealers to those provided with services by the department, without requiring a board or commission.
- Section 4) Adds audiologists and hearing aid dealers to the list of those subject to regulation, investigation, and enforcement procedures required by the department.
- Section 5) Redefines license and occupation to include trades or professions listed in the amended centralized licensing chapter that are not covered by a board or commission.
- Section 6) Adds audiologists to the professional designation requirements.
- Section 7) Adds the following sections to the chapter:
- 08.11.010: provides for qualifications for the licensing of professional audiologists
 - 08.11.020: addresses temporary license to practice audiology
 - 08.11.030: provides for duration and renewal of licenses
 - 08.11.040: provides for display of current license
 - 08.11.050: empowers the department to set fees for licensing;

- 08.11.070: allows audiologists to fit and sell hearing aids. Requires audiologists to comply with applicable provisions of consumer protection language of the bill.
- 08.11.080: defines grounds for disciplinary actions against audiologists;
- 08.11.090: lists disciplinary sanctions
- 08.11.100: lists prohibited acts
- 08.11.120: provides for exemptions under this chapter; prevents those individuals who may be exempt, but who are not audiologists, from representing themselves as audiologists;
- 08.11.200: Definition section

Section 8) Adds a new chapter to AS 08 concerning hearing aid dealers.

- 08.55.010: licensure qualifications
- 08.55.020: duration and renewal of license;
- 08.55.030: requires bonding of hearing aid dealers
- 08.55.040: empowers the department to set fees;
- 08.55.050: requires a hearing aid dealer, when entering into a contract with a consumer for the purchase or lease of a hearing aid, to provide the consumer with an instruction brochure; the dealers registration number, specifications, make model, and serial number of the hearing aid; a clear statement of the contract; written information on complaint rights; and the address of the department.

Also requires that any used or reconditioned hearing aid be clearly labeled as such, and specify what guarantee may be offered;

- 08.55.060: Requires a medical evaluation prior to the sale or lease of a hearing aid; allows the consumer, if 18 or older, to waive the medical evaluation by signing a statement; provides language for the evaluation waiver statement form; requires the hearing aid dealer to retain statement or medical evaluation for 4 years after the sale of a hearing aid.

- 08.55.070: provides for method of mailing hearing aids to consumer.
- 08.55.080: Allows consumer to file a complaint within 3 years of purchase date.
- 08.55.100: requires hearing aid dealers to keep audiometers calibrated to national standards.
- 08.55.110: outlines cancellation requirements for purchase or lease of hearing aids;
- 08.55.120: restricts type of hearing testing allowed by hearing aid dealers; requires all dealers to specify, in their advertising, what type of hearing testing they are allowed to perform.
- 08.55.130: grounds for disciplinary sanctions
- 08.55.140: lists disciplinary sanctions department may impose.
- 08.55.150: lists prohibited acts;
- 08.55.160: makes violations of prohibited acts a class B misdemeanor;
- 08.55.170: requires a hearing aid dealer to provide the department with an address of their regular place of business.
- 08.55.180: Admin Procedures act applies to this chapter;
- 08.55.200: definitions section

Section 9) adds audiologists to the definition of health care provider under AS 09.55.560

Section 10) adds audiologists to the definition of health care provider under AS 21. 88.900

Section 11) adds audiologists to AS 44.62.330(a) application of procedure by boards, commissions, and officers.

Section 12) Adds 08.55 to the unlawful acts and practices section of Trade and Commerce Statutes

Section 13) Adds "dealing in hearing aids" to the definition section of Trade and Commerce Statutes

Section 14) Adds audiologists and hearing aid dealers of 47.17.090(9) as practitioners of the healing arts.

CHAIRMAN'S INFORMATION: SCS CSHB 430(L&C)

- 1) BILL TITLE: "An act regulating audiologists, hearing aid dealers, and the dispensing of hearing aids."
 - a) Introduced: Rep Navarre
 - b) Co-sponsors:

- 2) INTENT: This measure provides for the regulation of audiologists, hearing aid dealers, and the dispensing of hearing aids. This bill is a public protection measure seeking to protect the elderly who have been abused by "fly by night" hearing aid dealers.

FISCAL NOTE: 10.3

- 3) ADDITIONAL REFERRALS: Finance and Rules
- 4) PUBLIC HEARING:
 - a) Sponsor:
 - b) Public Witnesses:
- 5) BILL ACTION:
 - a) Hold in committee?
 - b) Assign to sub committee for further review?
 - c) Move from committee?
 - d) Close public hearings?
- 6) COMMITTEE ACTION?
 - a) amendments?
 - b) CS adoption? Need to adopt the L&C SCS.

WORK DRAFT

WORK DRAFT

WORK DRAFT

Mr. Pann

Bannister
4/30/86 ✓

Original sponsors: Navarre, Gruenberg,
Hurley, et al

1 IN THE HOUSE

2 SENATE CS FOR CS FOR HOUSE BILL (NO. 430)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

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

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

20 (24) regulation of audiologists under AS 08.11;

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

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

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

25 (1) collect fees and issue receipts;

26 (2) maintain records and files;

27 (3) issue and receive application forms;

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

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

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

5 (6) publish notice of examination;

6 (7) arrange space for holding examinations;

7 (8) notify applicants of results of examinations;

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

12 (10) issue duplicate licenses or certificates upon proof by
13 the licensee of loss of the original and payment by the licensee of a
14 fee of \$2 except as otherwise provided in this title;

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

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

18 (13) answer routine inquiries;

19 (14) maintain files relating to individual licensees;

20 (15) arrange for printing and advertising;

21 (16) purchase supplies;

22 (17) employ secretarial help when needed;

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

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

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

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

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

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

1 is addressed does not request a hearing within 15 days after receiving
2 the notice; the commissioner or the commissioner's designee shall be
3 the hearing officer at the hearing and shall issue a final order
4 within 10 days after the hearing;

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

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

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

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

19 Sec. 08.01.110. DEFINITIONS. In this chapter

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

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

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

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

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

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

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

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

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

CHAPTER 11. AUDIOLOGISTS.

Sec. 08.11.010. QUALIFICATIONS FOR AUDIOLOGIST LICENSE. The department shall issue a license to practice audiology to an individual who

- 1 (1) is 18 years of age or older;
- 2 (2) applies on a form provided by the department;
- 3 (3) pays the fee required under AS 08.11.050;
- 4 (4) furnishes evidence satisfactory to the department that
- 5 the person
- 6 (A) has not engaged in conduct that is a ground for
- 7 imposing disciplinary sanctions under AS 08.11.080;
- 8 (B) holds a master's degree or doctorate in audiology
- 9 from an accredited educational institution approved by the de-
- 10 partment; and either has
- 11 (i) a Certificate of Clinical Competence in
- 12 Audiology from the American Speech-Language-Hearing Associa-
- 13 tion or the equivalent of the certificate; or
- 14 (ii) practiced audiology for two years as of
- 15 January 1, 1986, or is in the process of completing the year
- 16 of supervised clinical experience required for the Certifi-
- 17 cate of Clinical Competence of the American Speech-Language-
- 18 Hearing Association.
- 19 Sec. 08.11.020. TEMPORARY LICENSE TO PRACTICE AUDIOLOGY AS AN
- 20 AUDIOLOGIST. (a) On receipt of the completed application the depart-
- 21 ment shall issue a temporary license for the practice of audiology as
- 22 an audiologist to an individual who is licensed to practice audiology
- 23 in another state and has submitted to the department an application
- 24 for a license under AS 08.11.010.
- 25 (b) The department may issue a temporary license to the follow-
- 26 ing:
- 27 (1) a nonresident for the practice of audiology as an
- 28 audiologist in the state for 30 days or less in a calendar year, if
- 29 the individual is licensed to practice audiology in another state,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (1) secured a license through deceit, fraud, or intentional
27 misrepresentation;

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

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(3) advertised professional services in a false or misleading manner;

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

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

(A) professional incompetence;

(B) use of drugs or alcohol in a manner that affects the person's ability to practice audiology competently and safely;

(C) physical or mental disability;

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

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

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

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

(1) permanently revoke a license to practice;

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

(3) censure a licensee;

(4) issue a letter of reprimand;

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

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

(B) limit practice to those areas prescribed;

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(C) continue professional education until a satisfactory degree of skill has been attained in those areas determined by the department to need improvement;

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

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

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

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

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

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

(1) practice audiology;

(2) use a title indicating or representing that the person practices as an audiologist;

(3) advertise that the person practices audiology.

Sec. 08.11.110. PENALTY. A person who violates AS 08.11.100 is

1 guilty of a class B misdemeanor.

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

6 (1) a physician licensed under AS 08.64;

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

9 (A) the employer maintains appropriate supervision of
10 the individual's practice of audiology;

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

13 (C) the individual practices audiology in the facility
14 where the individual is employed or under the supervision of the
15 federal governmental unit where the individual is employed; and

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

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

28 (b) Notwithstanding the provisions of this chapter,

29 (1) a nurse licensed under AS 08.68 may perform hearing

1 sensitivity evaluations;

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

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

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

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

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

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

25 Sec. 08.11.130. PROCEDURES. The Administrative Procedure Act
26 (AS 44.62) applies to regulations and proceedings under this chapter.

