

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

7807 HOUSE HEALTH EDUCATION & SOCIAL SERVICES 72

1 covered by the support order becomes 21 years of age. An action after the
2 establishment of the judgment is governed by (a) of this section.

3 * Sec. 3. AS 11.51 is amended by adding a new section to read:

4 Sec. 11.51.122. AIDING THE NONPAYMENT OF CHILD SUPPORT. (a)

5 A person commits the crime of aiding the nonpayment of child support if the person

6 (1) knows that a person has a duty under an administrative or judicial
7 order for payment of child support; and

8 (2) intentionally

9 (A) withholds information about the residence or employment
10 of the person who owes child support when that information is requested by a
11 child support enforcement agency; or

12 (B) participates in a commercial, business, or employment
13 arrangement with the person who owes support, knowing at the time that the
14 arrangement is made that it will allow the person who owes support to avoid
15 paying all or some of the support when it is due or to avoid having a lien
16 placed on assets for the payment of delinquent support; receipt of a substantial
17 asset for less than fair market value from a person who owes support after the
18 person's support order has been established constitutes a rebuttable presumption
19 that the person receiving the asset knew that the transfer would allow the
20 person who owes support to avoid paying all or some of the support or to
21 avoid having a lien placed on the asset.

22 (b) This section does not prohibit an arrangement entered into with an attorney
23 for the purpose of paying the attorney who represents the child support obligor in
24 proceedings to contest or modify a child support order.

25 (c) Aiding the nonpayment of child support is a

26 (1) class B misdemeanor if the amount of child support past due by
27 more than 30 days is less than \$1,000;

28 (2) class A misdemeanor if the amount of child support past due by
29 more than 30 days is at least \$1,000 but less than \$5,000;

30 (3) a class C felony if the amount of child support past due by more
31 than 30 days is \$5,000 or more.

118 Holdinghausen Dr.
Crystal City, MO 63019
February 17, 1994

Representative Terry Martin
House of Representative
State Capitol
Juneau, AK 99801-1182

Dear Representative Martin,

For the last six years I have not received child support in any regular fashion from my ex-husband for the support of my four children. Most money has come from the seizure of dividend checks. He is presently \$28,729.54 behind in back child support.

While we were married my ex-husband supported the family by working as a contractor. Primarily the income came from the sell of custom built homes, rental property, and the sell of undeveloped lots. He would also do jobs requiring heavy equipment. After the divorce he filed for bankruptcy and the business ended. Through various means he has been supporting his life style. He talked at different times of a home he was building in the Delta Junction area. He has a vehicle, a boat, and a snowmobile. He took a business trip to Seattle one year for training in insulation spraying. One summer he could afford a trip to Missouri, but left town the same day he went to court for harassment and nonpayment of child support. There is presently a warrant for his arrest for failure to appear at the next scheduled court date.

The divorce awarded assets to both of us. The monthly payments on the sell of undeveloped lots was part of the assets he received. One person who was making payments paid off the debt with a boat. The others, I am presuming, made the payments. These would be cashed rather than deposited. After having an account seized no other accounts in his name have been located in the state that I have been made aware of.

Evasion of payments for child support through parents claiming no or little income when in fact there is appears to be a common practice. My ex-husband has stated numerous times that he is untraceable by any government agency and will not pay child support... Thus far he has succeeded through the aid of others who are willing to assist him.

One tactic used by my ex-husband has been to transfer real estate property to a family member's name. This was done prior

to his filing for bankruptcy so he could retain the lake front property. Another tactic was putting vehicles he owned in someone else's name. Another way of trying to be untraceable was by not obtaining a current driver's license.

I am also aware of him approaching others to assist him in his deception by asking to operate a business under their contractor's license. More specifically, he approached Weidner Construction, out of Delta Junction, asking to operate under their contractor's license. For whatever reasons Weidner Construction declined.

He has also purchased equipment from U.C.S.C. in Fairbanks to run a business. He paid four thousand dollars in cash for this equipment. The business that he had in mind was apparently to do insulation work while traveling the rivers to Nome where he could make money that would be untraceable.

Through the process of bartering he has been able to perform jobs and be paid in cash or receive ivory that he can sell later for untraceable cash. He has talked of other jobs that he has done to make money. One being cutting trees in the Delta Junction area, another working on a fishing boat, I believe near Nome, and trapping.

Family member have played a large role in my ex-husband's evasion of responsibility to his children through knowingly assisting him as mentioned already. The other is people willing to pay in cash or trade for services he performed.

The past six years after my divorce have been very difficult. At one point I was working three jobs along with attending college to obtain a bachelor's degree. I also sold everything I could live without to pay for my educational costs and to support the children. I applied for student loans, was awarded grants and received scholarships to be able to afford the costs.

During this time my children have gone without basic human needs to the point that some might call it neglect. Dental care was postponed till I could afford it. Eye glasses were not purchased as needed. Food was bought as the money was available. Of course there is aid to dependent children and medical assistance available through the government, but I chose to do it myself. If put into the same situation today - recently divorce, no job skills, and four children - I'm not for certain which route I'd take.

I am presently working full-time as a special education teacher, am attending graduate school, with a caseload of nine hours per semester, and teach summer school while raising four children ages nine to fifteen. It has been very stressful and quite frankly I'm exhausted.

These experiences while being exhausting in themselves have also been exasperating especially given that numerous contacts have been made in the past six years to the Child Support Enforcement Agency urging them to please help me in obtaining this support. Only recently has any real action begun on this case. At this time information is being compiled to take to the attorney general to see if charges will be filed.

The laws as they are presently written are not a great enough deterrent for nonpaying parents and those who conspire to assist them in this criminal act of nonsupport. Parents who do not support their children by evading this responsibility are committing a heinous crime. Persons who enable this behavior by aiding the nonsupport paying parent are also guilty of a heinous crime against children. Until the laws are changed and aiders are forced to accept the consequences of their actions the cycle will not change.

I actively support the passage of House Bill 362. This letter may be forwarded to other individuals concerned with the passage of House Bill 362.

Sincerely,

Beth Bach

Mary "Beth" Bach

H B

3 6 5

HOUSE COMMITTEE REPORT

(9)

Date Referred: January 13, 1994

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/15/94

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 365

HOUSE BILL NO. 365

EXTEND BOARD OF BARBERS & HAIRDRESSERS

"An Act extending the termination date of the Board of Barbers and Hairdressers; and providing for an effective date."

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

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note Commerce

zero fiscal note(s) _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Al Vesun</i>	x	<i>Haley Ellberg</i>		✓	
<i>Don Kende</i>	✓				
<i>Scott ...</i>	✓				
<i>Betty Davis</i>	✓				
<i>Tom ...</i>	✓				

[Signature]
 CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 365

Revision Date: 3/11/94
 Title: An act extending the termination date of
the Board of Barbers & Hairdressers...
 Sponsor: Representative Sanders
 Requestor: Representative Sanders

Department: Commerce and Economic Dev.
 BRU: Occupational Licensing
 Component: Operations
 COMPONENT SERIAL NO. 1844

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0


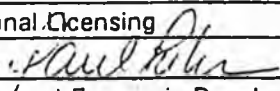
Estimate of any current year (FY 94) cost: \$ None

POSITIONS

POSITIONS	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

HB 365 extends the termination date of the Board of Barbers and Hairdressers to June 30, 1997. Funding for the Board of Barbers and Hairdressers is included in the FY95 operating budget; therefore, new funds are not required.

Prepared by: JoAnne Cummings, Regulations Specialist  Phone: 465-2537
 Division: Occupational Licensing Date: 3/11/94
 Approved by Commissioner: Paul Fuhs  Date: 3/14/94
 Agency: Commerce and Economic Development

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Representative Jerry Sanders

District 19

Vice Chair, Rules Committee
Vice Chair, Community & Regional Affairs Committee
House State Affairs Committee
Special Committee on Oil & Gas
Legislative Council
International Trade & Tourism

SPONSOR STATEMENT

The purpose of House Bill No. 365 is to extend the termination date of the Board of Barbers and Hairdressers from June 30, 1993 to June 30, 1997. The Board is presently in the one year extension period allowed under the 'Sunset' provision for closing down the Board.

If the State allows the Board of Barbers and Hairdressers to Sunset, it will also stop the Division of Occupational Licensing from being able to de-license the industry. An immediate result of losing the ability to de-license will be a large increase in insurance rates for the industry. It is also felt that an additional ramification would be that if the industry is de-licensed and someone does get injured, it is very likely that the State could be held potentially liable in a lawsuit.

Licensure is also required to insure that Barbers and Hairdressers receive required training in the proper use of chemicals, many of which are potentially dangerous. The industry is growing so fast and has so much new technology that there are many potential dangers to public health. For example, color and perm solutions that are improperly applied by untrained or unlicensed people can and have caused damage to the scalp, and also to hearing and eyesight. New microwave technology hair drying machines can also cause severe burns if used improperly.

In order to continue to protect the public's health and safety, we need to continue the Board of Barbers and Hairdressers.

SPONSOR STATEMENT

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

907, 465-3867 or 465-2450
FAX 907) 465-2029
Mail Stop 3101

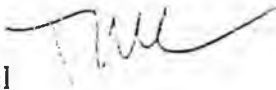
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 8, 1994

SUBJECT: Sectional Summary of HB 365. (An Act extending the termination date of the Board of Barbers and Hairdressers)

TO: Representative Jerry Sanders
ATTN: Bob Krogseng

FROM: Terri Lauterbach 
Legislative Counsel

Section 1. Extends the board until 1997.

Sec. 2. Immediate effective date.

TML:gc
94-185.glc

SECTIONAL SUMMARY

STATE OF ALASKA
Boards and Commissions

BARBERS AND HAIRDRESSERS

BOARD: Board of Barbers and Hairdressers

BOARD IDENTIFICATION NUMBER: 011

DEPARTMENT: Department of Commerce and Economic Development

AUTHORITY: AS 08.13.010

STATUS: Active

SUNSET DATE: June 30, 1993

REQUIREMENTS: Legislative Confirmation

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

TERM: 4 years

DESCRIPTION: 5 members appointed by Governor: 2 licensed barbers, 2 licensed hairdressers and 1 public member; serve at the pleasure of Governor.

FUNCTION: Regulates and controls applications, licenses and permits of barbers, hairdressers and cosmetologists.

CHAIR: Governor may select.

SPECIAL FACTS: Annual report to Governor. Members serve until a successor is appointed. An appointment to fill a vacancy is for the remainder of the unexpired term. A member who has served all or part of two successive terms may not be reappointed unless four years have elapsed since the person has last served. Serve at the pleasure of the governor.

COMPENSATION: Standard Travel and Per Diem. No additional compensation.

MEETINGS: As often as necessary to conduct business.

FOR FURTHER INFORMATION CONTACT: Ms. Adela Florendo, Division of Occupational Licensing, DCED, P.O. Box 110806 M/S 0800, Juneau, AK, 99811 0806, Phone: 907 465 2547

STATE OF ALASKA
Boards and Commissions

Membership Roster
BARBERS AND HAIRDRESSERS (011)

Member	Appointed	Reappointed	Term Exp.
Karen L. Cleek Public 9304 Turn Street Juneau, AK 99801	12/02/93		07/01/96
Elmo Kienbaum Barber 2337 Second Avenue Ketchikan, AK 99901	09/30/91	07/01/93	07/01/97
Jerry Mayfield Barber 750 Highview Drive Anchorage, AK 99515	06/15/91	08/17/92	07/01/96
Mariann Stoffel Hairdresser -- Chair 1352 Pioneer Peak Drive Wasilla, AK 99687	10/09/91	07/01/93	07/01/97
Barbara Watkins Hairdresser 1017 San Fernando Apt. #2 Anchorage, AK 99508	08/14/91		07/01/95

Audit Report



DEPARTMENT OF COMMERCE AND
ECONOMIC DEVELOPMENT
BOARD OF BARBERS AND HAIRDRESSERS

November 5, 1993



Audit Control Number:

08-1406-94

Division of Legislative Audit

P.O. Box 113300, Juneau, Alaska 99811-3300

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

DIVISION OF LEGISLATIVE AUDIT

The Legislative Budget and Audit Committee is a permanent interim committee of the Alaska Legislature. The committee is made up of five senators and five representatives, with one alternate from each legislative chamber. The chairmanship of the committee alternates between the two chambers every legislature.

