

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672  
5437 SLAB HB 523 - HB 533 1009

vent rainwater "leachate" from polluting underground water supplies. These liners are usually made of re-compacted clay or impermeable synthetic materials. When clay is used, the layer may be as much as 10 feet thick. And special leachate collection systems pump contaminated liquids to the surface for treatment.

■ **What's in Our Garbage?**

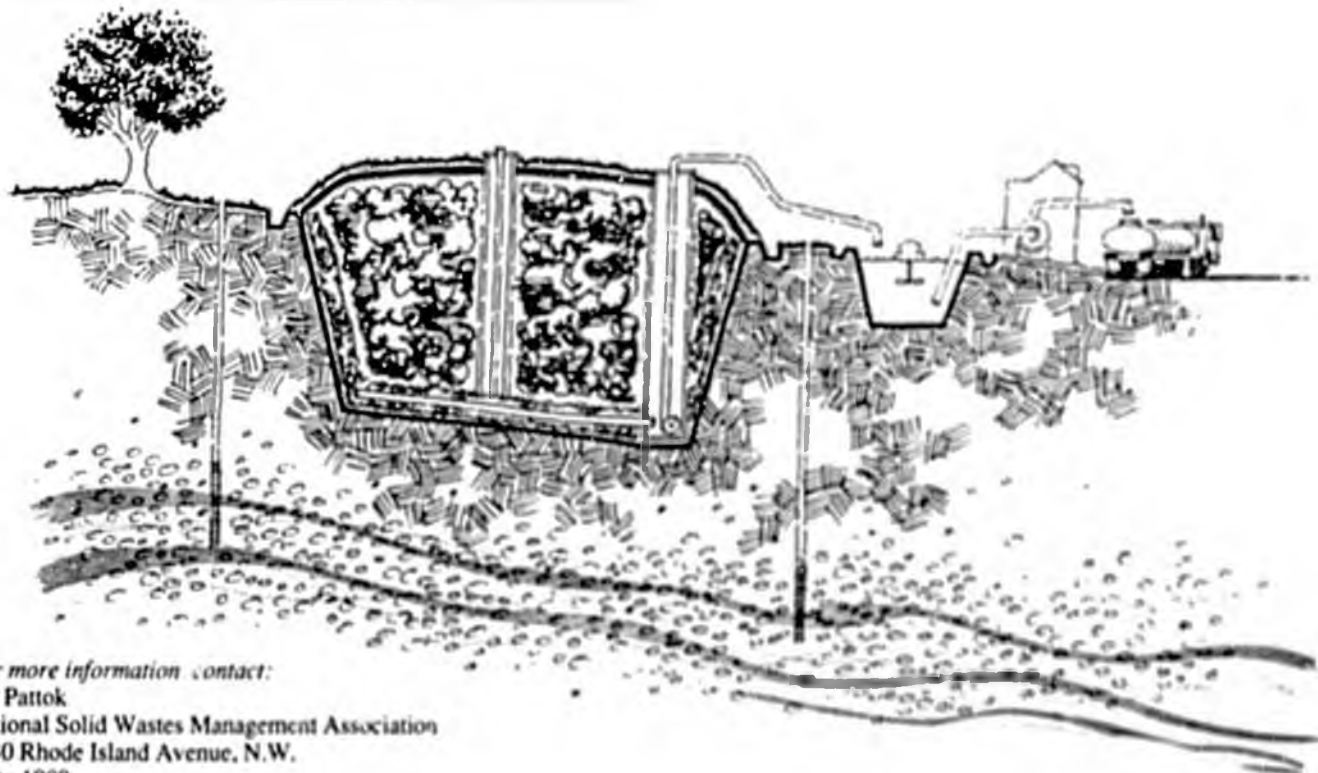
According to EPA, our waste stream includes several major components:

	Amount (millions of tons)	%
Paper and paperboard	62.3	42.1
Glass	13.9	9.4
Metals	13.7	9.2
Plastics	9.7	6.5
Rubber and leather	3.4	2.3
Textiles	2.8	1.9
Wood	5.1	3.4
Food Waste	10.8	7.3
Yard Waste	23.8	16.1
Other	2.6	1.8
<b>Total</b>	<b>148.1</b>	<b>100.0</b>

■ **Solid Waste Generation and Collection**

Approximately 230 million tons of residential, commercial and industrial trash are generated in the U.S. each year. Leaving industrial refuse aside, the Environmental Protection Agency estimates that residential and commercial wastes — produced largely by American consumers — account for around 148.1 million tons. This figure is projected to reach about 180 million tons by the year 2000.

Who collects the garbage? Around 10,000 municipalities and private trash haulers pick up our country's rubbish. At present, private companies serve about 60% of all households and remove more than 90% of the nation's commercial refuse.



For more information contact:  
 Joe Pattok  
 National Solid Wastes Management Association  
 1730 Rhode Island Avenue, N.W.  
 Suite 1000  
 Washington, D.C. 20036  
 (202) 659-4613

# Alaska State Legislature

**STEVE FRANK**

DISTRICT 20A  
Finance Committee

1125 Sunset Drive  
Fairbanks, Alaska 99701



White in Juneau  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-3709

## House of Representatives

TO: all House Members  
FROM: Rep. Steve Frank  
RE: House Bill 523 - recycled products  
DATE: March 28, 1988

Continuing to bury our garbage in land fills makes little economic or social sense. The technology exists to recycle our municipal waste and the economics are right if the market will accept the recycled products.

House Bill 523 would statutorily recognize recycled products under the state product preference code and extend the recycled preference to include municipalities and municipal school districts. While recycled products would probably fall under the state's existing Alaska Product Preference Code, I believe it is important to singularly identify them in state law.

A second aspect of this legislation is to include municipalities and municipal school districts in the recycled product preference. Since the state and local governments are major purchasers of goods and services, we think that it is appropriate for them to make an extra effort to purchase Alaska recycled products when those products are "of comparable quality, of equivalent price, and appropriate for the intended use." The preference would statutorily vary from 3% to 7% based on added value of the end product; however, in most cases it should be 7%.

Recycling waste materials is prudent and timely. Currently, approximately 30 states either have existing recycled products preferences or are considering them. This industry can create new jobs for Alaskan workers. For example, the Fairbanks North Star Borough land fill was recently contracted to a private businessman who is recycling municipal garbage. The number of employees at that operation increased from nine, under Borough management, to twenty-five now that the plant is recycling.

Encouraging the use of recycled products through state and local purchase preference will give the industry a boost that will help recycling become a reality throughout Alaska.

Thank you for your consideration.

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_  
Title: "An Act relating to procurement preference for certain products"  
Sponsor: Representative Frank  
Requestor: State Affairs Committee

Agency Affected: Commerce & Econ. Dev.  
BRU: Division of Business Development

Components: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

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

<b>CAPITAL</b>		-0-	-0-	-0-	-0-	-0-
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<b>REVENUE</b>		-0-	-0-	-0-	-0-	-0-
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

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

**ANALYSIS :** (Attach a separate page if necessary)

CS HB 523 (L&C) extends a product preference for recycled products whenever they are of comparable quality of equivalent price and appropriate for the intended use. The preference applies to municipalities and school districts as well as the state. The implementation of this legislation will be handled within the division budget at this time.

Prepared by: Larry Merculieff, Director  
Division: Business Development

Phone: 465-2017  
Date: March 24, 1988

Approved by Commissioner: J. Anthony Smith  
Agency: Department of Commerce & Economic Development

Date: March 24, 1988

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

# HOUSE COMMITTEE REPORT

(11) \_\_\_\_\_

Date referred: 3/23/88

FURTHER REFERRALS:

DATE: 3/24/88

The Finance Committee has considered HB 523

"An Act relating to procurement preferences for certain products."

**RECOMMENDS:**

- replace with CSHB 523 (L & C)  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

**SIGNING OTHER RECOMMENDATIONS:**

ADAMS Al Adams

SCOTT \_\_\_\_\_

FRANK \_\_\_\_\_

JEGER Steve Jeger

BOYER Max Boyer

ARSON Donald Arson

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Al Adams  
Chairman's signature

# HOUSE COMMITTEE REPORT

(7)

Date referred: 3/4/88

FURTHER REFERRALS: Finance

DATE: 3/22/88

The Labor & Commerce Committee has considered HB 523

"An Act relating to procurement preferences for certain products."

**RECOMMENDS:**

- replace with CS HB523 (L+C)  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(s):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published 3/4/88
- zero with analysis

**SIGNING DO PASS:**

**SIGNING OTHER RECOMMENDATIONS:**

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W. J. ...

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David D. ...  
Chairman's signature

# HOUSE COMMITTEE REPORT

(7)

Date referred: 2/15/88

FURTHER REFERRALS: Labor & Commerce  
Finance

DATE: 3-2-88

The State Affairs Committee has considered HB 523

"An Act relating to procurement preferences for certain products."

**RECOMMENDS:**

- replace with CS HB 523  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- 2  zero with analysis

**SIGNING DO PASS:**

*[Handwritten Signature]*  
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**SIGNING OTHER RECOMMENDATIONS:**

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*[Handwritten Signature]*  
 \_\_\_\_\_  
 Chairman's signature



# Alaska Environmental Lobby, Inc.

1000 BROADWAY, ANCHORAGE, ALASKA 99502

907-586-2345

March 1, 1988

Rep. Steve Frank  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Re: HB 523

Dear Representative Frank:

We here at the Alaska Environmental Lobby support procurement preferences by state agencies for recycled Alaska products, as would be required by your bill, HB 523.

This bill does two things. It encourages the wise use of our resources by providing additional incentives for recycling, and it encourages the use of Alaska products, thereby helping to strengthen and diversify our state economy.

We particularly believe that initiative such as that demonstrated by Bernie Karl in Fairbanks should be encouraged and supported by the state. Mr. Karl's recycling/re-processing business has reduced garbage going into the Fairbanks landfill by 90%; has extended the landfill's life by 75 years; has added 27 jobs to the Fairbanks market; and, in so doing, has turned Fairbanksans' garbage into fuel, building materials, and re-cycled goods.

Actions by other state governments have increasingly shown the importance of recycling to our nation's economic and environmental health. This bill would be an important first step by this state in promoting the use of recycled products. Therefore, AEL supports the passage of HB 523.

Sincerely,

*Gail Garton*  
Gail Garton  
Executive Director

*Alan Phipps*

Alan Phipps  
AEL Volunteer



## CITY OF FAIRBANKS

*Office of City Manager*  
410 CUSHMAN STREET  
FAIRBANKS, ALASKA 99701  
907-452-1881

March 24, 1988

Members of House Labor & Commerce Committee  
P. O. Box V  
Juneau, Alaska 99811

Re: HB523

Dear Committee Members:

Although I am reluctant to support legislation which applies the new state procurement code to municipalities, HB523 clearly promotes an overriding public benefit, through the enhancement of marketing and procurement of recycled materials, and should be considered as applicable to home rule and general law municipalities.

The City of Fairbanks purchasing department would purchase recycled products when they are of comparable quality, of equivalent price, (or lowest), and appropriate for the intended use.

The City is currently pursuing the test burn and purchase of refuse derived fuels (RDF) from our recycled municipal solid waste stream as an alternative to coal purchases that are currently our sole energy source.

Recycling of limited, renewable and non-renewable, resources should be promoted as good sound public policy to the greatest extent allowable by our state laws.

Very truly yours,

A handwritten signature in cursive script that reads "Brian C. Phillips".

Brian C. Phillips  
City Manager

cc: Interior Delegation  
Honorable Mayor and City Council



**Fairbanks  
North  
Star  
Borough**

Mayor: Juanita Helms

March 23, 1988

Representative Steve Frank  
House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Representative Frank:

Thank you for your inquiry regarding the Fairbanks North Star Borough Administration's position on HB 523, "An Act relating to a preference for recycled products in state, municipal, and school district procurements.

By ordinance, the Fairbanks North Star Borough currently provides for a 10% bidder preference to local contractors. It is my feeling that HB 523 is consistent with Borough policy while promoting an additional incentive to stimulate our local economy and promoting environmental responsibility.

Additionally, we would request that the Department of Commerce provide municipalities with a list of approved recycled products; consistent with the current procedure undertaken in the Alaska Products Preference statutes for state agencies. We would request that this process be applied through HB523 as well.

Sincerely,

A handwritten signature in cursive script that reads "Juanita Helms".

