

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10320 HOUSE LABOR & COMMERCE

How will the information collected be used?

1. Effective public policy relies on good science and good data. Pesticide use information will help public officials protect water quality, public health, and subsistence foods.
2. Because pesticides are designed to be toxic chemicals that kill living organisms and are widely used in our communities, the public has a right to know about the pesticides used around us.

Who Supports tracking pesticide use?

1. There is broad support for pesticide use reporting, including support from the medical community, public health officials, researchers, subsistence food users, parents, teachers, organic farmers, and environmental health advocates.

Please enter into the record my testimony to the: House Labor and Commerce Committee on: H.B.66 A Bill Related to Pesticide Tracking.

Dated: 04/15/2002

Dear Committee Chair,

My name is Rocco Moschetti, I own and operate IPM of Alaska, a small pest control business in the Mat-Su Valley. Prior to opening my business in 1999, I worked for the USDA in California, in the greenhouse industry in the Valley, as a pest control operator for an Anchorage pest control firm, and as an IPM Technician and Land Resources Program Assistant with the UAF Extension Service.

I now specialize in using biological control methods to control pests in Alaska greenhouses. Biological controls are using the natural enemies of pests, such as lady bugs, beneficial predators and parasites of harmful pests. In order to remain competitive during the winter months, when most greenhouses are closed for the season, I began providing non-toxic pest control services to homeowners. I use heat treatments, cold treatments, vacuums, traps, exclusion, and biological controls to control household pests, such as carpenter ants.

I do not rely on pesticides as a first choice in managing pests in Alaska. Pest control operators in Alaska that truly use the philosophy of integrated pest management (IPM) like I do, will not be significantly affected by this bill. There are many alternatives to pesticides available to Alaskans. However, this bill puts an undue burden on small pest control businesses that judiciously use and apply pesticides for hire.

The proposed regulations to require submitting all pesticide use for a pesticide tracking system does not have any language concerning low-impact pesticides, such as B.t. (*Bacillus thuringiensis*) that target specific classes of insects without impacting human health or the environment.

I question why sanitizers are excluded from the same requirements as other pesticides in this bill. This wording of ^{THE} bill implies that its purpose is to track potential pesticide contamination in ground water. Sanitizers are often pumped into the ground in oil production, and to disinfect water wells. Yet, under current and existing regulations, if I use a disinfectant in a greenhouse at the end of the season during the clean-up, I am required to report that use and comply with current Worker Protection Standards, and DEC pesticide regulations, USDA record keeping requirements, and all other relevant rules and regulations governing pesticide use.

This bill makes a significant first step toward completely banning professional pesticide use in Alaska. There are no allowances in this bill to increase the current quality of pesticide applicators training in Alaska. I attended a pesticide applicators training class in Palmer on March the 18th. I wanted to stay current and up to date

with the ever-changing pesticide regulations, however the Extension Service educational branch responsible for decimating^{ing} current and factual information for DEC, was over 4 years out of date with some of their information.

If current pesticide training is of such poor quality, then safe and proper pesticide application cannot be expected. This bill makes no references to general public use of pesticides, the majority of pesticide mis-use is by homeowners improperly applying pesticides on their own property. Any homeowner can go into their local hardware store, or garden center and buy pesticides that are more toxic than what most pest control operators use.

Practically no homeowner has ever had any training on proper handling and application of pesticides, yet they will regularly broadcast "weed and feed" on their lawns, on windy days, without reading the directions, without even a second thought. This problem can only be corrected by removing all pesticides from the hands of the public, or more reasonably, by educating the general public on proper pesticide use. Pest control professionals are trained in the proper and safe handling of pesticides, whereas the general public is not. The Extension Service must increase the quality of its training classes and make them available to the general public, with perhaps a new training category for homeowners and gardeners.

Signed: Rocco A. Moschetti ROCCO A. MOSCHETTI

IPM of ALASKA

Representing

PO BOX 875006 WASILLA

Address

(907) 745-7233

Phone number

HB

67

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS:

JUDICIARY COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
TOURISM, MEMBER

website: <http://www.akrepublicans.org/Rokeberg.htm>



INTERIM:
716 WEST 4TH AVENUE, SUITE 350
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1102
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

SPONSOR STATEMENT HOUSE BILL 67

An Act requiring proof of motor vehicle insurance in order to register a motor vehicle; and relating to motor vehicle liability insurance for taxicabs.

HB 67 has two aims:

- 1) **Before a person can register a vehicle in the State of Alaska the applicant must have satisfactory evidence of motor vehicle insurance; and**
- 2) **Taxicabs must carry motor vehicle liability policy with the limits of \$300,000 for bodily injury or death of one person in one accident; \$500,000 for bodily injury or death of two more persons in one accident; and \$100,000 for injury to or destruction of property of others in one accident.**

Currently people driving in Alaska are supposed to have insurance or proof of financial responsibility which needs to be presented if they are in an accident. Such proof is not needed when a vehicle is registered. HB 67 would change that so when the vehicle is registered, proof of insurance must be presented. Opponents to this legislation indicate that a person could quickly cancel the insurance; however, it is my intent that the Division of Motor Vehicles would work with the insurance companies to develop an electronic notification system similar to notification to an additional insured (bank, lending company, etc) so that the Division could be notified when someone cancels an insurance policy. The person would then be in violation of the law and their driver's license could be suspended or revoked as well as vehicle registration cancelled. The whole point of this law is to protect all of us who drive on Alaskan roads and who are responsible enough to carry insurance so that if we are involved in an accident and we are at fault, the other person doesn't have to pay.

The second portion of this legislation mandates minimum limits of liability insurance for persons operating taxicabs in Alaska. This minimum would in no way interfere with the ability of the local government to establish higher minimums to operate in a local area; it just sets a floor for statewide levels. Prudent business practice, and some local laws, already call for liability policies but this would make sure that all Alaskans have a reasonable expectation that the cab they are utilizing is covered by minimum insurance. In conjunction with HB 68, no civil liability for taxi transporting drunks, this is a part of my legislative package to address the serious drunk driving issue before the State.

Your support of this legislation would be appreciated.

ED1:02/15/2001

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 67
 () Publish Date: _____
 Dept. Affected: Administration
 BRU: Motor Vehicles
 Component: _____
 Component Number: 2348

Revision Date/Time (Note if correction): _____
 Title: "An Act requiring proof of motor vehicle insurance before vehicle registration..."
 Sponsor: Representative Rokeburg
 Requester: House Labor & Commerce

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	236.9	236.9	236.9	236.9	236.9	236.9
Travel						
Contractual	34.8	26.3	6.3	6.3	6.3	6.3
Supplies	9.9	2.1	2.1	2.1	2.1	2.1
Equipment	32.4	0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	314.0	265.3	245.3	245.3	245.3	245.3

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	314.0	265.3	245.3	245.3	245.3	245.3
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	314.0	265.3	245.3	245.3	245.3	245.3

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	6	6	6	6	6	6
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

In CY 2000 there were approximately 385,300 original or renewal registrations processed. Approximately 85,000 of these were processed by business partners (car dealers or inspection stations). The partners would have to verify insurance on any transactions they process but this would not have a fiscal impact on DMV since the partners are not paid for these transactions. It may have an impact on the partners in that, with the added complexity and attendant customer complaints, they may not wish to continue this service. If this occurs, these transactions would revert back to a DMV office for processing and would require an additional 4 PFT positions that are not included in this fiscal note.

Prepared by: Mary Marshburn, Director Phone 269-5559
 Division: Motor Vehicles Date/Time 03/23/01
 Approved by: Jim Duncan, Commissioner Date 3/23/01
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

HB 67, Fiscal Note continued.

Of the remaining 300,300 transactions, approximately 40,000 were trailers which generally will not have a separate liability policy. DMV does not intend to ask for proof of insurance when registering trailers. Approximately 10,000 were larger commercial trucks which are already required to file proof of insurance with Division of Vehicle Enforcement in DOT. DMV does not intend to verify insurance on these vehicles.

That leaves 250,300 vehicle registration transactions in which DMV must verify insurance before registering the vehicle. In the verification process DMV must ensure that the vehicle or driver is included in the policy and that the policy is in effect at the time of registration. Since this is a new requirement many of the customers will not be aware of the requirement and will be turned away necessitating a second visit to DMV. DMV must also spend time addressing customer complaints/comments on the new requirements. It is estimated that on an average an additional 2 minutes per transaction will be needed. To absorb this workload DMV will need an additional 4.5 positions.

Approximately 29,000 of these transactions were done on electronic venues such as the web or phone which required no human intervention to process the transaction. It will not be possible to verify insurance in these venues so all of these transactions will revert back to the DMV field offices. It will require 1.5 positions to process these transactions.

Many of the registrations renewals processed by mail will have to be returned because insurance proof was not submitted. This will increase customer complaints which will take employee time to address. Additional postage costs are estimated to be \$5,000.

These costs reflect what will be needed to comply with the requirements of the bill but this will not have a substantial impact on uninsured drivers. The registration period for most vehicles is 2 years whereas the typical insurance policy is only written for 6 months and this leaves the potential for large gaps in coverage. The only effective method is to have continuous electronic verification with the insurance companies. There are vendors who provide this service and the annual cost is based on the number of registered vehicles. At a typical cost of \$2 per vehicle, the cost for this service in Alaska would be \$1.4 million per year.