The committee is responsible for providing the legislature with audits of state government agencies. The programs and activities of state government now cost more than \$5 billion a year. As legislators and administrators try increasingly to allocate state revenues effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by the Division of Legislative Audit helps provide that information.

As a guide to all their work, the Division of Legislative Audit complies with generally accepted auditing standards established by the American Institute of Certified Public Accountants and with government auditing standards established by the U.S. General Accounting Office.

Audits are performed at the direction of the Legislative Budget and Audit Committee. Individual legislators or committees can submit requests for audits of specific programs or agencies to the committee for consideration. Copies of all completed audits are available from the Division of Legislative Audit's offices in either Anchorage or Juneau.

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Senator Al Adams
Senator Steve Frank
Senator Steve Rieger
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Senator Jay Kerttula (alternate)

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Representative Mark Hanley
Representative Ron Larson
Representative Eileen MacLean
Representative Sean Parnell (alternate)

DIVISION OF LEGISLATIVE AUDIT

Randy S. Welker, CPA
Legislative Auditor
Merle R. Jenson, CPA
Deputy Legislative Auditor

P.O. Box 113300
Juneau, Alaska 99811-3300

(907) 465-3830, Juneau
(907) 561-1445, Anchorage
(907) 465-2347, Juneau FAX

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



P. O. Box 113300
Juneau, AK 99811-3300
(907) 465-3830
FAX (907) 465-2347

November 5, 1993

Members of the Legislative Budget
and Audit Committee:

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

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT BOARD OF BARBERS AND HAIRDRESSERS

November 5, 1993

Audit Control Number

08-1406-94

The objective of the audit was to determine whether the Board of Barbers and Hairdressers should continue its existence. Alaska Statute 08.03.010(4) has scheduled the board for termination on June 30, 1993. As of the date of this report, the board is technically in its one-year "wrap up" period and, if no action is taken by the legislature, the board will be dissolved at June 30, 1994. We recommend that the legislature consider allowing the board to sunset.

The audit was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and discussion presented in this report are discussed in the Objectives, Scope, and Methodology section of this report.

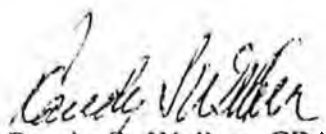

Randy S. Welker, CPA
Legislative Auditor

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Department of Commerce and Economic Development	27

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Barbers and Hairdressers to determine if it should continue in existence.

As required by statute, the legislative committee of reference is to consider this report as part of the legislative oversight process in determining whether this board should be reestablished. The law currently specifies that the Board of Barbers and Hairdressers will terminate on June 30, 1993 and will have one year from that date to conclude its affairs. As of the date of this report, the board is technically in its one-year "wrap up" period.

During the course of our examination, we reviewed and evaluated the following:

- Applicable statutes and regulations.
- Interviews with Board of Barbers and Hairdressers board members.
- Interviews with Department of Commerce and Economic Development, Division of Occupational Licensing personnel.
- Interviews with Alaska Commission on Postsecondary Education personnel.
- Interviews with Human Rights Commission and Equal Employment Opportunity Office personnel.
- Interviews with other states' licensing agency personnel.
- Licensing files.
- Investigation files.
- Annual reports prepared by the board.
- Minutes of the Board of Barbers and Hairdressers' meetings.
- Office of the Ombudsman closed case files.
- Division of Occupational Licensing policy and procedures.
- Contents of the director of the Division of Occupational Licensing correspondence files.
- Other documents as deemed pertinent.

ORGANIZATION AND FUNCTION

Alaska Statute (AS) 08.13.010 creates the Board of Barbers and Hairdressers (board). It was established in 1980 as a result of the legislature combining the Board of Barbers and the Board of Hairdressing and Beauty Culture Examiners. The statutory duty of the board is to exercise general control over the vocations of barbering, hairdressing, and cosmetology. Also, its duty is to examine applicants, approve the issuance of licenses and permits, and authorize the issuance of licenses for schools of barbering, hairdressing and cosmetology.

The board has the power to suspend or revoke a license or permit; conduct hearings and request investigations of the practices of a person, shop, or school involved in the practice or teaching of barbering, hairdressing, or cosmetology; and, adopt regulations. The authority of the board is outlined within Alaska Statutes 08.13.010 - .220.

Members of the board are appointed by the governor and serve staggered terms of four years. The membership of the board (see inset at right) consists of five members which include two licensed barbers, two licensed hairdressers, and one public member. The public member seat has been vacant since June 1, 1993. As of the date of this report, this seat has not been filled.

Barbers and Hairdressers Board Members

Mariaann Stoffel, Chairman
Elmo Kienbaum
Jerry Mayfield
Barbara Watkins

The board is organized under the Department of Commerce and Economic Development, Division of Occupational Licensing (OL). The department is statutorily responsible for performing administrative duties which include receiving applications and fees, scheduling examinations, issuing licenses as authorized by the board, and providing inspection, enforcement, and investigative services to the board.

Licenses or permits are required for individuals engaged in the practice of barbering, hairdressing, or cosmetology. A license is also required for the shop or school in which they practice. In addition, a person that teaches in a school or supervises an apprentice must be licensed as an instructor.

Applicants for licensure as barbers, hairdressers, cosmetologists and instructors must meet qualifications established in regulations. In addition, applicants must pass a practical and written examination, unless a waiver is approved by the board.

REPORT CONCLUSIONS

Alaska Statute (AS) 08.03.010(4) requires that the Board of Barbers and Hairdressers (board) be terminated on June 30, 1993. Alaska Statute 08.03.020 provides one year in which to conclude its affairs if the legislature does not enact legislation for its continuance. As of the date of this report, the board is technically in its one-year "wrap up" period and, if no action is taken by the legislature, the board will be dissolved June 30, 1994. In the past, the legislature has chosen to extend the existence of the board although we have recommended termination.

Since our last sunset audit, AS 08.01.065(c) has been amended requiring the Department of Commerce and Economic Development to establish occupational licensing fee levels so that the total amount of fees collected for an occupation approximates the actual regulatory costs for the occupation. Therefore, once that statutory requirement has been met (see Recommendation No. 5), occupational licensing boards should be self-sufficient. That is, there should be no cost to the State for their existence.

Based upon the public need factors outlined in AS 44.66.050(c), we do not see a need for the board and recommend the board be allowed to sunset (see Recommendation No. 1). If the legislature chooses to continue the board, the Findings and Recommendations section of this report includes recommendations which, if implemented, will improve the efficiency and effectiveness of the board.

FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The legislature should allow the Board of Barbers and Hairdressers (board) to terminate on June 30, 1994 and amend the relevant statutes to assign board duties to other State agencies.

We reviewed board activities to determine whether they are operating in the public's interest and in accordance with the board's legislative mandate. Alaska Statute (AS) 08.13.030 grants the board general control over the vocations of barbering, hairdressing, and cosmetology. The board's statutory duties are to examine applicants, approve the issuance of licenses and permits to practice, and authorize the issuance of licenses for schools of barbering, hairdressing and cosmetology. In addition, the board may suspend or revoke a license or permit, conduct hearings, request the Department of Commerce and Economic Development (DCED) to conduct investigations, and adopt regulations.

We found the board has performed its statutory duty of administering the practical examination to applicants. The board has also adopted regulations. However, certain board's statutory duties are being performed by other State agencies. Also, the board is not accomplishing the goals and objectives they have established.

Because the public can be adequately protected by the board's duties being conducted by or assigned to state agencies, we recommend that the board be allowed to terminate. Below is an explanation of how these duties are being, or can be, performed by someone other than the board.

Examining applicants can be the responsibility of the Department of Commerce and Economic Development, Division of Occupational Licensing (OL) if the board is terminated.

Presently, applicants for most licenses are required to take a practical and written examination. Current procedures require the practical examination be administered by three people (at least one of which must be a board member). Proctors (barbers and hairdressers) are employed by OL to assist board members in administering the practical examination. A proctor administers the written examination.

If the board is terminated and the statutes so amended, we believe the administration of examinations can be performed by OL. Several options can be explored by OL to determine the most advantageous ways to fulfill this responsibility. OL can consider employing three proctors. Another option is relying on occupational schools to provide proctors to administer the practical examination. The State of Minnesota does not have a board nor does it administer a practical examination. Instead, it requires occupational schools to administer practical examinations.

CORRECTION

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

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If the board is terminated and the statutes so amended, we believe the administration of examinations can be performed by OL. Several options can be explored by OL to determine the most advantageous ways to fulfill this responsibility. OL can consider employing three proctors. Another option is relying on occupational schools to provide proctors to administer the practical examination. The State of Minnesota does not have a board nor does it administer a practical examination. Instead, it requires occupational schools to administer practical examinations.

OL can continue to approve licenses if the board is terminated.

Alaska Statute 08.01.050(3) requires DCED to issue and receive applications. Alaska Statute 08.13.030 requires the board to approve the issuance of licenses and permits. Currently, applicants for examination and licensure submit their applications and supporting documentation to OL. Using the predetermined qualifications adopted in regulations, OL approves the issuance of licenses (see Recommendation No. 3) with the following exceptions. If applicants are applying for licensure by waiver of the examination and their license has been expired for over three years or if their license is from a foreign country, board approval of the issuance of an Alaskan license is requested by OL.

If the board is allowed to sunset, and statutes are so amended, OL can continue to approve applications. Procedures can be initiated by OL to determine how to handle those applications currently approved by the board.

The Alaska Commission on Postsecondary Education (ACPE) could assume sole responsibility for approving the issuance of licenses for schools.

In addition to statutes requiring the board to regulate schools of barbering, hairdressing and cosmetology, statutes also exist mandating that ACPE regulate these schools (see discussion in Recommendation No. 2).

Prior to issuing a license to a school, an on-site visit is made by both ACPE and the board. ACPE makes the first visit. They evaluate program content, inspect facilities and assure that the local government has inspected the physical space for building safety purposes. Once the school passes the ACPE inspection, a board member inspects for adequate equipment. After the school passes the second inspection, a license is issued by OL and an "Authorization to Operate" document is issued by ACPE.

If the board is allowed to sunset, and the statutes are so revised, the regulation of schools can be performed solely by ACPE with assistance from OL. The inspection conducted by the board member can be performed by ACPE staff while they are on site.

Suspension and revocation of licenses would not be seriously impacted if the board terminates.

Complaints associated with activity regulated by the board are received and investigated by OL's Investigative Unit. These complaints usually result in closure reports or adjudication. Closure reports result when complaints are unfounded, lack sufficient information, or closed with a warning letter. These cases do not require action by the board.

During FY 91 through FY 93, 27 cases have been logged by the Investigative Unit. Except for those still open, all have resulted in closure reports. According to a hearing officer, a case has not been adjudicated since 1984. Consequently, this function will not be significantly impacted if the board was allowed to sunset.

Inspection for health and sanitary conditions of a shop or school will continue to be provided by the Department of Environmental Conservation (DEC) if the board terminates.

Alaska Statute 08.13.210 provides that DEC shall supervise the health and sanitary conditions in shops and schools of barbering, hairdressing and cosmetology. If the board is allowed to sunset, the same degree of public protection will be as currently provided for health and sanitary conditions by DEC.

If the legislature allows the board to continue, we recommend implementation of the following changes to the board's operations.

Recommendation No. 2

The board, DCED, and ACPE should formalize in writing their overlapping responsibilities regarding the licensure and inspection of barbering, hairdressing, and cosmetology schools.