Juanita Helms, Mayor  
Fairbanks North Star  
Borough

STEVE COWPER, GOVERNOR

**DEPARTMENT OF COMMERCE &  
ECONOMIC DEVELOPMENT**

*DIVISION OF BUSINESS DEVELOPMENT*

P.O. BOX EE  
JUNEAU, ALASKA 99811-0800  
PHONE: (907) 465-2017

February 16, 1988

Dear Manufacturer:

Enclosed is a copy of the list of the preliminary classification of products for which application has been made for certification under the Alaska Product Preference. In accordance with regulation, this list is being published 45 days before the publication of the final list. The list is a preliminary list published so that interested parties may file objections if they have any.

According to regulations, "objections to any aspect of a preliminary list must be made in writing to the Commissioner no later than 30 days before the publication of the final list." Objections must be postmarked no later than March 1, 1988 and should be addressed to Sandi Anderson, Division of Business Development, Department of Commerce and Economic Development, P.O. Box D, Juneau, AK 99911-0800.

Inclusion on the preliminary list does not guarantee that the product or firm will be included on the final list to be published April 1. Final certifications of eligibility for Alaska Product Preference will be issued prior to the publication of the final list on April 1.

If you have any questions or need further information, please call Sandi Anderson at 465-2253 or 465-2017.

Sincerely,

Division of Business  
Development

dg10486k  
021688a  
Enclosure

PRODUCT PREFERENCE LIST - BY PRODUCT  
PRELIMINARY LISTING  
FEBRUARY 16, 1988

PAGE 1

PRODUCT

ACETYLENE

BIG THREE LINCOLN ALASKA, INC.  
6415 ARCTIC BLVD.  
430 WEST COMMERCIAL, PALMER  
ANCHORAGE AK 99515  
APPROVED: Y CLASS: III

AGRICULTURAL CHEMICALS

ALAMASU, INC.  
MILE 1403 1/2 ALASKA HIGHWAY  
DELTA JUNCTION AK 99737  
APPROVED: Y CLASS: III

ALTERNATIVE POWER ACCESSORIES

INVERTECH ALASKA  
PO BOX 13168  
MILE .25 WEST PETERSVILLE RD  
TRAPPER CREEK AK 99683  
APPROVED: Y CLASS: III

AMMUNITION - RELOADED

ARCTIC AMMUNITION COMPANY  
PO BOX 771641  
11141 KATLIAN DRIVE  
EAGLE RIVER AK 99577  
APPROVED: Y CLASS: III

ANIMAL BEDDING

THERMO-KOOL OF ALASKA, INC.  
6348 QUINHACAK  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

ANIONIC EMULSIONS

EMULSION PRODUCTS OF ALASKA, INC.  
4206 NORTH STAR DRIVE  
HOLLAND AVIATION ST, NORTH POLE  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

ASPHALT CUTBACK

EMULSION PRODUCTS OF ALASKA, INC.  
4206 NORTH STAR DRIVE  
HOLLAND AVIATION ST, NORTH POLE  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

AUTOMATIC WEATHER OBSERVATION SYSTEM

ALASKA QUALITY CONTROL & TECHNICAL SVCS.  
907 E DOWLING RD, SUITE 29  
ANCHORAGE AK 99518-1427  
APPROVED: Y CLASS: I

BATTERY PACKS

REVL, INC DBA REVL COMMUNICATIONS  
200 W 34TH STREET, SUITE 321  
549 W INT'L AIRPORT RD.  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

BUILDINGS - PREFABRICATED

O.K. LUMBER COMPANY, INC.  
PO BOX 10449  
649 FOHLOF STREET  
FAIRBANKS AK 99710  
APPROVED: Y CLASS: III

BUILDINGS, PRE-ENGINEERED

ALCHEM, INC.  
3617 STRAWBERRY ROAD  
ANCHORAGE AK 99502  
APPROVED: Y CLASS: III

BUTTONS

NORTH STAR WOODCRAFTERS  
PO BOX 90283  
5901 ARCTIC BLVD #P  
ANCHORAGE AK 99509  
APPROVED: Y CLASS: III

CABINETS

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

THE CABINET WORKS  
6350 NEILSON WAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

CATIONIC EMULSIONS

EMULSION PRODUCTS OF ALASKA, INC.  
4206 NORTH STAR DRIVE  
HOLLAND AVIATION ST, NORTH POLE  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

CLOCKS

NORTH STAR WOODCRAFTERS  
PO BOX 90283  
5901 ARCTIC BLVD #P  
ANCHORAGE AK 99509  
APPROVED: Y CLASS: III

## PRODUCT

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - PRECAST MANHOLES

A & E CONCRETE COMPANY  
2140 E DIMOND BLVD.  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

PRE CAST COMPANY  
8811 TOLOFF  
2099 E 88TH  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - PRECAST MISC. ITEMS

PRE CAST COMPANY  
8811 TOLOFF  
2099 E 88TH  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - PRECAST UTILITY BOX

PRE CAST COMPANY  
8811 TOLOFF  
2099 E 88TH  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - PRECAST VAULTS

PRE CAST COMPANY  
8811 TOLOFF  
2099 E 88TH  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - PRESTRESSED GIRDERS

ALASKA AGGREGATE CORPORATION  
240 WEST 68TH AVENUE  
7800 LAKE OTIS PARKWAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - READY-MIX CONCRETE

ALASKA AGGREGATE CORPORATION  
240 WEST 68TH AVENUE  
7800 LAKE OTIS PARKWAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - RETAINING WALL CUBES

MALLINGER MASONRY  
5984 LUND STREET  
JUNEAU AK 99801  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - ROOF PAVERS

ALASKA AGGREGATE CORPORATION  
240 WEST 68TH AVENUE  
7800 LAKE OTIS PARKWAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - ROOFS

ALASKA AGGREGATE CORPORATION  
240 WEST 68TH AVENUE  
7800 LAKE OTIS PARKWAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - SLABS

ALASKA AGGREGATE CORPORATION  
240 WEST 68TH AVENUE  
7800 LAKE OTIS PARKWAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - STEPPING STONES

MALLINGER MASONRY  
5984 LUND STREET  
JUNEAU AK 99801  
APPROVED: Y CLASS: III

## CONCRETE PRODUCTS - SUPPORTS

ALASKA AGGREGATE CORPORATION  
240 WEST 68TH AVENUE  
7800 LAKE OTIS PARKWAY  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

FAIRBANKS SAND & GRAVEL, INC.  
PO BOX 1511  
MILE 2.5 OLD RICHARDSON HWY  
FAIRBANKS AK 99707  
APPROVED: Y CLASS: III

## PRODUCT

DON CHEMICAL CO DBA ALASKA MILL & FEED  
114 NORTH ORCA  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## FERTILIZER

ALAMASU, INC.  
MILE 1403 1/2 ALASKA HIGHWAY  
DELTA JUNCTION AK 99737  
APPROVED: Y CLASS: III

DON CHEMICAL CO DBA ALASKA MILL & FEED  
114 NORTH ORCA  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## FIBERGLASS PRODUCTS

PROCTOR'S GROUP  
HC02-7520  
PALMER AK 99645  
APPROVED: Y CLASS: III

## FIBERGLASS SHELTERS

ALASKA FIBERGLASS PRODUCTS  
200 W 34TH STREET, SUITE 321  
5631 SILVERADO WAY, SUITE G  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

## FILTER HOUSING

NORTHLAND ENTERPRISES, INC.  
601 WEST 58TH AVENUE  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FIREPROOFING - SPRAY

KLONDIKE FOAM & FIREPROOFING, INC.  
PO BOX 10220  
3366 MINK LANE  
FAIRBANKS AK 99710  
APPROVED: Y CLASS: III

## FISH FOOD - DRY PELLET

ICICLE SEAFOODS, INC.  
PO BOX 8  
SEWARD FISHERIES  
SEWARD AK 99664  
APPROVED: Y CLASS: III

## FISH MEAL

ICICLE SEAFOODS, INC.  
PO BOX 8  
SEWARD FISHERIES  
SEWARD AK 99664  
APPROVED: Y CLASS: III

## FISH OIL

ICICLE SEAFOODS, INC.  
PO BOX 8  
SEWARD FISHERIES  
SEWARD AK 99664  
APPROVED: Y CLASS: III

ICICLE SEAFOODS, INC.  
PO BOX 8  
SEWARD FISHERIES  
SEWARD AK 99664  
APPROVED: Y CLASS: III

## FLOATATION BILLETS

WESTERN INSULFOAM, INC.  
628 WESTERN DRIVE  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## FURNITURE - BOOK CASES

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FURNITURE - COMPUTER STANDS

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FURNITURE - CREDENZAS

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FURNITURE - DESKS

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FURNITURE - FILING CABINETS

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FURNITURE - ORGANIZERS

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## FURNITURE - TABLES

BUSINESS FURNITURE OF ALASKA, INC.  
1301 E DOWLING RD, SUITE 106  
5650 OLD SEWARD HWY, SUITE A  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## PRODUCT

WRANGELL FOREST PRODUCTS, LTD.  
PO BOX 5380  
MILE 6 ZIMOYIA HWY, WRANGELL  
KETCHIKAN AK 99901  
APPROVED: Y CLASS: III

## LUMBER - TIMBERS AND CANTS

SOUTH CENTRAL TIMBER DEVELOPMENT, INC.  
255 E FIREWEED LANE, SUITE 104  
JACKALOFF BAY, AK  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

## METAL - REINFORCING STEEL FABRICATION

ANCHORAGE SAND & GRAVEL CO., INC.  
1813 EAST FIRST AVENUE  
1800 E 2ND AVE/HIGHLAND DR  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## METAL - STEEL FABRICATION

ALLIED CONSTRUCTION SERVICES  
7600 KING STREET  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

BOB'S SERVICES, INC.  
2009 SPAR AVENUE  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

CONTRACTING SERVICES CO.  
PO BOX 309  
LOT #1, JOHNSON ROAD  
SEWARD AK 99664  
APPROVED: Y CLASS: III

STEEL FABRICATORS  
2132 RAILROAD AVENUE  
ANCHORAGE AK 99510  
APPROVED: Y CLASS: III

## METALS - STEEL FABRICATION

S & S WELDING, INC.  
2908 COMMERCIAL DR  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## MULCH - HYDDROSEEDING

THERMO-KOOL OF ALASKA, INC.  
6348 QUINHAGAK  
ANCHORAGE AK 99507  
APPROVED: Y CLASS: III

## OIL CONTAINMENT BOOM

FIRE CONTROL SYSTEMS, INC.  
PO BOX 4150  
MILE 18 1/2 SPUR ROAD  
KENAI AK 99611  
APPROVED: Y CLASS: III

## OXYGEN

BIG THREE LINCOLN ALASKA, INC.  
6415 ARCTIC BLVD.  
430 WEST COMMERCIAL, PALMER  
ANCHORAGE AK 99515  
APPROVED: Y CLASS: I

## PAINT

ALASKAN PAINT MANUFACTURING COMPANY, INC  
2040 SPAR AVENUE  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## PANELS - NONSTRUCTURAL CURTAIN WALL

THERMASAVE/APC  
PO BOX 190747  
AUDIE STREET, WASILLA  
ANCHORAGE AK 99519-0747  
APPROVED: Y CLASS: III

## PANELS - STRUCTURAL SANDWICH FOAM

THERMASAVE/APC  
PO BOX 190747  
AUDIE STREET, WASILLA  
ANCHORAGE AK 99519-0747  
APPROVED: Y CLASS: III

## PANELS - STRUCTURAL, INSULATED

WESTERN INSULFOAM, INC.  
628 WESTERN DRIVE  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

## PICTURE FRAMES

NORTH STAR WOODCRAFTERS  
PO BOX 90283  
5901 ARCTIC BLVD #P  
ANCHORAGE AK 99509  
APPROVED: Y CLASS: III

## PIPE - PRE-INSULATED ARCTIC

VERTECS CORPORATION  
PO BOX 111128  
KLATT ROAD AT THE ALASKA RR  
ANCHORAGE AK 99511  
APPROVED: Y CLASS: III

## PLASTIC PIPE LINE WEIGHTS

HUB CITY CONSTRUCTION, INC.  
2775 HANSON ROAD  
FAIRBANKS AK 99709  
APPROVED: Y CLASS: III

## PLAYGROUND EQUIPMENT

LOG SPECIALTIES, INC.  
13327 BRANT WAY  
BEAR CREEK MILLSITE, HOPE, AK  
ANCHORAGE AK 99515  
APPROVED: Y CLASS: III

## PRODUCT

VAN CLEEVE PRINTING, INC.  
409 W NORTHERN LIGHTS BLVD  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

## PRINTING - SILK SCREEN

COMMERCIAL ART, INC.  
PO BOX 1708  
171 SHATTUCK WAY  
JUNEAU AK 99802  
APPROVED: Y CLASS: III

RAVEN SCREENS INC  
616 12TH AVENUE  
FAIRBANKS AK 99701  
APPROVED: Y CLASS: III

SPECTRA SHIRTS  
1200 E 76TH, SUITE 1204  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