27 Sec. 08.11.200. DEFINITIONS. In this chapter, unless the con-
28 text indicates otherwise,

29 (1) "audiologist" means an individual who is licensed under

1 AS 08.11.010 to practice audiology in the state;

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

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

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

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

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

16 CHAPTER 55. HEAR. AID DEALERS.

17 Sec. 08.55.010. QUALIFICATIONS FOR LICENSE. (a) The department
18 shall issue a license to act as a hearing aid dealer to an individual
19 who

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

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

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

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

24 (5) furnishes evidence satisfactory to the department that
25 the individual has not engaged in conduct that is a ground for impos-
26 ing disciplinary actions under AS 08.55.130;

27 (6) submits with the application a statement disclosing
28 whether the applicant

29 (A) has, during the five-year period immediately

1 preceding the date of the application been convicted of a felony,
2 or had a final judgment entered against the applicant in a civil
3 action, if the felony or civil action involved fraud, embezzle-
4 ment, or misappropriation of property;

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

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

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

19 (7) furnishes a description of each item in (6) of this
20 subsection that the applicant disclosed as being applicable to the
21 applicant.

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

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

1 individual.

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

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

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

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

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

22 (i) taxes and contributions due the state and political
23 subdivisions of the state;

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

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

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

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

- 7 (1) application;
- 8 (2) hearing aid dealer license;
- 9 (3) renewal of license;
- 10 (4) renewal delinquency;
- 11 (5) duplicate license.

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

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

28 (b) Before the sale of a used hearing aid, the hearing aid
29 dealer shall clearly mark the receipt and the container for the

1 hearing aid as "used" or "reconditioned," whichever is applicable, and
2 with the terms of a guarantee that the dealer provides.

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

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

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

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

19 (2) does not actively encourage the prospective user to
20 waive the evaluation; and

21 (3) affords the prospective user the opportunity to sign
22 the following statement:

23 I have been advised by (HEARING AID DEALER'S NAME)
24 that it would be in my best interest if I had a
25 medical evaluation by a licensed physician (pref-
26 erably a physician who specializes in diseases of
27 the ear) before purchasing or leasing a hearing aid.
28

29 _____
(PROSPECTIVE USER'S SIGNATURE)

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

4 Sec. 08.55.070. TRANSMITTAL OF HEARING AID BY MAIL. If a hear-
5 ing aid dealer mails a hearing aid to a customer, the dealer shall
6 send the hearing aid by certified mail.

7 Sec. 08.55.080. COMPLAINTS. (a) A person may file a complaint
8 with the department about a hearing aid or a hearing aid dealer within
9 three years from the date of the cause of the complaint.

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

15 Sec. 08.55.100. CALIBRATION REQUIREMENTS. A hearing aid dealer
16 shall maintain in conformity with the standards set by the American
17 National Standard Institute the calibration of each audiometer used by
18 the hearing aid dispenser, and shall keep a record of the results of
19 the annual calibration of each audiometer used by the dealer.

20 Sec. 08.55.110. CANCELLATION OPTION. (a) In addition to the
21 cancellation allowed under AS 45.02.350, a person who has purchased or
22 leased a hearing aid from a hearing aid dealer may cancel the sale or
23 lease as provided under (b) of this section or by giving written
24 notice of the intention to cancel the sale or lease to the dealer not
25 later than 30 days following the later of (1) the date the person
26 receives the hearing aid, or (2) the date the hearing aid dealer
27 provides the person with the notice under (c) of this section. The
28 person may use the notice received under (c) of this section to cancel
29 the sale or lease by signing the form where indicated.

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

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

(2) the hearing aid dealer, if not a physician or audiologist, has violated a provision of this chapter in the sale or lease of the hearing aid to the person;

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

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

NOTICE OF RIGHT TO CANCEL

Name of Hearing Aid Dealer

Address of Hearing Aid Dealer

Date of Sale or Lease

1 You may cancel this transaction within 30
2 days from the date you receive the hearing aid
3 or this notice, whichever is later.

4 You may also cancel this transaction within
5 60 days from the date you receive the hearing aid
6 or this notice, whichever is later, if the hearing
7 aid dealer is not a licensed physician or a licensed
8 audiologist and if a licensed physician or a
9 licensed audiologist advises you in writing to
10 cancel this transaction.

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

19 If you cancel, you must make available to the
20 hearing aid dealer, in as good a condition as when
21 received, less normal wear and tear, the goods
22 delivered to you under this sale or lease, unless
23 the dealer notifies you to keep the goods or to
24 hold them until the dealer collects them.

25 If the goods have been damaged, the hearing aid
26 dealer may deduct from any refund due you the reasonable
27 costs incurred in repairing the goods to make them
28 suitable for resale. If the goods have been damaged
29 beyond repair, you are liable for the full purchase

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price, even if you are just leasing the goods.

If you make the goods available for the hearing aid dealer to collect after your cancellation, and within 20 days of receiving your cancellation the hearing aid dealer does not collect them from you or provide you with instructions for returning the goods by mail, you may retain or dispose of the goods without further obligation to the hearing aid dealer. If you fail to make the goods available for the hearing aid dealer to collect after your cancellation, then the sale or lease is not cancelled and you remain liable for performance of the obligations of the sale or lease.

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

I hereby cancel this transaction.

(Date) _____

(Purchaser's or Lessee's signature)

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

Purchaser's or Lessee's signature

1 Date

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

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

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

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

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

21 (e) If the hearing aid returned by the purchaser or lessee has
22 been damaged, the hearing aid dealer may deduct from any refund due
23 the purchaser or lessee the reasonable costs incurred in repairs
24 necessary to make the hearing aid suitable for resale. If the hearing
25 aid is damaged beyond repair, the purchaser or lessee is liable for
26 the full purchase price.

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

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

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

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

8 (h) To give written notice under this section, a person shall
9 deliver the notice to the hearing aid dealer in person or to the place
10 of business of the dealer, or mail the notice to the place of business
11 of the dealer by certified mail, return receipt requested.

12 Sec. 08.55.120. TESTING OF HEARING. (a) A hearing aid dealer
13 may take threshold measurements to determine the need for a hearing
14 aid, but may not perform diagnostic procedures to determine the cause
15 of a hearing impairment or charge a fee for a hearing measurement.

16 (b) A hearing aid dealer shall include in every printed
17 advertisement for the services of the dealer the following statement
18 bordered in black:

19 Alaska law permits a hearing aid dealer who is not a li-
20 censed physician or a licensed audiologist to test hearing
21 only for the purpose of selling or leasing hearing aids;
22 the tests given by a hearing aid dealer are not to be
23 used to diagnose the cause of a hearing impairment.

24 Sec. 08.55.130. GROUNDS FOR IMPOSITION OF DISCIPLINARY SAN-
25 TIONS. After a hearing, the department may impose a disciplinary
26 sanction on an individual licensed under this chapter when the depart-
27 ment finds that the person

28 (1) secured a license through deceit, fraud, or intentional
29 misrepresentation;

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(2) engaged in deceit, fraud, or intentional misrepresentation in the course of providing professional services or engaging in professional activities;

(3) advertised professional services in a false or misleading manner;

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

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

(6) continued to practice after becoming unfit due to

(A) professional incompetence;

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

(C) physical or mental disability;

(7) employed a person who did not have a valid current license to deal in hearing aids to perform work covered by this chapter;

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

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

(10) failed to maintain a business address and telephone number at which the individual could normally be reached during regular business hours;

(11) included in a contract or receipt for the purchase or lease of a hearing aid a confession of judgment or a waiver of a right

1 of the consumer under this chapter;

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

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

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

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

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

15 (1) permanently revoke a license to practice;

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

17 (3) censure a licensee;

18 (4) issue a letter of reprimand;

19 (5) place a licensee on probationary status and require the
20 licensee to

21 (A) report regularly to the department on matters
22 involving the basis of probation;

23 (B) limit practice to those areas prescribed;

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

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

29 (b) The department may withdraw a limitation, condition, or

1 probationary status if it finds that the deficiency that required the
2 sanction has been remedied.

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

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

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

17 (1) deal in hearing aids;

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

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

21 (b) A person may not

22 (1) sell, barter, or offer to sell or barter a license
23 issued under this chapter;

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

27 (3) materially alter a license issued under this chapter
28 with fraudulent intent;

29 (4) use or attempt to use as valid a license to deal in

1 hearing aids that has been purchased, fraudulently obtained, counter-
2 feited, or materially altered.

3 Sec. 08.55.160. PENALTY. A person who violates AS 08.55.150 is
4 guilty of a class B misdemeanor.

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

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

11 Sec. 08.55.200. DEFINITIONS. In this chapter

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

14 (2) "dealing in hearing aids" means the sale or lease, or
15 attempted sale or lease of hearing aids, and the recommendation,
16 selection, fitting, or adaptation of hearing aids;

17 (3) "department" means the Department of Commerce and
18 Economic Development;

19 (4) "hearing aid" means a prosthetic instrument or device
20 designed for or represented as aiding, improving, or correcting defec-
21 tive human hearing and the parts, attachments, or accessories of the
22 instrument or device; "hearing aid" does not include cochlear im-
23 plants, middle-ear implants, vibro-tactile speech-reading aids, other
24 aids for cued speech, or group or individual auditory training units
25 and assistive devices;

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

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

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

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

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

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

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

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

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(54) Department of Commerce and Economic Development concerning the licensing and regulation of hearing aid dealers (AS 08.55).

