

HOUSE FINANCE COMMITTEE  
April 13, 2017  
2:09 p.m.

2:09:43 PM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 2:09 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair  
Representative Paul Seaton, Co-Chair  
Representative Les Gara, Vice-Chair  
Representative Jason Grenn  
Representative David Guttenberg  
Representative Scott Kawasaki  
Representative Dan Ortiz  
Representative Lance Pruitt  
Representative Steve Thompson  
Representative Cathy Tilton  
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Representative Scott Kawasaki, Sponsor; Sarah Race, Director, Permanent Fund Dividend Division, Department of Revenue; Kaci Schroeder, Assistant Attorney General, Criminal Division, Department of Law; Nancy Meade, General Counsel, Alaska Court System; Paul Labolle, Staff, Representative Neal Foster; Representative Jennifer Johnston; Kevin Worley, Chief Financial Officer, Division of Retirement and Benefits, Department of Administration; Kathy Lea, Division of Retirement and Benefits, Department of Administration; Christy Lawton, Director, Office of Children's Services, Department of Health and Social Services; Representative Jennifer Johnston

PRESENT VIA TELECONFERENCE

SUMMARY

HB 47 MUNICIPAL PERS CONTRIBUTIONS/INTEREST

HB 47 was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Department of Administration and one zero note from the Department of Administration.

HB 127 CRIM. CONV. OVERTURNED: RECEIVE PAST PFD

CSHB 127 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN1 (REV).

HB 151 DHSS;CINA; FOSTER CARE; CHILD PROTECTION

HB 151 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda.

#hb127

HOUSE BILL NO. 127

"An Act relating to a permanent fund dividend for an individual whose conviction has been vacated, reversed, or dismissed; and relating to the calculation of the value of the permanent fund dividend by including payment to individuals eligible for a permanent fund dividend because of a conviction that has been vacated, reversed, or dismissed."

2:10:55 PM

REPRESENTATIVE SCOTT KAWASAKI, SPONSOR, did not have additional information to add related to the bill.

2:11:43 PM

Representative Wilson MOVED to ADOPT Amendment 1, 30-LS0480\A.4 (Martin, 4/7/17) (copy on file):

Page 2, line 1:

Delete "120 days"  
Insert "one year"

Page 3, line 3:

Delete "120 days"  
Insert "one year"

Representative Pruitt OBJECTED for discussion.

Representative Wilson explained the amendment that would delete "120 days" and replace it with one year.

Representative Kawasaki appreciated the bipartisan work on the amendment.

Representative Grenn asked to sign on as a co-sponsor to the amendment.

Representative Pruitt WITHDREW his OBJECTION. There being NO OBJECTION, it was so ordered.

[2:13:48 PM](#)

Representative Pruitt MOVED to ADOPT Amendment 2, 30-LS0480\A.5 (Martin, 4/12/17) (copy on file) [Note: due to length of amendment it is not included here. See copy on file].

Representative Kawasaki OBJECTED.

Representative Pruitt explained the amendment. He explained the amendment had been brought forward by a victim.

Representative Ortiz asked for clarification about the intent of the amendment. He wondered if it would offer an option for repayment during the timeframe.

Representative Pruitt stated it was an option available to the courts. He explained the person in the scenario he outlined had been living freely.

Representative Grenn asked where the repayment funds would go.

Representative Pruitt replied that he had contemplated putting the money in the victim's funds. He was open to putting the money wherever. The goal was to recognize victims. He was amenable to having the money go to the victim fund.

Representative Guttenberg was in support of making restitution for someone convicted of a felony. He stated that a conviction did not make a person ineligible for the dividend. He believed there were many questions pertaining to the issue. He did not know what the legal aspect would be. He did not support the amendment.

[2:20:27 PM](#)

Representative Pruitt answered there were certain situations where a person was made eligible. He explained the only reason a person was not ineligible was most likely because they had not been caught.

Co-Chair Foster noted there were individuals available for questions.

Representative Kawasaki had some concerns about the amendment. He stated the amendment could probably be added to a separate bill. He did not support it at present.