Alaska Statutes mandates regulating schools of barbering, hairdressing, and cosmetology to both the board and ACPE. Alaska Statute (AS) 08.13.110 mandates that the board adopt regulations for the licensing of schools. Regulations adopted include the details of curriculum, minimum hours of instruction, physical condition of the facilities, and financial responsibility of the owner. ACPE is authorized by AS 14.48.010 to provide for the protection, education, and welfare of the citizens of the State, its postsecondary educational institutions, and its students by establishing minimum standards concerning quality of education, health and safety, and fiscal responsibility to protect against substandard, transient, unethical, deceptive, or fraudulent institutions and practices.

- A. ACPE statutes require that a postsecondary institution must demonstrate that the quality and content of each course or program of instruction, training, or study are such as may reasonably and adequately achieve the stated objective for which the course or program is offered. The board has adopted a curriculum in 12 AAC 09.160, .163, and .165.
- B. ACPE's statutes require a postsecondary institution to demonstrate that it has access to adequate space, equipment, instructional materials, and personnel to achieve its stated objective. Minimum space and equipment requirements have been established by the board in 12 AAC 09.125.
- C. ACPE's statutes require an institution to demonstrate that the education or experience qualifications of instructors ensure that students receive an education consistent with the objectives of the course. Instructor license requirements have been adopted by the board in 12 AAC 09.106.
- D. ACPE's statutes grant them the power to investigate complaints relating to violations of its statutes. Similarly, AS 08.13.030 gives the board the power to conduct hearings and request DCED to investigate the practices of a school involved in the practice or

teaching of barbering, hairdressing, or cosmetology.

The board and ACPE are aware of the overlap in statutes and, as a result, have attempted to coordinate their activities. An employee of ACPE stated they have approved the curriculum that is currently required by the board. Also, if an instructor is licensed by the board, ACPE accepts that licensing as complying with ACPE's statute.

In 1992, an ACPE employee attended a Board of Barbers and Hairdressers meeting. It was decided that a task force would be formed to determine whether they were duplicating their efforts. The task force consisted of two board members and two ACPE personnel. However, due to illness of one of the members, the task force meeting never took place.

The efforts of the board, DCED and ACPE to eliminate duplication of program efforts are commendable. However, some board members say they are not sure that all statutory functions are being performed. For example, some feel that schools should be inspected periodically, but because of the dual regulation with ACPE, they are not sure whether ACPE is already periodically conducting the inspections. We recommend that the board, DCED, and ACPE formalize in writing their respective areas of responsibility. This is necessary so that expectations of each will be clear. In addition, as board members and state employees change, documentation will be available to their successors.

Recommendation No. 3

The board should consult with the Department of Law (Law) to determine whether their current procedures are in accordance with State laws.

- A. Alaska Statute 08.13.030(b) mandates that the board examine applicants and approve the issuance of licenses and permits to practice. During our review, we noted that with few exceptions, it is OL, not the board, that approves applicants for licensure. The board does approve requests from applicants for waiver of the examination when their license is from a foreign country or their license has lapsed for more than three years.

OL staff asserts that, approximately five years ago, the board gave them authority to approve licenses. They believe by using predetermined regulation criteria, they can easily determine whether a person should be licensed or scheduled for an examination. Hence, action from the board is not required.

We recommend that OL consult Law for an opinion as to whether the board can delegate the approving of licenses to OL.

- B. Applicants for licensure by examination are required to take a written and practical examination. The practical examination is administered by three examiners — usually

one board member and two proctors (barbers and hairdressers employed by OL to administer tests). Each examiner scores each applicant and the final grade is the average of the three scores.

There are no written procedures requiring examiners to excuse themselves from grading any applicant where they may have a conflict of interest. For example, OL indicates that if an examiner is a former instructor of the applicant, that examiner's scoring is disregarded in OL's computation of the final grade.

We recommend that OL consult Law for an opinion as to which situations might present a potential ethical violation of the Executive Branch Ethics Act (AS 39.52.120). Formal procedures should then be established to ensure compliance with that Act.

- C. Applicants for the practical examination are required by 12 AAC 09.035 to secure their own model upon which to demonstrate their competency. The applicant must provide the board with a statement releasing the State from any liability as executed by the model on a form provided by DCED. The model must be at least 15 years of age.

The form provided by DCED requires the model's signature. There is no requirement for minors to have a parent or guardian sign. We question whether the signature of a model under the age of majority is sufficient enough to legally release the State from liability. We recommend the board consult Law to determine whether the signature of a parent or guardian should be required for models that are under the age of majority in order to protect the State from potential liability.

Recommendation No. 4

The board should review existing statutes and regulations and seek appropriate revision where necessary.

During our examination, we reviewed the board's statutes and regulations to determine if any were obsolete and unclear. We noted the following:

- A. Alaska Statute 08.13.185(a)(2) states that DCED shall set fees for school owner licenses. 12 AAC 02.140(b)(5) sets that license fee at \$100. However, 12 AAC 09.120 requiring a school owner license was repealed in February 1988. It is unclear if the board intends that school owners be licensed. According to OL, they do not collect the fee for school owner licenses. This finding was noted in the FY 88 sunset audit. However, no action has been taken to resolve this issue.
- B. Alaska Statute 08.13.120 begins with a statement that the board shall adopt regulations for the licensing of shops. However, the rest of this statute refers to licensing of shop owners. It is unclear if the shop or the shop owner, or both, are to

be licensed. This finding was also noted in the FY 88 sunset audit. However, no action has been taken to resolve this issue.

- C. 12 AAC 09.020 requires DCED to assign each applicant for examination a number by which he or she is identified during the examination and no applicant may reveal his or her identity to an examiner until grading has been completed. However, numbers are assigned at the examination site by a board member who is an examiner. This board member is also required to look at photograph identification to ensure the right person is taking the examination. OL states that they do not assign numbers nor do they know the purpose for having to do so. This requirement appears to be obsolete.
- D. Alaska Statute 08.13.100(d)(3) requires a person applying for a license by credentials to pay a credential investigation fee. 12 AAC 02.140 does not include such a fee. OL personnel state that this kind of fee is not required for this board as applicants are required to submit all their supporting documentation with their application. According to OL personnel, no additional investigation is required.
- E. 12 AAC 09.056 identifies the written examination for barbers as the National Board of Barber Examiners Certified Examination for Registered Barbers, written and sponsored by the National Association of Boards of Barber Examiners of America (NABBEA). The examination administered by the board is the National Barbers Test, sponsored by the Professional Testing Corporation. According to OL staff, NABBEA is no longer in existence.
- F. 12 AAC 09.070 indicates that an applicant for the instructor examination may choose the Instructor Examination, written and sponsored by the NABBEA or the Community College Teacher Test. Since NABBEA is no longer in existence, we recommend this regulation be revised.

The board cannot carry out its legislative mandate effectively without clear, concise, and current statutes and regulations. Therefore, we encourage the board to pursue necessary and appropriate changes.

Recommendation No. 5

DCED should continue to work with the Office of the Governor, Office of Management and Budget (OMB) in establishing fee levels for occupational licensees that are more reflective of the actual regulatory cost of the occupation.

OL's methodology for determining FY 93 fees allocates costs to a board or occupation in one of two ways. Some costs, termed direct costs by OL, are directly distributed to a specific licensing program. Direct costs include personnel assigned to one specific occupation, travel associated with board business, public notices of board proceedings, and printing of board applications and statute booklets. Other costs, termed indirect costs, are

allocated based upon the percentage of licensees in each occupation compared to the total number of occupational licensees. These costs include the expenditures associated with licensing examiners', investigators', hearing officers', management's, and clerical staff's time.

Effective August 24, 1992, DCED was required to establish fee levels so that the total amount of fees collected for an occupation approximately equals the actual regulatory costs for the occupation (AS 08.01.065(c)). Prior to FY 93, DCED could establish fees that reflected, but did not exceed, the actual costs of the activity for which the fee was charged and could establish a fee at less than full cost if they deemed it unreasonable to impose the full cost of the activity on the licensee.

Our office and OMB have both reviewed OL's cost allocation methodology to determine if it is sufficient to meet the requirements of AS 08.01.065(c). Both our office and OMB do not believe that OL's cost allocation methodology distributes costs reflective of the actual effort spent. The primary disparity involves the classification of licensing examiners', investigators', and hearing officers' time. The manner in which these three categories of employees' cost have been allocated prior to FY 94 can cause occupations with a large number of licensees to absorb costs that are not reflective of the actual effort spent regulating their profession.

In addition to our concerns with OL's cost allocation methodology, we found problems in how they distributed costs in their calculation of a two-year average of expenditures used in determining FY 93 license fees. The percentages applied to allocate indirect costs were not always correct. These inconsistencies were caused by formula errors on spreadsheets prepared by OL staff. Also, documentation supporting some expenditures on the spreadsheets has not been retained. Review of selected current information available does not confirm these numbers. As discussed with OL staff, we recommend that OL retain original supporting documentation in their future distributions of costs.

Further, in a report issued by our office entitled *A Special Report on Selected Boards and Commissions Issues* (October 1992), we found the barber/hairdressers licensees were allocated \$57,600 in investigator personal services expenditures, representing nearly one investigator position. Yet, review of investigator staff assignments in that audit indicated that the investigator responsible for barber and hairdresser complaints not only worked part-time, but also handled several other professions and unlicensed business complaints.

In their September 1993, *Occupational Licensing Fee-Setting Policy Assessment* report OMB made seven recommendations to OL on how to allocate costs so that the intent of AS 08.01.065(c) is met. According to OMB's report, "A follow-up review for this project will be scheduled for March 1994." DCED has recently indicated that, for the determination of the FY 94 fees, they will allocate costs for licensing examiners, investigators, and hearing officers based on estimated time spent by those employees, with periodic adjustments to actual time spent in accordance with our office and OMB's recommendations. As of November 1993, the allocation of direct and indirect costs using FY 93 expenditure data has not been performed.

DCED should continue to work with OMB in establishing fee levels for occupational licensees that are more reflective of actual regulatory cost of the occupation.

Recommendation No. 6

OL should request statutory changes to AS 08.01.050 and AS 08.01.070 to clarify responsibilities for the taking of board meeting minutes and production of an annual report.

Alaska Statute 08.01.050 establishes DCED's administrative duties for professional licensing boards. Alaska Statute 08.01.070 identifies the administrative duties of the boards. Included in the board's responsibilities are the taking of minutes and records of all proceedings, forwarding of a draft of the minutes of proceedings to the department within 20 days after the proceedings, and submission of an annual performance report to the department before the end of the fiscal year. However, we found that OL rather than the board performed these duties.

For example, the licensing examiner is responsible for tape recording the board proceedings, recording votes, taking notes, and preparing the minutes. OL also compiles much of the information in the board's annual report. OL has the records needed to determine statistics such as the number of licenses issued and examinations given and passed.

We recommend that OL review the statutes and request changes that reflect actual responsibilities and timelines that are both practical and timely.

Recommendation No. 7

OL should develop and implement written policies and procedures for reporting potential violations of the Executive Branch Ethics Act to the Department of Law (Law).

The Alaska Executive Branch Ethics Act (AS 39.52) requires members of boards and commissions to disclose potential violations of that Act to their designated supervisor. The designated supervisor for members of a board is the chair or acting chair of the board. Functionally, OL staff advise the professional licensing boards associated with them as to the reporting necessary for compliance with the Ethics Act, as does Law. Disclosures by board members are compiled by OL for submission to Law. These reports are required to be submitted on a quarterly basis. Law reviews these submissions and makes available to the public a summary of the reports received with sufficient deletions to prevent disclosure of a person's identity.

These reports have not been submitted in a timely manner. In 1991, no reports were submitted to Law. In 1992, reports were submitted three to six months after the end of the quarter. In 1993, the first two quarters' reports were submitted in July. In addition, OL personnel have indicated that there is some confusion as to what should be reported. While staff at Law believe that OL understands what should be reported, written policies and

procedures governing the reporting of potential ethical violations would benefit OL as well as board members. There would be clear criteria for OL staff to follow as to what should be reported as well as when it should be reported.

Recommendation No. 8

OL should, in conjunction with the Equal Employment Opportunity Office (EEO), review applications forms used by OL for licensure to assure that personal questions of a potential discriminatory nature are essential for prudent licensure.