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

(27) dealing in hearing aids and failing to comply with AS 08.55.

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

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

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

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

(9) "practitioner of the healing arts" includes chiropractors, dental hygienists, dentists, health aides, nurses, nurse practitioners, optometrists, osteopaths, physical therapists, physicians, physician's assistants, psychiatrists, psychologists, psychological associates, audiologists licensed under AS 08.11, hearing aid dealers licensed under AS 08.55, religious healing practitioners, and surgeons;

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

Revision Date: 4/23/86

REQUEST

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

FISCAL DETAIL

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

EXPENDITURES / REVENUES : (Thousands of Dollars)

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

CAPITAL						
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REVENUE		1.8	1.1	1.3	2.0	1.6
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FUNDING: (Thousands of dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary.

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

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

Phone: 465-2144

Date: 4/23/86

Approved by Commissioner: _____

Date: _____

Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requester

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (HESS)

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

An estimate of operating costs derived from comparing qualifications and numbers of practitioners with a similar existing license function indicate the costs to total \$1.4 each year. Of the yearly costs, \$.1 is expected to be new costs as a result of this legislation, for printing of application and statute booklets. The remainder consists largely of personal services costs which would be absorbed by the division through funding already included in the agency's operating budget. The fiscal note will be zero.

The following fee schedule was developed so that fees generated over the four-year renewal cycle would match, as closely as possible, costs over the same period. These fees are still estimates at this time.

Revenues were estimated on the following fee schedule:

Application/Credentials Review fee	\$20
Temporary Permit fee	\$25
Audiologists License/Renewal fee	\$50 - quadrennially
Hearing Aid Dealers License/Renewal	\$80 - annually

As a result of quadrennial licenses issued to Audiologists, revenues collected in FY 87 essentially covers a portion of the costs in FY 88 to FY 91. A detailed description follows:

<p>FY 87:</p> <p>12 Audiologists seeking licensure (\$50 x 12) = \$.6</p> <p>10 Hearing Aid Dealers (\$80 x 10) = .8</p> <p>22 Application/Credentials Review (\$20 x 22) = .4</p> <p style="text-align: right;"><u>\$ 1.8</u></p>	<p>Distribution across quadrennial renewal:</p> <p>\$ 1.8</p> <p>- 1.4 costs</p> <p><u>\$.4 balance</u></p>
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<p>FY 88:</p> <p>Assuming there will be two new applicants seeking Audiology Temporary Permits (\$25 x 2) \$.05</p> <p>2 new Hearing Aid Dealers:</p> <p style="padding-left: 20px;">Application/Credentials Review Fee (\$20 x 2) .04</p> <p style="padding-left: 20px;">Hearing Aid Dealers License (\$80 x 2) .2</p> <p>10 Hearing Aid Dealers renewing (\$80 x 10) .3</p> <p style="text-align: right;"><u>\$ 1.1</u></p>	<p>\$.4</p> <p>+ 1.1</p> <p><u>\$ 1.5</u></p> <p>- 1.4 costs</p> <p><u>\$.1 balance</u></p>
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CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (HESS)

FY 89:

Assuming there will be two new applicants			
seeking Audiology Temporary Permits (\$25 x 2)	\$.05	
2 new Hearing Aid Dealers:			
Application/Credentials Review Fee (\$20 x 2)		.04	
Hearing Aid Dealers License (\$80 x 2)		.2	
12 Hearing Aid Dealers renewing (\$80 x 12)		1.0	
		\$ 1.3	
			\$.1 balance forward
			+ 1.3
			\$ 1.4
			- 1.4 costs
			\$ 0 balance

FY 90:

Assuming there will be two new applicants			
seeking Audiology Temporary Permits (\$25 x 2)	\$.05	
2 new Hearing Aid Dealers:			
Application/Credentials Review Fee (\$20 x 2)		.04	
Hearing Aid Dealers License (\$80 x 2)		.2	
12 Audiologists renewing (\$50 x 12)		.6	
14 Hearing Aid Dealers renewing (\$80 x 14)		1.1	
		\$ 2.0	
			\$.0
			+ 2.0
			\$ 2.0
			- 1.4 costs
			\$.6 balance

FY 91:

Assuming there will be one new applicant			
seeking licensure as an Audiologist (\$50 x 1)	\$.05	
2 new Hearing Aid Dealers (\$80 x 2)		.2	
3 paying Application/Credentials Review (\$20 x 3)		.06	
16 Hearing Aid Dealers renewing (\$80 x 16)		1.3	
		\$ 1.6	
			\$.6
			+ 1.6
			\$ 2.2
			- 1.4 costs
			\$.8 balance

NOTE:

The revision in this fiscal note from the previous version is in the total estimated annual costs to administer the function. The original estimate was based on \$4.5 annually. As a result of adjusting costs in relation to the number of licensees, this revised fiscal note is based on \$1.4 annual expenditures.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date: 4/3/86

REQUEST Page 1 of 3

FISCAL DETAIL

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

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

EXPENDITURES/REVENUES : (Thousands of Dollars)

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

CAPITAL		0	0	0	0	0
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REVENUE		10.3	2.7	3.1	3.5	10.1
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FUNDING : (Thousands of Dollars)

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

POSITIONS :

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

ANALYSIS : Attach a separate page if necessary

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

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

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (Fin) Page 2 of 3

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

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

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

Revenues were estimated on the following fee schedule:

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

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

FY 87:		Distribution across quadrennial renewal:
	12 Audiologists seeking licensure	\$ 6.2
	10 Hearing Aid Dealers	2.0
	.22 Application/Credentials Review	1.1
	<u>\$ 9.3</u>	\$ 9.3
		- 4.5 costs
		<u>\$ 4.8</u> balance
FY 88:		
	Assuming there will be two new applicants seeking Audiology temporary permits	\$.2
	2 new Hearing Aid Dealers:	
	Application & Credentials Review Fee	.1
	License fee	.4
	10 Hearing Aid Dealers renewing	2.0
	<u>\$ 2.7</u>	\$ 4.8 balance forward
		.27
		<u>\$ 7.5</u>
		- 4.5 costs
		<u>\$ 3.0</u> balance

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 430 (Fin) Page 3 of 3

FY 89:

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

FY 90:

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

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

FY 91:

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

The FTC And The Hearing Aid Industry

by Rocky Stone

In the United States, the role of government in regulating industry and providing consumer protection has usually been contentious, time-consuming—and costly! Way back in June 1975, the Federal Trade Commission (FTC) initiated a proceeding for promulgation of a Trade Regulation Rule for the Hearing Aid Industry. Ten years later (August 1985), the FTC recommended against the proposed rule. What happened?

FTC conducted 58 days of hearings on the proposed rule. It heard 203 witnesses and compiled almost 60,000 pages of documents. The final Staff report to the Commission, along with the Proposed Trade Regulation Rule was published in two volumes during September 1978. The report contains the staff's analysis of the record which forms part of the basis for the Commission's final determination. In transmitting the report to the Commission, the Director, Bureau of Consumer Protection, observed, "While I am somewhat uncomfortable with the manner in which the staff has characterized some of the record evidence, I support their recommendation that a trade regulation rule is necessary and that the rule is supported by the record evidence."

"There appears to be sufficient record evidence to establish the conclusion that the over 14.5 million (1978 figure) hearing impaired individuals suffer a lack of information about hearing loss, hearing aids, and the variety of individuals and their respective qualifications who dispense and sell hearing aids. Hearing aids can benefit some, but not all of these hearing impaired individuals. In addition, periods of adjustment are almost always required. The record also reveals the prevalence of a variety of *deceptive* and *unfair* marketing techniques that take advantage of the existing consumer ignorance or vulnerability to mislead consumers into the belief that the hearing aid can offer greater benefits than may in fact be true. (Words like "deception" and "unfair" have long been the basis on which the FTC takes action against a particular company or industry. The problem is that such words can be interpreted differently and they can cover an awful lot of territory. When James C. Miller III was FTC Chairman, he asked Congress to limit the FTC's discretion by providing a legal definition of both terms as they pertain to the agency's jurisdiction over business practices. Miller felt that "unguided discretion creates great ambiguity about how the law will be applied.")

"The recommended rule attempts to remedy the documented problems by a comprehensive approach to the advertising and marketing of hearing aids. Of critical importance is the buyer's right to cancel. This portion of the rule requires retailers to provide each buyer with the opportunity to cancel

the purchase within 30 days after delivery of the aid and receive a refund less certain allowable charges. The record clearly reveals that consumers can only assess the benefits the aid will offer by actual use. The trial period should thus allow consumers adequate opportunity to inspect the aid, adjust to its use (and limitations), and verify whether or not it will, in fact, offer them some benefit. The trial period should also provide disincentives that will inhibit sellers from engaging in deceptive techniques to market aids. If claims are not borne out through actual experience, sellers will have to refund the purchase price. In addition, any returned hearing aids will have to be sold as used rather than new aids."

1978—The Director, Bureau of Consumer Protection

"While I am somewhat uncomfortable with the manner in which the Staff has characterized some of the record evidence, I support their recommendation that a trade regulation rule is necessary and that the rule is supported by the record evidence."