STELLAR DESIGNS, INC.  
1220 E 68TH AVE., #101  
ANCHORAGE AK 99518  
APPROVED: Y CLASS: III

## PUMPS - DIESEL POWERED

WAUKESHA ALASKA CORPORATION  
1301 HUFFMAN ROAD  
6871 OLD SEWARD HIGHWAY  
ANCHORAGE AK 99515  
APPROVED: Y CLASS: III

## REFLECTIVE BARRICADES

WARNING LITES OF ALASKA, INC.  
591 WEST 67TH AVENUE  
ANCHORAGE AK 99518-1555  
APPROVED: Y CLASS: III

## REFLECTIVE RUNWAY MARKERS

WARNING LITES OF ALASKA, INC.  
591 WEST 67TH AVENUE  
ANCHORAGE AK 99518-1555  
APPROVED: Y CLASS: III

## REFLECTIVE SIGNS

WARNING LITES OF ALASKA, INC.  
591 WEST 67TH AVENUE  
ANCHORAGE AK 99518-1555  
APPROVED: Y CLASS: III

## SCREENS - ALUMINUM

JUREK CONSTRUCTION COMPANY  
348 WELL STREET  
FAIRBANKS AK 99701  
APPROVED: Y CLASS: III

## SEEDS

ALAMASU, INC.  
MILE 1403 1/2 ALASKA HIGHWAY  
DELTA JUNCTION AK 99737  
APPROVED: Y CLASS: III

## SPORTING &amp; ATHLETIC GOODS - CANVAS BAGS

CANVAS BAG COMPANY  
3787 ERICKSON  
FAIRBANKS AK 99709  
APPROVED: Y CLASS: III

## STAIRS, RAILINGS

S & S WELDING, INC.  
2908 COMMERCIAL DR  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

STEEL FABRICATORS  
2132 RAILROAD AVENUE  
ANCHORAGE AK 99510  
APPROVED: Y CLASS: III

## TANKS

GREER TANK, INC.  
PO BOX 190708  
2921 W INT'L AIRPORT RD  
ANCHORAGE AK 99519  
APPROVED: Y CLASS: III

S & S WELDING, INC.  
2908 COMMERCIAL DR  
ANCHORAGE AK 99501  
APPROVED: Y CLASS: III

STEEL FABRICATORS  
2132 RAILROAD AVENUE  
ANCHORAGE AK 99510  
APPROVED: Y CLASS: III

## TANKS - FIBERGLASS

ALASKA FIBERGLASS PRODUCTS  
200 W 34TH STREET, SUITE 321  
5631 SILVERADO WAY, SUITE G  
ANCHORAGE AK 99503  
APPROVED: Y CLASS: III

## TRUSSES

JUNEAU TRUSS  
5401 GLACIER HWY  
JUNEAU AK 99801  
APPROVED: Y CLASS: III

O.K. LUMBER COMPANY, INC.  
PO BOX 10449  
649 FOHLOF STREET  
FAIRBANKS AK 99710  
APPROVED: Y CLASS: III

## TV EQUIPMENT - CLOSED CIRCUIT SURVEILLAN

SECURITY ENGINEERING OF ALASKA  
PO BOX 772157  
19133 UNALASKA CIRCLE  
EAGLE RIVER AK 99577  
APPROVED: Y CLASS: I

PRODUCT

WELDING REPAIR

S & S WELDING, INC.  
2908 COMMERCIAL DR  
ANCHORAGE AK 99501  
APPROVED: N CLASS:

APPROVED: N = Not Approved  
APPROVED: Y = Approved

# The BidNet Link

## Communication Between Buyer and Seller

### The Importance of Buying Recycled Products

By Richard Keller and Nancy Vandenberg

The long-homeless garbage barge dramatized the social and political problems associated with solid waste disposal. Yet, even without the drama, there is sufficient cause for concern. According to a recent study for the Environmental Protection Agency (EPA) by Franklin Associates, Ltd., the United States produced 133 million tons of garbage in 1984; and it is predicted that this total will rise to 141 million tons in 1990. Although the capacity of resource recovery incinerators is expected to double during the same period, in 1990 there will still remain 128 million tons—or 41,290 bargeloads—of waste material for other disposal. As a consequence, states and cities all across the country are embracing recycling as a key waste management strategy.

Recycling will not work, however, if there are not adequate markets for the materials to be collected. One way to create these markets is to increase demand for products made with recycled content. In the "Post Barge Era," the government purchasing community has a major role to play in solving the government waste disposal problem. Strategies include:

- Buying for waste reduction, i.e. two-sided copiers; washable, not disposable, institutional linens.
- Buying recyclable materials, i.e. white, not yellow scratch pads.
- Buying rebuilt telephones, computers and automotive parts.
- Buying recycled plastic garbage bags and other recycled products.

*Within a year, four out of every five Americans could live in a state with a program to buy recycled products.*

An indication of the popular support for "buying recycled" is the number of preference programs being legislated. At least eighteen states and four local governments have enacted legislation favoring the purchase of recycled products, ten of these during 1986 or the first half of 1987. Together, those eighteen states represent 59% of the U.S. population. In addition, eleven other states—representing 22% of the population—are addressing this issue. Thus, it is conceivable that, within a year, four out of every five Americans could live in a state with a program to buy recycled products.

Activity is greatest in the Northeast where an action agenda for solid waste management proposed by the New York State Legislative Commission on Solid Waste Management, including a coordinated approach to recycled product procurement, has been endorsed by participants at the two major regional recycling conferences. Also, the New England Waste Management Officials Association and the National Recycling Coalition spon-

sored a seminar which brought together key purchasing and solid waste officials to discuss issues associated with buying recycled products. In the West, all three coastal states have addressed ways to strengthen their recycled product purchasing programs in the past year.

At the federal level, the EPA is poised to publish guidelines for purchasing recycled paper and re-refined lubricating oil, and additional guidelines are being developed.

It is becoming increasingly important for purchasing and solid waste agencies to work together to develop buying programs that can be implemented efficiently. The skills of the purchasing community are particularly needed in standardizing recycled product definitions. To illustrate this point, eight of the ten states that have defined recycled paper define it differently in terms of percentages and acceptable recycled feedstocks. This inconsistency is very costly. Manufacturers cannot produce a standard product that suits all markets. Instead, they must run special orders for each state's specifications. This problem is also beginning to appear with recycled plastic products. Emerging national standards are included in the following definitions.

#### DEFINITIONS

##### General

*Postconsumer waste material:* any product generated by a business or a consumer which has served its intended end use, and which has been separated from solid waste for the purposes of collection, recycling and disposition and which does not include secondary waste or secondary waste paper material.

*Secondary waste material:* industrial by-products which would otherwise go to disposal facilities and waste generated after completion of a manufacturing process, but specifically excludes internally generated scrap commonly returned to industrial or manufacturing processes such as home scrap and mill broke. (Mill broke is the waste generated on-site at a paper mill.)

*(continued on page 2)*

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## Recycled Products (continued from page 1)

### Paper

**Recycled paper product:** any product having a total weight consisting of not less than 50% postconsumer waste materials and/or secondary waste paper material.

**Secondary waste paper material:** paper waste material generated after completion of a papermaking process, including but not limited to envelope cuttings, bindery trimmings, printing waste, cutting and other converting waste, butt rolls and mill wrappers; except that secondary waste paper material shall not include fibrous waste generated during the manufacturing process, such as fibers recovered from wastewater or trimmings of paper machine rolls, fibrous by-products of harvesting, extractive or woodcutting processes, and odd forest residue such as bark.

### Plastic

**Recycled plastic product:** any plastic product with a total weight consisting of not less than 25% of postconsumer waste material and/or secondary recycled plastic content.

**Secondary waste plastic:** obsolete product inventories, overruns, contaminated industrial scrap and manufacturing wastes generated after a production process, but specifically excludes internally generated scrap, or home scrap, because it is commonly returned to the production process and also excludes off-spec virgin resins.

### OPPORTUNITIES TO BUY RECYCLED

There is no reason to restrict recycled purchases to the obvious. Purchasing agencies, and the agencies they serve, can take credit for every single ton of recycled content in items used each year.

### Paper Products

**Paper towels and tissue products for institutional use:** these now are made universally with recycled content. Depending on the supplier, content can be 100% recycled with very high percentages of postconsumer content.

### The BidNet Link

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**Newsprint:** items like the *Federal Register* and draft legislation can be made from recycled newspaper. There is sufficient competition around the country to satisfy federal government needs.

**Pad backing, file dividers, legal pads, book covers,** and so on: recycled content is now the industry standard. If these are not currently purchased with recycled content, they should be.

### *There is no reason to restrict recycled purchases to the obvious.*

**Fine and printing papers:** these are available, but harder to get. The preferences for paper target those papers which always cannot be purchased competitively with their virgin counterparts.

### Other Types of Products

**Plastic garbage bags:** these are available with secondary recycled content, though that fact is rarely publicized. One company consumes 60,000,000 lbs. of recycled polyethylene per year for a well known brand, but so far, this information is kept quiet. New York State specifications specifically allow recycled content.

**Carpet and carpet pads:** recycled polyester fabric scraps and recycled PET bottles and scraps are used for carpet pads. Recycled PET bottles and recycled nylons are being used for commercial grades of carpet.

**Fatigue mats, plastic runners and urinal screens:** all are being made from recycled plastic.

**Playground equipment:** this can be made from recycled plastic.

**Recycled plastic car bumper stops:** at least two firms, one in Iowa, the other in Florida, market these.

**Retreaded tires:** these are available for passenger cars, and retreading services are standard for trucks and heavy equipment.

**Recycled and rebuilt automotive parts:** these have become a major cost saver for insurance agencies and individuals. They are equally available to government buyers.

**Solvents:** recycled solvents are adequate to clean equipment. Solvent reclaiming service solves the expensive disposal headache and reduces hazardous waste while it increases use of a recycled product.

### Other Agency Purchases

Everything governments use is not purchased by the procurement agency. Many items, particularly in construction, are bought by contractors or other agencies.

**Recycled asphalt:** nearly every state allows recycled asphalt in its specs, but use is not universal. In New York State only about 5% of the contracts include recycled asphalt. How can use be increased?

**Recycled concrete:** Michigan, recycled concrete is so reusable and contractors don't expect to be paid to take it away. Michigan also allows recycled concrete as an aggregate in concrete construction. It also can be used as sub-base or structural fill in many states. New York State is now encouraging this use.

**Coal combustion fly ash in cement:** redi-mix concrete suppliers use it regularly in New England. Contractors in Nebraska prefer it. Can use be expanded in all states? All state specifications allow it.

**Resource recovery plant ash:** structural properties already have  
*(continued on page 5)*

## Recycled Products (continued from page 2)

been proved for some uses. If current testing programs prove that contaminants don't reach into the environment, there will be plenty of this material available for use. It bears watching.

**Glass as structural fill:** some regions have few users of waste glass. Whenever supply outstrips demand, it can be used to replace gravel.

**Compost:** yard wastes are nearly 18% of municipal refuse according to the Franklin Associates study for EPA. Communities can use compost as a soil amendment in parks, on government and institutional grounds, and along highways.

**Scrap tires as an energy resource:** tires are noxious in disposal facilities. If the retreading and rubber re-use industries cannot absorb all the scrap tires, every effort should be made to determine their feasibility as fuel.