EEO within the Department of Administration, Division of Personnel discourages agencies from asking applicants information on sex, height, weight, and hair and eye color. If an applicant were denied a license, the board or OL may find it difficult to prove there was no discrimination involved if this type of information was used while reviewing the application for licensure.

Application forms used by OL should be reviewed with EEO to assure that personal questions of a potential discriminatory nature are essential for prudent licensure.

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ANALYSIS OF PUBLIC NEED

Limited Analysis

The following analyses of board activities relate to the public need factors defined in the "sunset" law, Alaska Statute 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

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

The Board of Barbers and Hairdressers (Board) is required by AS 08.13.040 to give examinations at least twice a year. Over the past three fiscal years, the board has increased the number of examinations. In FY 91, examinations were administered every other month in Anchorage and once in Fairbanks. Currently, the examination is scheduled every month in Anchorage, six times a year in Ketchikan and three times a year in Fairbanks.

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

The board has been unable to accomplish certain goals and objectives

We reviewed the goals and objectives listed in the board's FY 91 through FY 93 annual reports. Some were dropped without being accomplished while others are repeated but still unaccomplished. Three of the board's goals and objectives are noted below.

1. Alaska Statute 08.13.100 states that the board may, by regulation, create areas of limited professional licensing in the field of cosmetology, except that the board may not restrict or otherwise regulate the practice of manicure or pedicure.

The board has been trying for several years to change the statutes so they can license manicurists. In the FY 88 sunset audit report, it was reported that the board had proposed statutory changes regarding manicurists. In its FY 92 annual report, the board stated that they had contacted a legislator concerning the need for a change in statute. The board is still discussing this issue.

2. In the FY 88 sunset audit report, it was reported the board was proposing to change the statute to rename cosmetologist to esthetician. In its FY 91 annual report, the board listed this change as a goal/objective. The minutes of the September 13, 1990 board meeting indicate the board proposed the change. However, as of the date of this report, no statutory or regulatory change has occurred.

3. Schools of barbering, hairdressing and cosmetology are statutorily regulated by both the board and Alaska Commission on Postsecondary Education (ACPE) (see Recommendation No. 2). A goal of the board for FY 92 was to form a task force with ACPE to work this out. The minutes of the September 24, 1992 meeting evidences that a representative from ACPE was in attendance. A task force was formed with two board members and two individuals from ACPE. Based on discussions with board members, the task force never met because one of the task force appointees became ill. This issue has not since been discussed according to the board's meeting minutes.

Confusing statutes and regulations impede the board's effectiveness

Board members surveyed expressed confusion over several statutes and regulations. Some feel that such confusion impedes their effectiveness. These are discussed in Recommendation No. 4.

The extent to which the board, commission, or agency has recommended statutory changes that are generally of benefit to the public interest.

Since the last sunset audit, no statute changes have been made by the board. See previous section for statutory revisions suggested by the board.

The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided.

In accordance with AS 44.62.310 and AS 08.01.050, board meetings have been open to the public and each meeting and examination have been public noticed. A public comment period is made available at the meetings.

A goal/objective listed in the board's FY 92 and FY 93 annual reports is to "generate more interest in the board, such as more advertising for board meetings." Some board members think this can be accomplished by sending advertisements of meetings to schools and supply houses. Currently, notice is placed in certain Alaskan newspapers.

The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.

As discussed above, a public comment period is made available at each meeting. Regulations go through a public participation process.

The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.

Since the last sunset audit in FY 88, 37 cases have been reported by the Department of Commerce and Economic Development, Division of Occupational Licensing's (OL) Investigative Unit and two by the Ombudsman. We reviewed a sample of cases reported to the Investigative Unit during the period FY 91 and FY 93. Cases are being satisfactorily investigated and resolved.

The extent to which the board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.

As discussed in Recommendation Nos. 1 and 3, OL staff approve the majority of license issuances. Based on the numbers reported in the board's annual reports, the number of licenses by category is as listed below.

Category	Total Licenses	Issued in FY 93
Barber	282	20
Hairdresser	2,227	193
Cosmetology	695	16
Instructor	219	12
Shop Owner	416	21
School	14	1
Total	3,853	263

In addition, 281 student permits and 65 temporary permits were issued in FY 93.

Applicants can apply for licensure by examination or by credentials. Applicants by examination are required to take a written and practical examination. The practical examination is scored by three people, with at least one being a board member. OL staff is responsible for totalling the points by category for each examiner and averaging the points for the three examiners to arrive at the applicant's final grade.

A letter from OL to the board indicated there were inconsistencies in the scoring of the examinations. That letter noted that six examination candidates' score sheets were not scored. According to OL's letter, one candidate lost 70 points because five different sections

were not scored by two proctors. Rather than fail that candidate, which would have occurred if only the reported scores were considered, the candidate was passed. The other five candidates' scores were high enough to pass the examination with the missing scores.

The extent to which state personnel practices, including affirmative action requirements have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.

The Application forms used by OL for licensure should be reviewed by the Equal Employment Opportunity Office of the Department of Administration, Division of Personnel for any personnel questions of a potential discriminatory nature (see Recommendation No. 8).

The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

Please refer to the Findings and Recommendations section of this report.

APPENDICES

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APPENDIX A

Department of Commerce and Economic Development
Board of Barbers and Hairdressers
Schedule of Revenues Compared with Expenditures

(Unaudited)

(Note 1)

Revenues (Note 2)	\$191,466
Direct Expenditures	37,556
Designated Indirect Expenditures	127,517
Undesignated Indirect Expenditures	<u>164,104</u>
Total Expenditures (Note 3)	<u>329,177</u>
Excess of Expenditures over Revenues (Note 3)	<u>(\$137,711)</u>

Note 1

The Schedule of Revenues Compared with Expenditures was prepared from discussions with Division of Occupational Licensing (OL) personnel and from OL prepared documents comparing revenue and expenditures for determining fee structures. The records were not audited by us and, accordingly, we do not express an opinion on the board's Schedule of Revenues Compared with Expenditures.

Note 2

A significant portion of revenues is comprised of license renewal fees. For the current fee structure, see Appendix B. Licenses are renewed biennially. Because of the renewals, revenues vary substantially year to year. Therefore, OL combined revenues collected in FY 90 and FY 91 and calculated an average in order to obtain a representative amount of annualized revenues collected for comparison with expenditures.

Note 3

Expenditures consist of direct costs resulting from board member activities, (i.e., travel and per diem) and an allocation of overhead costs of OL. Those allocated costs include designated indirect costs that are shared costs which can be distributed according to a systematic methodology for allocation to specific regulatory programs. They include personal services costs for license examiners, investigators, and hearing officers. Undesignated indirect costs are those which are not easily associated with a specific

regulatory activity, but are the result of administrative and support activities to carry out regulatory functions for all regulated programs.

Our understanding of the allocation methodology presently used by OL is discussed in Recommendation No. 5 of this report and is the subject of a September 1993 Office of Management and Budget (OMB), Division of Audit and Management Services report entitled *Occupational Licensing Fee-Setting Policy Assessment*. Both our office and OMB do not believe that OL's method of allocating costs to a professional licensing board distributes costs reflective of the actual effort spent regulating that respective profession.

APPENDIX B
Department of Commerce and Economic Development
Board of Barbers and Hairdressers
Application, License and Other Fees¹

Application and Other Fees²

Type of Fee	Amount
Application	\$50
Barber, hairdresser, cosmetologist, or instructor examination fee	50
Temporary permit	50
Student permit or apprentice fee	50

License Fees

License Category	Initial	Biennial Renewal ³
Barber or Hairdresser	\$150	\$150
Cosmetologist	80	80
Instructor	100	100
Shop Owner	100	100
School Owner	100	100
School	700	250

¹The licensing fees charged by the Division of Occupational Licensing for the Board of Barbers and Hairdressers are set out in the Alaska Administrative Code at § 12 AAC 02.140. The last fee change for this board was effective May 28, 1993. According to Division of Occupational Licensing staff, at this time there are no planned fee changes for this board.

²The Division of Occupational Licensing is also authorized to charge administrative fees. Administrative fees include: duplicate license fee, photocopying fee, and penalty for reinstatement of a registration, license, permit or certificate which remains lapsed for more than 60 days.

³The next biennial renewal date for the Board of Barbers and Hairdressers is August 31, 1995.

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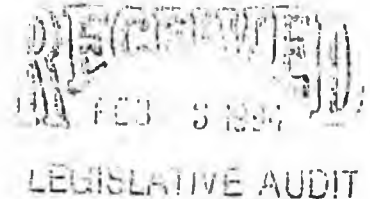
DEPARTMENT OF COMMERCE AND
ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

February 3, 1994

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Mr. Randy Welker
Legislative Auditor
Legislative Budget & Audit Committee
Division of Legislative Audit
P.O. Box 113300
Juneau, AK 99811



Dear Mr. Welker:

This is written in response to the Audit Division's (Audit) Preliminary Audit Report for the Board of Barbers and Hairdressers (Board). Below is the Department of Commerce and Economic Development's comments on Audit's preliminary findings and recommendations.

Recommendation No. 1

The Legislature should allow the Board of Barbers and Hairdressers (Board) to terminate on June 30, 1994 and amend the relevant statutes to assign board duties to other state agencies.

The department takes a neutral position on whether the board should be terminated. That is a decision for the Legislature to make. However, the department will respond to Audit's recommendations concerning assignment of duties.

Examining applicants can be the responsibility of the Division of Occupational Licensing (OL) if the board is terminated.

Providing the statutes are amended to allow for this transfer of duties, OL concurs that this is a responsibility that could be administered without a board.

OL can continue to approve licenses if the board is terminated.

The current statutory and regulatory requirements to receive a license are so precise that board review of applications is not necessary unless extenuating circumstances exist. The department concurs with this recommendation providing the statutes are amended to give OL authority in this area.

The Alaska Commission on Postsecondary Education (ACPE) could assume sole responsibility for approving the issuance of licenses for schools.

The department concurs with this recommendation.

Suspension and revocation of licenses would not be seriously impacted if the board terminates.

The department concurs with this recommendation.

Inspection for health and sanitary conditions of a shop or school will continue to be provided by the Department of Environmental Conservation (DEC) if the board terminates.

The department agrees with this recommendation.

Recommendation No. 2

The board, DCED, and ACPE should formalize in writing their overlapping responsibilities regarding the licensure and inspection of barbering, hairdressing, and cosmetology schools.

The department concurs with this recommendation. Depending upon the outcome of this legislative session concerning the continuation of the board, the department will initiate communication with ACPE by the end of the fiscal year.

Recommendation No. 3

The board should consult with the Department of Law (Law) to determine whether their current procedures are in accordance with State laws.

A. The department concurs that authority to issue licenses has never been delegated to OL by statute, consequently the board does not have the authority to delegate this responsibility if the board is not sunset. It is recommended that the Legislature consider this option.

B and C. The department concurs with Audit's recommendation that we consult with Law for an opinion as to which situations might present an ethical violation concerning the administration of the practical examination. We will also have Law review the release form used by models to clarify whether models between the ages of 15 and 18 years also need parental/guardian release.

Recommendation No. 4

The board should review existing statutes and regulations and seek appropriate revision where necessary.

The department concurs with this recommendation and will address those areas that do not require legislative change. However, as noted in the audit report, legislative intervention will be required for some of the changes.

Recommendation No. 5

DCED should continue to work with the Office of the Governor, Office of Management and Budget (OMB) in establishing fee levels for occupational licensees that are more reflective of the actual regulatory cost of the occupation.

The department agrees with the recommendation subject to the following comments:

An OMB audit of the department's fee setting practice was completed in early October. OMB's recommendations for defining direct costs, including the implementation of timekeeping records for licensing staff, investigators, and hearing officers, has been implemented effective July 1, 1993 by the division.