For the next six years the FTC staff analyzed and re-analyzed the record, gathered additional post-hearing documents (another 4,000 pages) and sent two proposed rules to the Commissioners for consideration. During this time, staff and commissioners changed, political differences emerged, points of view shifted. The process was also characterized by recrimination, bitterness, invective and a general sense of guerrilla warfare. In 1979, Robert Petosky, a Carter appointee found the staff's case plagued by "bias" and sent it back for further review. In April 1983, George W. Douglas, a conservative Democrat from Texas appointed by Reagan, took charge of the case. He sat on it for more than a year and then in May 1984, sent it back to the staff without taking it to the full commission for debate. By 1984, the process had consumed more than 50,000 staff hours of time and probably cost about \$700,000 according to FTC figures cited by the *Washington Post*.

The final act in the saga of the hearing aid rule was opened with Commissioner Douglas' request for a new survey of

Shhh

Given the limitations of the study, it is hard to understand why the FTC staff should have been led to its sanguine view that the marketplace will do the job of protecting the hearing impaired consumer.

consumers to gather information on the industry, hearing aid users, and their perceptions of the product. The main focus was to be on the consumer trial period since several commissioners felt that events had overtaken the proposed rule. A Food and Drug Administration regulation placed new conditions on hearing aid sales (see *Shhh*, November/December 1984, page 8), many states had passed new legislation regarding consumer protection, and some hearing aid dispensers had adopted a voluntary 30-day trial period.

The issue was whether market forces could be relied on to insure that consumers have a chance to try a hearing aid before purchasing it. Thus, the survey aimed at comparing the reports of hearing impaired persons living in states having mandatory trial periods with those of persons living in states where no such requirement exists.

The principal finding of the survey, as reported to the Commission by the Bureau of Consumer Protection, was that "in states that required trial periods, only 62% of the respondents said a trial period was available. Yet, in states that did not have this requirement, 65% of hearing aid purchasers had access to a trial period. Thus, market forces appear to have been as effective as legal requirements in promoting the proliferation of trial periods." (Emphasis SHHH.)

We could rest in confidence in the small discrepancy this three percentage point difference represents—except for the fact that the survey was not designed to support this kind of a comparison. The study was done by Market Facts, a highly regarded consumer and market research firm. Nonetheless, the sampling plan for the study had severe limitations for purposes of this comparison upon which the FTC staff rests its recommendation.

First, the survey was of persons who were part of a "panel" of consumers, i.e., had agreed to participation in periodic surveys by Market Facts for its diverse clients. The sample is not a true cross-section of the American public. There is a bias in the exclusion of persons who declined to join the panel for one reason or another. Moreover, to the extent participants in the panel were involved in Market Facts studies prior to the FTC survey, they tend to become more self-conscious about their behavior as consumers. Thus, it is highly probable that they are more attentive to the terms of their purchases, thereby yielding a degree of measured awareness about the trial period that is artificially inflated.

Second, the survey was conducted by mail. As a result it suffers the expected problem of people not responding. There are ways survey researchers deal with this problem, but

there is no evidence that Market Facts or the FTC staff made such an effort.

Third, and most important, only five states and the District of Columbia have mandatory trial periods. Given the design of the sample, only 74 respondents were produced living in these jurisdictions. So small a number of cases greatly limits the comparisons that are valid with the experience of those living in areas where no required trial periods exist. Specifically, a difference of at least twelve percentage points between the two percentages would be needed to be able to conclude that the difference did not occur by chance. With a three percentage point difference found in the survey, there is no way the conclusion of the FTC staff can be supported with any statistical confidence. Given the limitations of the study, it is hard to understand why the FTC staff should have been led to its sanguine view that the marketplace will do the job of protecting the hearing impaired consumer.

Conclusion: Unfortunately, we are dealing in extremes. According to a number of people with different points of view, the 1978 report was biased. The staff seemed to be throwing the baby out with the bath water. The situation was not as bad as it was portrayed. Now the Market Facts survey indicates that everything is okay. It isn't. That's the other extreme. Our mail convinces us that the situation today, is neither as bad nor as good as the FTC has variously represented it. Good consumer education is probably the best consumer protection. But there is a large group of elderly hearing impaired persons who remain vulnerable and who will never be able, adequately to protect themselves. How we get the use of amplification to them in a fair context, is our challenge.

According to the White House Office of Consumer Affairs:
96% of unhappy customers never complain.

91% of those will not buy again from the business that offended them.

The average unhappy customer will tell at least nine others and 13% tell more than 20 people.

In a market as complicated, emotionally charged, yet in dire need of the product, hearing aid dispensers should not take too much satisfaction from the final decision of the FTC. People, not laws, will continue to determine the sales volume of hearing aids and the dispenser's image—rightly or wrongly—has yet a way to go.

... there is a large group of elderly hearing impaired persons who remain vulnerable and who will never be able, adequately to protect themselves. How we get the use of amplification to them in a fair context, is our challenge.

You will note the issue here was not the quality of hearing aids but how they are marketed. Hearing aids today do pretty much what they are supposed to do but they remain inadequate for many people. As Gerry Williams notes, "To expect

the tiny hearing aid microphone, located in or behind the ear, to pick up sound from the front of a classroom, from a distant stage or from a speaker standing 50 to 100 feet away is beyond the state of the art.

"The small microphone simply cannot be made with sufficient directionality to exclude all the reverberant sounds that compete with the desired sound. The shotgun microphones used at sports events to pick up and isolate distant sounds employ highly sophisticated technology, which allows them to zero in on the desired sound and exclude most others. The hearing-aid microphone, because of its size limitations, cannot be expected to produce a comparable performance.

"A person who has lost hearing in one ear will experience the same problem of selectively discriminating sounds. So merely amplifying a mixture of desired and undesired sounds will only increase the loudness of confused sound.

"The problem boils down to having the desired signal sufficiently louder than the background noise so that people can hear it." That's where assistive listening devices come in.

So, the issue here revolves around market practices.

Exactly five years ago we wrote: "We can agree with The National Hearing Aid Society (NHAS) that hearing aid dealers—like the rest of us (including audiologists)—are human. Some are more (or less) ethical than others. We, as consumers, need to know enough about the subject to avoid being victimized. Or, if we are victimized, we need to have adequate recourse to correct the situation.

"Assuming that we will always have some abuse in the current system, NHAS would be well advised not to defend dealers generically but to help remove those dealers who are proven unethical. They are the ones who give hearing aid dealers, as a group, a poor image.

"The same thing would be true of audiologists who dispense hearing aids. Being human, some will certainly abuse their trust. They should be dealt with promptly and effectively. Self-policing methods often are not successful. But if users of hearing aids begin to speak with one voice, all service providers in the field of hearing loss will find themselves under

increased pressure to satisfy better a clientele which has heretofore been characterized as being 'vulnerable, easily intimidated, passive'—in short, people who don't make waves. That time may soon be past."

Not yet. But soon.

In a memorandum to the FTC, Deputy Director Amanda B. Pedersen, discusses trial periods being available to those who want them. She says, "The National Hearing Aid Society, whose members are estimated to sell 75% of the hearing aids sold in this country, requires its members to offer trial periods upon request under most circumstances."

THE CONSUMER SHOULD ASK for a 30-day trial period with money-back guarantee (less a previously agreed to charge). If a dealer won't give it to you—find one who will.

In discussing allegedly unfair sales practices including generating leads or gaining entry for home sales, Pedersen notes that "less than 1% of all respondents indicated that the seller had come to their home without calling first."

The consumer should not permit hearing aid salespersons into their homes without prior appointments. If there is a SHHH chapter in your area seek help if you are in doubt about how to handle your purchase of a hearing aid.

Nursing Home Study

The Health and Human Services Department is planning more study on nursing homes and community services for elderly people. About one elderly person in four needs nursing home care or special help at home. A report from the Population Reference Bureau found that there are 1.4 million elderly people in nursing homes and 5.2 million others who, while remaining at home, need help. That help comes mostly from friends and relatives (about four-fifths of it). But the Population Reference Bureau projects that by the year 2020, the number of people needing nursing home care and home-health assistance will nearly double, as the population gets older, and the number of people over 85 increases dramatically.

To make the problem worse, more women will be working and unavailable to take care of their parents at home, and

there will be a lower ratio of younger people to older people. Alice Day, author of the study thinks that large numbers of elderly people could be kept at home at less cost if family members were given some relief from the problems of caring for them—such as government aid for home help, respite care, overnight care and temporary care. She adds that policy makers should tighten screening procedures to assure that the bulk of aid goes to those who most need it.

More emphasis should also be placed on preventive health care such as diet and exercise to avoid disabling conditions, setting up a system of "co-payments" to make the elderly share the costs of their care, and developing the new concept of "intermediate housing" which would provide affordable health services to elderly residents, including hearing health services.

Adapted from the article in
The Washington Post, Oct. 29, 1985

Shhh

Senior Voice



P.O. Box 102240 • Anchorage, Alaska 99510 • 277-0787 (907)

Rebecca J. Goodman
Associate editor, Senior Voice
P.O. Box 211604
Auke Bay, Alaska 99821

Pat Malone
Legislative aide
House of Representatives
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Mr. Malone:

I wish Older Persons Action Group could tell you exactly how many older consumers have been victimized by unscrupulous hearing aid dealers in Alaska. Unfortunately, no one knows for certain the extent of the problem. Not many "victims" find it easy to admit that they've been "taken" and not many are willing to admit that they have a hearing problem.