Summary Costs

6 PFT positions @ \$39,477	\$236,862
Standard Equipment, Supplies, phone @ \$8678	52,068
Postage	5,000
Advertising	<u>20,000</u>
	\$313,930

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CS HB 67 (L&C)
 (H) Publish Date: 3/29/01

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title: HB 67 "An Act relating to motor vehicle BRU: _____
 liability insurance for taxicabs." Component: _____
 Sponsor: Representative Rokeberg _____
 Requester: House Labor & Commerce Component Number: _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill requires taxicabs to carry motor vehicle liability insurance. There is no anticipated fiscal impact to the state as a result of this legislation.

Prepared by: Amy Erickson, Committee Aide HL&C

Phone 465-4954

Representative 
Committee Chair

Date 3/29/01


Anchorage


TITLE 11 TRANSPORTATION*

Chapter 11.20 TAXICABS, LIMOUSINES AND VEHICLES FOR HIRE*


11.20.100 Taxicabs--Insurance required.

11.20.100 Taxicabs--Insurance required.


 A. Before any permit is issued for any taxicab, the applicant shall furnish one or more policies or certificates of liability insurance issued by an insurance company that is an authorized insurer within the meaning of AS 21.90.900(5).


 B. The insurance required by this section for vehicles with a manufacturer's rated seating capacity (or, if a mini-van, the seating capacity after seat removal to accommodate baggage), of six persons or less shall provide coverage as follows:

- 1. Combined single limit for all bodily injury or property damage arising from one accident: \$500,000.00; and
- 2. For all persons injured or dead in any one accident caused by an uninsured motorist: \$300,000.00.

 C. The insurance required by this section for vehicles with a manufacturer's rated seating capacity (or, if a mini-van, the seating capacity after seat removal to accommodate baggage), of seven persons or more shall provide coverage as follows:

- 1. Combined single limit for all bodily injury or property damage arising from one accident: \$1,000,000.00; and
- 2. For all persons injured or dead in any one accident caused by an uninsured motorist: \$300,000.00.

 D. The policy or policies of liability insurance shall be approved as to substance and form by the risk manager for the Municipality and filed with the Transportation Inspector. Insurance policies shall be issued for periods of not less than one year.

 E. Every insurance policy or certificate shall contain a clause obligating the insurer or surety to give the Transportation Inspector written notice no less than 30 days before the cancellation, expiration, nonrenewal, lapse, or other termination of such insurance. A lapse, cancellation, expiration, nonrenewal, or termination of insurance coverage shall work an automatic suspension of any permit for so long as the permittee is without insurance as required by this section, and it shall be a violation of this chapter to provide taxicab service with a vehicle not insured as required by this section. The insurance policy shall list as a certificate holder:

Municipality of Anchorage
Transportation Inspection Division
P.O. Box 196650
Anchorage, Alaska 99519

(AO No. 57-75; AO No. 78-177; AO No. 79-58; AO No. 80-19(S); AO No. 81-149; AO No. 81-167; AO No. 85-87; AO No. 87-8; AO No. 87-126(S); AO No. 89-63; AO No. 98-51(S), § 2, 5-4-99; AO No. 2000-107, § 2, 7-25-00)

State law reference(s)--Insurance, AS 28.22.

11.20.110 Posting of insurance notice.

The Transportation Inspector shall designate a place in the interior of all vehicles regulated by this title for the posting of a notice stating "This vehicles is insured according to Municipal ordinances." No person may provide services with a regulated vehicle unless this notice is properly posted therein.

(AO No. 57-75; AO No. 78-177; AO No. 80-19(S); AO No. 87-8; AO No. 87-126(S); AO No. 98-51(S), § 2, 5-4-99)

11.20.120 Taxicabs--Records of service.



A. Every taxicab permittee shall ensure the maintenance of a current and accurate daily list for the taxicab operated pursuant to his or her permit of:

1. The name, address, telephone number, license number and expiration date for each chauffeur operating such taxicab and whether the chauffeur's working hours comply with AMC 11.30.060;
2. The dates of hire and termination for each chauffeur operating such taxicab;
3. The daily hours worked by each chauffeur operating such taxicab;
4. The number of daily hours each such taxicab is operated during each calendar month; and
5. The time and place of passenger pickup and delivery, the number of passengers, the amount of fare received, the time of the call for service and the name and license number of the chauffeur responding to that call. This information shall be provided for taxicabs on a "trip sheet."



B. A taxicab permittee may designate an agent to provide the records required by this section so long as:

1. Such agent is a resident of Alaska; and
2. The taxicab permittee executes an agreement establishing the agency relationship. The agreement shall be on a form provided by the Transportation Inspector with signatures notarized, and shall be filed with the Transportation Inspector.



C. The records maintained pursuant to subsection A of this section as well as any other records related to the operation of the permit shall be retained by the taxicab permittee for at least two years and shall be made available upon request of the Transportation Inspector or a police officer. The Transportation Inspector may request that the taxicab permittee forward the record to him or her on a monthly basis.

(AO No. 57-75; AO No. 78-177; AO No. 79-58; AO No. 80-19(S); AO No. 87-8)

11.20.130 Chauffeur training.

Every regulated vehicle permittee shall maintain or participate in maintenance of a chauffeur training and testing program approved by the Commission, providing training as described in section 11.30.020.C. The Commission shall have final authority for evaluation of the training and testing programs, but may delegate that authority. The Transportation Inspector shall evaluate test results to determine whether a chauffeur's license shall be issued pursuant to section 11.30.020.C.

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PART II CODE OF ORDINANCES

Chapter 86 VEHICLES FOR HIRE*

ARTICLE II. COMMERCIAL TRANSPORT VEHICLE

DIVISION 1. GENERALLY

Sec. 86-31. Definitions.

Faubanks

(1) *Taxicab* means any motor vehicle used for the purpose of transporting passengers, upon request, for a fee, over the streets of the city, the routes of which are neither fixed, defined nor regulated by law or municipal directive.

(2) *Motorbus* means any motor vehicle having a seating capacity of nine persons or more, according to the manufacturer's rating, operating over established and fixed routes or under private charter agreement, and serving the public at large or any person who is willing to pay the fare or fee assessed. School buses, church buses, any transportation service provided at no charge by a nonprofit corporation, shuttle buses or vans owned and used by hotels for pickup and delivery of hotel guests, and motorbuses owned or operated by the state or a political subdivision of the state shall not be governed by this article.

Limousine means a large luxury buslike sedan used for the purpose of transporting passengers, upon request, for a fee, over the streets of the city, the routes of which are neither fixed, defined nor regulated by law or municipal directive.

Operate shall mean picking up passengers in, delivering passengers to, or transporting passengers through the city.

(Code 1960, § 8.106)

Cross reference(s)--Definitions generally, § 1-2.

S cs. 86-32--86-50. Reserved.

DIVISION 2. PERMIT

Sec. 86-51. Required.

(a) No person shall operate or cause to be operated upon the streets of the city any commercial passenger transport vehicle unless the applicant shall first obtain, through application to the city, and thereafter hold effective a permit authorizing the operation of such vehicle upon the streets of the city. No permit shall be issued for a period greater than one year, and a permit shall be required for each vehicle operated under this section.

(b) After being given notice by the city, any person operating a vehicle or causing a vehicle to be so operated in violation of subsection (a) of this section shall be deemed guilty of a misdemeanor and upon conviction of such offense by a court shall be liable to punishment as prescribed in section 1-15.

(c) Upon approval of an application for a permit, the city clerk shall cause to be executed, under the seal of the city and signature of the city clerk, a proper permit signifying the approval and issuance of a permit to the applicant. The applicant shall pay a permit fee of \$50.00 for each vehicle.

(Code 1960, § 8.101)

Sec. 86-52. Proof of Insurance.

There shall be submitted with an application for a permit required in this division copies of policies of liability or indemnity insurance providing coverage and protection against loss through personal injury or property damage arising from negligence on the part of the owner of all vehicles to be operated by virtue of the permit, such insurance to afford coverage in an amount not less than \$300,000.00 for all personal injuries sustained in any one accident or \$500,000.00 if the applicant uses a cellular phone dispatch without a central dispatch, coverage in the amount of \$25,000.00 for property damage arising out of any one accident, and \$50,000.00 for all persons injured or who died in any one accident caused by an uninsured motorist. Each policy shall further contain a clause, addendum or endorsement providing that the insurer or his local agent will give written notice of the cancellation, revocation, termination or expiration of that policy, such notice to be submitted to the city clerk not later than five days prior to such eventuality.

(Code 1960, § 8.102; Ord. No. 5370, § 1, 11-14-1998)

Sec. 86-53. Dispatch location; color scheme; written records.



(a) The application for a permit required in this division shall provide:

- (1) The identity of the location of the terminal or dispatch office from which the vehicles are to operate or whether they will be dispatched by cellular phone upon the granting of the permit;
- (2) A statement by the applicant that the applicant will establish and maintain a central radio dispatch office or will operate dispatch by cellular phone, keeping a daily log of all cellular calls and providing cellular phone numbers to the owner company and the city clerk's office;
- (3) The distinctive single color scheme of the company which the applicant shall apply and which shall be applied to the exterior of each vehicle to be operated under the permit, including the color scheme of any lettering or numbers to appear on the exterior;
- (4) A statement by the applicant that he agrees to maintain a written record of all dispatches of vehicles operated under the permit; a listing, maintained current, of all chauffeurs or drivers of vehicles operated under the foregoing permit, reflecting termination dates of chauffeurs or drivers who withdraw from such positions; and a record of the daily hours of utilization for each vehicle operated under such permit; and
- (5) Such other data as may be from time to time required by the director of public safety



(b) The information required in subsection (a) of this section shall be submitted to the director of public safety within five days after the end of the month, except insofar as expressly waived by the director of public safety. All records of such information shall be preserved by the applicant for not less than two years to be made available to the director of public safety upon request of the latter.