[2:25:01 PM](#)

SARAH RACE, DIRECTOR, PERMANENT FUND DIVIDEND DIVISION, DEPARTMENT OF REVENUE, provided detail on current statute related to eligibility for individuals. Prior to payment the Department of Corrections (DOC) provided a list of individuals who should be ineligible for the dividend. She spoke to how to move forward with the collections of the funds.

Co-Chair Foster recognized Representative Jennifer Johnston in the audience.

Co-Chair Seaton saw the amendment as unrelated to the current bill. He wondered if the maker of the amendment had received a Legislative Legal Services memo regarding the issue.

Representative Pruitt replied in the negative.

Co-Chair Seaton wondered about a fiscal note related to the amendment. He provided a scenario that could cost money. He wondered what would be the effect if the individual did not have any money. He wondered about past circumstances.

Representative Pruitt stated the question was good and he could not fully answer it.

[2:29:45 PM](#)

Representative Wilson stated the amendment would not go backwards. She reasoned the court would not have imposed a conviction. She offered a conceptual Amendment 1 related to victims compensation fund.

Vice-Chair Gara OBJECTED.

Representative Wilson stated that the goal was to help victims.

Vice-Chair Gara understood the intent, but he did not think there was an easy way to do it. If it were up to him he would send the money directly to the victim. Instead he thought they were building a bureaucracy around the issue that would require multiple steps. He observed they did not know the cost or if the compensation fund would give the money to the victim

[2:33:13 PM](#)

Representative Guttenberg asked queried the order of victim's compensation versus repaying the defendant.

KACI SCHROEDER, ASSISTANT ATTORNEY GENERAL, CRIMINAL DIVISION, DEPARTMENT OF LAW, deferred the question to DOR.

Ms. Race asked for clarification on the question.

Representative Guttenberg asked who would be paid back first - the victim or the fund.

Ms. Race answered it would go back into funds available for carrying forward the next year's dividend calculation.

Representative Guttenberg surmised that the money would go to the victim's compensation fund. He asked who would be paid back first.

Ms. Race replied that typically when the division did a collection of funds that had been paid out. There was not a priority order established. She thought another structure may need to be put into place.

Ms. Schroeder stated her understanding of the question. She stated that unfortunately the answer was not known . She explained that restitution was what the defendant owed - it would have to be sorted out. The court system was taking over collections of restitution.

Representative Pruitt returned to a previous conversation. He underscored that the amendment included "may" and left the concept in the court's hands. He agreed with the amendment to the amendment.

[2:39:11 PM](#)

Representative Wilson provided wrap up on the conceptual amendment.

Vice-Chair Gara WITHDREW his OBJECTION. There being NO OBJECTION, Conceptual Amendment 1 to Amendment 2 was ADOPTED.

Representative Ortiz wondered whether the argument was based on similar crimes that may not have been tried.

Representative Pruitt explained the intent was related to individuals who had eluded the state for several years.

[2:43:11 PM](#)

Vice-Chair Gara understood the intent of the amendment. He stated a court would not do that - the standards had to be in the provision. The court would have no standard to follow. It was not possible to assume the court would act like the finance committee. He thought in concept the amendment made sense, but that it should be written in an enforceable way.

Representative Guttenberg agreed. He thought the concept was interesting, but he believed there were numerous questions that needed to be answered. He provided a scenario and asked how far back they could go.

Ms. Schroeder answered that it was for crimes committed on or after the effective date.

[2:46:14 PM](#)

Representative Guttenberg pointed to page 3, Section 4 of the amendment that would add a new section to the dividend application. He asked about the complexity of the provision.

Ms. Race believed it would be merely a disclaimer statement. There were several different bullets where a person had to certify everything they wrote was accurate and true.

NANCY MEADE, GENERAL COUNSEL, ALASKA COURT SYSTEM, introduced herself.

Vice-Chair Gara would prefer to see the money go to restitution. He asked if the money were to go to the Victims Compensation Fund would it reduce the amount available for restitution. Second, the amendment language stated "the court may order" but did not specify whether the individual had money.

Ms. Meade answered the money would be due from the defendant.

Vice-Chair Gara clarified there had been an amendment to put the money into the Victims Compensation Fund.