However, what we do know about the problem is this: Nearly a dozen older consumers have contacted Older Persons Action Group offices in Anchorage over the past two years to complain that they lost money (in amounts ranging from \$800 to \$2,000) to hearing aid salespeople (both "established" businesses and door-to-door salesmen) for worthless aids or non-delivery of aids.

One older woman told us she'd lost more than \$1,800 to hearing aid dealer Louis DeLegge of Anchorage, who skipped town with her money and failed to deliver the purchased aid. DeLegge was responsible for a majority of complaints OPAG received last year regarding hearing aid fraud, but DeLegge is by no means the only culprit involved in these scams. It's important to note that without consumer protections in place in Alaska, these abuses could easily happen again and again to consumers. For this reason, Older Persons Action Group supports Rep. Mike Navarre's efforts to bring about strong legislative measures to regulate hearing aid sales practices in the state.

Sincerely,

Rebecca J. Goodman
SENIOR VOICE / OPAG
ph. 364-3874

* DELIVER TO: JPOM

* .

* .

* ORIGINAL

* SENT: 02/13/86 TIME: 10:45

* FROM: JEAN MILLER

* SUBJECT: POM

* PRINT DATE: 02/13/86 TIME: 10:47

* .

TO: REPRESENTATIVE NAVARRE

FROM: TERI REGAN

2211 B ARCA DRIVE

ANCHORAGE, AK 99508

PHONE: 279-9675

SUBJECT: HB 430 - LICENSING AUDIOLOGISTS AND HEARING AID DEALERS

HB 430 HAS BEEN TOO LONG IN COMING. PLEASE SUPPORT THIS BILL AS IT WILL HELP ASSURE THE HEARING IMPAIRED POPULATION OF THE AVAILABILITY OF QUALITY SERVICE. ALASKA'S HEARING IMPAIRED HAVE HISTORICALLY BEEN TAKEN ADVANTAGE OF. YOUR SUPPORT OF HB 430 WILL HELP RECTIFY THIS.

TO: REP. NAVARRE

FROM: NATHAN MORRIS, 5531 E. 40TH, ANCHORAGE, AK 99504,
333-5008

SUBJECT: HB 430, AUDIOLOGISTS AND HEARING AID DEALERS

I STRONGLY URGE YOU TO SUPPORT HB 430 A CONSUMER PROTECTION ACT REGARDING THE LICENSING OF AUDIOLOGISTS AND HEARING AID DEALER IN ALASKA. PARENTS OF HEARING IMPAIRED CHILDREN AND PARTICULARLY ALASKANS WHO SUFFER HEARING LOSSES DUE TO AGE HAVE TO LONG BEEN AT THE MERCY OF AN UNLICENSED INDUSTRY. THE CONCERN NEEDS TO BE PROFESSIONAL SERVICE NOT PROFIT MARGIN. THANK YOU FOR YOUR SUPPORT.

TO: REP. NAVARRE

FROM: SANDY WELK, 234 E. 15TH, APT 606, ANCHORAGE, AK 99501,
272-7927

SUBJECT: HB 430, AUDIOLOGISTS AND HEARING AID DEALERS

PLEASE SUPPORT HB 430. ALASKA MUST JOIN THE REST OF THE LOWER 48 IN LICENSING AUDIOLOGIST AND HEARING AID DEALER. HISTORICALLY THE HEARING IMPAIRED HAVE BEEN TAKEN ADVANTAGE OF IN THE MARKET PLACE AND THIS IS AN OPPORTUNITY TO RECTIFY AN UNJUST SITUATION.

TO: HOUSE LABOR AND COMMERCE COMMITTEE

REPS. NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS,
HANLEY

FROM: GINGER DRAIS (H)279-0200
1134 "G" STREET APT.#B (W)279-9675
ANCHORAGE, ALASKA 99501

SUBJECT: HB 430 - AUDIOLOGISTS AND HEARING AID DEALERS

I URGE YOUR SUPPORT OF HB 430. PLEASE CONSIDER THE POSITIVE IMPACT IT WILL MAKE ON THE HEARING IMPAIRED PERSONS THROUGHOUT THE STATE.

TO: HOUSE LABOR AND COMMERCE COMMITTEE

REPS. NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS,
HANLEY

FROM: MARTHA L. STILES (H)345-5229
611 HIGH VIEW DRIVE (W)276-2255
ANCHORAGE, ALASKA 99515

SUBJECT: HB 511 - CERT. PROF. SECRETARIES AS STATE EMPLOYEES
HCR 40 - CERTIFIED PROFESSIONAL SECRETARIES

PLEASE SUPPORT HB 511 AND HCR 40 WHICH RECOGNIZES CPSS AND PLS.

TO: HOUSE LABOR AND COMMERCE COMMITTEE

REPS. NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS,
HANLEY

FROM: EDWINA KLEMM, PLS, 310 K STREET, SUITE 603, ANCHORAGE,
AK, 276-4026

SUBJECT: HB 511 AND HCR 40, CERT PROF SECRETARIES

I REQUEST YOUR SUPPORT OF HB 511 AND HCR 40 RECOGNIZING CPS'S AND PLS'S IN ALASKA.

TO: HOUSE LABOR AND COMMERCE COMMITTEE

REPS. NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS,
HANLEY

FROM: DONNA BOHNER, 2640 FOREST PARK DR., ANC 99517
PHONE. 272-1257 HM. 786-1141 WK.

SUBJECT: HB 511, HCR 40- CERTIFIED PROFESSIONAL SECRETARY

PLEASE SUPPORT HB 511 AND HCR 40 WHICH RECOGNIZES CPS'S AND PLS'S IN ALASKA. THEY CERTAINLY DESERVE IT, THEY ARE TOP LEVEL SECRETARIES

*
* DELIVER TO: JPOM *
* *
* ORIGINAL *
* SENT: 02/13/86 TIME: 11:01 *
* FROM: HARRY MANDREGAN *
* SUBJECT: POM *
* PRINT DATE: 02/13/86 TIME: 11:01 *
* *

TO: HOUSE LABOR AND COMMERCE COMMITTEE

REPS. NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS,
HANLEY

FROM: JANE BRODIE (H)345-5020
12601 TOILSOME HILL DRIVE (W)279-9675
ANCHORAGE, ALASKA 99516

SUBJECT: HB 430 - AUDIOLOGISTS AND HEARING AID DEALERS

I STRONGLY URGE YOU TO BACK HB 430 WHICH WOULD SUPPORT LICENSED
AUDIOLOGISTS AND HELP REGULATE LEGITIMATE HEARING AID DEALERS.
ALASKA'S INCIDENT OF HEARING LAWS IS HIGHER THAN THE NATIONAL
AVERAGE. IT IS IMPERATIVE OUR ALASKAN CITIZENS ARE ASSURED OF
QUALITY SERVICE.

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF ADMINISTRATION

POUCH C, M.S. 0209
JUNEAU, ALASKA 99811
PHONE: (907) 465-3250

OLDER ALASKANS COMMISSION

February 12, 1986

Representative Navarre
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Navarre:

The Older Alaskans Commission appreciates your sponsorship of House Bill No. 430 to regulate audiologists, hearing aid dealers and the dispensing of hearing aids. The Commission endorsed protective legislation for consumers of these products and professions last fall. This action was taken due to our personal knowledge of significant problems in this area.

We will inform older Alaskans of the importance of supporting the effort now represented by this bill. Do not hesitate to contact our executive director, Jon Wolfe for any assistance we may provide.

Sincerely,



Peggy Burgin Chair
Older Alaskans Commission

cc: Older Alaskans Commission
Jon Wolfe

Box 7135

Ketchikan, Alaska 99901

Feb. 14, 1986

Representative Mike Navarre
House of Representatives
Juneau, Alaska

Dear Sir:

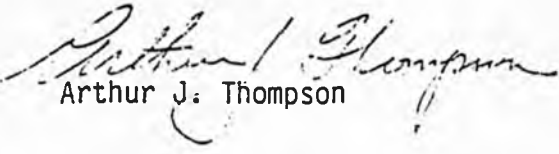
I would like to go on record in support of House Bill 430.

I have had several hearing aids which have cost in the hundreds of dollars purchased from various agents. After using them for a period of time, they have given me problems and in a lot of cases the agent or company has gone out of business, leaving me holding the sack.

I heard of the state program and called the Health Clinic here for an appointment with Susan Bunting, State Audiologist. On 11/6/84, I received two aids from her, after going thru tests, and have them since. They have given me no problems and if they do, I know where to go to have them corrected.

I think Bill 430 would protect individuals like myself both physically and financially. I was born in Ketchikan 74 years ago.

Thank you,


Arthur J. Thompson

Pat Malone

I have enclosed the info I have on consumer complaint. It would probably be wise to call the Senior Voice (Becky Goodman 364-3874) to get an update on complaints. They were getting calls and letters in response to an article they ran a few months ago. The attorney general's office may also provide current information. Hope this helps.