(Code 1960, § 8.103)

Sec. 86-54. Revocation; suspension.



(a) A permit required in this division may be temporarily suspended or permanently revoked by action of the city clerk for any of the following occurrences:

- (1) Breach of any condition, limitation or modification imposed under this article in approving the application for permit.
- (2) Breach by the holder of the permit of any covenant or agreement undertaken by the holder in making application for such permit.
- (3) Delinquency on the part of the holder of a permit or on the part of the individual chauffeurs or drivers in payment to the city of any taxes or fees imposed on fares collected for the transportation of passengers in vehicles operated under the permit.

Empty rectangular box.

Chapter 20.40

FOR-HIRE VEHICLES

Sections:

- 20.40.010 Definitions.
- 20.40.020 Certificate of public convenience and necessity required.
- 20.40.025 Interstate bus operations.
- 20.40.030 Certificate ? Application.
- 20.40.040 Certificate ? Application ? Public hearing.
- 20.40.050 Certificate ? Issuance.
- 20.40.052 Certificate ? Type.
- 20.40.060 Certificate ? Term ? Renewal.
- 20.40.070 Certificate ? Transfer.
- 20.40.080 Certificate ? Suspension and revocation.
- 20.40.085 Mandatory minimum penalties.
- 20.40.090 Certificate ? Indemnity bond or liability insurance required.
- 20.40.100 License fees.
- 20.40.110 Public vehicles ? Equipment and maintenance.
- 20.40.115 Taximeter certification.
- 20.40.120 Designation of public vehicles.
- 20.40.130 Professional driver?s permit required.
- 20.40.135 Maximum number of hours per day.
- 20.40.140 Professional driver?s permit ? Application.
- 20.40.150 Current state motor vehicle operator?s license required.
- 20.40.160 Professional driver?s permit ? Police investigation of applicant.
- 20.40.170 Professional driver?s permit ? Consideration of application.
- 20.40.180 Professional driver?s permit ? Issuance ? Duration ? Annual fee ? Physical examination.
- 20.40.190 Professional driver?s permit ? Issuance of temporary permit.
- 20.40.200 Professional driver?s permit ? Suspension and revocation.
- 20.40.210 Driver ? Compliance with city, state and federal laws.
- 20.40.220 Professional driver?s permit ? Defacing unlawful.
- 20.40.230 Rate cards, taximeters, and fares.
- 20.40.240 Receipts.
- 20.40.250 Refusal of passenger to pay legal fare.
- 20.40.260 Solicitation, acceptance and discharge of passenger.
- 20.40.270 Drivers ? Reporting accidents required.
- 20.40.280 Service.
- 20.40.290 Manifests.
- 20.40.300 Holder?s records and reports.
- 20.40.310 Advertising.
- 20.40.320 Chapter enforcement.
- 20.40.330 Criminal liability.

20.40.010 DEFINITIONS. The following words and phrases when used in this chapter have the meaning as set out in this section:

?Bus? means any public vehicle having a seating capacity of more than fourteen passengers;

(3) Been convicted of a felony or a misdemeanor involving moral turpitude which reflects unfavorably on the fitness of the holder to offer public transportation.

Prior to suspension, revocation or amendment, the holder shall be given notice of the proposed action to be taken and shall have an opportunity to be heard. (JCC ? 5-9-8).

20.40.085 MANDATORY MINIMUM

PENALTIES (a) It is the intent of the assembly that certificate holders be accountable for compliance by their drivers with the provisions of this chapter. If a holder or a driver operating one of the certificated vehicles violates a provision of this chapter which results in a conviction, the court shall impose fines as follows:

(1) First violation: two-hundred-and-fifty-dollar fine;

(2) Second violation within twelve months: five-hundred-dollar fine.

(b) If a certificate holder or a driver operating a taxicab or other for-hire vehicle for the certificate holder is convicted of violating more than two provisions of this chapter within a twelve-month period, the court, in addition to the criminal penalty imposed, shall suspend or revoke the holder's certificate in accordance with the following schedule:

(1) Third violation within twelve months: maximum sixty days suspension of certificate and minimum five days suspension;

(2) Fourth violation within twelve months: maximum sixty days suspension of certificate and minimum ten days suspension;

(3) Fifth violation within twelve months: revocation of holder's certificate is mandatory and the court shall take physical possession of the certificate and forward it to the city clerk.

(c) If a certificate is revoked, the holder is ineligible for a new certificate for one year from the date of revocation.

(d) Any time a certificate holder's driver is issued a citation or otherwise charged with a violation of any provision of this chapter, the certificate holder shall also be charged.

(e) Violation of the terms of a suspension or revocation imposed pursuant to subsections (a) or (b) of this section is a separate violation of this chapter. (Serial No. 86-66 ? 8, 1986).

20.40.090 CERTIFICATE ? INDEMNITY BOND

OR LIABILITY INSURANCE REQUIRED. (a) No certificate of public convenience and necessity shall be issued or continued in operation unless there is in full force and effect an indemnity bond for each vehicle authorized in the amount of one hundred thousand dollars for bodily injury to any one person; in the amount of three hundred thousand dollars for injuries to more than one person which are sustained in the same accident, and fifty thousand dollars for property damage resulting from any one accident. The bond or bonds shall inure to the benefit of any person who shall be injured or who shall sustain damage to property proximately caused by the negligence of a holder, his servants, or agents. The bond or bonds shall be approved by the city and borough attorney and filed in the office of the clerk and shall have as surety thereon a surety company authorized to do business in the state of Alaska.

(b) The assembly may, in its discretion, allow the holder to file, in lieu of bond or bonds, a liability insurance policy issued by an insurance company authorized to do business in the state of Alaska. The policy shall conform to the provisions of this section relating to bonds.

(c) The liability insurance or the bonds shall contain a clause that the same may not be canceled or terminated or allowed to expire by insurer without thirty days' notice to the city and borough. A certificate showing issuance of the policy or the bonds, containing statements as to coverage and cancellation clause and payment of premium shall be filed with the clerk.

(d) The assembly may, in its discretion, allow the holder to file individual liability insurance policies for each and every vehicle authorized by the certificate. When the owner of a vehicle operated pursuant to a certificate is not the holder, the owner may purchase the policy. It is the responsibility of the certificate holder to at all times have on file with the clerk the individual certificates of insurance. If, at any time, there is not in full force and effect a liability insurance policy for each and every vehicle authorized by the certificate, the certificate shall not be issued nor shall it be continued in operation.

(e) The clerk is given the authority to suspend or revoke any certificate issued under this chapter for any violation of this section. Any holder whose certificate is thus suspended or revoked may appeal the decision of the clerk to the assembly, and such holder shall be entitled to a hearing before the assembly and a final determination on the suspension or revocation by the assembly. (Serial No. 86-66 ? 9, 1986; JCC ? 5-9-9).

20.40.100 FEES. (a) No certificate shall be issued or renewed unless the holder thereof has paid the applicable annual fee or fees as follows:

(1) Taxicabs: one hundred dollars to engage in the public vehicle business and twenty-five dollars for each vehicle operated under a certificate;

(2) Limousines: one hundred dollars to engage in the public vehicle business and twenty-five dollars for each vehicle operated under a certificate;

(3) Vans: one hundred dollars to engage in the public vehicle business and fifty dollars for each van operated under a certificate;

(4) Buses: one hundred dollars to engage in the public vehicle business and one hundred dollars for each bus operated under a certificate;

(5) Speciality Service: one hundred dollars to engage in the public vehicle business and twenty-five dollars for each speciality vehicle operated under a certificate;

(b) The fees shall not be prorated. Fees shall be for one year beginning on the first day of January and shall be in addition to any other license fees or charges established by any proper authority and applicable to the owner or holder of a vehicle or vehicles under the holder's operation and direction. (Serial No. 96-19 ? 4, 1996; Serial No. 94-35am ? 7, 1995; Serial No. 86-66 ? 10, 1986).

20.40.110 PUBLIC VEHICLES ? EQUIPMENT AND MAINTENANCE. (a) Vehicles Inspections. Prior to the operation of any public vehicle under the provisions of this chapter, the vehicle shall be thoroughly examined and inspected by a N.I.A.S.E.-certified mechanic, or the owner may present evidence that the vehicle has within the preceding year been inspected and appraised for general

HB

70

Alaska State Legislature
House of Representatives

Alaska State Capitol
Juneau, Alaska 99801-1182
1-907-465-3438 (phone)
1-888-478-3438 (toll free)
1-907-465-4565 (fax)



Interim Address
716 West Fourth Avenue
Anchorage, Alaska 99501-2133
(phone) 1-907-269-0100
(fax) 1-907-269-0105

Representative Harry Crawford
District 22

**REPRESENTATIVE HARRY CRAWFORD
SPONSOR STATEMENT for HB70**

HB 70 is designed to extend the sunset date for Physical and Occupational Therapists until 2005. There is broad support for this measure among all parties affected, including but not limited to: The Division of Occupational Licensing, and the Physical Therapy board which represents the corpus of individuals subject to the licensing provisions. This is a simple and necessary bill, and there are no known objections to its adoption.

Alaska State Legislature
House of Representatives

Alaska State Capitol
Juneau, Alaska 99801-1182
1-907-465-3438 (phone)
1-888-478-3438 (toll free)
1-907-465-4555 (fax)



Interim Address
716 West Fourth Avenue
Anchorage, Alaska 99501-2133
(phone) 1-907-269-0100
(fax) 1-907-269-0105

Representative Harry Crawford
District 22

Memorandum

To: Representative Lisa Murkowski, Chair, Labor and Commerce

From: Representative Harry Crawford

Date: January 23, 2001

RE: HB 70: Sectional Analysis, HB70

Section 1 Amends AS 08.03.010 subsection (c)(16), and extends the date from the year 2001 to 2005.