Ms. Meade replied that there the fund would be appropriated from that fund. She stated that the money collected from the defended, and there would be more money available.

[2:51:32 PM](#)

Vice-Chair Gara wondered whether the amendment would limit restitution to the victim.

Ms. Meade replied that the money in the Permanent Dividend Fund was not being used for restitution. The court's role would be to act as a funnel between the debtor and the creditor in the scenario. By adding money into the dividend fund there would be more money available.

Vice-Chair Gara asked wondered whether the court received the money.

Ms. Meade did not believe the court would be collecting or receiving any of the money. Currently fines were not collected by the court.

[2:53:42 PM](#)

Vice-Chair Gara did not understand the answer. He explained the standard was not included. He asked if the court would only go after people with money.

Ms. Meade clarified that the court did not go after anyone; it imposed fines. The court could impose a maximum fine set out in statute. The court did not ensure the person paid the fine. If the court were to order a person to repay their PFD it would not go after the person for payment. The PFD Division would have to pursue the issue.

Co-Chair Seaton pointed to page 1, line 9 of the amendment related to a defendant convicted of an offence. However on page 2, a person had been convicted of a misdemeanor. He asked if the amendment could be imposed on a person who had been convicted for a misdemeanor.

Ms. Meade believed Co-Chair Seaton was correct.

[2:57:29 PM](#)

Co-Chair Seaton was trying to figure out how it could be distinguished from a person working for the state who received wages.

Ms. Meade replied that she believed if someone committed a crime in 2012, must pay back to the PFD office the total amount of the 2014 through 2015 dividend. She did not know if the court would have enough information about a person's finances.

[2:59:25 PM](#)

Representative Grenn asked about the PFD eligibility process. He thought the bill would only deal with a few people per year. He thought the amendment could pertain to numerous people. He asked what number of individuals who applied for a PFD were deemed ineligible.

Ms. Race answered it was roughly between 1,000 and 2,000 individuals.

Representative Grenn asked for verification of the 1,500 reports.

Ms. Race explained the current process.

[3:01:45 PM](#)

Representative Grenn asked for verification it dealt with the current year.

Ms. Race answered in the affirmative.

Representative Grenn queried the communication efforts.

Ms. Race responded that the division would have to be in direct communication with the courts. She highlighted the several different aspects a person would need to meet including paying back a given number of dividends.

Representative Grenn asked about the administrative load.

Ms. Race answered it depended on the communication. She stressed without the information they would not know how to proceed with the collections in general.

Representative Wilson remarked that it was simply the courts would make the determination and would pass along the information to the PFD Division. She characterized the items as tools in the toolbox for the court to use. She thought the amendment worked well with the bill before the committee. She remarked that sometimes court cases lasted several years. She believed the amendment sent a strong message that people would not be able to gain from what they did. She would have been opposed to the amendment if it included "shall" she thought it sent a strong message. She wanted to get as much back to victims as possible.

[3:06:39 PM](#)

Ms. Meade responded further to an earlier question by Vice-Chair Gara. She thought the concern he may be expressing was that defendants had limited means and if the money was owed there was that much less money available for other

things. It would be an additional monetary obligation, which may be less money available for restitution.

Representative Guttenberg thought the concept was interesting. He did not think people committing a crime thought about the issue - they were not thinking rationally. He spoke to the misdemeanor component and asked about a low level crime a person could be convicted of where they would have to give the money back.

[3:09:12 PM](#)

Ms. Meade answered in the affirmative - a person would become ineligible for a third misdemeanor including three instances of shoplifting.

Representative Kawasaki MAINTAINED his OBJECTION to Amendment 2 as amended.

A roll call vote was taken on the motion.

IN FAVOR: Pruitt, Thompson, Tilton, Wilson  
OPPOSED: Guttenberg, Kawasaki, Ortiz, Gara, Grenn, Foster, Seaton

The MOTION to adopt Amendment 2 as amended FAILED (4/7).

[3:10:35 PM](#)

Representative Thompson provided a hypothetical scenario related to Permanent Fund checks.

Ms. Race did not believe she could answer the question.

Representative Thompson spoke to his concern about garnishment.

Ms. Race responded replied that it did not necessarily carry the same garnishment from year-to-year.