The OMB audit recommended a cap on incremental fee increases of no more than 10-25% per licensing period. This is problematic inasmuch as it places a limit on recovering the actual cost of licensing the profession. Unpredictable and unforeseen program expenses occur due to investigations, litigation, and legal challenges which are not controlled by the board or the division. Limiting expenditures in order to comply with these caps is anticipated to have serious effects on the division's abilities to comply with their statutory mandates. Under the present scheme, once a program has expended its "acceptable limit" for fee increase adjustments under the OMB recommendations and in accordance with AS 08.01.065, the board will effectively be shut down for the remainder of the fiscal year. The consequences have potential health and safety risks as well as potential economic hardships for licensees who wish to renew their licenses, sit for examinations, etc. The division will make requests for additional spending allocation to Legislative Budget and Audit Committee to alleviate these harsh consequences, but failing favorable consideration, the division must control its expenditures.

The division does not fully concur with the audit findings that errors were made in the calculation of a two-year average of expenditures used to determine the FY 93 license fees, and as a result, license fees did not truly reflect the cost of providing regulatory services to each occupation. Detailed expenditure information used in calculating a two-year average was based on information obtained from the state accounting system. The data generated from the state accounting system for the purposes of this audit has changed from data obtained by division staff when fee decisions were made.

In conclusion, the Department of Commerce and Economic Development has worked with the OMB auditor regarding this issue.

Recommendation No. 6

OL should request statutory changes to AS 08.01.050 and AS 08.01.070 to clarify responsibilities for the taking of board meeting minutes and production of an annual report.

A rewrite of AS 08.01 is available, and the division is seeking legislative support to introduce it. The rewrite makes numerous revisions including amendments to the statutes cited in this recommendation.

The rewrite included revisions which make drafting minutes a department responsibility. It also provides for an annual report deadline submission of August 1. The annual report deadline revision is necessary as many statistics needed for the annual report are not available until June 30, thus making it impossible for the boards to meet the existing deadline of submission by June 30.

The division disagrees that the annual report authorship should be amended to make annual report submission a department responsibility. We recognize that division staff are instrumental in assisting boards when completing reports. Staff provide statistical and clerical assistance, however, this report must be reflective of the board's position on various matters involving the profession regulated including legislative and regulatory needs, budget requests, and upcoming goals. These are areas which the board is solely responsible for developing.

Recommendation No. 7

OL should develop and implement written policies and procedures for reporting potential violations of the Executive Branch Ethics Act to the Department of Law (Law).

The department agrees and will comply with this recommendation. A written procedure developed by staff will be limited to include directives for staff follow-up at each meeting with collection of ethic reports as well as clarifying dates which quarterly reports must be compiled and forwarded to the Attorney General's Office. We concur that staff is responsible for the timely submission to the Department of Law. This is the limit of responsibility on behalf of the department.

All other policy, procedures, interpretations, and written directives for what must be reported must come from the Department of Law. Guidance on when a member must report a conflict, what should be reported, confirmation of what constitutes a conflict, and who has authority to rule/overrule a decision made by a designated supervisor are all matters which are beyond the scope of DCED staff expertise. Consequently, the department disagrees with the statement in the text of recommendation Number 7 which states "Functionally, OL staff advise the professional licensing boards associated with them as to the reporting necessary for compliance with the Ethics Act"

The department has asked for a written directive from the Department of Law, in layman's terms, which clarifies these matters. Any forthcoming directives from the Department of Law will be distributed to board members.

Response to Recommendation No. 8

OL should, in conjunction with the Equal Employment Opportunity Office (EEO), review application forms used by OL for licensure to assure that personal questions of a potential discriminatory nature are essential for prudent licensure.

The department disagrees with this recommendation. We believe the procedures for denying an applicant and the practice of listing the specific reasons for denial in the notice to the applicant provide adequate protection for the board from being subject to discrimination complaints based on the height/weight questions.

Thank you for the opportunity to comment. If my department can assist you in any other way please let me know.

Sincerely,


Paul Fuls
Commissioner

PF/vs513t
020394c

cc: Karl Luck, Director, Division of Occupational Licensing

H B

3 7 6

HOUSE COMMITTEE REPORT

(9)

Date Referred: January 14, 1994

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 2/9/94

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 376

HOUSE BILL NO. 376

ASSIST & PROTECT VULNERABLE ADULTS

"An Act relating to services for and protection of vulnerable adults; and providing for an effective date."

RECOMMENDATIONS:

be replaced with _____ [] the same title
[] a new title

[] have attached amendments(s)

[] do pass

[] do not pass

[] no recommendations

[X] individual recommendations

[] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

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

APPROVES PREVIOUS: ⁽³⁾ (Dept/Date)

[] fiscal impact _____

[X] fiscal note(s) Admin, H+SS 1/14/94

[X] zero fiscal note Public Safety

[X] zero fiscal note(s) Admin 1/14/94

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Car Bunde</i>	✓	<i>Pat. Test</i>		✓	
<i>[Signature]</i>	✓	<i>[Signature]</i>			X
<i>Betty Damm</i>		<i>[Signature]</i>		✓	
<i>Lrene Nicholas</i>	✓	<i>[Signature]</i>			
		<i>Hailey Olberg</i>		✓	

[Signature]

CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA
 1994 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected Administration
 Title: An act relating to services for and protection BRU: Senior Services
of vulnerable adults. Component: Senior Services Administration
 Sponsor: _____
 Requestor: Governor CC COMPONENT SERIAL NO. 1981

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	258.5	263.7	268.9	274.3	279.8	285.4
TRAVEL	20.0	20.4	20.8	21.2	21.6	22.1
CONTRACTUAL	264.1	269.4	274.8	280.3	285.9	291.6
SUPPLIES	5.0	5.1	5.2	5.3	5.4	5.5
EQUIPMENT	12.0	12.2	12.5	12.7	13.0	13.2
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	559.6	570.8	582.2	593.9	605.7	617.8
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	538.0	549.2	560.6	572.3	584.1	596.2
1005 GF/Program Receipts						
1006 GF/MHTIA	21.6	21.6	21.6	21.6	21.6	21.6
Other						
Total	559.6	570.8	582.2	593.9	605.7	617.8

Estimate of current year (FY94) cost: \$ _____

POSITIONS:

FULL-TIME	5	5	5	5	5	5
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page in necessary)
 Future costs inflated at 2% annual increase.
 This fiscal note reflects the transfer of staff and support for Adult Protective Services to the Senior Services BRU. See fiscal notes from the Department of Health and Social Services for equivalent reductions.
 Further analysis is on the attached pages.

Prepared by: Connie J. Sipe, Director Phone: 563-5654
 Division: Older Alaskans Commission Date: _____
 Approved by Commissioner: [Signature] Date: 1/14/94
 Agency: Administration

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COMMITTEE COPY

Admin - Senior Services - Fiscal Note

Fiscal Note Analysis
Adult Protective Services

Transfers:

1. Transfer from Department of Health and Social Services, Family and Youth Services BRU, Southcentral and Northern Regional Office Components: Three full-time Social Worker positions, range 16, PCNs 06-3714, 06-3426, and 06-3725.
Total = 195.1

2. Transfer from Department of Health and Social Services, Purchased Services BRU, Adult Services Component: Adult foster/residential care, other purchased protective and contractual services.
Total = 364.5.

3. Transfer from Department of Administration, Senior Services BRU, Pioneers' Homes Component:
 - a. One full-time position (vacant) transferred within the BRU and reclassified to Clerk Typist, Anchorage.
 - b. One position will be reclassified to become a Social Worker in Anchorage for adult protective services.

Total Funds transferred = 559.6

Adult Protective Services will use the funds as follows:

Personal Services:	<u>Months</u>	<u>Subtotal</u>	<u>Total</u>
1 PFT Soc. Worker III (Fbks)	12	66.8	
2 PFT Soc. Worker III (Anch)	24	128.3	
1 PFT Soc. Worker I (Anch)	10	35.1	
1 PFT Clerk Typist (Anch)	10	<u>28.3</u>	
Total Personal Services			258.5

Note: The division will identify and cross-train personnel in one or more Pioneers' Homes in Southeast to handle Adult Protective Services cases in that region on an "as needed" basis.

Travel	20.0
--------	------

Contractual:

Purchased protective services, adult foster/residential	190.0	
Lease space	33.0	
Telephone (800 number, 24 hr. answering/paging)	34.0	
Risk management and other contractual costs	7.1	
Total Contractual services		264.1

Supplies 5.0

Equipment: software, telephones, computers, furniture 12.0

Total Transferred In for Protective Services 559.6

FISCAL NOTE

No. 4
 Bill Version: HB 376
 (H) Publish Date: 1/14/94

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Administration
 Title: An act relating to services for and protection BRU: Senior Services
of vulnerable adults. Component: Pioneers' Homes
 Sponsor: _____
 Requestor: Governor COMPONENT SERIAL NO. 1950

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other						
Total	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY94) cost: \$ _____

POSITIONS:

FULL-TIME	(2)					
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page in necessary)

Two vacant positions will be transferred to the Senior Services Administration component.

Prepared by: Connie J. Sipe, Director Phone: 563-5654
 Division: Senior Services Date: _____
 Approved by Commissioner: NBC Date: 12/27/93
 Agency: Administration

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Admin - Senior Services - Pioneers' Homes - FN

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Bill Number: HB 376
Effective Date: 1/14/94

Revision Date: 1/10/94 Dept. Affected: Health and Social Services
 Title: Vulnerable Adults Protective Services BRU: Family & Youth Services
 Component: Northern Region
 Sponsor: Rules Committee
 Requestor: By Request of Governor COMPONENT SERIAL NO. 255

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	(68.0)					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	(68.0)	0.0	0.0	0.0	0.0	0.0

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

CHANGES IN REVENUES						
---------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(68.0)					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	(68.0)	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	1					
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: None

ANALYSIS: (Attach a separate page if necessary)

One Adult Protective Services (APS) specialist is being transferred from the Division of Family and Youth Services (DFYS) Northern Region to the new Division of Senior Services to support the Protection of Vulnerable Adults Legislation.

When the existing Protection of the Elderly statute was passed in 1983, no funding was provided, other than 5.0 for brochures. The specialist position in Fairbanks was created from child protective services funds. Subsequent efforts to expand funding for a credible adult protective services program have not been fruitful. The Task Force that reviewed APS within DFYS recommended it be consolidated with other senior services where it is believed the program may be better supported and developed.

Prepared by: Deborah R. Wing, Director *Deborah R. Wing*
 Division: Division of Family & Youth Services

Phone: 465-3191
 Date: 01/12/94

Approved by Commissioner: Margaret R. Lowe
 Agency: Department of Health & Social Services

Date: 1-13-94

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FISCAL NOTE

Nr 2
 Bill Version: HB 376
 (H) Publish Date: 1/14/94

STATE OF ALASKA
 1994 LEGISLATIVE SESSION

Revision Date: 1/10/94 Dept. Affected: Health and Social Services
 Title: Vulnerable Adults Protective Services BRU: Family & Youth Services
 Component: Southcentral Region
 Sponsor: Rules Committee
 Requestor: By Request of Governor COMPONENT SERIAL NO. 254

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	(127.1)					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	(127.1)	0.0	0.0	0.0	0.0	0.0

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

CHANGES IN REVENUES						
---------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(127.1)					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	(127.1)	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL - TIME	2					
PART - TIME						
TEMPORARY						

Estimate of current year (FY94) impact: None

ANALYSIS: (Attach a separate page if necessary)

Two Adult Protective Services (APS) specialists are being transferred from the Division of Family and Youth Services (DFYS) Southcentral Region to the new Division of Senior Services to support the Protection of Vulnerable Adults Legislation.

When the existing protection of the Elderly statute was passed in 1983, no funding was provided, other than 5.0 for brochures. The Adult Protective Services Specialist positions in Anchorage were created from child protective services funds. Subsequent efforts to expand funding for a credible adult protective services program have not been fruitful. The Task Force that reviewed APS within DFYS recommended it be consolidated with other senior services where it is believed the program may be better supported and developed.