Audit Report

DEPARTMENT OF COMMUNITY AND
ECONOMIC DEVELOPMENT
STATE PHYSICAL THERAPY
AND OCCUPATIONAL THERAPY BOARD
SUNSET REVIEW

October 20, 2000



Audit Control Number:

08-20004-00

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 \$6 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 as mandated by Alaska Statutes or 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 Juneau, Anchorage, or our web site <http://www.legis.state.ak.us/legaud/web/default.htm>.

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DIVISION OF LEGISLATIVE AUDIT

Pat Davidson, CPA
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
Internet e-mail address:
legaudit@legis.state.ak.us

October 20, 2000

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 COMMUNITY AND ECONOMIC DEVELOPMENT
STATE PHYSICAL THERAPY AND
OCCUPATIONAL THERAPY BOARD
SUNSET REVIEW

October 20, 2000

Audit Control Number

08-20004-00

The objective of the audit was to determine if the State Physical Therapy and Occupational Therapy Board's statutory termination date should be extended. Currently, under AS 08.03.010(c)(16) the board terminates on June 30, 2001. As of July 1, 2001, the board will begin its one-year "wrap up" period and, if no action is taken by the legislature, the board will be dissolved at June 30, 2002. We recommend that the legislature extend the board until June 30, 2007.

In the Report Conclusions section of this report, we note this extension period is beyond the standard suggested in statute. Our primary reason for recommending the longer extension date is to better balance the number of boards subject to sunset legislative hearings in any given year.

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.

A handwritten signature in black ink that reads "Pat Davidson".

Pat Davidson, CPA
Legislative Auditor

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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 State Physical Therapy and Occupational Therapy Board to determine if the board's termination date, as set out in statute, should be extended.

As required by statute, the legislative committee of reference is to consider this report as part of the oversight process in determining whether this board should be reestablished. The law currently specifies that the board will terminate on June 30, 2001, and will have one year from that date to conclude its affairs.

Objectives

Given the context as discussed above, the objectives of our review are twofold:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public's interest and determine if the board has exercised appropriate control over licensed physical and occupational therapists.

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

Scope and Methodology

Another auditor at our direction and supervision conducted a majority of this review. We followed professional standards to determine that the other auditor was independent and that their work was competent and sufficient.

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

1. Applicable statutes and regulations.
2. Interviews with Department of Commerce and Economic Development, Division of Occupational Licensing.
3. Licensing files.
4. Investigation files.
5. Annual reports of the board's activities.
6. Minutes of the board's meetings.
7. Division of Occupational Licensing policy and procedures manual.
8. Contents of the board's correspondence files.
9. Other relevant documents.

(Intentionally left blank)

ORGANIZATION AND FUNCTION

The State Physical Therapy Board was established in 1974. In 1987 its scope and authority was expanded to the licensing and oversight of practitioners of occupational therapy. Accordingly, the board was renamed the State Physical Therapy and Occupational Therapy Board.

The current board is comprised of seven members: three physical therapists, two occupational therapists, one physician, and one public member.

Alaska Statute also requires that the public member of the board have no direct financial interest in the health care industry. Board members are appointed by the governor and serve staggered terms of four years.

Alaska Statute 08.84.010 establishes the powers of the board. They include:

1. Examining qualified applicants.
2. Suspending, revoking, or refusing to issue or renew a license.
3. Issuing permits to license physical therapists, physical therapy assistants, occupational therapists, and occupational therapy assistants who meet standards of education and training determined to be necessary by the board.

State Physical Therapy And Occupational
Therapy Board
as of October 1, 2000

Professional Members

Ann P. Matson, Chair, Occupational Therapist
Dee Berline, Occupational Therapist
Sundi M. Hondl, Physical Therapist
Leslie F. Schwartz, Physical Therapist
Lawrence W. Seethaler, Physical Therapist
Cary S. Keller, M.D., Physician

Public Member

JoAnne Bell-Graves, Public Member

Department of Community and Economic Development, Division of Occupational Licensing

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

Alaska Statute 08.01.065 mandates the department, with the concurrence of the board, adopt regulations to establish the amount and manner of payment of fees for applications, examinations, licenses, registration, permits, investigations, and all other fees as appropriate for the occupations covered by the statute.

Alaska Statute 08.01.087 empowers the Division of Occupational Licensing with the authority to conduct an investigation on its own initiative or in response to a complaint.

(Intentionally left blank)

REPORT CONCLUSIONS

In our opinion, the State Physical Therapy and Occupational Therapy Board is operating in an efficient and effective manner and should continue to regulate physical and occupational therapists. We believe the board is safeguarding the public interest by promoting the competence and integrity of those who hold themselves out to the public as qualified and competent physical therapists, occupational therapists, physical therapy assistants, and occupational therapy assistants.

The State Physical Therapy and Occupational Therapy Board serves a public purpose and has demonstrated an ability to conduct its business in a satisfactory manner. The board continues to propose changes to regulations to improve the effectiveness of the board and ensure that physical therapists, occupational therapists, physical therapy assistants, and occupational therapy assistants are licensed in the State of Alaska.

Alaska Statute 08.03.010(c)(16) requires the State Physical Therapy and Occupational Therapy Board be terminated on June 30, 2001. Under AS 08.03.020, the board has a one-year period to administratively conclude its affairs.

Alaska Statute 08.03.020(c) provides that a "*board may be continued or reestablished by the legislature for a period not to exceed four years unless the board is continued or reestablished for a longer period...*"[Emphasis added.] The operations of the Physical Therapy and Occupational Therapy Board have presented very few concerns or areas needing improvement. Accordingly, we recommend the legislature extend the board's termination date for a six-year period to June 30, 2007.

(Intentionally left blank)

ANALYSIS OF PUBLIC NEED

The following analysis of board activities relate to the "public need factors" set out in the "sunset" review law, AS 44.66.050. The *italicized, shaded, and bold face phrases* are taken from AS 44.66.050 (c) (1) – (9). These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

Determine the extent to which the board, commissions, or program has operated in the public interest.

The board, through its administration of the licensure of physical therapists, occupational therapists, physical therapy assistants, and occupational therapy assistants, has endeavored to present competent professionals to the public. Proof of continuing professional education is required for license renewal to promote continued competence. Licensees are required to publicly display their licenses. This notifies the public that their practitioner has met the standards for the issuance and renewal of their licenses.

The board has served the public through its examination and licensing of qualified applicants. The board adopted or revised regulations regarding professional conduct and ethical standards,¹ regulations governing licensure and education requirements, enforced the laws for issuing licenses in a uniform manner, held meetings, and administered examinations in accordance with statutory requirements.

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

In 1998, legislation was adopted requiring that foreign trained physical therapists and physical therapist assistants pass a test of English language proficiency. Previous legislation required that applicants who have graduated from a university outside of the United States take an oral English proficiency exam only at the board's discretion. This amendment to state statutes ensures uniform enforcement and licensure of foreign trained applicants.

The State Physical Therapy and Occupational Therapy Board has been active in the providing information to the public, professional and state societies and associations. A member of the board attends every state association meeting to act as an ambassador to the association.

Annual reports for fiscal years 1998, 1999, and 2000 were submitted in a timely manner to the Division of Occupational Licensing.

¹State Regulation 12 AAC 54.500(c) requires that the profession maintain a high standard of integrity. The regulations go on to state that physical therapists and physical therapy assistants must adhere to the ethical standards set out in the Code of Ethics, as amended June 1991, American Physical Therapy Association, and the Guide for Professional Conduct, as amended January 1996, American Physical Therapy Association. In the view of the board, adherence to such standards better promotes the health and welfare of the public.

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

The board supported legislation, which was introduced in 1997 that requires foreign trained physical therapists and physical therapist assistants to pass a test of English language proficiency. The legislation was adopted by the legislature in 1998.

Further legislation was introduced in 1997 to adopt physical therapy standards, rules for professional conduct, and a code of ethics among physical therapist. These standards were adopted, in 1998, from a national association of physical therapists, the American Physical Therapy Association.

Determine 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 services, economy of service, and availability of services that it has provided.

The location, date and time of upcoming board meetings and notices of proposed changes in regulations are published in the *Anchorage Daily News*, the *Fairbanks Daily News-Miner*, and the *Juneau Empire*.

The board's meeting agenda sets aside adequate time to take public comment. Minutes of the board meetings reflect public participation throughout the meeting. Proposed regulations are often circulated to those affected by the proposed regulations through professional trade journals, public notice advertisement, or direct mail correspondence from the Division of Occupational Licensing.

Determine the extent to which the board has encouraged public participation in the making of its regulations and decisions.

Public notices of proposed regulations are published in major newspapers, as previously discussed. Meetings are adequately advertised, and time set aside for public testimony.

Major proposed regulation changes were circulated through the professional community by either direct response mailing to the affected license holders, or providing the proposed changes to the state associations for publication in member newsletters. Feedback resulted in changes to the proposed regulations addressing the profession's concerns.

Determine 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;

During the past three fiscal years (FY 98 – FY 00), the Division of Occupational Licensing received 17 complaints concerning individuals licensed by the board. Of these 17 complaints, the division has completed 12 investigations as of the date of our audit fieldwork.

Five of these 12 cases were resolved by the board through the issuance of a written reprimand, all cases involved individuals practicing with a lapsed license.