**Insulation:** weatherization programs still are insulating homes and buildings to achieve energy conservation. These programs, and construction contracts can specify recycled insulation. Various types of insulation can use recycled materials:

Cellulose—80% old newspaper

Fiberglass—can be made from postconsumer bottles

Rigid foam—almost universally contains recycled plastic

Mineral wool—often is made from industrial slags

## RECORDS AND SIMPLIFYING THE RECORD-KEEPING PROCEDURES

The next key issue affects buyers and vendors alike. Even if every product a purchasing agency bought during a year had recycled content, it wouldn't count unless there was proof in the records. But, records can't reflect recycled content in purchases unless the vendors provide that information when products are offered on competitive bids. Landmark legislation in Rhode Island and Iowa has set the precedent. In those two states,

(continued on page 6)

## Winners

Examples of savings on traffic supplies by one western city:

Item	BidNet Client	Next Lowest Bidder	Savings
Sign Faces	\$ 7,052.70	\$ 8,743.00	23.96%
Roll Goods	\$10,459.35	\$12,208.00	16.71%
Letters	\$ 603.90	\$ 654.50	8.37%
<b>TOTALS:</b>	<b>\$18,115.95</b>	<b>\$21,606.50</b>	<b>19.26%</b>

Other examples of savings acquired through BidNet:

- Savings of 65% off list price for projection lamps for a southern junior college (10% better than previous contracts);
- 15.2 percent saved on computer paper for a northeastern town;

# ABOUT BidNet

## D & B Credit Reports Now Available to Purchasers through BidNet

Through a special arrangement with Dun & Bradstreet Credit Services, public purchasing offices now can obtain D & B Business Information Reports (generally referred to as credit reports) through BidNet on an as-needed, pay-only-for-what-you-order basis. The Business Information Reports, which assist purchasers in evaluating the capabilities of bidders to perform under contract, previously were available on a subscription basis only.

The information provided by a Business Information Report about a company includes:

- Name, address, and telephone number
- Name and title of chief executive
- Products and services sold
- D & B rating
- When started
- Special events (such as a fire)
- Payment record
- Changes (such as a move)
- Sales
- Net worth
- Number of employees
- Size, type and location of facilities
- Credit history
- Financing
- Condition
- Trend

To obtain more information, or to order an individual D & B Business Information Report, contact BidNet at 1/800/543-0495, extension 1000. When ordering, please provide the name of the company and the state in which it is located. An invoice for \$50 will be included with each written report mailed to a purchasing office that sends its bid solicitations to BidNet. Purchasing offices which do not send their solicitations to BidNet will be invoiced at the rate of \$75 per credit report ordered through BidNet. ■

- 9.3 percent (\$618) saved on uniforms for a southern city;
- \$900 savings on a \$37,000 contract with a northeastern county for propane;
- 1.1% on a flat trailer for a southeastern county;
- 8.2% on a vibratory compaction roller for a southern city's transportation division;
- 18.86% on linen supplies for a northwestern state. ■

## Recycled Products (continued from page 5)

vendors will be required to provide recycled content data when they respond to bids.

**Records can't reflect recycled content in purchases unless the vendors provide that information when products are offered on competitive bids. Landmark legislation in Rhode Island and Iowa has set the precedent.**

Solid waste agencies want to know how much of their recyclable supplies are consumed by their government's purchases. For instance, one ton of 100% recycled towels consumes slightly more than one ton of waste paper. These agencies also should be pleased to handle the analytical work if the data is supplied through purchasing records. Purchasing agencies already gather most of the information that is needed. For recycled products, only two bits of data are missing—percentage of recycled content and unit weight.

**Percentage of recycled content:** percentages can range from 0% (virgin product) to 100%. Vendors can certify to a minimum recycled content in products shipped. Comparison of the two will allow federal purchasing agencies to determine if minimum content standards can be raised.

**Unit weight:** this data can be provided by purchasing officers as supplied by vendors. It is important because supplies of recyclable feedstocks are recorded in pounds or tons.

**Performance:** purchasing agencies test the products they buy and reject those that don't work. A common, but rarely substantiated, complaint about recycled products is that they don't meet performance requirements. The primary objective [of buying recycled products] is to reduce waste; if recycled products don't work, they become waste. But, they deserve a fair trial. Tests should be run on the competing virgin product as well. A summary record of the tests and products that fail will serve everyone's needs.

**The primary objective [of buying recycled products] is to reduce waste; if recycled products don't work, they become waste.**

Specifications reviewed and those that are changed: many specifications were reviewed in the 70's to remove discrimination against recycled content. Records of specifications that allow recycled content can be used to alert suppliers and the public that recycled content is welcome.

**Preference dollars spent:** for states that allow a price preference for recycled products, this information allows analysis of the costs versus the benefits of reduced waste disposal. A very simplified example: if preference costs for recycled paper were \$50,000, 5% recycled paper was purchased and disposal costs were \$50 per ton, all paper purchased over 2,000 tons saves the taxpayers money.

**Manufacturers:** purchasing agencies commonly record manufacturer's names, and they usually know where the product is made. This information is valuable for economic incentive pro-

grams now being discussed in many states. If recycled products commonly are purchased from other regions of the country, would economic incentives attract manufacturing capacity into the local region, especially if recyclable feedstocks can be supplied? It worked in Oregon, and Oregon now is a net importer of postconsumer newspapers.

**Simplifying the recordkeeping burden:** computers are the answer to easy records and reports, and purchasing agencies are automating right now. If purchasing software can recognize recycled content, most of the recordkeeping and reporting can be done by punchbutton.

According to purchasing software experts, records of recycled purchases can be flagged when recycled content greater than 0% is entered on the normal purchasing record. The computer can then generate, by time period, reports on:

- the total number of purchases
- the total number of purchases of a given item containing recycled materials in comparison to purchases of virgin materials
- quantities of consistent units of a given item
- which departments use recycled products
- total dollars spent on recycled products
- comparative values of recycled versus virgin products
- recycled products by vendor or manufacturer

Individual records can be examined for special information, such as locations of manufacturers, specific recycled content percentages and other information useful to solid waste planners. The analytical burden can be carried by the agency with the most interest, but only if the records are easily available.

**Costs:** the cost for this additional feature is nothing, if it is designed into the system at the outset. Costs for adapting existing software depend on the type of system in use, its complexity and capabilities and the extent of demand for such adaptations.

## Resources

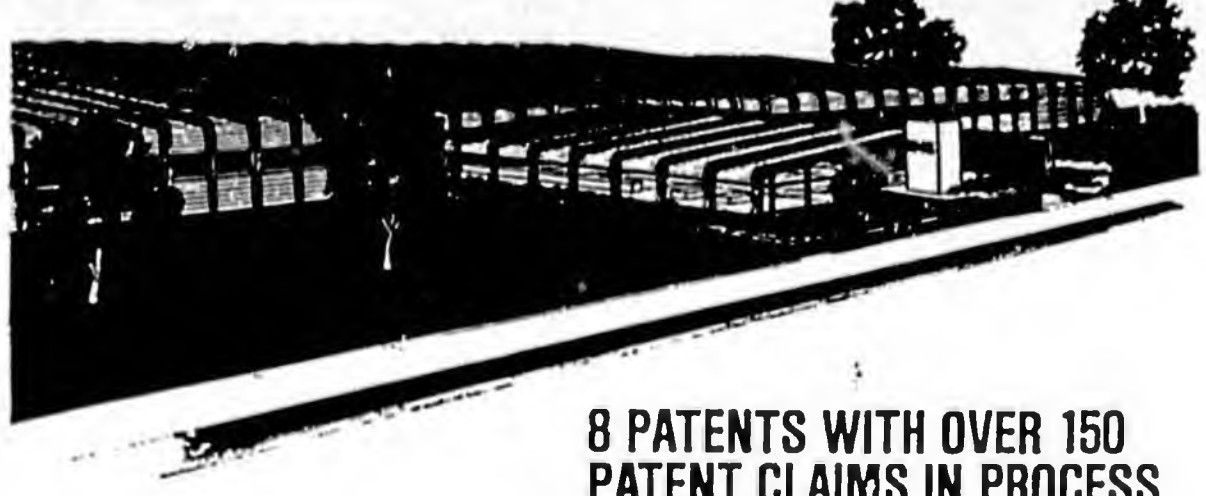
Unfortunately, no up-to-date directories of recycled products exist. A listing of organizations and suppliers is available, however, from Mr. Keller, c/o the Maryland Energy Office, 301 West Preston Street, Baltimore, Maryland 21201. A listing of state and city procurement programs for recycled products also is available from Mr. Keller. ■

## AUTHORS

Richard Keller is the Manager of Procurement and Waste Management for the Maryland Energy Office and is a frequent speaker on recycling and energy issues. As a result of his work, the U.S. Department of Energy gave the State of Maryland two 1985 awards for energy innovation for the programs on buying recycled paper and promoting auto and truck recycling. Maryland programs are often used as models by other organizations. Mr. Keller serves on the Board of Directors of the National Recycling Coalition and is a member of the Maryland Public Purchasing Association. He has been named the 1987 Outstanding Government Leader of the Year by the National Recycling Coalition.

Nancy Vandenberg is a consultant in marketing development for recycled products. She coordinates Markets for Recycled Products at the Council on the Environment of New York City, conducts feasibility research on EPA guidelines, and is a frequent lecturer and contributor to the trade press. The organizations of which she is a member include the National Recycling Coalition and the International Coalition of Procurement Standards.

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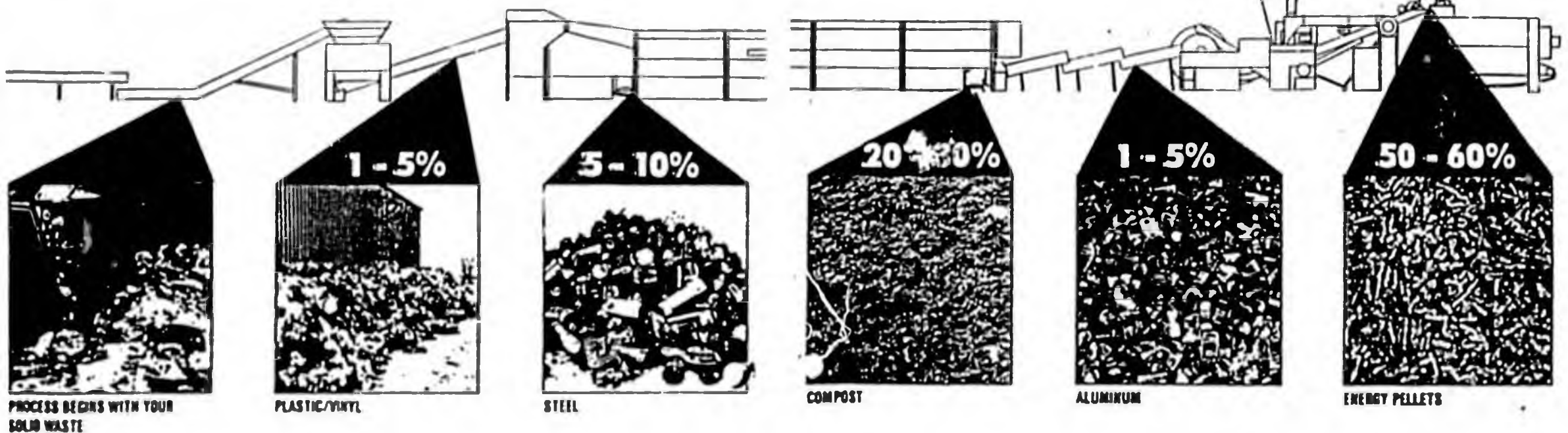


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### M E M O R A N D U M

TO: Senator Tim Kelly, Chairman  
Senate Labor and Commerce Committee

FROM: Representative Pat Pourchot *Pat*

RE: HB 526, Licensure of clinical social workers

DATE: April 15, 1988

I am writing to request that you schedule HB 526, which would provide for the licensure of clinical social workers.

The bill is the product of a consensus reached by the Alaska Chapter of the National Association of Social Workers, the Alaska Federation of Natives, the Department of Health and Social Services, and the Division of Occupational Licensing. It received strong support in the House, passing earlier this week by a vote of 35-1.

A summary of the bill, its fiscal note, and other appropriate documentation is attached. I would be happy to discuss it with you at your convenience.

# Alaska State Legislature

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HB 526

### Licensure of clinical social workers

CSHB 526(Fin) is a scaled down version of earlier social work licensing proposals. It meets the concerns of the Native non-profits and the State Division of Family and Youth Services, is supported by the Alaska Chapter of the National Association of Social Workers (ANASW), and meets the most pressing consumer protection issue -- social workers providing counseling or psychotherapy services in unsupervised private practice.

CSHB 526(Fin) applies only to clinical social workers in private practice, a subset of the general social work profession. Social workers employed by federal, state, or local government entities and by private non-profits (e.g. social workers who, by the nature of their employment, operate within a supervised structure) would be specifically exempt from licensure.

A clinical social worker is classified according to NASW's standardized definition and is set apart from other social workers by the fact that he or she performs psychotherapy (diagnosis and assessment of persons with mental and emotional conditions). Qualifications for licensure include a masters or doctoral degree in social work and two years or 3,000 hours of supervised employment in clinical social work.