Dave
Contetony

STATE OF ALASKA

DEPARTMENT OF LAW
OFFICE OF ATTORNEY GENERAL
CONSUMER PROTECTION SECTION

September 23, 1985

Department of Health
and Social Services
Communicative Disorders Program
1231 Gambell Street
Anchorage, AK 99501-4627

Attention: Dr. David Canterbury

RE: Hearing and Consumer Complaints

Dear Sir:

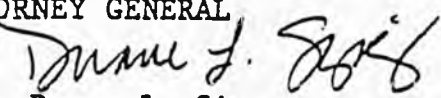
Enclosed please find copies of consumer complaints received by our office during fiscal year '85 that involve hearing aids. All of these complaints (except the Wrangell Publishing, Inc. complaint) have been either resolved, or closed/unresolved due to our inability to locate the respondent or elicit his cooperation.

We noticed your article in the August edition of the "Senior Voice" and believe these complaints may support you and your efforts with respect to HB-430. For your information, a major problem is that the businesses are often closed and the owner somewhere out-of-state by the time the complaint reaches our office. Needless to say, this situation interferes with, and sometimes precludes any efforts on our part to resolve these matters. If the complaint involves defective merchandise, we are sometimes able to obtain restitution through the manufacturer. However, if the problem is with a distributor who has accepted partial or full payment for merchandise not delivered, there is little this office can do.

We hope this information is helpful to you. If you have any questions, please feel free to call.

Sincerely,

HAROLD M. BROWN
ATTORNEY GENERAL

By: 
Duane L. Sipary
Paralegal Assistant

DLS/np

BILL SHEFFIELD, GOVERNOR

XX REPLY TO

103 W 4TH SUITE 110
ANCHORAGE ALASKA 99501
PHONE (907) 279-0426

1ST NATIONAL CENTER
100 CUSHMAN SUITE 400
FAIRBANKS ALASKA 99701
PHONE (907) 456-3528

S S FULLER BLDG
4TH & HARRIS, SUITE 214
POUCH K
JUNEAU ALASKA 99801
PHONE (907) 465-3692

STATE COURTHOUSE ROOM 22
P O BOX 67
VALDEZ ALASKA 99686
PHONE (907) 835-2462



RECEIVED
Department of Law

CONSUMER COMPLAINT

ATTORNEY GENERAL

200325-F85-A-460

AUG 23 1984

ANCHORAGE 1031 W. 4th Suite 110 Anchorage, AK 99501 279-0428	FAIRBANKS Consumer Protection Division Cushman, Ste. 400 Fairbanks, AK 99701 456-8588	JUNEAU S.S. Fuller Bldg. 4th & Harris, Ste. 214 Pouch K Juneau, AK 99811 465-3692	VALDEZ P. O. Box 671 Valdez, AK 99686 835-2462
-----------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------	------------------------------------------------------------

I WISH TO FILE A CONSUMER COMPLAINT AGAINST THE PERSON OR COMPANY NAMED IN 7 BELOW. I REALIZE THAT A COPY OF THIS COMPLAINT WILL BE SENT TO THE PERSON OR BUSINESS I HAVE COMPLAINED OF. (PLEASE TYPE OR PRINT)

1. NAME <i>MAHLE</i> <i>Priscilla J.</i>	2. TODAY'S DATE <i>August 23</i>
3. MAILING ADDRESS <i>8081 WISTERIA</i>	CITY STATE ZIP CODE <i>ANCHORAGE AK 99501</i>
4. HOME ADDRESS (if different) <i>SAME</i>	CITY STATE ZIP CODE
5. HOME TELEPHONE NO. <i>(907) 243-6667</i>	6. BUSINESS TELEPHONE NO.
7. NAME OF THE PERSON OR COMPANY COMPLAINED ABOUT <i>Custom Housing Center</i>	NAME OF SALESPERSON: <i>Thomas Garcia</i>
8. COMPANY'S ADDRESS <i>3136 New Seaside Highway</i>	CITY STATE ZIP CODE <i>ANCHORAGE AK 99502</i>
9. COMPANY'S TELEPHONE NO. <i>(907) 274-7330</i>	10. DATE OF TRANSACTION
11. WERE YOU ATTRACTED TO THE SERVICE OR PRODUCT BY AN ADVERTISEMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
12. IF YES, WHEN AND WHERE DID YOU SEE THE ADVERTISEMENT? <i>LOCAL NEWS PAPERS</i>	
13. WAS A WRITTEN CONTRACT SIGNED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
14. HAVE YOU COMPLAINED TO THE INDIVIDUAL OR COMPANY? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	15. IF YES, NAME OF PERSON TO WHOM YOU COMPLAINED. <i>Thomas Garcia</i>
16. HAVE YOU CONTACTED A PRIVATE ATTORNEY? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	17. IF YES, NAME OF ATTORNEY.
18. IS THERE A COURT OR ADMINISTRATIVE PROCEEDING PENDING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	19. IF YES, NAME COURT OR AGENCY.

AUTOMOBILE REPAIR ONLY

20. DID YOU REQUEST A SIGNED COPY OF REPAIRS TO BE MADE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID YOU REQUEST A WRITTEN PRICE ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID COSTS EXCEED WRITTEN ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
WERE YOU NOTIFIED OF ADDITIONAL COSTS BEFORE WORK DONE?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
DID YOU REQUEST THAT REPLACED PARTS BE RETURNED TO YOU?	<input type="checkbox"/> YES <input type="checkbox"/> NO	RECEIVED/OR ALLOWED TO INSPECT PARTS?	<input type="checkbox"/> YES <input type="checkbox"/> NO
		DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Please state the year, make, model name and V.I.N. (Vehicle Identification No.) of your auto. (Check your registration papers.)

I hereby certify that I have read the information contained in this complaint and that all of the information I have given is true and complete to the best of my knowledge, information and belief. I further authorize the Attorney General to use this information as he deems necessary and proper.

Priscilla Mahle
Signature

On the reverse side of this form
Summarize your complaint. Be brief,
But complete.

HOW TO WRITE YOUR COMPLAINT:

Start at the beginning. Describe all the events in the order they happened.

Put down the names of any witnesses.

Please attach copies of any documents which explain or support your complaint, including the cancelled checks, copies of advertisements, letters, etc.

I PURCHASED HEARING AID FROM TOM JACIN
AT "CUSTOM HEARING AIDS" FOR \$650.00 AFTER A
FEW MONTHS IT BEGAN TO FAIL AND FINALLY IT
QUIT ALTOGETHER. I TRIED CALLING COMPANY
BUT WAS TOLD THIS WAS A MAN WORKING NUMBER
I ALSO WENT BY THEIR SHOP ^{IT WAS} VACATED.
THIS HEARING AID IS OF NO USE TO ME
AS IT DOES NOT WORK AND I CANNOT
GET IT REPAIRED. I ~~WILL BE~~
FORCED TO PURCHASE ANOTHER HEARING
AID. ~~IN THE~~ SO I WOULD
LIKE TO BE REIMBURSED FOR MY \$650.00
FOR ^{I PAID} A DEFECTIVE HEARING AID

WHAT TYPE OF SETTLEMENT DO YOU WISH THIS OFFICE TO ATTEMPT TO OBTAIN?

I WOULD LIKE MY MONEY REFUNDED, I
NEED A NEW HEARING AID, AS I CANNOT
HEAR WITHOUT IT, AND I HAVE NO MONEY
TO PURCHASE ONE.

(Please use additional sheets if necessary)

RECEIVED

2/11/85
lp



FEB - 3 1985

CONSUMER COMPLAINT

Office of the Attorney General ATTORNEY GENERAL
Consumer Protection Section

000864-85-A-46.0

<u>ANCHORAGE</u>	<u>ANCHORAGE FAIRBANKS</u>	<u>JUNEAU</u>	<u>VALDEZ</u>
1031 W. 4th Suite 110 Anchorage, AK 99501 279-0428	1st National Center 100 Cushman, Ste. 400 Fairbanks, AK 99701 456-8588	S.S. Fuller Bldg. 4th & Harris, Ste. 214 Pouch K Juneau, AK 99811 465-3692	P. O. Box 671 Valdez, AK 99686 835-2462

I WISH TO FILE A CONSUMER COMPLAINT AGAINST THE PERSON OR COMPANY NAMED IN 7 BELOW. I REALIZE THAT A COPY OF THIS COMPLAINT WILL BE SENT TO THE PERSON OR BUSINESS I HAVE COMPLAINED OF. (PLEASE TYPE OR PRINT)

1. NAME <u>YAKASOFF Albert</u> <small>Last First M.I.</small>	2. TODAY'S DATE <u>Feb. 7th 1985</u>
3. MAILING ADDRESS <u>4320 East 3rd Ave.</u>	CITY <u>ANCHORAGE</u> STATE <u>AK</u> ZIP CODE <u>99504</u>
4. HOME ADDRESS (if different)	CITY STATE ZIP CODE
5. HOME TELEPHONE NO. <u>(907) 333-6369</u>	6. BUSINESS TELEPHONE NO. <u>NONE - RETIRE</u>
7. NAME OF THE PERSON OR COMPANY COMPLAINED ABOUT. <u>MIRACLE EAR</u>	NAME OF SALESPERSON: <u>JACK E. HURD</u>
8. COMPANY'S ADDRESS <u>2909 Arctic Blvd.</u>	CITY <u>ANCHORAGE</u> STATE <u>AK</u> ZIP CODE <u>99503</u>
9. COMPANY'S TELEPHONE NO. <u>907) 562-4463</u>	10. DATE OF TRANSACTION <u>JAN. 8th 1985</u>
11. WERE YOU ATTRACTED TO THE SERVICE OR PRODUCT BY AN ADVERTISEMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
12. IF YES, WHEN AND WHERE DID YOU SEE THE ADVERTISEMENT? <u>ANCHORAGE TIMES NEWS PAPER</u>	
13. WAS A WRITTEN CONTRACT SIGNED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
14. HAVE YOU COMPLAINED TO THE INDIVIDUAL OR COMPANY? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	15. IF YES, NAME OF PERSON TO WHOM YOU COMPLAINED. <u>JACK HURD - SALESMAN</u>
16. HAVE YOU CONTACTED A PRIVATE ATTORNEY? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	17. IF YES, NAME OF ATTORNEY.
18. IS THERE A COURT OR ADMINISTRATIVE PROCEEDING PENDING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	19. IF YES, NAME COURT OR AGENCY.