The remaining 7 cases were resolved by the division through the issuance of warning letters (3), findings of no violation (3), and 1 case which was administratively closed. No licenses were revoked, suspended, or placed in probationary status.

Determine the extent to which the Board regulates entry into an occupation or profession and whether it has presented qualified applicants to serve the public.

Listed below is a summary of new licenses and permits issued by the board for the period under review.

New Licenses and Permits Issued (Exclusive of Renewals)	FY 98	FY 99	FY 00	Total	Current as of June 30, 2000
Physical Therapists	47	45	50	142	342
Physical Therapy Assistants	7	7	5	19	30
Occupational Therapists	15	22	17	54	153
Occupational Therapy Assistants	-0-	2	5	7	10
Temporary Permits	36	41	44	121	-
Limited Permits	15	4	8	27	-

Overall the application process for licensing appears reasonable and appropriate. The licensing process is neither unduly restrictive nor too lax. Continuing education is required and adequately monitored by the board to promote a high level of quality performance and to help ensure the integrity of the profession.

Each applicant is required to satisfy the requirements for licensing. Board meeting minutes reflect that the board considers each application and verifies the licensing requirements are satisfied prior to issuing a license.

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

The Office of the Ombudsman received no complaints regarding the Division of Occupational Licensing or any of the related licensing boards. We did not find any evidence that the board was not complying with the state personnel practices, including affirmative action in qualifying applicants. In no instances has the board denied an applicant a license based on personal attributes.

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

The board continues to recognize the need to evaluate the Americans with Disabilities Act, to determine its impact on the profession. The board will consider whether any statutory or regulatory changes are needed to ensure compliance.

Tony Knowles, Governor

Alaska

**Department of Community
and Economic Development**

Division of Occupational Licensing

P.O. Box 110806, Juneau, AK 99811-0806

Telephone: (907) 465-2534 • Fax: (907) 465-2974 • Text Telephone: (907) 465-5437

Email: license@dced.state.ak.us • Website: www.dced.state.ak.us/occ/

November 22, 2000

Legislative Budget and Audit Committee
Division of Legislative Audit
PO Box 113300
Juneau, AK 99811-3300

Dear Ms. Davidson,

Thank you for this opportunity to comment on the Preliminary Audit Report (#08-20004-00). We concur with the report and support the continuation of the State Physical Therapy and Occupational Therapy Board, through June 30, 2007.

Sincerely,



Catherine Reardon
Director

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 70
 () Publish Date: _____

Revision Date/Time (Note if correction): 1/26/2001 8:15AM Dept. Affected: DCED
 Title: An Act extending the termination date of the BRU: Occupational Licensing
State Physical Therapy and Occupational Therapy Board Component: Occupational Licensing
 Sponsor: Representatives Crawford, Hayes
 Requester: House Labor and Commerce Component Number: 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0		

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

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0		
-------------------------------	------------	------------	------------	------------	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 RSS						
TOTAL	0.0	0.0	0.0	0.0		

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill extends the State Physical Therapy and Occupational Therapy Board s to June 30, 2005. Funding for the board is included in the FY 2002 Operating Budget request and new funds are not required. For informational purposes, the attached page shows expenditure and revenue information for the last two fiscal years.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
 Division: Occupational Licensing Date/Time 1/26/2001 8:15AM
 Approved by: Commissioner Deborah B. Sedwick Date 1/26/2001
 Agency: Department of Community and Economic Development

For distribution information, call the Governor's Legislative Office

ANALYSIS: (continued)

HB 70: An Act extending the termination date of the State Physical Therapy and Occupational Therapy Board

Page 2 of 2

FY 1999 Expenditures

FY 2000 Expenditures

Personal Services:

Direct 33,867.54
Indirect 12,673.41

29,777.66
15,321.99

Travel:

Direct 7,414.03
Indirect 179.03

6,823.44
145.77

Contractual Services:

Direct 7,384.65
Indirect 7,079.42

6,850.59
10,175.58

Supplies:

Direct 289.40
Indirect 895.04

17.74
869.29

Equipment

Direct 0.00
Indirect 639.14

0.00
383.66

TOTAL: 70,421.66

70,365.72

REVENUE: 34,056.52

116,235.28

ADDITIONAL REGULATIONS NOTICE INFORMATION
AS 44.62.190(d)

1. **Adopting agency:** Department of Community and Economic Development, State Physical Therapy and Occupational Therapy Board.
2. **General subject of regulation:** Licensure by examination, licensure requirements, temporary permits, foreign-trained applicants, renewal requirements, continuing education, ethics, and supervision.
3. **Citation of regulation:** 12 AAC 54.030 – 12 AAC 54.800.
4. **Reason for the proposed action:** Compliance with state statute
5. **Program category and BRU affected:** Operations #1844 - Occupational Licensing
6. **Estimated cost of implementation to the state agency and available funding:**
(in thousands of dollars)

No costs are expected in FY 2001 or in subsequent years.

7. **Contact person for the regulations:**

Kurt West
Division of Occupational Licensing
P O Box 110806
Juneau, AK 99811-0806
(907) 465-2537

8. **Origin of the proposed action:** State Physical Therapy and Occupational Therapy Board.

9. **Date:** _____ **Prepared by:** _____

Kurt West
Regulations Specialist
Division of Occupational Licensing

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE STATE PHYSICAL
THERAPY AND OCCUPATIONAL THERAPY BOARD

The State Physical Therapy and Occupational Therapy Board proposes to amend, repeal, and adopt regulation changes in Title 12 of the Alaska Administrative Code, dealing with licensure by examination, licensure requirements, temporary permits, foreign-trained applicants, renewal requirements, continuing education, ethics, and supervision, including the following:

1. 12 AAC 54.030, REQUIREMENTS FOR PHYSICAL THERAPY LICENSE BY EXAMINATION, will be amended to alter the requirements for a physical therapist or physical therapy assistant license by examination.
2. 12 AAC 54.040, FOREIGN-TRAINED PHYSICAL THERAPY APPLICANTS, will be amended to alter the licensure requirements for foreign-trained physical therapists and physical therapy assistants.
3. 12 AAC 54.050, PHYSICAL THERAPY TEMPORARY PERMITS AND SCOPE OF PRACTICE UNDER THOSE PERMITS, will be repealed and readopted to reestablish the requirements for a temporary permit and the scope of practice under that permit.
4. 12 AAC 54.110, FOREIGN-TRAINED APPLICANTS, will be amended to alter the requirements for licensure by credentials for foreign-trained physical therapists and physical therapy assistants.
5. 12 AAC 54.405, PHYSICAL THERAPY CONTINUING PROFESSIONAL PRACTICE REQUIREMENTS AND ALTERNATIVES TO THOSE REQUIREMENTS, will be amended to alter the requirements for renewal of a physical therapist or physical therapy assistant license.
6. 12 AAC 54.420, APPROVED PHYSICAL THERAPY COURSES AND ACTIVITIES, will be amended to further define approval of continuing education.
7. 12 AAC 54.500, PHYSICAL THERAPY STANDARDS, will be amended to reflect the current version of the code of ethics.
8. 12 AAC 54.510, SUPERVISION OF PHYSICAL THERAPY ASSISTANTS, will be amended to alter the supervision requirements related to physical therapy assistants.
9. 12 AAC 54.600, OCCUPATIONAL THERAPY LICENSE REQUIREMENTS, will be amended to alter the licensure requirements for an occupational therapist or occupational therapy assistant license.
10. 12 AAC 54.640, OCCUPATIONAL THERAPY TEMPORARY PERMITS AND SCOPE OF PRACTICE UNDER THOSE PERMITS, will be repealed and readopted to reestablish the requirements for a temporary permit and the scope of practice under that permit.
11. 12 AAC 54.715, APPROVED OCCUPATIONAL THERAPY COURSES AND ACTIVITIES, will be repealed and readopted to alter the continuing education

requirements for occupational therapists and occupational therapy assistants.

12. 12 AAC 54.800, OCCUPATIONAL THERAPY STANDARDS, will be amended to reflect the current version of the code of ethics.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to

Kurt West, Regulations Specialist
Division of Occupational Licensing
Department of Community and Economic Development
P.O. Box 110806
Juneau, AK 99811-0806
Fax: (907) 465-2974
E-mail: kurt_west@dced.state.ak.us

The comments must be received no later than 5:00 p.m. on March 2, 2001.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Kurt West at (907) 465-2537 no later than February 26, 2001 to ensure that any necessary accommodations can be provided.

For a copy of the proposed regulation changes, contact Kurt West at the address or phone number above, or go to <http://notes.state.ak.us/pn/pubnotic.nsf>.

After the public comment period ends, the State Physical Therapy and Occupational Therapy Board will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of the final regulations may be different from that of the proposed regulations. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.**

Statutory Authority: AS 08.84.010, AS 08.84.030, AS 08.84.032, AS 08.84.040, AS 08.84.060, AS 08.84.065, AS 08.84.100, AS 08.84.120, AS 08.84.150.

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.84.030, AS 08.84.032, AS 08.84.040, AS 08.84.060, AS 08.84.065, AS 08.84.100, AS 08.84.120, AS 08.84.150.

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: _____

Jennifer Strickler, Administrative Manager
Division of Occupational Licensing

For each occupation regulated under the Division of Occupational Licensing, the division keeps a list of individuals or organizations who are interested in the regulations of that occupation. The division automatically sends a Notice of Proposed Regulations to the parties on the appropriate list each time there is a proposed change in an occupation's regulations in Title 12 of the Alaska Administrative Code. If you would like your address added to or removed from such a list, please send your request to the Division of Occupational Licensing at the address above and include your name, address, and the occupational area in which you are interested.