HB 526 should not be interpreted to mean that consumer protection and standard of practice issues arise only with clinical social workers. Probably each decision made by each social worker impacts somebody's life, and there are many people who feel that this justifies licensure of all social workers. However, there is simply not support for that approach. I am convinced that CSHB 526(Fin) will do much to enhance consumer protection and improve the standard of care by targeting those social workers that are totally unregulated at this time, and I would urge your support.

Please note that the cost of licensure will be borne entirely by license fees.

# Alaska State Legislature

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## House of Representatives

April 7, 1988

CSHB 526 (Fin), An Act relating to the practice of clinical social work.

### BILL ANALYSIS

#### Section 1 Purpose

Protect the public by setting standards of professional performance for clinical social workers.

#### Section 2, 08.95.010 Board Make-up

Four licensed clinical social workers and one public member.

#### Section 08.95.020 Board Meetings

At least once a year.

#### Section 08.95.030 Duties of the Board

Issue licenses, impose disciplinary sanctions, adopt regulations, and prepare an annual report.

#### Section 08.95.040 Continuing Education

Minimum of 45 hours per biennium of education or training, with a minimum of 6 hours in substance abuse and 6 hours in cross-cultural education that emphasizes Alaska Natives.

#### Section 08.95.100 Penalties

Class B misdemeanor (maximum 90 day sentence) for practicing clinical social work or using the title "clinical social worker" without a license. Unlicensed persons may use the title "social worker".

#### Section 08.95.110 Licensure

Qualifications: (1) Masters or doctoral degree in social work; (2) 2-years of full-time supervised employment in clinical social work or 3,000 supervised hours of less than full-time employment; (3) good professional standing; (4) 3 professional references; (5) pass examination; (6) pay fees.

Section 08.95.130 Display of License

Must be in a conspicuous place.

Section 08.95.900 Confidentiality

Required except under certain conditions (case conferences with other licensed professionals, written consent, court proceedings, incidents of child abuse or neglect).

Section 08.95.910 Exemptions

Employees of federal/state/local government, non-profits, other qualified professionals.

Section 08.95.990 Definitions

Defines "clinical social work" and "social work principles and methods".

Section 3-4 DCED Duties

08.01.010 places Social Work Board under the centralized licensing statute.  
08.01.050 authorizes DCED to provide investigative services to the Board.

Section 5, 08.02.010(a) Use of Title

Must be used on all signs, stationery, or other advertising.

Section 6, 08.03.010(c) Sunset

June 30, 1992

Section 7 Initial Appointments to Board

Persons with masters or doctoral degree in social work, 2 years or 3000 hours of experience, good professional standing, and who practiced in Alaska during the past year are eligible.

Section 8 Transitional Licensure

License without exam until June 30, 1989 for persons who meet all other licensure requirements.

Section 9 Effective Date

July 1, 1988

315  
STATE OF ALASKA  
1988 LEGISLATIVE SESSION

BILL VERSION: CSHB 526 (FIN)  
PUBLISH DATE: HOUSE 4/11/88

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: An Act relating to the practice of clinical social work...  
Sponsor: House Labor & Commerce  
Requester: \_\_\_\_\_

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL		3.5	3.5	3.5	3.5	3.5
CONTRACTUAL		1.0	1.0	1.0	1.0	1.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		4.5	4.5	4.5	4.5	4.5

CAPITAL						
---------	--	--	--	--	--	--

REVENUE		15.0	3.0	21.0	3.0	27.0
---------	--	------	-----	------	-----	------

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER		4.5	4.5	4.5	4.5	4.5
TOTAL		4.5	4.5	4.5	4.5	4.5

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 bill establishes a Board of Clinical Social Work Examiners to regulate and license approximately 50 practitioners. The expenses identified above include travel funds for the board to meet and contractual funds to cover printing, advertising and communication expenses. (CONTINUED ON ATTACHED)

Prepared by: Jennifer Strickler, Management Analyst Phone: 465-2144  
Division: Occupational Licensing Date: 3/31/88

Approved by Commissioner: J. Anthony Smith Date: 4/14/88  
Agency: Commerce and Economic Development

Distribution (by preparer):

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

**CONTINUATION of FISCAL NOTE ANALYSIS****For Bill/Resolution No.**CSHB 526 (FIN)  
HOUSE 4/11/88

The expenses identified do not include administrative overhead costs. All licensing programs under central licensing are expected to cover a portion of the overhead expenses. To accomplish this, the division has established a formula used to spread overhead costs in each licensing area based on the number of licensees within an occupation. For clinical social workers, 50 practitioners equal 0.24% of the current licensees; therefore, 0.24% of the overhead is assigned to the clinical social work licensing program to be covered by licensing fees.

Therefore, the total cost of the clinical social work licensing program is \$15,400 in the first year and licensing fees would need to attempt to cover this cost.

Clinical social workers have expressed their willingness to pay up to \$150 per year (\$300 biennial) for licensing fees. As a result, the profession will just about cover the costs of its licensing program in the first year. Revenues identified on even-numbered years are based on 10 new licensees. Because of the renewal cycle of licenses, expenses in a nonrenewal year will have to be subsidized by general funds or through other licensing fees for those occupations undergoing renewal.

4) provide for privileged communication between the professional social worker and the client.

While the information acquired by state social workers in their performance of their duties under AS 47.10.090, 47.17.040, 47.35.060, and 47.35.070 is confidential, social workers in private agencies or in private practice have no similar protection of their clients' information.

The Department of Health and Social Services strongly supports both the recognition of the profession of social work and the commitment of the Alaska Legislature to regulate that practice in order to assure quality service to clients.

RECOMMENDED: *Yvonne M. Chase*  
Yvonne M. Chase, Director  
Division of Family  
and Youth Services

DATE: 3/24/88

APPROVED: *Myra M. Munson*  
Myra M. Munson, Commissioner  
Department of Health  
and Social Services

DATE: 3/24/88

# **CORRECTION**

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

4) provide for privileged communication between the professional social worker and the client.

While the information acquired by state social workers in their performance of their duties under AS 47.10.090, 47.17.040, 47.35.060, and 47.35.070 is confidential, social workers in private agencies or in private practice have no similar protection of their clients' information.

The Department of Health and Social Services strongly supports both the recognition of the profession of social work and the commitment of the Alaska Legislature to regulate that practice in order to assure quality service to clients.

RECOMMENDED:

Yvonne M. Chase  
Yvonne M. Chase, Director  
Division of Family  
and Youth Services

DATE:

3/24/88

APPROVED:

Myra M. Munson  
Myra M. Munson, Commissioner  
Department of Health  
and Social Services

DATE:

3/24/88

POSITION PAPER  
COMMITTEE SUBSTITUTE FOR HOUSE BILL No. 526

For an Act entitled: "An Act relating to the practice of clinical social work and exempting certain persons from licensure as clinical social workers; and providing for an effective date."

The Committee Substitute for House Bill 526 would provide for a licensing body with the authority to regulate the practice of clinical social work in Alaska. The provisions in this Committee Substitute would:

1) promote high standards of professional performance by persons licensed to practice clinical social work.

As a result of this legislation, only persons found by the Board to meet the requirements under Section 08.95.110 would be issued a license to practice clinical social work. Clinical social workers intervene in complex situations involving interpersonal, social, financial, and legal dimensions, and in an area where the professional capabilities of the individual have such an important impact on the persons receiving services, it is essential that the standards of quality of one's professional performance are consistently high. Licensure or certification has been effected in 43 states, the Virgin Islands, and Puerto, as a mechanism to ensure those standards.

2) protect the consumer by insuring that persons using the title of clinical social worker have specific educational training designed to prepare persons for the field of social work.

There are presently no requirements for clinical social work practitioners, and while consumers of these services can contact the Alaska Chapter of the National Association of Social Workers (NASW) to see if the person is a member, membership in NASW is voluntary and therefore all "licensable" social workers may not belong to NASW. In addition, while persons who are members of NASW are required to conduct their practices according to the national organization's code of ethics, censoring a member for unethical practices does not stop them from practicing in Alaska; that can only be accomplished through licensure.

3) provide individuals in the community with more options for treatment than what presently exists.

Licensure provides the clinical social worker with the ability to seek financial reimbursement for services through a number of insurance companies which presently will only reimburse "licensed" professionals. The result of the present situation is that persons seeking treatment services are forced to wait for the availability of other professionals if they need to pay for these services through insurance. Social workers provide a large percentage of the clinical services offered in Alaska, particularly in the rural areas, and the availability of those services often means the difference between some treatment and no treatment.

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_ Agency Affected: Health and Social Services  
 Title: The practice of clinical social work and exempting certain persons from licensure BRU: \_\_\_\_\_  
 Sponsor: Pourchot, Phillips, Collins Components: \_\_\_\_\_  
 Requestor: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

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

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

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

**FUNDING: (Thousands of Dollars)**

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

**POSITIONS:**

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

**ANALYSIS : (Attach a separate page if necessary)**

N/A

Prepared by: Yvonne M. Chase, Director *AMC* Phone: 465-3170  
 Division: Division of Family and Youth Services Date: 03/24/88

Approved by Commissioner: Myra M. Munson *Myra M. Munson* Date: 3/24/88  
 Agency: Department of Health and Social Services

**Distribution (by preparer):**

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

# ALASKA FEDERATION OF NATIVES, INC.

411 W. 4th Avenue, Suite 301 • Anchorage, Alaska 99501 • Phone (907) 274-3611



March 24, 1988

Representative Pat Pourchot  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Dear Representative Pourchot:

AFN has reviewed the proposed Committee Substitute for House Bill 526 (L & C). At this time, AFN has no objection to this substitute moving forward. Our concerns in previous drafts seem to have been met, specifically the very clear exemption for non-profit and state social workers.

If you have any questions please give me a call.

Sincerely,

Julie Kitka  
Executive Vice President

# NASW Statement

## LICENSING OF CLINICAL SOCIAL WORKERS IN PRIVATE PRACTICE

The Alaska Chapter of the National Association of Social Workers supports the passage of legislation to regulate social workers who are engaged in the private-for-profit, independent practice of clinical social work. Currently 35 States provide some control over clinical social work in their jurisdiction through registration, certification, or licensure of social workers and 9 States including California and Oregon regulate only the practice of clinical social work.

The standard adopted by NASW for the independent practice of clinical social work includes a master's degree in social work from an accredited program and two years of supervised experience in a clinical setting. Clinical settings include but are not limited to mental health clinics, hospitals, and counseling centers. Only clinical social workers are qualified to diagnose and treat mental illness and emotional disorders utilizing psychosocial methods and psychotherapeutic techniques. Clinical social workers deliver over 50% of mental health services on the national and statewide level. Clinical social workers are the only unlicensed mental health professionals currently permitted by State statute to evaluate clients for commitment in mental health proceedings.

The majority of social workers engaged in private practice throughout the State are clinical social workers. There are several masters level and some bachelors level social workers engaged in private practice as consultants but it would be difficult to regulate this group because they do not possess a standard body of knowledge in comparison to clinical social workers. Consumers of clinical social work services by private practitioners are those consumers most at risk of receiving services from unqualified or unethical practitioners.

NASW believes that licensing of all social workers is beneficial to the public but licensing of private practitioners is absolutely necessary to protect consumers. Clients of agencies can file complaints with the worker's supervisor, director, or governing board, but clients of private practitioners have no such recourse. Recently there have been several reports indicating that complaints against social workers accused of sexually abusing clients has sharply increased. The Alaska Chapter of NASW is currently in the process of handling a complaint of this nature against one of our members. Because NASW can only handle complaints against members, the only sanction we can impose is to revoke membership.

We estimate that approximately 40-50 clinical social workers are engaged in the private practice of clinical social work on a part-time or full-time basis in Alaska and an additional 50-80 clinical social workers employed by agencies, clinics, and hospitals will meet the qualifications. Licensing of clinical social workers will enable private practitioners to collect third-party payments for treatment of mental and emotional disorders. Licensing of clinical social workers will expand treatment options for many Alaskans because clinical social workers frequently charge less for their services, and because clinical social workers are more likely to reside in rural areas of the State than psychiatrists or psychologists. In addition, many clinical social workers have developed expertise in areas such as treating victims of domestic violence and sexual abuse, but have had difficulty establishing their expertise as competent witnesses in courtroom settings because social workers are not licensed.

Submitted by: Marsha Schneider, MSW, ACSW  
Executive Director  
Alaska Chapter, NASW  
3/22/88

HB

531

BOARD OF CHIROPRACTIC EXAMINERS

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## IDENTIFICATION OF BOARD

### BOARD OF CHIROPRACTIC EXAMINERS

AS 08.20 - 5 members; 4 year term; serve at the pleasure of the Governor.