Prepared by: Deborah R. W. Director *Deborah R. W.* Phone: 465-3191
 Division: Division of Family & Youth Services Date: 01/10/94
 Approved by Commissioner: Margaret R. Lowe Date: 1-11-94
 Agency: Department of Health & Social Services

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FISCAL NOTE

No. 1
 Bill Version: HB 376
 (H) Publish Date: 1/14/94

STATE OF ALASKA
 1994 LEGISLATIVE SESSION

Revision Date: 1/10/94 Dept. Affected: Health and Social Services
 Title: Vulnerable Adults Protective Services BRU: Purchased Services
 Component: Adult Services
 Sponsor: Rules Committee
 Requestor: by Request of Governor COMPONENT SERIAL NO. _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(364.5)					
MISCELLANEOUS						
TOTAL OPERATING	(364.5)	0.0	0.0	0.0	0.0	0.0

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

CHANGES IN REVENUES						
---------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(342.9)					
1005 GF/Program Receipts						
1006 GF/MHTIA	(21.6)					
Other						
TOTAL	(364.5)	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: None

ANALYSIS: (Attach a separate page if necessary)

When the existing Protection of the Elderly statute was passed in 1983, no funding was provided. In the late 70's, the department had also been given statutory responsibility for licensing adult facilities. Again no funds were provided for licensing and no funds were provided for upgrading the care of dependent adults residing in existing facilities, then called, boarding homes.

In 1983, the department obtained funds for residential and foster care for dependent adults. Those funds became the Adult Services Component of the Purchased Services BRU and are being transferred from the Division of Family and Youth Services, DHSS, to the Division of Senior Services, Department of Administration to support the Protection of Vulnerable Adults Legislation.

Prepared by: Deborah R. Wing, Director *Deborah R. Wing*
 Division: Division of Family & Youth Services

Phone: 465-3191
 Date: 01/10/94

Approved by Commissioner: Margaret Lowe, M. Ed., Ed. S.
 Agency: Department of Health & Social Services

Date: _____

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO: HB 376

Revision Date: _____ Dept. Affected: Public Safety
 Title: Assist & Protect Vulnerable Adults BRU: Alaska State Troopers
 Component: Detachments
 Sponsor: H. RULES by Request

Requestor: H. HES COMPONENT SERIAL NO. 799

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES () <small>Revenue Code</small>	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

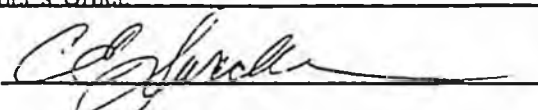
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 94) impact: \$ _____

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)
 No significant fiscal impact upon the Alaska State Troopers is anticipated.

Prepared By: Lee Ann Lucas Phone: 465-4322
 Division: Commissioner's Office Date: 2/2/94
 Approved by Commissioner:  Date: 2/2/94
 Agency: Richard L. Burton, Dept. of Public Safety

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Public Safety - AK State Troopers - Fiscal Note

HOMER



SENIOR

CITIZENS

January 9, 1994

Representative Cynthia Toohey, Co-Chair
 Representative Con Bunde, Co-Chair
 Health, Education and Social Services
 Room 106
 Juneau, Ak 99811

Ref: HB 376

The PURPOSE of this bill has the wholehearted endorsement of this Corporation which is pursuing at this time a loan from Alaska Housing Finance Corporation to build 40 units of AFFORDABLE assisted senior living housing. In order to assure that the housing will be affordable to all income groups, this Corporation has the philosophy that services already available in the community should not be duplicated by staff at its apartments. Such costs would be passed onto all tenants who may not need the services provided. This Corporation further has the philosophy that as landlords renting apartments which will become the tenants home, it has the responsibility to allow those service providers access to the tenants home to provide services.

In designing this proposed facility, the State Fire Marshall's Office REQUIRED this Corporation to sign a letter of intent that this Corporation would provide NO nursing services or allow long term bed ridden tenants in the facility BEFORE that office would allow the architects to design the facility under residential requirements in lieu of the more costly institutional requirements.

The heavy emphasis on medical terms and procedures in the "admissions" section could possibly cause this Corporation to forgo licensing of the facility as an assisted living facility. This Corporation recommends that friendly amendments to made to those sections where such terms and procedures are included. Specifically sections in SB 249 that are the same in HB 377 that could be changed are:

- Sec. 47.33.210 ADMISSION CONTRACTS - to "Lease Agreement"
- " " " " (b)(4) "discharge of resident" - to
 termination of the lease agreement"
- Sec. 47.33.220 (3) "administrator of the home" - to "lessor"
- Sec. 47.33.240 EVALUATION OF ASSISTED LIVING PLAN -change
 "resident admitted" to "lease holder"; it is
 assumed that persons requiring assisted
 living will probably have health problems
 and it is questioned as to why the
 distinction in evaluation times
 considerations

3935 SVEDLUND • HOMER, ALASKA 99603 • (907) 235-7655 • FAX (907) 235-3739

Letter to CoChairs Toohney & Bundy 02/09/94

page 2

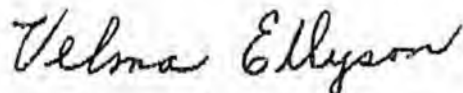
An additional section questioned by this Corporation:

Sec. 47.33.220 in which the home "shall ensure" a plan but in Section 47.33.230 (d) the home "shall prepare" the plan. This Corporation is hopeful that the tenant, tenants representative, etc. would be allowed to use the services of the Care Coordinator of South Peninsula Hospital to prepare the plan and avoid the duplication and additional cost of having to pay for a staff person at the home to also prepare one.

Because this bill will cover not only assisted living facilities for all age groups and a varying number of "beds" in the facility, this Corporation recommends that the sections which contain medical terms and procedures be review as if a homeowner in a small village such as Port Graham across the Kachemak Bay wished to become licensed under this bill. Because this Corporation with experience managing an independent living senior housing complex would have difficulty with achieving a license by these requirements, it has great sympathy for those persons who will be providing fewer beds and living in even more rural areas than Homer.

Thank you for your consideration in this matter.

Sincerely,



Velma Ellyson
Executive Director

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

DIVISION OF FAMILY AND YOUTH SERVICES

P.O. BOX 110630
JUNEAU, ALASKA 99811-0630
PHONE: (907) 465-3170

February 16, 1994

Honorable Cynthia Toohey, Co-Chair
House Education and Social Services Committee
State Capitol
Juneau, Alaska 99801-1182

Dear Representative Toohey:

This is written to respond to questions raised by various committee members in the hearing last Wednesday on HB 376, relating to Vulnerable Adults. Patricia O'Brien of my staff was testifying when questions were raised. I would appreciate it if you could see that each committee member receives a copy of these responses.

Question: What does the department do in support of a person who has been sued for making a report of abuse or neglect under the existing Protection of the Elderly Law?

Response: The department has to its knowlege no experience with such a situation. We are awaiting additional information from Representative Bettye Davis, who believes there is such a case, and will provide follow up if one is found.

Question: What would be the state's protocol if such a case presented itself?

Response: Each case would be examined in consultation with the State's Division of Risk Management and the State Attorney General's Office. Sections AS 47.24.010 and 120 provide immunity from civil or criminal liability for a report of harm made in good faith. The law does not provide that the state indemnify and defend people making reports of harm. Possible reasons for being sued include allegations that the report was not made in good faith or that the report was not timely or was knowingly delayed. The immunity provisions are intended to help shield persons who report from being sued. Consequently there may be situations where the state would defend a reporter to ensure that others continue to report abuse and neglect in the future.

Question: What is the penalty for failure to report under the child protection reporting law?

Response: Failure to report is a class B misdemeanor. Under AS 12.55.035 that is a fine of up to \$1,000 and 90 days. For an organization under AS 12.55.135.(b) that is up to \$25,000 and 90 days.

Representative Toohey
February 15, 1994
Page 2

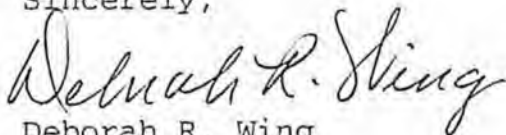
Question: Have there ever been any prosecutions/convictions of health care professionals who failed to report harm under AS 47.24?

Response: No

Correction: In response to the question on the clergy being included as a required reporter, the information given that the clergy are included in the child protection reporting statute was in error, though clergy often do report.

I hope this information is useful to you. Please let me know if any further information is needed.

Sincerely,



Deborah R. Wing
Director

cc: Elmer Lindstrom
Special Assistant
Office of the Commissioner

Connie Sipe
Director
Division of Senior Services
Department of Administration

Susan Cox
Assistant Attorney General
Department of Law



Alaska State Legislature

House of Representatives

COMMITTEE ON HEALTH, EDUCATION
AND SOCIAL SERVICES

DATE: ~~2/8~~ 2/9/94

PLACE: Capitol Room 106

SUBJECT OF MEETING:
 * HB 3716: ASSIST & PROTECT VULNERABLE ADULTS
 * HB 3717: REGULATIONS OF ASSISTED LIVING HOMES
 (* FIRST PUBLIC HEARING)

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
1 Dennis Murray	LHS	Soldotna, AK 232 Rockwell	99669	202-2545		Y	N	377
1 Dave W. Williams	DMA/DWS	P.O. Box 660 Juneau	99811-0660	465-3355	465-3355	(Y)	N	377
1 Tom Bohring	Se of Providence	4900 Eagle Ave	99503	345-5870	762-0220	(Y)	N	377
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

WALTER J. HICKEL
GOVERNOR



HB 376
P O Box 110001
Juneau Alaska 99811-0001
(907) 465-3500

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 14, 1994

The Honorable Ramona Barnes
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Barnes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to services for and protection of vulnerable adults. This bill will place responsibility for the delivery of services to vulnerable adults within the Department of Administration. This bill also extends the scope of existing adult protective services to include all vulnerable adults who are in need of such services.

Section 1 of the bill clarifies the circumstances that give rise to a duty to make a report of a vulnerable adult. The circumstances are abandonment, exploitation, abuse, neglect, or self-neglect. Under this section, the report will be made to the Department of Administration. This section also deletes the existing liability immunity provisions, which are later reestablished in sec. 6 of the bill.

Section 2 sets out the duties of the Department of Administration regarding services and protection for vulnerable adults. The duties include establishing a central information and referral service for vulnerable adults, establishing criteria and procedures for the delivery of community-based services, designation of local service providers as department designees to meet local service needs, and adoption of regulations to implement the program.

Section 2 also sets out provisions regarding certain reports of abandonment, exploitation, abuse, neglect, or self-neglect, and regarding the action that is to be taken on all reports. The investigation required to be done by the Department of Administration includes a face-to-face interview and a written report of findings. Section 2 also provides for delivery of protective services and assures that, to the extent practicable, the services will be delivered in a timely and culturally relevant manner.

Governor's Transmittal Letter

The Honorable Ramona Barnes

January 14, 1994

Page 2

Section 2 provides authorization for family members or friends to be surrogate decision makers for a vulnerable adult who is in need of protective services but is unable to consent to services. This provision allows for the delivery of necessary protective services without the necessity of seeking an emergency guardianship in adult abuse cases. Section 2 also sets out the procedures available for providing protective services when court action to protect the adult is necessary.

Section 3 repeals and reenacts an existing statute to provide for monitoring of vulnerable adults who are receiving ongoing protective services. Section 4 addresses the confidentiality of reports made under these provisions; sec. 5 requires that regulations being adopted by the Department of Administration be provided to the Older Alaskans Commission; and sec. 6 provides for immunity from liability for individuals who make reports of vulnerable adults.

Section 7 sets out, in a more appropriate location, definitions for terms used in AS 47.24. The existing definition section is repealed in sec. 8. Section 8 of the bill also repeals existing statutes that address reports of abuse of elderly and disabled persons to the Department of Health and Social Services.

Section 11 provides a July 1, 1994 effective date for the statutory changes made by the bill.

If this bill is enacted into law, the revisor of statutes will need to make appropriate changes to the existing article structure of AS 47.24.

I urge your support of this important legislation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Walter J. Hickel".