CHAPTER 54. STATE PHYSICAL THERAPY AND OCCUPATIONAL THERAPY BOARD.

(Words underlined indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted. Complete new sections are not underlined.)

12 AAC 54.030(a) is amended by adding a new paragraph to read:

12 AAC 54.030. REQUIREMENTS FOR PHYSICAL THERAPY LICENSE BY EXAMINATION. (a) An applicant for a physical therapist or a physical therapy assistant license by examination shall submit a completed application on a form prescribed by the board with

...

(4) the jurisprudence questionnaire prepared by the board covering the board statutes and regulations under AS 08.84 and 12 AAC 54.

...

12 AAC 54.030(a)(3)(B) is amended to read:

(3) a letter of professional reference from

...

(B) an instructor, physician, [OR] supervising physical therapist, or supervisor.

(Eff. 10/30/82, Register 84; am 7/4/84, Register 90; am 9/26/91, Register 119; am 5/21/97,

Register 142; am 10/20/99, Register 152; am ____/____/____, Register _____)

Register , 2001 PROFESSIONAL REGULATIONS

Authority: AS 08.84.010 AS 08.84.030 AS 08.84.040

12 AAC 54.040(a), (b), (c), (i), and (j) are amended to read:

(a) An applicant for a physical therapist or physical therapy assistant license by examination who received an education and degree outside the United States shall meet all requirements for licensure under AS 08.84, 12 AAC 54.030(a)(1), (3), and (b), and this section [EXCEPT AS 08.84.030(a)(2)].

(b) A foreign-trained physical therapist or physical therapy assistant applicant who has not graduated from a school of physical therapy approved by the Council on Medical Education and Hospitals of the American Medical Association, or the American Physical Therapy Association, shall have the applicant's course of study and professional instruction evaluated by a credentials evaluation service approved by the board. If an applicant cannot submit a transcript for evaluation as required by this subsection, the board will, in its discretion, accept as evidence of education

(c) A foreign-trained physical therapist or physical therapy assistant applicant shall serve an internship under the on-site supervision of a currently licensed physical therapist in an institution meeting the requirements of (d) of this section and AS 08.84.032(a)(2). The board will not consider internship hours claimed before the date that the internship was pre-approved by the board. A foreign trained physical therapist or physical therapy assistant applicant shall serve an internship based on

(1) a minimum of six months' full-time work, averaging not less than 35 hours

per week; or

(2) part-time work averaging less than 35 hours per week, but equivalent to the total minimum number of hours required under (1) of this subsection.

...

(i) After an intern has satisfactorily completed an internship [AND SUBMITTED AN APPLICATION TO THE BOARD], the board will issue a temporary permit under AS 08.84.065 and 12 AAC 54.050. If an applicant for a temporary permit has not taken and passed the national physical therapy examination before the completion of the internship, the applicant must take and pass the national physical therapy examination within one year after completion of the internship to receive credit for the internship.

(j) To meet the requirements of AS 08.84.032(a)(3), a foreign-trained physical therapist assistant applicant must pass the tests listed in this subsection if English is not the applicant's first language. To pass, the applicant must obtain at least the following minimum scores:

...

(Eff. 10/30/82, Register 84; am 7/4/84, Register 90; am 9/26/91, Register 119; am 5/21/97, Register 142; am 10/20/99, Register 152; am ____/____/____, Register _____)

Authority: AS 08.84.010 AS 08.84.032 AS 08.84.065

12 AAC 54.050 is repealed and readopted to read:

12 AAC 54.050. PHYSICAL THERAPY TEMPORARY PERMITS AND SCOPE OF PRACTICE UNDER THOSE PERMITS. (a) A temporary permit will be issued by the board or the department to an applicant for a physical therapy or physical therapy assistant license by examination if the following are on file with the department:

- (1) a complete application on a form provided by the department;
- (2) certified transcripts sent directly from a physical therapy school that meets the requirements of AS 08.84.030(a)(1);
- (3) a signed, notarized letter of professional reference on a form provided by the department from
 - (A) the head of a physical therapy school; or
 - (B) an instructor, physician, supervising physical therapist, or supervisor;
- (4) a signed and notarized statement of responsibility from the supervising physical therapist; the statement must indicate that the supervising physical therapist will assume the full responsibility of supervising the applicant;
- (5) the applicable fees established in 12 AAC 02.320.

(b) An applicant applying for a physical therapy or physical therapy assistant license by credentials may qualify for a temporary permit by meeting the requirements of (a)(1)-(3) of this section and providing verification that the applicant holds a current license in good standing in another state. The verification must be an official document sent directly to the board from the

other state.

(c) In addition the requirements of (a) or (b) of this section, an applicant for a temporary permit must meet the requirements of AS 08.84.065.

(d) An applicant applying for a physical therapist or physical therapy assistant license who is waiting to take the next scheduled examination who meets the requirements of 12 AAC 54.030(a), and who has been issued a temporary permit under AS 08.84.065 is authorized to practice only under the supervision of a licensed physical therapist.

(e) The holder of a temporary permit as a physical therapist, issued according to the provisions of AS 08.84.065(b), and waiting licensure by acceptance of credentials, is authorized to practice without supervision.

(f) The holder of a temporary permit as a physical therapy assistant, issued according to the provisions of AS 08.84.065(b), and waiting licensure by acceptance of credentials, must practice in accordance with 12 AAC 54.510.

Eff. 10/30/82, Register 84; am 7/4/84, Register 90; am 6/1/95, Register 134; am 5/21/97, Register 142; am ____/____/____, Register _____)

Authority: AS 08.84.010 AS 08.84.065

12 AAC 54.110 is amended by adding a new paragraph to read:

12 AAC 54.110. FOREIGN-TRAINED APPLICANTS. A foreign-trained physical

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therapist or physical therapy assistant may apply for licensure by credentials by filing with the board

...

(7) a letter of professional reference from

(A) the head of the physical therapy school: or

(B) an instructor, physician, or physical therapist other than the physical therapist

preceptor in 12 AAC 54.040(f).

(Eff. 10/30/82, Register 84; am 9/26/91, Register 119; am 10/20/99, Register 152;

am ____/____/____, Register _____)

Authority: AS 08.84.010 AS 08.84.032 AS 08.84.060

12 AAC 54.405(a) is amended by adding a new paragraph to read:

(a) An applicant for renewal of a physical therapist or physical therapy assistant license shall document

...

(3) completion of the jurisprudence questionnaire prepared by the board covering the boards statutes and regulations under AS 08.84 and 12 AAC 54.

(Eff. 5/21/97, Register 142: am ____/____/____, Register _____)

Authority: AS 08.84.010 AS 08.84.100

12 AAC 54.420(b) is amended to read:

...

(b) Upon application, the board will approve other courses, programs, or professional activities that meet the requirements of (c) of this section for continuing education credit. **If an applicant for renewal is uncertain whether a particular continuing education opportunity will meet the standards of this section, the applicant may request board approval before claiming those contact hours.**

...

(Eff. 6/3/89, Register 110; am 5/21/97, Register 142; am ____/____/____,

Register _____)

Authority: AS 08.84.010 AS 08.84.100

12 AAC 54.500(c) is amended to read:

(c) To maintain a high standard of integrity in the profession and to safeguard the health and welfare of the public, physical therapists and physical therapy assistants shall adhere to the ethical standards set out in the Code of Ethics, as amended June, 1991, American Physical Therapy Association, and the Guide for Professional Conduct, as amended **January, 1999**

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[JANUARY, 1996], American Physical Therapy Association. The Code of Ethics and the Guide for Professional Conduct are incorporated by reference in this section. (Eff. 10/30/82, Register 84; am 7/4/84, Register 90; am 5/21/97, Register 142; am 10/20/99, Register 152; am ____ / ____ / ____, Register ____)

Authority: AS 08.84.010 AS 08.84.150

Editor's note: A copy of the Code of Ethics and the Guide for Professional Conduct described in 12 AAC 54.500 is available for inspection at the Department of Community and Economic Development, Division of Occupational Licensing, Juneau, Alaska, or may be obtained from the American Physical Therapy Association, 1111 North Fairfax Street, Alexandria, VA 22314.

12 AAC 54.510(e) is amended to read:

...

(e) The supervising physical therapist shall give the physical therapy assistant periodic supervision on site at least once every month [TWO WEEKS]. The physical therapist shall be available for consultation with the physical therapy assistant that may be provided by telephone, verbally, or in writing.

....

Eff. 10/30/82, Register 84; am 7/4/84, Register 90; am 9/26/91, Register 119; am 6/1/95, Register 134; am 5/21/97, Register 142; am ____ / ____ / ____, Register ____)

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Authority: AS 08.84.010

12 AAC 54.600 is amended and a new paragraph is added to read:

12 AAC 54.600. OCCUPATIONAL THERAPY LICENSE REQUIREMENTS. An applicant for an occupational therapist license or occupational therapy [THERAPIST] assistant license shall submit

...

(6) evidence that, within the 24 months immediately before the date the application is received by the department, the applicant

(A) performed 60 hours of occupational therapy service; and [OR]

(B) completed 20 contact hours of occupational therapy related course work.

(7) the jurisprudence questionnaire prepared by the board covering the boards statutes and regulations under AS 08.84 and 12 AAC 54.