Representative Thompson asked if a person were to have their conviction reversed whether they would have to collect their money.

[3:15:36 PM](#)

Ms. Race answered that it was a question, but was not the current process.

Representative Thompson asked if the person would have to reapply to be eligible.

Ms. Race answered there would have to be some sort of process like the one he mentioned.

Vice-Chair Gara explained the fiscal note from the Department of Revenue. The funds would come out of the Dividend fund and.

Co-Chair Seaton MOVED to REPORT CSHB 127(FIN) out of committee with individual recommendations and the accompanying fiscal note.

CSHB 127 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN1 (REV).

[3:17:50 PM](#)

AT EASE

[3:22:58 PM](#)

RECONVENED

#hb47

HOUSE BILL NO. 47

"An Act requiring certain municipalities with a population that decreased by more than 25 percent between 2000 and 2010 that participate in the defined benefit retirement plan of the Public Employees' Retirement System of Alaska to contribute to the system an amount calculated by applying a rate of 22 percent of the total of all base salaries paid by the municipality to employees of the municipality who are active members of the system during a payroll period; authorizing the administrator of the defined benefit retirement plan of the Public Employees' Retirement System of Alaska to reduce the rate of interest payable by certain municipalities that are delinquent in transmitting employee and employer contributions to the retirement plan; and providing for an effective date."

[3:23:24 PM](#)

PAUL LABOLLE, STAFF, REPRESENTATIVE NEAL FOSTER, discussed the bill:

SB 125 changed the PERS system from a multiple employer plan to a cost share plan. It transferred the individual liability of the 160 PERS employers and consolidated it so that all the employers share in that liability.

SB 125 also created what is commonly referred to as the 2008 salary floor. This requires employer's contribute 22% of annual salaries or 22% of FY08 salaries, whichever is greater. The floor was instituted to ensure that the system could not be "gamed" by discouraging employers from replacing PERS employees with contract hires to reduce their base contribution to the system.

Some municipalities have found themselves under the 2008 floor through no fault of their own. A large change in population results in a reduced tax base, which affects the services a city can provide. As that financial reality drives a city to downsize, current law exacerbates this problem by keeping their PERS contribution at the 2008 level. This bill targets the communities whose population has dropped by more than 25% since the previous census.

HB 47 will address this issue in two ways:

1. Establish a new floor of FY 2012 for communities whose population decreased by more than 25% between 2000 and 2010.
2. Allows the PERS administrator to negotiate penalty interest rates on delinquent payments.

HB 47 does not intend to repeat the "2008 floor" debate but to correct one of the unintended consequences caused by the arbitrary line that debate created.

[3:25:51 PM](#)

Representative Ortiz understood the intent of the bill. He wondered how the department assessed things at present. He wondered if there was a process in place to determine whether municipalities were doing their part. He followed up on his question.

Mr. LaBolle replied that the original bill a couple of years ago - the bill before the committee the debt was not absolved.

[3:28:31 PM](#)

AT EASE

[3:28:36 PM](#)

RECONVENED

Representative Pruitt MOVED to ADOPT Amendment 1, 30-LS028\A.1 (Wayne, 4/8/17) (copy on file). [Note: due to length of amendment it is not included here. See copy on file].

Co-Chair Foster OBJECTED.

Representative Pruitt explained the amendment.

[3:32:04 PM](#)

Co-Chair Foster was open to hearing from Representative Johnston.

REPRESENTATIVE JENNIFER JOHNSTON, stated the bill was a great example about how the state may not be able to manage the unfunded retirement liability. She stated that she had previously been in the Alaska Municipal League and had considered the issue of the unfunded liability. She believed the larger entities needed to manage their employees - not to penalize individuals for the way they did business. She thought the committee should reassess the fiscal note.

[3:37:04 PM](#)

Representative Johnston asked if the committee had addressed the 2008 floor. It gave other abilities to manage the unfunded liability. She thought it was time to address the issue. She was looking to fiscally manage an elephant in the room.

[3:39:12 PM](#)

Representative Pruitt thought the last component was very important. He stressed that if the state was not enforcing

the issue it could come up in the future. He believed it needed to be dealt with

Co-Chair Seaton asked the Department of Administration (DOA) to address the committee.