Walter J. Hickel
Governor

DEPARTMENT OF ADMINISTRATION

HOUSE BILL 376 SERVICES AND PROTECTION FOR VULNERABLE ADULTS

House Bill 376 has been introduced by Governor Hickel with the intent to make significant improvements in the way that protective services would be provided to vulnerable adults who are victims of abuse, neglect or exploitation. The bill would transfer the authority for adult protective services from the Department of Health & Social Services (Division of Family & Youth Services) to the Department of Administration (Division of Senior Services).

The Department of Administration worked as part of Governor Hickel's Interagency Task Force on Senior Services to develop this bill. Briefly, here are the highlights of improvements and changes contained in the bill. A more detailed analysis follows.

House Bill 376 would:

- Combine protective services for the elderly and other adults
- Offer protection to the "vulnerable," without interfering with elderly or disabled adults capable of caring for themselves
- Streamline abuse reporting and reduce duplicative work by state investigating agencies
- Open a central information and referral service for all vulnerable adults and their caregivers
- Promote more coordination with local service provider agencies to the same population
- Use local service providers as more "friendly" outreach workers wherever possible
- Honor a competent adult's refusal of services or request to terminate investigation
- Share appropriate information on status of investigation with the reporter of the abuse
- Use family members as "surrogate decision makers" when abuse victim is not able to give consent to receipt of services
- Clarify when and for what relief the state may seek judicial intervention to protect a person
- Redefine abuse to focus on intentional or reckless - not accidental - harm to adults
- Redefine neglect to focus on intentional failure to provide care, not inability to care
- Redefine exploitation to include exploitation of the victim's person as well as resources
- Provide for a smooth transition and transfer between the departments

DETAILED ANALYSIS OF BILL'S IMPROVEMENTS

New perspective on who are "vulnerable adults" and what is "abuse." The first section of the bill, at page 1, lines 5 -13, defines the protected class of persons as "vulnerable" adults who suffer abandonment, exploitation, abuse, neglect or self-neglect. This new definition in effect combines two formerly separate statutes: one for elder abuse and one for abuse of disabled persons. The definition also more correctly recognizes that not all elderly and not all disabled persons are "vulnerable." This section transfers the function of receiving reports to a new central information and referral service to be located in the Department of Administration.

Reporting of abuse updated and streamlined. As the first section continues onto page 2, the bill amends the list of persons who are required by this law to report their belief that a vulnerable adult is suffering from one of the listed types of abuse. (For brevity's sake, this paper will use "abuse" generally to refer to the entire list of types of harm covered by the bill.)

Section 1, subsections (c) and (d), page 2, l. 31 through page 3, l.16, bring the reporting requirements into compliance with the new assignment to Administration and with the new terminology in the bill regarding vulnerable adults and the types of abuse covered.

Section 1, subsection (e), page 3., ll.17 -25 clarify that when a victim is in imminent risk, the reporting person may contact a local police officer if the reporter is unable to contact the department, so that the police officer may take action to protect the vulnerable adult.

Section 1, subsection (f) , starting page 3, l. 26, clarifies that a person who observes abuse in an out-of-home care facility may fulfill the person's duty to report by making a report to the long term care ombudsman (of the Older Alaskans Commission) or the Department of Health & Social Services (the licensing section of the Medical Assistance Division or the Division of Mental Health & Developmental Disabilities).

The deletions from subsection (f), shown on page 3, ll.30 -31 and page 4, ll. 1 -21, simply delete duplicative language on protections for reporting persons, as that subject is covered later in Section 6 of the bill.

Department of Administration's new system for serving vulnerable adults who are abused.

Section 2, starting on page 4, l. 22, describes the duties of the department under the amended law. The Department of Administration will compile information on abuse, maintain a central information and referral (I & R) line, run a statewide system to serve abused adults.

More coordination with local service providers. The Department would be able to designate other (willing) state agencies or community-based service providers to deliver some or all of the supportive and protective services needed. This would be a major improvement over the current system, as the Department could use local provider agencies more familiar and less threatening to the alleged victim of abuse, such as the outreach worker from the local senior center to make initial contact and offer services. If cases involve serious abuse, the department might immediately send its social worker, or the social worker could pick up the case after the local senior center's first contact and assessment of the situation.

Reducing duplicate investigations by state agencies. Sec. 47.24.013, starting page 5, l. 14, is one of the bill's major improvements over the current delivery system. Currently, an allegation that abuse has occurred in a nursing home or hospital requires reporting to the Division of Family & Youth Services and to the Certification and Licensing Unit of Medical Assistance. In addition, the Long Term Care Ombudsman has jurisdiction under federal and state law to investigate the same situation if the office is called. Facilities often find themselves dealing with three to five state agencies over one allegation.

The bill improves this inefficient use of state resources by stating that when a facility is licensed by Health & Social Services (nursing homes, hospitals) and the victim is over the age of 60, then the report of abuse will be transferred for investigation and action to the appropriate licensing unit in DH&SS and the long term care ombudsman's office, which will be required to investigate, coordinate their investigations and responses, and to provide a report of the results to the central I & R service of Administration within 60 days.

Similarly, when the alleged victim of abuse in a licensed out-of-home care facility is under age 60, the case will still be transferred to the appropriate licensing agency within DH&SS, and the protective services unit in Administration will not be required to duplicate efforts by investigating the same case.

Investigative duties. Sec. 47.24.015, starting at page 6, l. 24, outlines how the Department of Administration is to take action on reports of possible abuse. The department is required to initiate a prompt investigation, which must include a face-to-face interview with the subject of the report, unless a personal interview would endanger the vulnerable adult. Note that the department may use a designee agency to conduct this work. The department's investigation must be summarized in a written report, including a summary of services to be provided.

Victim's request to drop investigation. If the subject of the report requests that the investigation cease, the department or its designee must terminate the investigation. However, in an improvement over current law, the department is not forced to abandon the case altogether upon the alleged victim's request. Rather, when the investigation to date has already resulted in "reasonable cause to believe that the vulnerable adult is in need of protective services," the department may either petition the court for certain protective services or may report the case for criminal investigation.

This new procedure recognizes the reality of many cases where the alleged victim is too scared of or threatened by the perpetrator to be willing to cooperate with any investigation, or where the victim appears to be temporarily or permanently incapable of making an informed decision about his or her own safety and affairs.

Sharing of information with reporter of abuse. Page 7, lines 20 - 22, are also an attempt to cure a problem in the current delivery system for protective services for adults. This section explicitly requires the department to notify the person who made the abuse report about the status of the investigation regarding the vulnerable adult. This will improve relations with reporters who are ongoing caregivers for the subject adult, as these caregivers need to know whether the person is safe and how the caregiver can best interact with the subject adult in the future.

New use of surrogate decision makers. A new official recognition of "surrogate decision makers" for vulnerable adults is included in sec. 47.24.016, which starts at page 7, l. 23. Under this

section, when the department finds that a vulnerable adult needs protective services, but the adult victim lacks decision making capacity or is "unable to consent" due to illness, coercion, fear of reprisal from or dependency on the perpetrator, then the department may seek consent from a guardian or attorney in fact for the victim. Under this new law, if there is no guardian, the department may select from the statute's list of surrogate decision makers for the person, for the purpose of deciding whether the person will "consent" to receiving protective or supportive services.

The surrogate decision maker selection process in the bill is modeled after similar acts in several other states. It allows the department to use --in the priority order listed--the consent of the vulnerable adult's spouse, domestic partner, adult child, parent, sibling, or close adult friend or relative. An incompetent person or an alleged perpetrator of the abuse may not be used as a surrogate. If more than one willing surrogate exists at the chosen priority level--like three adult children--then those persons may choose among themselves or make surrogate decisions by a majority vote.

Allowing surrogate decision making will allow the department to more quickly move ahead with protective services in many situations, and will avoid the expense of petitioning the court for orders or for a guardianship in those many situations here the crisis is only temporary and can be remedied by health care treatments or movement to a new safer environment. (Note that this power can not be used when the vulnerable adult victim retains capacity and capability to make his or her own consent decisions.)

Delivery of protective services. Sec. 47.24.017, starting page 8, l. 28 discusses service delivery. When the department determines that a vulnerable adult needs protective services, and the person or appropriate surrogate has consented, the department will provide services within 10 days, to the extent of resources available from all sources (department, client, other agencies). When an emergency situation exists the department may provide protective services without consent. Services are always to be delivered in a culturally relevant manner that protects the adult's right to live in the "least restrictive environment" and maximizes the person's own decision making capabilities.

Petitioning the court for protective services. Section 47.24.019, starting at page 9, l. 20., gives the department authority to petition the court for appointment of a guardian in order to decide if the person will consent to services, or to petition for involuntary commitment when the person is mentally ill and likely to seriously harm self or others, or to petition the court to issue an injunction against any caregiver who is interfering with the person's receiving services which the person has consented to receive.

Confidentiality and disclosure of reports. Section 4 of the bill amends AS 47.24.050, as shown at page 10, ll. 12 - 29. Under the proposed bill, confidential reports about investigations may be shared with "appropriate agencies or individuals." The department must delineate who is appropriate and how information will be shared. This section would ease a problem in the current law where confidentiality requirements can be so strictly interpreted that, for example, a local service provider such as an adult day care center which cares for a senior five days a week can not be asked to use its professional staff to help monitor the status of a client who is living with a caregiver who has abused the client in the past.

Immunity from liability or retaliation. This protection in the current law is maintained in the bill, section 6, on page 11.

Definitions. Many of the definitions are improvements to current law. The most important changes are highlighted here. Definitions are found on pages 11 - 13 of the bill draft.

"Abuse" will no longer mean any harm to an elder or disabled person. The proposed bill says that abuse is the wilful, intentional or reckless infliction of injury or mental distress, or sexual assault. The new definition will eliminate current investigations of purely accidental harm where other professionals who witness the accidental harm (such as in a nursing home) feel compelled by law to make a formal report of the abuse.

(One actual case that could have been ignored under this new definition was the accidental dropping from two feet above to the bed by one of two nurses' aides doing a difficult transfer of a resident. Although everyone saw the aide crying in remorse over the accident, and the aide had no history of carelessness or abuse, under the current statute, the elder was "harmed" and other employees felt compelled to report this technical incident of "abuse.")

"Designee" of the department, which can assist with investigation or provision of services to vulnerable adults, includes state agencies, community-based programs, individuals, or providers of supportive services licensed or authorized by agreement with the department.

"Exploitation" will include unjust or improper use of either the vulnerable person or his or her resources for another person's profit or advantage.

"Neglect" will mean the intentional failure by a caregiver to provide essential care, and not just the financial or physical inability of the caregiver to render care.

"Protective services" can include protective placement or other services intended to prevent or alleviate harm.

"Unable to consent," as discussed earlier, will be broader than just those persons who are "incompetent," i.e., permanently incapacitated from decision making. Unable to consent will include persons who are unable to consent due to coercion, fear, dependency, or temporary inability to perceive the imminent and substantial risk of death or irreparable injury if the person refuses assistance.

"Vulnerable adult" means a person over age 18 who, because of physical or mental impairment, is unable to meet his or her own needs, or is unable to seek help. Note that the bill would change the current law's presumption that all elderly persons and all physically, developmentally or mentally disabled persons are vulnerable and subject to special protection and possible interference in their affairs by state protective services.

General provisions of the bill. Section 8, page 13, lines 12 -13 repeals the existing abuse of the disabled law. Section 9, page 13, starting line 14, specifies how the transition of resources, cases, and ongoing contracts will be transferred between agencies upon the effective date of the Act. The bill authorizes the Department of Administration to proceed with regulations while awaiting the effective date of the Act. The transition section has an immediate effective date upon the Governor's signature, and the rest of the bill would be effective July 1, 1994.

House Bill 376

For An Act Entitled: "An Act relating to services for and protection of vulnerable adults; and providing for an effective date."