(Eff. 9/26/91, Register 119; am 5/21/97, Register 142; am ____/____/____,

Register _____)

Authority: AS 08.84.010 AS 08.84.060 AS 08.84.120

AS 08.84.030

12 AAC 54.640 is repealed and readopted to read:

12 AAC 54.640. OCCUPATIONAL THERAPY TEMPORARY PERMITS AND SCOPE OF PRACTICE UNDER THOSE PERMITS.

(a) An applicant for an occupational therapist or occupational therapy license by examination who is scheduled for the next NBCOT examination or who has taken the NBCOT examination and is waiting for the results of the examination may apply for a temporary permit.

The department will issue a temporary permit if the following are on file:

- (1) a complete application on a form provided by the department;
- (2) a signed notarized professional reference letter from a physician, instructor, supervisor, or official of the applicant's occupational therapy school;
- (3) a signed an notarized statement of responsibility from the supervising occupational therapist; the statement must indicate that the supervising occupational therapist will assume the full responsibility for supervising the applicant;
- (4) a letter verifying the
 - (A) applicant's scheduled examination date sent directly to the board from NBCOT or Professional Examination Service (PES); or
 - (B) applicant has taken the examination and is waiting for the results to be sent directly from NBCOT or PES to the board;
- (5) the applicable fees established in 12 AAC 02.320.

(b) An applicant for an occupational therapist or occupational therapy assistant license who is certified with the NBCOT may qualify for a temporary permit by

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(1) meeting the requirements of (a)(1), (2), and (5) of this section; and

(2) submitting verification that the applicant is certified or was initially certified with the NBCOT; or

(3) providing verification of a current license in good standing in another state.

(c) The verification required in (b)(2) or (3) of this section must be a certified true copy sent directly to the board from NBCOT or another state licensing agency.

(d) An applicant for an occupational therapist or occupational therapy assistant license who is waiting to take an examination or who is waiting for the results of the examination and who has been issued a temporary permit under AS 08.84.065 shall work under the supervision of a licensed occupational therapist and may not act as a supervisor until a permanent license is issued.

(e) The holder of a temporary permit under AS 08.84.065(b) as an occupational therapist, who is waiting for licensure by acceptance of credentials, is authorized to practice without supervision.

(f) The holder of a temporary permit under AS 08.84.065(b) as an occupational therapy assistant, who is waiting for licensure by acceptance of credentials, shall practice in accordance with 12 AAC 54.810.

(Eff. 9/26/91, Register 119; am 5/21/97, Register 142; am _____/_____/_____,
Register _____)

Authority: AS 08.84.010 AS 08.84.030 AS 08.84.065

12 AAC 54.715 is repealed and readopted to read:

12 AAC 54.715. APPROVED OCCUPATIONAL THERAPY COURSES AND ACTIVITIES. (a) The following continuing education activities are approved for continuing education credit if they meet the requirements of (c) of this section:

(1) courses recognized by the

(A) Alaska Occupational Therapy Association;

(B) American Occupational Therapy Association (AOTA); or

(C) World Federation of Occupational Therapy;

(2) continuing education activities sponsored by a professional organization or university approved by the Alaska Occupational Therapy Association or the American Occupational Therapy Association.

(b) Upon application, the board will approve other courses, programs, or professional activities that meet the requirements of (c) of this section for continuing education credit.

(c) To be accepted by the board, a continuing education course or activity must contribute directly to the professional competency of an occupational therapist or occupational therapy assistant and must be directly related to the skills and knowledge required to implement the principles and methods of occupational therapy, as that term is defined in AS 08.84.190.

(Eff. 5/21/97, Register 142; am ____/____/____, Register _____)

Authority: AS 08.84.010 AS 08.84.100

12 AAC 54.800 is amended to read:

12 AAC 54.800. OCCUPATIONAL THERAPY STANDARDS. In order to maintain a high standard of integrity in the profession and to safeguard the health and welfare of the public, all occupational therapists and occupational therapy assistants shall adhere to the "Occupational Therapy Code of Ethics," of the American Occupational Therapy Association (revised, 2000 [JULY 1994]). The "Occupational Therapy Code of Ethics" is incorporated by reference in this section. (Eff. 5/21/97, Register 142; am ____ / ____ / ____, Register _____)

Authority: AS 08.84.010 AS 08.84.030 AS 08.84.065

Editor's note: A copy of "Occupational Therapy Code of Ethics" may be obtained from the American Occupational Therapy Association, P.O. Box 31220, Bethesda, MD 20824.

HB

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Audit Report

DEPARTMENT OF COMMUNITY AND
ECONOMIC DEVELOPMENT
BOARD OF VETERINARY EXAMINERS
SUNSET REVIEW

October 20, 2000



Audit Control Number:

08-20005-00

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 \$6 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 as mandated by Alaska Statutes or 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 Juneau, Anchorage, or our web site <http://www.legis.state.ak.us/legaud/web/default.htm>.

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DIVISION OF LEGISLATIVE AUDIT

Pat Davidson, CPA
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
Internet e-mail address:
legaudit@legis.state.ak.us

October 20, 2000

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 COMMUNITY AND ECONOMIC DEVELOPMENT
BOARD OF VETERINARY EXAMINERS
SUNSET REVIEW

October 20, 2000

Audit Control Number

08-20005-00

This audit was conducted under the requirements of Alaska Statutes 44.66.050 and the authority of AS 24.20.271(1). In the report, we assess the operations and performance of the Board of Veterinary Examiners utilizing the criteria set out in AS 44.66.050(c). This statutory criteria is intended to be used to assess whether the activities of a given board, commission, council, agency, or program is effectively meeting a demonstrated public need.

Currently, under AS 08.03.010 (c)(21) the board is scheduled for termination on June 30, 2001. The board would be allowed one year from this date in which to conclude its affairs, if not extended by legislative action. We recommend that the legislature extend the board until June 30, 2005.

The audit was conducted in accordance with generally accepted government auditing standards using the criteria set out in AS 44.66.050(c). 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.

A handwritten signature in cursive script that reads "Pat Davidson".

Pat Davidson, CPA
Legislative Auditor

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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 Veterinary Examiners. As required by AS 44.66.050(a), the committee of reference shall consider this report during the legislative oversight process to determine whether the board should be reestablished. Currently, AS 08.03.010(c)(21) states that the board will terminate on June 30, 2001, and will have one year from that date to conclude its affairs.

Objectives

The objectives of our review were:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public's interest. The assessment of the operations and performance of the board, was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relate to the determination of a demonstrated public need for the board.

Scope and Methodology

Another auditor at our direction and supervision conducted a majority of this review. We followed professional standards to determine that the other auditor was independent and that their work was competent and sufficient.

Our audit reviewed the operations and activities of the Board of Veterinary Examiners for the period of FY 98 through FY 00. During the course of our examination, we reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Compliance with statutes and regulations related to the licensing of veterinarians and veterinary technicians. Our evaluation addressed considerations of license applications and testing of candidates.
3. Minutes of meetings of the Board of Veterinary Examiners.
4. Annual reports issued by the board.
5. Complaints filed with the Division of Occupational Licensing and the Department of Law.
6. Reading files maintained at the Division of Occupational Licensing.
7. Other documents deemed pertinent.

We also conducted interviews with employees of the Department of Community and Economic Development, Division of Occupational Licensing.

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ORGANIZATION AND FUNCTION

Alaska Statute 08.98.010 creates the Board of Veterinary Examiners. It is a regulatory board consisting of four licensed veterinarians and one public member. Members are appointed by the governor and approved by the legislature. Board members serve staggered four-year terms.

The board regulates the profession of veterinary care in the State by:

1. Examining applicants and approving the issuance of licenses to qualified applicants;
2. Establishing or amending rules and regulations necessary to enforce state statutes;
3. Conducting disciplinary proceedings in accordance with law.

Board Of Veterinary Examiners
as of October 1, 2000

Veterinarians

Deanna J. Thornell, DVM, Chair
Jean Battig, DVM
James L. Morris, DVM
Connie Jo Sanders, DVM

Public Member

Vacant

Department of Community and Economic Development, Division of Occupational Licensing

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

Alaska Statute 08.01.065, mandates the department, with the concurrence of the board, adopt regulations to establish the amount and manner of payment of fees for applications, examinations, licenses, registration, permits, investigations, and all other fees as appropriate for the occupations covered by the statute.

Alaska Statute 08.01.087 empowers the Division of Occupational Licensing with the authority to conduct an investigation on its own initiative or in response to a complaint.

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REPORT CONCLUSIONS

In our opinion, the Board of Veterinary Examiners is operating in an efficient and effective manner and should continue to regulate veterinarians. We believe the board is safeguarding the public interest by ensuring the competence and integrity of those who hold themselves out to the public as practitioners of veterinary medicine.

The Board of Veterinary Examiners has been found to serve a public purpose and has demonstrated an ability to conduct its business in a satisfactory manner. The board continues to propose changes to regulations to improve the effectiveness of the board and ensure that veterinarians licensed in the State of Alaska are competent and capable of maintaining the integrity of the profession.

Alaska Statute 08.03.010(c)(21) requires the Board of Veterinary Examiners be terminated on June 30, 2001. Under AS 08.03.020, the board has a one-year period to administratively conclude its affairs. We recommend the legislature extend the board's termination date to June 30, 2005.

(Intentionally left blank)

FINDING AND RECOMMENDATION

Recommendation No. 1

The board should establish in regulation what constitutes a passing examination score necessary for state licensure.

Under present law, an applicant must have passed the National Board Examination and the Clinical Competence Test or the North American Veterinary Licensing Examination.¹ Existing regulations however, do not specify what constitutes a passing score.