Carol J. Davis, D.C. July 15, 1990  
1018 College Road  
Fairbanks, AK 99701  
(work) 465-5252

Thomas R. Gundelfinger, D.C. July 15, 1989  
2203 Jordan Avenue  
Juneau, AK 99801  
(work) 789-9549  
(home) 789-5970

Kenneth O. Ketz, D.C. (Chairperson) July 15, 1989  
Anchorage Center for  
Chiropractic, Inc.  
500 E. Tudor Road  
Anchorage, AK 99503  
(work) 561-4864

Frank J. Kufel (Public) July 15, 1990  
1840 Parkside Drive  
Anchorage, AK 99501  
(work) 277-4869  
(home) 279-2394

Leland P. Olkjer, D.C. July 15, 1988  
P.O. Box 368  
Valdez, AK 99686  
(work) 835-2334  
(home) 835-4408

#### Staff Person:

Edward R. Mercer  
Licensing Examiner  
Division of Occupational Licensing  
Department of Commerce & Economic  
Development  
P.O. Box D-LIC  
Juneau, AK 99811-0800

NARRATIVE STATEMENT:

The Chiropractic Board undertook several projects during FY 87:

1. Reexamination policy and procedures were considered and recommendations for regulatory clarification were made.
2. Review of continuing education policy procedure was accomplished with recommendation for regulatory clarification.
3. Changes in regulations which clarify policy with regard to examination, reexamination, and continuing education were proposed.
4. Modification of exam guidelines and question pool was proposed.
5. Attempt to establish "Locum Tenens" continues.
6. Enforcement of Practice Act.
7. Consideration of Clinical Competency part of National Board of Chiropractic Examiners.

A summary of activities of the Board of Chiropractic Examiners for 1987 would include the following:

1. Two board meetings, January and July 1987, covering examination of new applicants and examination of credentials of potential licensees.
2. Attempts to draft and redraft appropriate regulation and suggest timely changes to statute.
3. Investigative activities of the board have been consistent for the past year with an investigative report on the status of cases pending and action to close some at each of the two meetings.
4. In response to requests about licensure on registration, authority is requested in statutes and regulations similar to those for veterinary technicians.
5. Consideration of development of written competency examination and the presence of one board member at a meeting of the National Board of Chiropractic Examiners proved most enlightening.

Review of Fiscal Year 87 goals and objectives:

1. Comply with Administrative Procedures Act, as well as hear cases presented to the board by the Division of Occupational Licensing.

We reviewed and acted on the investigative reports and turned in names of parties suspected of violating state laws to the division and complaint regarding same.

2. Review applications of all persons wishing to enter the chiropractic profession in Alaska. Attention paid to statutory and administrative requirements. This will be an ongoing process.
3. Evaluation of the National Board of Chiropractic Examiners' written clinical competency exams (especially valuable was Dr. Olkjer's report as a result of his trip to the NBCE and Federation of Chiropractic Board's meeting).
4. Work on development of guidelines or exam procedures continues.

Goals and objectives for Fiscal Year 88:

Goals:

It is the purpose of the board to ensure the quality of chiropractic care; to admit only qualified individuals into practice; to actively enforce a Chiropractic Practice Act; to promote high standards of professional chiropractic practice; and to ensure the public of continuing competency of licensed chiropractors.

Objectives:

1. Introduce legislation requested by the board on statute and regulation changes to assure the continuing competence of licensees and to fulfill the board's obligations in register 37, 12 AAC 06.010-.270 to protect the public's interest.
2. Comply with the Administrative Procedures Act, as well as to hear cases presented to the board by the Division of Occupational Licensing.
3. Review the applications of all persons wishing to enter the chiropractic profession in Alaska to determine if they meet statutory and administrative requirements.
4. Continue to develop appropriate jurisprudence and practical application examinations and to provide an objective examination question pool.
5. Continue to develop examination guidelines and complete an exam procedures manual to guarantee continuity and consistency.
6. To amend the Alaska statutes to allow full utilization of the National Board of Chiropractic Examiners new clinical competency exam.
7. To cooperate and assist in development of improved National Board of Chiropractic Examiners' examination through participation in an annual review meeting of the NBCE and periodic meetings of the Federation of Chiropractic Licensings Boards.
8. To revise regulatory reexamination policy and procedures to be the same as initial examination policy.

### Proposed Legislation

The board would like legislation introduced under authority of Article 1, .055 and AS .050 and .135 as follows:

1. A statute, i.e., AS 08.20.057, and necessary regulations to register chiropractic technicians because of the increasing demand by applicants and licensees.
2. Repeal temporary permits AS 08.20.160, Section 2 and AS 08.20.165, Section 4. Applicants who are "apparently qualified" under the current temporary permit licenses are not required to have direct or indirect supervision, no previous experience, and often fail our state exam after practicing up to six months! The board feels a "locum tenens" statute would better protect the public; progress is being made.
3. The board continues to support an amendment to the credentialing statute to require a candidate to successfully practice three of the last four years to be eligible.
4. The board requests statute AS 08.20.130, Section 2, to include an examination or professional proctors committee as in the dental statutes, during exams when more than seven candidates are tested to assist board members and improve efficiency and eliminate time constraints.
5. Establish a postponement fee or abandonment of application policy to deal with candidates who do not show for scheduled examinations and do not notify the licensing examiner in advance. Three-day exam board meetings are necessary if eight or more are scheduled for the examination. The expense of an extra or third day can be avoided if applicants aren't able to attend. The licensing fees are being addressed through the fee regulation projects.
6. The board requests a statute change in AS 08.20.130(c) from general average rating of 75% to 75% on each portion of the examination.
7. The board requests that texts most commonly used in approved chiropractic colleges be purchased for reference use by the board during exams and exam preparation.
8. The Physical Therapists Statute needs to be amended to permit chiropractic patient referrals. Presently, these consumers are denied the services of physical therapy if they are referred by chiropractors.
9. Amend the statutes to reflect a minimum of two exams and meetings per year in amendments to the Central Licensing statutes.

10. Amend statutes to reflect requirement of passing all National Board exams (instead of Parts I and II).

#### BUDGET RECOMMENDATIONS

Board members are from the following locations (cities) and approximate air fare to Anchorage is:

<u>City</u>	<u>Fare</u>
Anchorage	\$ 0.00
Juneau	352.00
Fairbanks	222.00
Valdez	150.00

#### Budget for FY 88:

The Board of Chiropractic Examiners requests a budget of \$12,500.00 to include:

1. Four board meetings per year on a quarterly basis (July, October, January and April). Costs to include travel and per diem at FY 85 figures are \$10,500.00.
2. Three exams in October, January and July. If there are more than seven examinees, the exam and meeting should consist of three days.
3. Rental fees for examination equipment and office space and/or insurance fees to cover same, if necessary.
4. One out-of-state trip to the NBCE meeting in February to include \$200.00 registration fee/dues.
5. One out-of-state trip to the FCLB Conference in February to include \$250.00 registration fee/dues.

BOARD/COMMISSION RECOMMENDATIONS FOR  
PROPOSED LEGISLATION

The Division of Occupational Licensing requests that each board or commission proposing new or amended legislative requests, complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

12 AAC 16.150. Reexamination. Complete application and all required documentation 45 days before date at reexamination.

2. State the problem or purpose prompting this request:

Confusion before July '87 meeting.

3. Briefly state the history of this problem or proposal:

Ambiguity at current wording created confusion before the July '87 exam.

4. Identify the alternatives to this legislation (if any):

5. Which alternative mentioned would be most acceptable?

6. Does the entire board/commission agree with this legislative request?

Yes.

7. In the event questions should be raised during the processing on this request, whom should we contact?

Board/Commission Member: Kenneth Ketz, Chairman

Phone: (907)561-4863

**FY 87 STATISTICAL INFORMATION**  
(Please Type)

Date: \_\_\_\_\_

**Method:** Check the appropriate method in which licenses are issued (not including Examination), and cite the specific statutory authority.

<u>  X  </u> Credentials	AS 08.20.140
<u>      </u> Reciprocity	AS 08. _____
<u>      </u> Comity	AS 08. _____
<u>      </u> Endorsement	AS 08. _____

**New Licenses:** List each category and the number of licenses issued within each category for the first time in FY 87.

CATEGORY:	NUMBER OF LICENSES:
(1) Examination _____	11
(2) _____	_____
(3) _____	_____
(4) _____	_____
(5) _____	_____
Total:	11

Number of CURRENT licensees: 140  
 Number of LAPSED licensees: 70  
 Number of INACTIVE licensees: N/A

**Expiration Date:** If the expiration date is different for each category, indicate the category after each date.

Expire: December 31, 1988  
 \_\_\_\_\_  
 \_\_\_\_\_

**Examination:** List each examination separately indicating the licensure category (such as RN, LPN, Dentist, Dental Hygienist), the total number of examinees, number passed and failed.

**Exam Statute Authority:** AS 08.20.130

(1) Category:	Total Candidates	#Passed	#Failed
<u>Chiropractic</u>	<u>11</u>	<u>8</u>	<u>3</u>

Date and City: July 19-20, 1986 Anchorage, AK

(2) Category:	Total Candidates	#Passed	#Failed
<u>Chiropractic</u>	<u>4</u>	<u>3</u>	<u>1</u>

Date and City: January 10, 1987 Anchorage, AK

(3) Category:	Total Candidates	#Passed	#Failed
_____	_____	_____	_____

Date and City: \_\_\_\_\_

(4) Category:	Total Candidates	#Passed	#Failed
_____	_____	_____	_____

Date and City: \_\_\_\_\_

Total Licensed by Exam: 11

**Meetings: List Date(s) and Location(s)**

1. July 18 and 20, 1986 -- Anchorage, Alaska
2. July 11, 1987 -- Anchorage, Alaska
- 3.
- 4.

**Teleconferences: List Date(s) and Site(s)**

- 1.
- 2.
- 3.
- 4.

**Regulation Hearings: List Date(s) and Site(s)**

**Investigations: (Attach Case Summary)**

OCCUPATIONAL LICENSING  
ENFORCEMENT STATISTICS  
FY 87

Chiropractors  
Board

Investigations

Cases Pending Start of FY 87	<u>2</u>
New Cases Opened	<u>8</u>
Cases Closed	<u>10</u>
Cases Pending End of FY 87	<u>0</u>

Litigation

Cases Pending Start of FY 87	<u>1</u>
New Cases Opened	<u>2</u>
Cases Closed	<u>2</u>
Cases Pending End of FY 87	<u>1</u>

Enforcement Activity

Accusations	<u>1</u>
Statement of Issues	<u>0</u>
Cease and Desist Orders	<u>1</u>
Hearings	<u>0</u>

Disciplinary Actions

Cases Dismissed	<u>1</u>
Licenses Denied	<u>0</u>
Licenses Suspended	<u>0</u>
Probation	<u>0</u>
Licenses Revoked	<u>0</u>
Stipulations/Settlements	<u>1</u>

HB

532

ALASKA BOARD OF EXAMINERS IN OPTOMETRY

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## ALASKA BOARD OF EXAMINERS IN OPTOMETRY

### Narrative Statement

The annual meeting was held in Anchorage on June 5-6, 1987. Items discussed at the meeting were:

1. Current Legislation - House Bill 291 currently held up in House Finance. The board supports passage of this bill, but is not in favor of the optician amendment. The board also supports a change in HB 291 regarding use of drugs. (See proposed legislation.)

Should HB 291 not pass, the statutory changes regarding examination are included in the bill introduced by the Attorney General's Office.

2. Investigative Report - Also discussed with Ray Spiess were delegation orders.
3. Regulatory Changes:
  - a. Abandoned application
  - b. Continuing education
  - c. Reinstatement of a lapsed license
  - d. Paraoptometric personnel
4. Review of applications.
5. Examination procedures and evaluation of applicants/examination results.
6. Regional IAB meeting and national trends of optometry boards.

ALASKA BOARD OF EXAMINERS IN OPTOMETRY

Review of FY 87 Objectives

1. Continue to increase the scope and quality of the pathology ophthalmic, oral, and practical examinations.

Progress: This goal was partially met and will remain a perennial goal.

2. Continue review and update of all statutes and regulations.

Progress: The statutory changes will be accomplished with passage of HB 291. Regulatory changes are also being implemented.

3. Attendance by a board member at the International Association of Boards of Examiners meetings.

Progress: This goal was accomplished and was considered by the board to be beneficial in our efforts and will remain a continuous goal.