AUTOMOBILE REPAIR ONLY

20. DID YOU REQUEST A SIGNED COPY OF REPAIRS TO BE MADE?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
DID YOU REQUEST A WRITTEN PRICE ESTIMATE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
DID COSTS EXCEED WRITTEN ESTIMATE?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
WERE YOU NOTIFIED OF ADDITIONAL COSTS BEFORE WORK WAS DONE?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
DID YOU REQUEST THAT REPLACED PARTS BE RETURNED TO YOU?	<input type="checkbox"/> YES <input type="checkbox"/> NO	RECEIVED/OR ALLOWED TO INSPECT PARTS?	<input type="checkbox"/> YES <input type="checkbox"/> NO
		DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Please state the year, make, model name and V.I.N. (Vehicle Identification No.) of your auto. (Check your registration papers.)

Year	Make	Model	V.I.N.
------	------	-------	--------

I hereby certify that I have read the information contained in this complaint and that all of the information I have given is true and complete to the best of my knowledge, information and belief. I further authorize the Attorney General to use this information as he deems necessary and proper.

Albert J. Yakasoff
Signature

(over) On the reverse side of this form Summarize your complaint. Be brief, But complete.

HOW TO WRITE YOUR COMPLAINT:

Start at the beginning. Describe all the events in the order they happened.

Put down the names of any witnesses.

Please attach copies of any documents which explain or support your complaint, including the cancelled checks, copies of advertisements, letters, etc.

Order (2) quarts of bearing oil, thru salesman
John E. Hurd.

Two weeks after order, then - Mr Hurd had
to come back & take second impression of the
cost of our ears.

Then it had to wait another couple weeks
for bearing oil. Then I went to Alaska
Native Hospital, and I was told that the
prices were going real high too much for them.

So I called Mr Hurd. Asked him to
return my down payment. And he
said he would. But it would have to wait
for my money. This what I do not understand -
stand! Because - I notice they had deposit my
check here in Anchorage Bank. I don't see
why they can't make out Anchorage Bank
check to me.

I gave them \$1,000.00 & I expect to get back
\$800.00 as agreed upon.

Copy are enclosed with this statement.

I was told by Mr. Hurd - I got a check
from Company in Minneapolis, Minn.

WHAT TYPE OF SETTLEMENT DO YOU WISH THIS OFFICE TO ATTEMPT TO OBTAIN?

Return of \$800.00 as I agreed to in
their contract.

(Please use additional sheets if necessary)

RECEIVED
MAY 10 1964



RECEIVED
Department of Law

CONSUMER COMPLAINT

2 44

JUN 17 1985

ATTORNEY GENERAL

11465-195-A-I 46.0

ANCHORAGE	FAIRBANKS	JUNEAU	VALDEZ
Office of the Attorney General			
Consumer Protection Section			
1031 W. 4th Avenue	1000 Ashman, Ste. 400	S.S. Fuller Bldg.	P. O. Box 672
Suite 110	Anchorage, Alaska	4th & Harris, Ste. 214	Valdez, AK
Anchorage, AK	Fairbanks, AK	Pouch K	99686
99501	99701	Juneau, AK 99811	835-2462
279 J428	456-8588	465-3692	

I WISH TO FILE A CONSUMER COMPLAINT AGAINST THE PERSON OR COMPANY NAMED IN 7 BELOW. I REALIZE THAT A COPY OF THIS COMPLAINT WILL BE SENT TO THE PERSON OR BUSINESS I HAVE COMPLAINED OF. (PLEASE TYPE OR PRINT)

1. NAME <i>[Signature]</i>	2. TODAY'S DATE 6-17-85
3. MAILING ADDRESS 3 WETT MARGARET R. 617 N. LAKE ST.	CITY STATE ZIP CODE
4. HOME ADDRESS (if different) ANCHORAGE AK 99502	CITY STATE ZIP CODE
5. HOME TELEPHONE NO. 277-6774	6. BUSINESS TELEPHONE NO.
7. NAME OF THE PERSON OR COMPANY COMPLAINED ABOUT ALASKA HEALING CENTER	NAME OF SALESPERSON: LAW NELE99E
8. COMPANY'S ADDRESS 2205 TUDOR RD. ANCH. AK	CITY STATE ZIP CODE ANCHORAGE ALASKA
9. COMPANY'S TELEPHONE NO. 561-8639	10. DATE OF TRANSACTION 5-16-85
11. WERE YOU ATTRACTED TO THE SERVICE OR PRODUCT BY AN ADVERTISEMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
12. IF YES, WHEN AND WHERE DID YOU SEE THE ADVERTISEMENT?	
13. WAS A WRITTEN CONTRACT SIGNED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
14. HAVE YOU COMPLAINED TO THE INDIVIDUAL OR COMPANY? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	15. IF YES, NAME OF PERSON TO WHOM YOU COMPLAINED.
16. HAVE YOU CONTACTED A PRIVATE ATTORNEY? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	17. IF YES, NAME OF ATTORNEY.
18. IS THERE A COURT OR ADMINISTRATIVE PROCEEDING PENDING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	19. IF YES, NAME COURT OR AGENCY.

AUTOMOBILE REPAIR ONLY

20. DID YOU REQUEST A SIGNED COPY OF REPAIRS TO BE MADE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID YOU REQUEST A WRITTEN PRICE ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID COSTS EXCEED WRITTEN ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
WERE YOU NOTIFIED OF ADDITIONAL COSTS BEFORE WORK WAS DONE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
DID YOU REQUEST THAT REPLACED PARTS BE RETURNED TO YOU?	<input type="checkbox"/> YES <input type="checkbox"/> NO	RECEIVED/OR ALLOWED TO INSPECT PARTS?	<input type="checkbox"/> YES <input type="checkbox"/> NO
		DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Please state the year, make, model name and V.I.N. (Vehicle Identification No.) of your auto. (Check your registration papers.)

Year	Make	Model	V.I.N.
------	------	-------	--------

I hereby certify that I have read the information contained in this complaint and that all of the information I have given is true and complete to the best of my knowledge, information and belief. I further authorize the Attorney General to use this information as he deems necessary and proper.

Margaret K. Powell
Signature

On the reverse side of this form
Summarize your complaint. Be brief,
But complete.

HOW TO WRITE YOUR COMPLAINT:

Start at the beginning. Describe all the events in the order they happened.

Put down the names of any witnesses.

Please attach copies of any documents which explain or support your complaint, including the cancelled checks, copies of advertisements, letters, etc.

~~I~~ I paid the Alaska Hearing center \$450.00 down to make me two hearing aids with a balance of \$750.00 left to pay later he has another of my hearing aids to fix which should be worth about \$350.00 when fixed. I called the Alaska hearing center 6-14-25 to see if my aids were ready & Sharon Clark answered she said she was taking his messages. I ask her when my aids were it had been a while month since order they were to be delivered in 2 weeks. Sharon said she would call me back. She did & told me that Lou Delagge had closed his office & was sailing away then I better start doing some thing. He is getting ready to leave Town.

WHAT TYPE OF SETTLEMENT DO YOU WISH THIS OFFICE TO ATTEMPT TO OBTAIN? I would like my \$450.00 back & my hearing aid which I figure is worth about \$350.00

(Please use additional sheets if necessary)



RECEIVED
Department of Law

MAR 10 1984

CONSUMER COMPLAINT

ATTORNEY GENERAL

162
7110-FNA-46.0

ANCHORAGE Office of the Attorney General
Consumer Protection Section

JUNEAU

VALDEZ

1031 W. 4th Anchorage, Alaska
Suite 110
Anchorage, AK 99501
279-0428

National Center
100 Cushman, Ste. 400
Fairbanks, AK 99701
456-8588

S.S. Fuller Bldg.
4th & Harris, Ste. 214
Pouch K
Juneau, AK 99811
465-3692

P. O. Box 671
Valdez, AK 99686
835-2462

I WISH TO FILE A CONSUMER COMPLAINT AGAINST THE PERSON OR COMPANY NAMED IN 7 BELOW. I REALIZE THAT A COPY OF THIS COMPLAINT WILL BE SENT TO THE PERSON OR BUSINESS I HAVE COMPLAINED OF. (PLEASE TYPE OR PRINT)

1. NAME Merv Last Ruby First		2. TODAY'S DATE 1-5-84	
3. MAILING ADDRESS 3500 GLEN DON, Dr.		CITY Anchorage	STATE ALASKA
4. HOME ADDRESS (if different) SAME		CITY SAME	STATE ALASKA
5. HOME TELEPHONE NO. 338-5830		6. BUSINESS TELEPHONE NO.	
7. NAME OF THE PERSON OR COMPANY COMPLAINED ABOUT Custom Hearing Aid Center		NAME OF SALESPERSON Bill Lyons	
8. COMPANY'S ADDRESS 3136 New Seward Highway		CITY Anchorage	STATE ALASKA
9. COMPANY'S TELEPHONE NO. 2747330		10. DATE OF TRANSACTION 3-24-88	
11. WERE YOU ATTRACTED TO THE SERVICE OR PRODUCT BY AN ADVERTISEMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
12. IF YES, WHEN AND WHERE DID YOU SEE THE ADVERTISEMENT? March-88 in Daily Paper			
13. WAS A WRITTEN CONTRACT SIGNED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
14. HAVE YOU COMPLAINED TO THE INDIVIDUAL OR COMPANY? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		15. IF YES, NAME OF PERSON TO WHOM YOU COMPLAINED. THOMAS S. GARCIA	
16. HAVE YOU CONTACTED A PRIVATE ATTORNEY? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		17. IF YES, NAME OF ATTORNEY.	
18. IS THERE A COURT OR ADMINISTRATIVE PROCEEDING PENDING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		19. IF YES, NAME COURT OR AGENCY.	