Senior Legislative Package

This bill is part of a legislative package intended to consolidate and improve services for seniors. The package includes amendments to support a Division of Senior Services within the Department of Administration (HB 378), protection of vulnerable adults (HB 376/SB 248), and licensing of adult facilities (HB 377/SB 249). By divesting itself of adult services, DFYS will be fully focused on services to children, youth and families. Key department staff participated in drafting the content of the package. We believe that moving Adult Protective Services and licensing of adult facilities out of DFYS will improve services to the elderly and to vulnerable adults as the functions are relocated to divisions specializing in those populations. The department urges review and passage of this bill as well as the remaining bills in the package.

Background for Change

In the 1992 legislative session, the department recommended that a Task Force be created to address adult protective services issues which were raised in legislation. The department stated:

DFYS activity in APS is so understaffed that neighbors of victims do not know help is possible and professionals fail to report, assuming an inadequate investigative response. In 1983 the Protection of the Elderly reporting statute was passed, but not funded. Ten years later

- We don't have a full protective services system.
- We don't provide the same level of protection to elderly and vulnerable adults as we do to children.
- We know that we don't have an adequate system.
- We want to do better. So how do we do that?

Community members tend to report incidents of suspected abuse or neglect to elderly and vulnerable adult victims, if they perceive the protective services agency as able to effectively respond. Reports of harm have grown from 78 the first year after the reporting law was passed to around 440 in recent years. This is in line with the national average, but we believe that confidence in DFYS' response to adults in need is not there. Since only one in eight cases of abuse or neglect are reported, community confidence in the responding agency is critical.

There are only three workers specializing in Adult Protective Services (two in Anchorage and one in Fairbanks). In all other areas of the state (35 field offices) adult protective services are provided by staff who are assigned to provide protective services to both children and adults. DFYS also relies heavily on other agencies to provide services to adults following the investigation and disposition of a report of harm. The APS program in DFYS has been on the frontage road rather than on the expressway.

This administration created a two tiered collaborative effort in the fall of 1992 to address APS and related issues. Members included an eight member Deputy Commissioner and Director level policy working group from the departments of Administration and Health and Social Services and a separate task force of program specialists. This bill is an outcome of those deliberations. Passage would respond to the concern of the department expressed in 1992. We believe that over time re-locating protective services for adults will result in development of a professional response system.

DEPARTMENTS POSITION

The department strongly supports this bill.

Recommended:

Deborah R. Wing

Date:

1/21/94

Deborah R. Wing, Director
Division of Family and Youth Services

Approved:

Margaret R. Lowe

Date:

1-24-94

Margaret R. Lowe, M.Ed., Ed.S.
Commissioner
Department of Health and Social Services

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Older Alaskans Commission

October 7, 1993

The Honorable Nancy Bear Usera
Commissioner
Department of Administration
P.O. Box 110200
Juneau, AK 99811-0200

Re: Governor's Proposal
for Senior Reorganization

Dear Commissioner Usera:

On behalf of the Commission, I want to express our appreciation of the opportunity to review, with Deputy Commissioner Waldron, Governor Hickel's proposal to reorganize senior services in state government, including the summaries of the three proposed bills.

The commission fully endorses the concepts behind the three bills, and the plan to create a new division of senior services by administrative order. We appreciate your leadership in initiating the Task Force last year, and believe that your choice and direction of Task Force members led directly to this excellent proposal for a new approach to senior services.

The commission plans to work, both as a group and individually, to understand the bills in both concept and detail, and will advocate for their support among the seniors in our local and regional areas. We would like to receive a copy of the actual bills' language as soon as they are public.

The commission has three comments or suggestions for the bill regarding the Commission and the Pioneers' Homes Advisory Board:

1. We think the increased linkage of the two boards, by the designation of a voting seat on each board for the chairman of the other board, is an excellent improvement.
2. While we support the new voting power given to the three departmental commission members from the administration, we would urge addition of language that the chairman of the Alaska Commission on Aging must be selected from among the seven layperson members appointed by the Governor.

Correspondence

Commissioner Nancy Bear Usera
Page 2
October 7, 1993

3. We strongly feel that because commissioners are either selected by or retained at the pleasure of the current governor, the members of the commission should choose their own chairman. The citizen-led impetus to create a commission in 1980 appears to still reflect the general sentiment in our state that the wisdom and experience of seniors should be recognized by allowing them a strong role in managing senior affairs in our state government.

Finally, we wish to note our concern that there be adequate fiscal and personnel resources to successfully carry out the two important new functions of the new Division of Senior Services, namely, the licensing of Assisted Living homes and Adult Protective Services.

Again, thank you for the chance to comment upon this proposal. Please convey to Governor Hickel our strong support of his plan.

Sincerely,



Donald M. Hoover, Chairman
Older Alaskans Commission



Bringing lifetimes of experience and leadership to serve all generations.

CHAIR
Mary Lou Meiners
805 Gold Belt
Juneau, AK 99801
(907) 586-2568

ALASKA STATE LEGISLATIVE COMMITTEE

VICE CHAIRMAN
CCTF Coordinator
Joe Aller
P.O. Box 20304
Juneau, AK 99802
(907) 586-6680

SECRETARY
Joan McKinnon
5201 Raccliffe Drive
Anchorage, AK 99504
(907) 337-0742

December 15, 1992

Connie J. [unclear]
Executive Director
Older Alaskans Commission
P.O. Box 110209
Juneau, Alaska

Dear Connie,

During the December meeting of the State Legislative Committee of A.A.R.P., the proposed consolidation of Senior Services was discussed.

If and when such a centralization should become a reality, the members of the Alaska State Legislative Committee go on record favoring the establishment of a Division of Senior Services within the Department of Community and Regional Affairs.

Thank you for this opportunity to express our opinion on this matter.

Sincerely,
Mary Lou Meiners, Chair
Alaska State Legislative Committee

AGENET

Alaska
Geriatric
Exchange
NETwork

January 27, 1993

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Cyndi Nation, Board

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452-8251, ext. 3152
Fax 459-3850
Area: Interior

Patricia Porter, Board

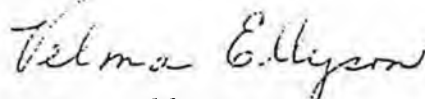
361 Senior Ct.
Kenai, AK 99611
283-4136
Fax 283-5858
Area: South Central

Interagency Task Force
c/o Older Alaskans Commission
3602 C Street Suite 260
Anchorage, Ak 99503

Dear Interagency Task Force,

We, the association of programs providing senior services through Older Alaska Commission grants, are in favor of a Division of Senior Services. This reorganization of programs that serve Older Alaskans into a combined Division of Senior Services will greatly assist us in being about to provide efficient, cost effective services to Alaskan seniors.

Sincerely,



Velma Ellyson
President

JAN 27 1993
OLDER ALASKANS COMMISSION

PIONEERS' HOMES ADVISORY BOARD

Amos "Joe" Alter, Chairman

October 15, 1993

P.O. Box 110211

Juneau, AK 99811-0211



Nancy Bear Usera, Commissioner
Alaska Department of Administration
P O Box 110200
Juneau, AK 99811-00200

Dear Nancy:

You and your hospitality are great and I am sure I speak for each and all of our Board Members as I thank you.

The opportunity to meet with you and discuss Administration priorities and concern was an excellent way for us to start our home visits. In the Board role of communicating your concerns to Pioneers' Homes residents and the public and visa versa we have the following findings to report to you:

1. The Board, residents, and the public are generally supportive of Administration proposals for reorganization of senior programs within a new division of aging with one exception. Predominate opinion prefers Board selection of its own chairman.
2. The proposed rate increases are generally acceptable.
3. More Mental Health Trust funds should be provided to complement current appropriations for Pioneers' Homes. Current efforts to serve the special needs of Alzheimer and related dementia needs of residents is commendable but inadequate. Planned staff training designed to enhance service to these special residents is essential and appreciated. A closer working relationship between this Board and the Mental Health Board is recommended.
4. Appropriate revisions should be made in current conditions governing employment of qualified part time staff to enhance availability of such staff.
5. There is general opposition to privatization of the homes.

Robert Gore, Board Member
John Dapcevich, Board Member

Vallie Byrdsong, Board Member
Stella Odsather, Board Member

Robert Kallenburg, Board Member
Peggy Arness, Board Member

6. Great appreciation and a minimum of dissatisfaction with the system was obvious. We urge continuing restructuring of the service model to address those future needs not met otherwise.

We thank you again for the opportunity to work with you and your dedicated Pioneers' Home staff.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joe".

Amos J. Alter

H B

3 7 7

HOUSE COMMITTEE REPORT

(9)
 Date Referred: January 14, 1994
 Date of Committee Action: 2/9/94

FURTHER REFERRALS: Finance

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered: HB 377

HOUSE BILL NO. 377 REGULATION OF ASSISTED LIVING HOMES

"An Act relating to assisted living homes; repealing references to residential facilities for dependent adults; and providing for an effective date."

RECOMMENDATIONS: |] the same title
 be replaced with _____ |] a new title

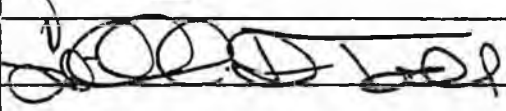
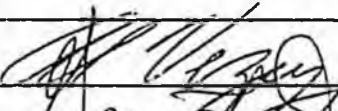
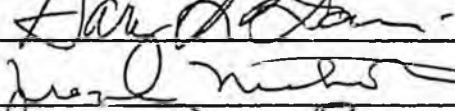
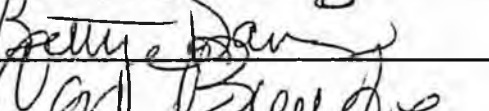
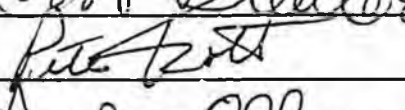
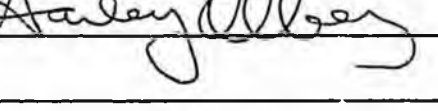


[] have attached amendments(s)
 [] do pass
 [] do not pass
 [] no recommendations
 individual recommendations
 [] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date)

[] fiscal impact _____ [x] fiscal note(s) H + SS 1/14/94

[] zero fiscal note _____ [x] zero fiscal note(s) Admin 1/14/94

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
	X				X
					X
				X	
					X
				X	
					✓
				✓	


 CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

N 1
Bill Version: HB 377
(H) Publish Date: 1/14/94

Revision Date: _____ Dept. Affected: Health and Social Services
Title: Assisted Living Homes BRU: Institutions & Admin
Component: MH/DD Admin
Sponsor: Rules Committee
Requestor: Governor's Office COMPONENT SERIAL NO. 310

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	103.3	106.9	110.6	114.5	118.5	122.7
TRAVEL	20.0	20.7	21.4	22.2	23.0	23.8
CONTRACTUAL	20.0	20.7	21.4	22.2	23.0	23.8
SUPPLIES	1.0	1.0	1.1	1.1	1.1	1.2
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	154.3	149.3	154.5	160.0	165.6	171.5

CAPITAL EXPENDITURES	0.0					
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CHANGES IN REVENUES	0					
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA	154.3	149.3	154.5	160.0	165.6	171.5
Other						
TOTAL	154.3	149.3	154.5	160.0	165.6	171.5

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) cost \$ _____

ANALYSIS: (Attach a separate page if necessary)
This bill provides for licensure of assisted living homes. These homes would be established primarily to provide a home-like setting for elderly persons and persons with a mental or physical disability who need assistance with activities of daily living.

Currently, the Department of Health and Social Services, Division of Family and Youth Services, licenses adult foster homes and group homes and institutions caring for dependent adults. The bill would delete references to these licensing functions and add a new chapter regarding assisted living homes. Under the bill, the Department of Health and Social Services would license assisted living homes that will be providing care primarily to individuals with a mental or developmental disability. The Department of Administration would license assisted living homes that will be providing care primarily to individuals who have a physical disability.

Prepared by: *Mike Repko for Public Inquiry* Phone: _____
Division: Mental Health and Developmental Disabilities Date: 12/29/93
Approved by Commissioner: *Margaret R. Lowe* Date: 12/29/93
Agency: Department of Health & Social Services

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