4. Work with the division in determining proper budget and setting appropriate fees.

Progress: Goal accomplished.

ALASKA BOARD OF EXAMINERS IN OPTOMETRY

Goals and Objectives for FY 88

1. Continue to increase the scope and quality of the pathology, ophthalmic, oral and practical examinations.
2. Continue review and update of all statutes and regulations:
  - a. Support HB 291 with suggested changes.
  - b. Paraoptometric personnel.
3. Attendance by a board member at the International Association of Boards of Examiners meeting.
4. Request additional meeting/examination.
5. Assist division with sunset and evaluation of board's performance.

ALASKA BOARD OF EXAMINERS IN OPTOMETRY

Budget Recommendations

The Board of Examiners in Optometry requests funding for two (2) meetings, two (2) examinations, with both meetings and examinations on successive dates, one (1) out-of-state (national) meeting for a board member and the International Association of Boards of Examiners' annual dues.

Travel Costs:

1	Board Member - Anchorage	
1	Board Member - Fairbanks	\$450.00
1	Board Member - Soldotna	140.00
1	Board Member - Kenai	140.00
1	Board Member - Ketchikan	904.00
1	Licensing Examiner - Juneau	704.00
1	Board Member to IAB Meeting	750.00
TOTAL TRAVEL		<u>\$3,068.00</u>

Per Diem:

\$80 x 6 (5 Board Members + 1 Licensing Exam)	
\$80 x 4 Days	\$1,920.00
IAB Meeting	240.00
TOTAL PER DIEM	<u>\$2,160.00</u>

Contractual:

Exam Rooms	\$800.00
IAB Dues	300.00
TOTAL CONTRACTUAL	<u>\$1,100.00</u>
TOTAL BUDGET	<u>\$6,348.00</u>

## BOARD/COMMISSION RECOMMENDATIONS FOR

### PROPOSED REGULATIONS

The Division of Occupational Licensing requests that each board or commission proposing new or amended regulation requests, complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

Assistants to optometrists are permitted to perform certain duties as obligated by a licensed optometrist when working in the same office, which do not necessarily require the use of a professional judgment. These duties will be construed by the board as having been performed by the optometrist.

2. State the problem or purpose prompting this request:

Optometric offices have trained personnel who are not addressed in the current law. Despite the fact that they are qualified and trained, they may be construed as practicing optometry in violation of current law for performing acts defined in the practice of optometry.

3. Briefly state the history of this problem or proposal:

Optometric assistants are receiving better education and the new technology available enables them to perform duties ,ater and portions of the examination that they heretofore were unable to accomplish.

4. Identify the alternatives to this regulation (if any):

Waiting until sunset to implement a statute and regulation.

5. Which alternative mentioned would be most acceptable?

6. Does the entire board/commission agree with this regulation request?

Yes

7. In the event questions should be raised during the processing on this request, who should we contact?

Board/Commission Member: John Demske, O.D.

Phone: (907) 262-3120

BOARD/COMMISSION RECOMMENDATIONS FOR  
PROPOSED LEGISLATION

The Division of Occupational Licensing requests that each board or commission proposing new or amended legislative requests, complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

HB 291 - Sec. 08.72.272. Use of Drugs. Change (c) Miotics - for differential diagnosis of neurological conditions. For treatment of angle closure glaucoma only with ophthalmological consultation.

2. State the problem or purpose prompting this request:

The way HB 291 is written implies that miotic drugs are not used for diagnostic purposes. They can be used for diagnostic purposes and should be included for that purpose also.

3. Briefly state the history of this problem or proposal:

Miotics are more often used as a therapeutic drug for glaucoma. The current language precludes the use of drugs for any purpose other than examinations (Sec. B).

4. Identify the alternatives to this legislation (if any):

None

5. Which alternative mentioned would be most acceptable?

6. Does the entire board/commission agree with this legislative request?

Yes

7. In the event questions should be raised during the processing on this request, who should we contact?

Board/Commission Member: John Demske, O.D.

Phone: (907) 262-3168

BOARD/COMMISSION RECOMMENDATIONS FOR  
PROPOSED LEGISLATION

The Division of Occupational Licensing requests that each board or commission proposing new or amended legislative requests, complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

HB 291 - Delete Sec. 08.72.300. Exemption for Opticians.

2. State the problem or purpose prompting this request:

Does not this language allow opticians to practice optometry?

3. Briefly state the history of this problem or proposal:

4. Identify the alternatives to this legislation (if any):

The language should be changed so that the optometry law does not prohibit an optician from practicing as described under AS 08.71.

5. Which alternative mentioned would be most acceptable?

6. Does the entire board/commission agree with this legislative request?

Yes

7. In the event questions should be raised during the processing on this request, who should we contact?

Board/Commission Member: John Demske, O.D.

Phone: (907) 262-3168

**FY 87 STATISTICAL INFORMATION**  
(Please Type)

Date: August 4, 1987

**Method:** Check the appropriate method in which licenses are issued (not including Examination), and cite the specific statutory authority.

<u>    </u> <i>Credentials</i>	AS 08. <u>                    </u>
<u>    </u> <i>Reciprocity</i>	AS 08. <u>                    </u>
<u>    </u> <i>Comity</i>	AS 08. <u>                    </u>
<u>    </u> <i>Endorsement</i>	AS 08. <u>                    </u>

\*\* See Bottom of Page 2.

**New Licenses:** List each category and the number of licenses issued within each category for the first time in FY 87.

CATEGORY:	NUMBER OF LICENSES:
(1) <u>Optometrist</u>	<u>6</u>
(2) <u>Branch Office</u>	<u>5</u>
(3) <u>                    </u>	<u>                    </u>
(4) <u>                    </u>	<u>                    </u>
(5) <u>                    </u>	<u>                    </u>
Total:	<u>11</u>

Number of **CURRENT** licensees: 105  
 Number of **LAPSED** licensees: 96  
 Number of **INACTIVE** licensees: n/a

**Expiration Date:** If the expiration date is different for each category, indicate the category after each date.

Expire: December 31, 1988  
                      
                    

**Examination:** List each examination separately indicating the licensure category (such as RN, LPN, Dentist, Dental Hygienist), the total number of examinees, number passed and failed.

**Exam Statute Authority:** Sec. 08.72.160

(1) Category:	Total Candidates	#Passed	#Failed
<u>Optometrist</u>	<u>7</u>	<u>4</u>	<u>3</u>
Date and City: <u>June 5, 1987, Anchorage</u>			

(2) Category:	Total Candidates	#Passed	#Failed
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Date and City: <u>                    </u>			

(3) Category:	Total Candidates	#Passed	#Failed
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Date and City: <u>                    </u>			

(4) Category:	Total Candidates	#Passed	#Failed
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Date and City: <u>                    </u>			

Total Licensed by Exam: 6

**Meetings: List Date(s) and Location(s)**

1. June 6, 1987, Anchorage
- 2.
- 3.
- 4.

**Teleconferences: List Date(s) and Site(s)**

- 1.
- 2.
- 3.
- 4.

**Regulation Hearings: List Date(s) and Site(s)**

**Investigations: (Attach Case Summary)**

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

OCCUPATIONAL LICENSING  
ENFORCEMENT STATISTICS  
FY 87

Optomtry  
Board

Investigations

Cases Pending Start of FY 87

1

New Cases Opened

2

Cases Closed

3

Cases Pending End of FY 87

0

Litigation

Cases Pending Start of FY 87

0

New Cases Opened

0

Cases Closed

0

Cases Pending End of FY 87

0

Enforcement Activity

Accusations

0

Statement of Issues

0

Cease and Desist Orders

0

Hearings

0

Disciplinary Actions

Cases Dismissed

0

Licenses Denied

0

Licenses Suspended

0

Probation

0

Licenses Revoked

0

Stipulations/Settlements

0

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BOARD OF PUBLIC ACCOUNTANCY

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ALASKA STATE BOARD OF PUBLIC ACCOUNTANCY

AS 08.04 - 7 members; 3 year term; serves until new member is appointed and qualified; may be removed by the Governor for cause.

Marianne K. Burke (CPA)  
101 W. Benson Rd., Ste. 500  
Anchorage, AK 99503

Michael T. Cook (CPA) Chairman  
KMG Main, Hurdman  
1001 Noble Street  
Fairbanks, AK 99701

Sandra L. Langland (Public Member)  
Box 1230  
Fairbanks, AK 99701

Kay May (Public Member)  
1220 Glacier Ave., Apt. 312  
Juneau, AK 99801

Ida H. McMahon (CPA)  
P.O. Box 871684  
Wasilla, AK 99687

Edward B. Mecham (CPA)  
P.O. Box 5975  
Ketchikan, AK 99901

Michael R. Hanrahan (CPA)  
P.O. Box 4-2843  
Anchorage, AK 99509

## NARRATIVE STATEMENT

June 30, 1987

Most of the board's effort through June 30, 1987 was occupied with determining entry qualifications for candidates for the CPA examination or for certification of CPAs. There was still a large amount of the voluntary time of members of the board occupied with this largely clerical function. However, board membership was stable, allowing some time for considering more substantive and emerging issues.

Among items considered were:

- Fees were raised twice and a major restructuring of fees was implemented.
- Meetings were held with hearing and investigative officers regarding disciplinary actions and disputed candidacies.
- After public notice, reviewed ethical standard regulations which had been submitted by the division regulations specialist and amended by the board were adopted.
- Procedures were planned for reviewing and verifying on a test basis continuing education of CPA licensing for the two years ended December 31, 1987.
- Regulations for reentry into public practice for CPAs who had inactive licenses or who let their licenses lapse had been incomplete and difficult with which to work. Those regulations were improved including defining their relationship to the requirements of CPAs for continuing professional education.
- Refinements and improvements in other regulations were made throughout the year.
- Discussions were held about state single audit regulations and how board policies and procedures might assist in their implementation and management.

**FY 87 STATISTICAL INFORMATION**  
(Please Type)

Date: \_\_\_\_\_

**Method:** Check the appropriate method in which licenses are issued (not including Examination), and cite the specific statutory authority.

_____ Credentials	AS 08. _____
_____ Reciprocity	AS 08. _____
_____ Comity	AS 08. _____
_____ Endorsement	AS 08. _____

**New Licenses:** List each category and the number of licenses issued within each category for the first time in FY 87.

CATEGORY:	NUMBER OF LICENSES:
(1) Certified Public Accountants	_____ 66 _____
(2) CPA Resident and Nonresident Partnership	_____ 5 _____
(3) CPA Resident and Nonresident Corporation	_____ 1 _____
(4) General Permit to Practice	_____ 6 _____
(5) Chartered Accountant	_____ N/A _____
(6) Public Accountant	_____ N/A _____

Number of **CURRENT** licensees: \_\_\_\_\_ 727 \_\_\_\_\_  
 Number of **LAPSED** licensees: \_\_\_\_\_ 460 \_\_\_\_\_  
 Number of **INACTIVE** licensees: \_\_\_\_\_ 175 \_\_\_\_\_

**Expiration Date:** If the expiration date is different for each category, indicate the category after each date.

Expire: December 31, 1987  
Annual - General Permit to Practice

**Examination:** List each examination separately indicating the licensure category (such as RN, LPN, Dentist, Dental Hygienist), the total number of examinees, number passed and failed.

**Exam Statute Authority:** 08.04.130

(1) Category:	Total Candidates	#Passed	#Failed	# Conditioned
<u>Certified Public Accountants</u>	_____ 153 _____	_____ 23 _____	_____ 83 _____	_____ 47 _____

Date and City: May 6-8, 1987 - Anchorage, Fairbanks, Juneau

(2) Category:	Total Candidates	#Passed	#Failed	
<u>Certified Public Accountants</u>	_____ 149 _____	_____ 29 _____	_____ 88 _____	_____ 32 _____

Date and City: November 5-7, 1987 - Anchorage, Fairbanks, Juneau

(3) Category:	Total Candidates	#Passed	#Failed
_____	_____	_____	_____

Date and City: \_\_\_\_\_

(4) Category:	Total Candidates	#Passed	#Failed
_____	_____	_____	_____

Date and City: \_\_\_\_\_

Total Licensed by Exam: \_\_\_\_\_

**Meetings: List Date(s) and Location(s)**

1. March 26-27, 1987 - Juneau, Alaska
2. September 22-23, 1986 - Fairbanks, Alaska
3. July 14-15, 1986 - Anchorage, Alaska
- 4.

**Teleconferences: List Date(s) and Site(s)**

- 1.
- 2.
- 3.
- 4.