AUTOMOBILE REPAIR ONLY

20. DID YOU REQUEST A SIGNED COPY OF REPAIRS TO BE MADE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID YOU REQUEST A WRITTEN PRICE ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID COSTS EXCEED WRITTEN ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
WERE YOU NOTIFIED OF ADDITIONAL COSTS BEFORE WORK WAS DONE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
DID YOU REQUEST THAT REPLACED PARTS BE RETURNED TO YOU?	<input type="checkbox"/> YES <input type="checkbox"/> NO	RECEIVED OR ALLOWED TO INSPECT PARTS?	<input type="checkbox"/> YES <input type="checkbox"/> NO
		DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Please state the year, make, model name and V.I.N. (Vehicle Identification No.) of your auto. (Check your registration papers.)

I hereby certify that I have read the information contained in this complaint and that all of the information I have given is true and complete to the best of my knowledge, information and belief. I further authorize the Attorney General to use this information as he deems necessary and proper.

Merv Ruby
Signature

On the reverse side of this form
Summarize your complaint. Be brief,
But complete.

HOW TO WRITE YOUR COMPLAINT:

Start at the beginning. Describe all the events in the order they happened.

Put down the names of any witnesses.

Please attach copies of any documents which explain or support your complaint, including the checks, copies of advertisements, letters, etc.

SUBJECT: Custom Hearing Aid

Purchase - 24 MARCH 1983

Salesman - Bill Lyons

Seviaman - Thomas S. Garcia

I purchased two (2) hearing aids from Custom Hearing Aid Center
3136 New Sevierville Highway
PUSHAKA, ALASKA 99583

The salesman was Bill Lyons, about 3 weeks after they delivered them, they had to send one (left) to Florida, as it did not
FIT.

About 4 weeks later delivered it to me + it did not work due to the inside parts. They took it in again + about 3 weeks returned it again. (Same aid-left ear). Seems to work except it has been using batteries at the rate of one battery every 8 days for the last 2 mo.

I have been trying to reach Bill or Thomas for 2 months. My sons went by his office + left word and my daughter + son-in-law have called - No one there has returned my calls.

The girl who answers the phone there claims she doesn't know where they can be reached or when they will return.

I would like the hearing aid replaced or a full refund of my purchase price.

I am a senior citizen on a fixed income

My witness - MR. + MRS. M. HARTSOCK 338-5830

Dan C. Wiley

Florence Wiley

562-7114

WHAT TYPE OF SETTLEMENT DO YOU WISH THIS OFFICE TO ATTEMPT TO OBTAIN?

Replacement or Refund!

(Please use additional sheets if necessary)



RECEIVED
Department of Law

JUL 17 1984

CONSUMER COMPLAINT

ATTORNEY GENERAL

7/18/84 26A
10
3B

100052-F85-A-1460

ANCHORAGE Office of the Attorney General Consumer Protection Division 1031 W. 4th Suite 110 Anchorage, AK 99501 279-0428	FRANKS National Center 100 Cushman, Ste. 400 Fairbanks, AK 99701 456-8588	JUNEAU S.S. Fuller Bldg. 4th & Harris, Ste. 214 Pouch K Juneau, AK 99811 465-3692	VALDEZ P. O. Box 671 Valdez, AK 99686 835-2462
------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------

I WISH TO FILE A CONSUMER COMPLAINT AGAINST THE PERSON OR COMPANY NAMED IN 7 BELOW. I REALIZE THAT A COPY OF THIS COMPLAINT WILL BE SENT TO THE PERSON OR BUSINESS I HAVE COMPLAINED OF. (PLEASE TYPE OR PRINT)

1. NAME Last: <u>DEAN</u> First: <u>JAMES</u> M.I.: <u></u>		2. TODAY'S DATE <u>5-27-84</u>	
3. MAILING ADDRESS <u>6153 E 30th AVE</u>		CITY <u>ANCHORAGE</u>	STATE <u>AK</u>
4. HOME ADDRESS (if different) <u>SAME</u>		CITY	STATE
5. HOME TELEPHONE NO. <u>333-2676</u>		6. BUSINESS TELEPHONE NO.	
7. NAME OF THE PERSON OR COMPANY COMPLAINED ABOUT <u>CUSTOM HEARING AID SERVICES</u>		NAME OF SALESPERSON: <u>GLEN MILLER</u>	
8. COMPANY'S ADDRESS <u>Miss Day Bldg. Suite 20, 135 Lake St.</u>		CITY <u>KIRKLAND</u>	STATE <u>WASHINGTON</u>
9. COMPANY'S TELEPHONE NO. <u>206-822-1230</u>		10. DATE OF TRANSACTION <u>4-1-83</u>	
11. WERE YOU ATTRACTED TO THE SERVICE OR PRODUCT BY AN ADVERTISEMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
12. IF YES, WHEN AND WHERE DID YOU SEE THE ADVERTISEMENT? <u>NEWSPAPER AD</u>			
13. WAS A WRITTEN CONTRACT SIGNED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
14. HAVE YOU COMPLAINED TO THE INDIVIDUAL OR COMPANY? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		15. IF YES, NAME OF PERSON TO WHOM YOU COMPLAINED. <u>SANDY (NO LAST NAME GIVEN)</u>	
16. HAVE YOU CONTACTED A PRIVATE ATTORNEY? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		17. IF YES, NAME OF ATTORNEY.	
18. IS THERE A COURT OR ADMINISTRATIVE PROCEEDING PENDING? <input type="checkbox"/> YES <input type="checkbox"/> NO		19. IF YES, NAME COURT OR AGENCY.	

AUTOMOBILE REPAIR ONLY

20. DID YOU REQUEST A SIGNED COPY OF REPAIRS TO BE MADE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID YOU REQUEST A WRITTEN PRICE ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO	DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DID COSTS EXCEED WRITTEN ESTIMATE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
WERE YOU NOTIFIED OF ADDITIONAL COSTS BEFORE WORK WAS DONE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
DID YOU REQUEST THAT REPLACED PARTS BE RETURNED TO YOU?	<input type="checkbox"/> YES <input type="checkbox"/> NO	RECEIVED/OR ALLOWED TO INSPECT PARTS?	<input type="checkbox"/> YES <input type="checkbox"/> NO
		DID YOU RECEIVE IT?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Please state the year, make, model name and V.I.N. (Vehicle Identification No.) of your auto. (Check your registration papers.)

Year	Make	Model	V.I.N.
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I hereby certify that I have read the information contained in this complaint and that all of the information I have given is true and complete to the best of my knowledge, information and belief. I further authorize the Attorney General to use this information as he deems necessary and proper.

James Dean
Signature

On the reverse side of this form
Summarize your complaint. Be brief,
But complete.

HOW TO WRITE YOUR COMPLAINT:

Start at the beginning. Describe all the events in the order they happened.

Put down the names of any witnesses.

Please attach copies of any documents which explain or support your complaint, including the cancelled checks, copies of advertisements, letters, etc.

Received hearing aids on 5/27/83. Had recurring problems with them and they were returned to (Washington for repairs three separate times). In November 83 the right hearing aid was returned for repairs and I have not yet received it back. I have placed four calls to the company trying to locate the hearing aid. The company called me twice & on the last occasion told me they had located the hearing aid & it was being mailed to Anchorage. As of this date 5/27/84 I have not received the hearing aid. Also, the other hearing aid for the left ear is not working and I was instructed by the company not to return it to them until I received the right one.

In my conversations with the company I was told that a Mr. Jose Garcia had taken over their Anchorage office. I have tried to locate Mr. Garcia but have been unable to do so.

I also received a call from a gentleman who works for Senior Citizens Bill O'Connor 279-2232, who told me a lot of other people were having trouble with the same hearing aid people.

WHAT TYPE OF SETTLEMENT DO YOU WISH THIS OFFICE TO ATTEMPT TO OBTAIN?

I would like to have my money refunded and will return the hearing aids to the company.

(Please use additional sheets if necessary)