Not all jurisdictions use the same criteria to determine a passing grade. In one situation, an applicant provided proof of passing the Clinical Competency Test (CCT) examination given the criteria used by the state administering the test. However, had the applicant taken the test in Alaska, the score received would not be considered as passing. Although the applicant satisfied all other requirements to obtain licensure, the board denied the application because *"the applicant did not achieve a passing score on the CCT."*

The applicant challenged the board's decision, claiming that under current regulation all that is required was that an individual receive a "passing score." The applicant claimed they received a passing score based on the criteria used by the jurisdiction administering the examination. The applicant noted that current regulations do not set out a passing score for examinations administered by other jurisdictions. We recommend the board establish such a passing score in regulations, as it would clarify criteria for licensure, and eliminate the need for the board to spend funds to conduct hearings and appeals.

¹ The specific statutory language states an applicant must pass *"a national examination for veterinarians approved by the board"* within 60 months of applying for licensure as a veterinarian. The board has designated the National Board Examination and the Clinical Competence Test; or, the North American Veterinary Licensing Examination as approved licensure examinations.

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ANALYSIS OF PUBLIC NEED

The following analysis of board activities relate to the "public need factors" set out in the "sunset" review law, AS 44.66.050. The *italicized, shaded, and bold face phrases are taken from AS 44.66.050 (c) (1) – (9)*. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

Determine the extent to which the board, commissions, or program has operated in the public interest.

The board, through the licensure of veterinarians and veterinary technicians, has enhanced the skill and competence of professionals practicing in Alaska. Evidence of continuing professional education is required for license renewal which promotes continued professional competence.

The board has served the public through its examination and licensing of qualified applicants. The board adopted or revised regulations regarding licensure and examination procedures, enforced the laws pertaining to veterinary practice and held meetings in accordance with statutory requirements.

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

In the prior 1996 sunset review, we recommended the board adopt a regulation for the minimum passing score required for examinations. The board adopted regulations establishing the minimum passing score for the state exam. However, no score has been specified for examinations administered by other jurisdictions or for the national examination. See Recommendation No. 1.

The board has been impeded in the distribution of the annual veterinary handbook. The delay is due to a difference with the Department of Health and Social Services (DHSS) on a policy that concerns rabies. In the view of the board, state public health policy on rabies is inconsistent with guidance issued by the national veterinary organizations. The board has held back distributing its annual handbook until the Division of Public Health revises state regulations to reflect the recent change in policy at the national level.

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

The board supported 1998 legislation requiring applicants be "in good standing" as a condition for licensure. Subsequently the board adopted related regulations specifying what determines "good standing." Among the criteria set out in regulation (12 AAC 68.048) was whether an applicant:

1. ever received a disciplinary sanction arising from the applicant's practice of veterinary medicine,
2. has had federal Drug Enforcement Administration (DEA) privileges that have been restricted or revoked;
3. is currently under investigation by another veterinary licensing authority for acts that would provide a basis for disciplinary action in this State;
4. has a physical or mental impairment, or an addiction to, severe dependency on, or habitual overuse of alcohol or other drugs, that impairs the applicant's ability to practice veterinary medicine in a manner consistent with the safety of a patient or the public;
5. has ever been convicted of a felony;
6. has ever been convicted of a crime arising from conduct substantially related to the practice of veterinary medicine.

We believe this combination of statutory action on the part of the legislature, and regulatory action on the part of the board, was in the public interest by enhancing the integrity and competency of individuals licensed to practice veterinary medicine.

Determine 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 services, economy of service, and availability of services that it has provided.

The location, date and time of upcoming board meetings and notices of proposed changes in regulations are published in the *Anchorage Daily News*, the *Fairbanks Daily News-Miner* and the *Juneau Empire*.

The board's meeting agenda sets aside adequate time for the board to take public comment. Minutes from the board's meetings reflect public participation throughout the meeting. Proposed regulations are often circulated to those affected by the proposed regulations through professional trade journals, public notice advertisement, or direct mail correspondence from the Division of Occupational Licensing.

Determine the extent to which the board has encouraged public participation in the making of its regulations and decisions.

Public notices of proposed regulations are published in major newspapers. Proposed regulation changes were subjected to the public notice process.

A member of the public did suggest that the board create a new license category in Alaska for animal chiropractors. This was later placed on the agenda for further discussion.

Determine 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;

During the past three fiscal years (FY 98 – FY 00), the Division of Occupational Licensing opened 22 investigative cases involving activities regulated by the Board of Veterinary Examiners. Of 22 cases, the division has completed 15 investigations as of the date of our audit fieldwork.

Of the 15 investigations, 13 were resolved without board action – through the use of warning letters (5), voluntary compliance (2), determinations of no violation (6).

For one of the two cases brought before it, the board granted a license that originally had been denied. In the other the board issued a fine, reprimand, and required the individual to obtain corrective education. There were no license revocations or suspensions.

Determine the extent to which the board regulates entry into an occupation or profession and whether it has presented qualified applicants to serve the public.

Listed below is a summary of new licenses and permits issued by the board for the period under review:

New Licenses or Permits Issued (Exclusive of Renewals)	FY 98	FY 99	FY 00	Total	Current as of June 30, 2000
Veterinarians	17	9	14	40	248
Veterinary Technicians	7	8	2	17	75
Temporary Permits	5	4	8	17	-
Temporary Licenses	3	4	3	10	-
Courtesy Licenses	33	37	46	116	-

Veterinary licensing requirements require passing of the national examination and the state examination. The board will accept the two national examinations that have been or are being offered. The two national examinations are developed and graded nationally. The state examination is developed by the board and includes statutory and regulatory questions specific to Alaska. The board has spent considerable time in developing the examination.

Each applicant is required to meet the state requirements for licensing. Board meeting minutes reflect that the board considers each application and verifies the licensing requirements are satisfied prior to approval for examination. Upon successful completion of the required examination the applicant may be licensed.

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

The Office of the Ombudsman received no complaints regarding the Division of Occupational Licensing and the related occupational licensing boards subject to sunset review. We did not find any evidence that the board was not complying with the state personnel practices, including affirmative action in qualifying applicants. In no instances has the board denied an applicant a license based on personal attributes.

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

The board continues to address issues that pertain to the field of veterinary medicine. They also recognize new issues and assess their importance to the veterinarian profession. The board has responded it intends to address the passing score issue discussed in Recommendation No. 1 in the Findings and Recommendation section.

Tony Knowles, Governor

Alaska Department of Community
and Economic Development

Division of Occupational Licensing

P.O. Box 110806, Juneau, AK 99811-0806

Telephone: (907) 465-2534 • Fax: (907) 465-2974 • Text Telephone: (907) 465-5437

Email: license@dced.state.ak.us • Website: www.dced.state.ak.us/occ/

November 22, 2000

Legislative Budget and Audit Committee
Division of Legislative Audit
PO Box 113300
Juneau, AK 99811-3300

Dear Ms. Davidson,

Thank you for this opportunity to comment on the Preliminary Audit Report (#08-20005-00). We support the continuation of the Board of Veterinary Examiners through June 30, 2005.

We concur with Recommendation No. 1, *The board should establish in regulation what constitutes a passing examination score necessary for state licensure.* The Division is currently working with the board on a proposed regulation that would establish the passing score as recommended by the testing agency.

Sincerely,



Catherine Reardon
Director



Official Business

Alaska State Legislature

State Capitol
Juneau, AK 99801-1182

Sponsor Statement

HB73, An act extending the termination date of the Board of Veterinary Examiners

The sunset date for the authority of the Board of Veterinary Examiners is June 30th, 2001. Without legislative action the board's authority will be terminated and they will be given one year to conclude any business. HB73 will extend the sunset date to June 30, 2005.

As required by Alaska Statute an audit of the board was conducted last year. The conclusion reached was that the Board of Veterinary Examiners "...is operating in an efficient and effective manner and should continue to regulate veterinarians." According to the report the Board is operating in the best interest of the public. The Legislative Budget and Audit Committee Division of Legislative Audit and the Department of Community and Economic Development Division of Occupational Licensing both recommend the Legislature extend the board until June 30, 2005.

HB73 will continue the Board of Veterinary Examiners and I ask for your support.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 73
 () Publish Date: _____

Revision Date/Time (Note if correction): 1/26/2001 8:20AM Dept. Affected: DCED
 Title: An Act extending the termination date of the BRU: Occupational Licensing
Board of Veterinary Examiners Component: Occupational Licensing
 Sponsor: Representatives Hayes, Crawford
 Requester: House Labor and Commerce Component Number: 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0		

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 RSS						
TOTAL	0.0	0.0	0.0	0.0		

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 The bill extends the Board of Veterinary Examiners to June 30, 2005. Funding for the board is included in the FY 2002 Operating Budget request and new funds are not required. For informational purposes, the attached page shows expenditure and revenue information for the last two fiscal years.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
 Division: Occupational Licensing Date/Time 1/26/2001 8:20AM
 Approved by: Commissioner Deborah B. Sedwick Date 1/26/2001
 Agency: Department of Community and Economic Development

For distribution information, call the Governor's Legislative Office

ANALYSIS: (continued)

HB 73: An Act extending the termination date of the Board of Veterinary Examiners

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FY 1999 Expenditures

FY 2000 Expenditures

Personal Services:

Direct	33,776.70	35,580.53
Indirect	8,811.98	7,711.07

Travel:

Direct	9,098.33	5,876.16
Indirect	124.48	73.36

Contractual Services:

Direct	6,947.47	9,573.36
Indirect	4,922.41	5,121.04

Supplies:

Direct	387.69	22.63
Indirect	622.33	437.48

Equipment

Direct	0.00	0.00
Indirect	444.40	193.09

TOTAL:	<u>65,135.79</u>	<u>64,588.72</u>
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REVENUE:	111,118.00	17,240.29
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