**Regulation Hearings: List Date(s) and Site(s)**

**Investigations: (Attach Case Summary)**

## REVIEW OF PRIOR YEAR OBJECTIVES

The Board of Public Accountancy June 1986 report to the Governor submitted on July 25, 1986 included three continuing goals:

1. Continue efforts to establish procedures by which financial statements of licensees would be subject to a review to ascertain adherence to auditing and reporting standards which are required under Alaska Statutes.

Little progress has been made on this. There are no funds available to implement procedures. Legislation may be needed to provide the board authority to review financial statements, especially those that are not generally available to the public. Pressures arising from Alaska Single Audit Regulations, congressional investigations, the perception of the public on the role of licensed certified public accountants as auditors of financial statements are continuing. The quality control - positive enforcement program envisioned by the board would be intended to insure that CPAs adhere to standards of independence, competency, objectivity and pronouncements of technical standards.

It would be natural for the Board of Public Accountancy to perform quality assurance reviews of reports submitted to the state under single audit regulations. Quality assurance reviews of financial statements submitted to the state could be part of both the single audit process and the board's desired positive enforcement program. The single audit regulations deal with the proper expenditure of state funds. It is probable that appropriate authority for a positive enforcement program is contained in state law, although questions have arisen as to whether or not state law needs to be strengthened in this area.

Therefore, the board continues to monitor the implementation of similar procedures by other states and jurisdictions. It also continues to request the funds and legislative authority needed so that Alaska will not lag behind in developing a positive enforcement quality assurance program.

2. Clarification of the regulations concerning the measurement of experience needed for people to qualify for the CPA designation. The complexity of the issues necessitated continued efforts in 1987.

Changes were made to the regulations in 1987. Since the Alaska Public Accountancy Act was adopted in 1960, there have

been major changes in the accounting profession. In 1960, CPAs prepared either of two opinions, also called reports, on financial statements which were referred to as reports on audited or unaudited financial statements. Now, professional standards refer to new types of reports and services which include reports on audited, unaudited, reviewed and compiled financial statements. Alaska law needs to be changed to reflect the new CPA services in regard to financial statements. The board has clarified some regulations that affect qualifying experience requirements, and, in the process, has had problems with insuring that the regulations are within statutory authority. The board will continue to develop improved regulations in this area in 1988.

3. Administrator training - The board is of the opinion that attendance by our licensing examiner at CPA administrator conferences will greatly enhance his ability to administer the licensing and regulatory processes of CPAs. Due to budget constraints, we have been unable to accomplish this objective. The benefits of such programs can greatly exceed the cost of attendance by increasing efficiency.

The licensing examiner assigned to the State Board of Public Accountancy attended a regional meeting of the National Association of State Boards of Accountancy (NASBA) in June 1987. This was considered progress and attendance of at least one meeting per year of NASBA is continuing to be requested.

The Board of Public Accountancy June 1986 report included two objectives that were accomplished:

1. Improve examination facilities.

Due to the critical nature of the examination, it has been the board's objective that the examination sites be arranged far enough in advance to insure adequate facilities. This had been a particular problem with the Anchorage site.

Currently, examination sites at appropriate facilities have been reserved for several future examination dates.

2. Establish fees.

Work with the Division of Occupational Licensing to develop fees based upon costs for the various services of the board. These fees are to be established by regulation in accordance with SCS CSHB 78.

This work was completed through two fee increases made in FY 87.

## NEW GOALS AND OBJECTIVES

This report continues three continuing goals described in the preceding section that are part of the new goals and objectives:

1. Establish procedures by which financial statements of licensees would be subject to a review. This is to establish a positive enforcement program as discussed above.
2. Clarify regulations concerning the measurement of experience needed for people to qualify for the CPA designation. This is to improve the regulations describing qualifying experience as discussed above.
3. Administrative training through attendance of the licensing examiner at appropriate programs for administrators of state boards of public accountancy. This is to authorize attendance of the board's licensing examiner at training sessions of the National Association of State Boards of Accountancy, especially their annual meeting.

The board, through the items that have required attention during its recent meetings, has developed other new goals and objectives:

1. Obtain authorization for four meetings per year. The board has been working on a very tight schedule. The schedule is dictated by applicable state laws and regulations. The qualifications for candidates to sit for the uniform CPA examination provided nationally on the same dates and times in May and November of each year must be reviewed about six weeks before each examination. The applications for certification of people who become qualified for the CPA designation must be reviewed promptly enough so that new CPAs can increase their employment options. During license renewal years, the board must review the records of licensees regarding continuing professional education. The other matters that come to the board for consideration about the regulation of the accounting profession must be processed on a timely basis. Particularly during the year, following the date of license renewals, the board needs sufficient meetings to conduct its business to the satisfaction of the public. Scheduling four meetings per year would be more likely than current schedules to insure that the work of the board is properly completed.

2. Study improving procedures for verifying the experience of people applying for CPA certificates. Candidates for certification are required to complete specified accounting and auditing procedures during a specified period of time to qualify for certification. The board is provided evidence of the completion of experience through inquiries of employers whose responses are returned directly to the Division of Occupational Licensing. The board has the authority to and does additional verification of the quality and completeness of experience on a case by case basis. Because of the much larger number of CPAs and firms in the state, it is less likely that board members will be personally acquainted with the employers who are asked by candidates to verify experience. Therefore, the board has determined that its procedures should be reviewed to learn whether or not the procedures for verifying experience should be strengthened in a formal manner.
3. Improve the process for monitoring continuing professional education. The Public Accountancy Act requires CPAs to complete 60 hours every two years and to report the courses taken and the hours completed with each biennial license renewal. The board then is responsible for monitoring which includes insuring that CPAs are relicensed only if they have completed the required education and to be sure that the education is completed in accordance with the laws and regulations. This process has been completed twice and will occur again in early 1988. The process may be able to be made more efficient and effective through close observation by the board and the Division of Occupational Licensing. The board, in cooperation with the division, intends to monitor the coming relicensing period to discover opportunities for administrative actions that will improve efficiency and effectiveness. Included in the board's goals for regulations later in this report is the suggestion that, when revisions would be helpful for improving, this process that changes to such regulations be made also.
4. The board's goal for legislation are included in the Legislative Recommendations section of this report.
5. The board's goal for regulations are included in the Regulation Recommendations section of this report.

## BUDGET RECOMMENDATIONS

The portion of this report describing goals and objectives have covered subjects that impact these budget recommendations. These include:

1. Establishment of a positive enforcement program.
2. Adoption of provisions of the "Model Public Accountancy Bill."
3. Scheduling four board meeting per year.
4. Attendance for the licensing examiner at training meetings.

A positive enforcement programs would accomplish two objectives that do not relate directly to the cost of the Division of Occupational Licensing. One is a public safety objective since the program would be designed to prevent substandard practice by CPAs that might damage the public. The other is the objective to make available an enforcement process that will assist in accomplishing the purposes of the state single audit regulations. Because these are public objectives, consideration should be given to looking for funding from sources other than the licensees.

The legislative recommendations in this report include the adoption of statutes governing the accounting profession that more closely than current Alaskan law resemble the "Model Public Accountancy Bill" published by the American Institute of Certified Public Accountants and the National Association of State Boards of Accountancy. The need for this legislation is described in the Legislative Recommendations section of this report. Because the law is technical, the input of the board and its members would be needed by the Legislature and administration of the state.

Funds to implement the recommendations described above have been included in the following budget:

BUDGET

	<u>Air Fare</u>	<u>Per Diem</u>	<u>Other</u>
<u>Board Meetings</u>			
Two in Anchorage (one two-day meeting; one one-day meeting)	\$ 1,600	\$1,920	
One in Fairbanks (one two-day meeting)	2,086	1,280	
One in Juneau (one two-day meeting)	<u>2,080</u>	<u>1,280</u>	
	<u>\$ 5,766</u>	<u>\$4,480</u>	
<u>National Association of State Boards of Accountancy</u>			
One board member to annual meeting	\$ 1,000	\$ 240	
One board member to regional meeting	700	160	
Licensing examiner to administrative meeting	<u>1,163</u>	<u>160</u>	
	<u>\$ 2,863</u>	<u>\$ 560</u>	
<u>Quality Control - Positive Enforcement</u>			
Implementation Project			\$30,000
<u>Other</u>			
Board members in Juneau to testify on accountancy statutes revisions	\$ 1,200	\$ 340	
Examination sites	<u>352</u>	<u>80</u>	<u>5,000</u>
	<u>\$ 1,552</u>	<u>\$ 420</u>	<u>\$ 5,000</u>
<u>TOTALS</u>	<u>\$10,181</u>	<u>\$5,460</u>	<u>\$35,000</u>

BOARD/COMMISSION RECOMMENDATIONS FOR  
PROPOSED LEGISLATION

The Division of Occupational Licensing requests that each board or commission proposing new or amended legislative requests complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

Revise the Accountancy Act of 1960 to closely resemble the "Model Public Accountancy Bill" published by the American Institute of Certified Public Accountants and the National Association of State Boards of Accountancy. A copy of the model bill is enclosed.

2. State the problem or purpose prompting this request:

Alaska Statutes governing the accounting profession have had little revision since 1960. Since then, major changes have occurred such as the institution of reviews and compilations of financial statements, the pressures to adopt positive enforcement programs and the pressure to reduce different requirements among the 54 American licensing jurisdictions regarding certification, reciprocity and temporary practice and the barriers that are posed to effective practice of public accountancy under modern conditions.

3. Briefly state the history of this problem or proposal:

The Accountancy Act of 1960, after it was revised to require continuing professional education, has slowly become outdated. Although pressures have been mounting to make major changes, the profession in Alaska itself along with the Alaska State Board waited for the guidance provided in the new "Model Bill" and it has been considered that other matters required more time than would permit the Legislature to devote sufficient time to a revision of the Accountancy Act. Any impediments to a revision are now outweighed by the requirement to complete it.

4. Identify the alternatives to this legislation (if any):

None.

5. Which alternative mentioned would be most acceptable?

Not applicable.

6. Does the entire board/commission agree with this legislative request?

Yes.

7. In the event questions should be raised during the processing on this request, who should be contacted?

Board/Commission Member Michael T. Cook  
Phone - 456-7762

BOARD/COMMISSION RECOMMENDATIONS FOR  
PROPOSED LEGISLATION

The Division of Occupational Licensing requests that each board or commission proposing new or amended legislative requests complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

Section 08.04.140. Frequency of examination . . . an examination shall be held not less than twice [ONCE] each year.

2. State the problem or purpose prompting this request:

The uniform CPA examination is held twice per year at the same time in all jurisdictions of the United States. All candidates for a CPA certificate expect the examination to be held on that schedule. Having Alaska Statutes provide for a minimum of once per year too often causes confusion for legislative and budgeting service.

3. Briefly state the history of this problem or proposal:

This is a matter that has needed updating for many years, but it falls by the wayside in typical administrative correction type legislative bills.

4. Identify the alternatives to this legislation (if any):

Not applicable.

5. Which alternative mentioned would be most acceptable?

Not applicable.

6. Does the entire board/commission agree with this legislative request?

Yes.

7. In the event questions should be raised during the processing on this request, who should be contacted?

Board/Commission Member Michael T. Cook  
Phone - 456-7762

BOARD/COMMISSION RECOMMENDATIONS FOR  
PROPOSED REGULATIONS

The Division of Occupational Licensing requests that each board or commission proposing new or amended legislative requests complete this form entirely. The completion of this analysis will provide the staff with a clearer understanding of the board's/commission's intent and position on relevant issues concerning the proposed changes.

1. Proposed language:

To implement a positive enforcement program primarily through quality assurance reviews of financial statements reported upon by licensees.

2. State the problem or purpose prompting this request:

The primary purpose of regulation of the accounting profession is to insure that the financial statements upon which certified public accountants report can be relied upon by the general public. With the vast increase in the complexity of financial transactions entered into by business and government throughout the United States, it has been found that positive enforcement programs are the effective way to monitor the accounting profession. The State of Alaska now does not have such a program and needs one.

3. Briefly state the history of this problem or proposal:

The accounting profession has been investigated over the last ten years by the United States Congress in connection with business failures that have affected government and the general public. Pressures created by the investigations have encouraged the accounting profession to expand its own efforts of self-regulation, and, under the leadership of, primarily, the National Association of State Boards of Accountancy, to develop model positive enforcement programs that are generally accepted by members of State Boards of Public Accountancy. Now that the pioneering efforts are completed, it is appropriate for the State of Alaska to adopt a program based upon its own particular circumstances.