Representative Johnston had been hesitant to say the last statement, because of possible liability issues.

KEVIN WORLEY, CHIEF FINANCIAL OFFICER, DIVISION OF RETIREMENT AND BENEFITS, DEPARTMENT OF ADMINISTRATION, stated that the division looked at annual salaries, and had recently completed the FY 16 evaluation in the previous June. Those salaries were compared to the floor of 2008. He stressed that statutes stated that there should be a bill for the difference between the actual paid salaries and the 2008 floor.

[3:42:34 PM](#)

KATHY LEA, CHIEF PENSION OFFICER, DIVISION OF RETIREMENT AND BENEFITS, DEPARTMENT OF ADMINISTRATION, shared that her division continued to enforce termination and there were three aspects to termination.

[3:47:35 PM](#)

Representative Thompson wondered whether the cost of a termination study was approximately \$15,000.

Ms. Lea replied that it depended on the number of terminated employees.

Representative Wilson wondered whether a termination study would be required after a division ceased to exist.

Ms. Lea answered in the negative, if the people were assigned to another PERS position.

Representative Wilson wondered whether a termination study was required when 15 employees were lost.

Ms. Lea answered in the affirmative.

Representative Wilson queried the cost of the study.

Ms. Lea answered it was difficult to answer because it was based on individual employees.

Representative Wilson stressed that the state required the study, to ensure that the employer was paying enough into the retirement.

Ms. Lea stated that the study was done to examine the individual employees retirement.

[3:51:24 PM](#)

Representative Wilson thought it was almost as big of a deal than the original bill to the smaller communities. She spoke to individuals being penalized by the state for something that was not their fault.

Ms. Lea did not characterize it as penalizing.

Representative Wilson asked if many of the employers had known they would be in the current position.

Ms. Lea answered that it had happened about 10 years earlier. The basic consideration was how much the GF could absorb. The amount needed to pay the unfunded liability would not change, it was about who would pay.

Representative Ortiz asked if the net effect of changes made in 2008 that it was much harder for smaller communities to comply.

Mr. Worley asked Representative Ortiz to repeat the question.

Representative Ortiz complied.

[3:54:50 PM](#)

Mr. Worley asked for clarification.

Representative Ortiz reiterated his question.

Ms. Lea answered that the number of employees with each employer varied. There could be a smaller employer with only one or two employees covered or a larger employer with hundreds of employees covered. She did not believe it was

possible to make a sweeping statement that smaller employers were more impacted.

Representative Ortiz spoke about triggering a study. He surmised that if a person was eliminated from a category it could trigger a study.

Ms. Lea replied in the affirmative.

Representative Ortiz stated that moving employees into a different classification would not trigger a study.

Ms. Lea agreed.

[3:58:35 PM](#)

Co-Chair Foster referred to Representative Johnston's statement that the bill was similar to a bill introduced in 2014. He believed the fiscal note had been indeterminate at the time.

Representative Johnston spoke to the issue. She stressed that termination studies were part of the process. She remarked that the University of Alaska was below the 2008, and they were paying for that cost.

[4:03:10 PM](#)

Co-Chair Seaton clarified the committee was currently addressing Amendment 1.

Representative Guttenberg noted that it was possible to determine liability focusing on certain groups. He wondered how much of the amendment would challenge the negotiated agreement rate of 22 percent.

Ms. Lea clarified her understanding of the question.

Representative Guttenberg affirmed.

Representative Guttenberg asked how the balance of burden between larger and smaller communities.

Ms. Lea answered that it was specific to the employer. It was difficult to make a generalization. She stressed that it was very particular to the makeup of the employer and how their covering.

Co-Chair Seaton asked for clarification. He referred to a prior fiscal note.

Ms. Lea answered that the fiscal note was not current.

Co-Chair Foster stated that each time the bill did not get passed it meant fiscal liabilities were adding up. He did not support the amendment.

[4:08:47 PM](#)

Representative Pruitt provided wrap up on the amendment. He stated the underlying bill may seem like a small bill, but it was a big deal for communities. Likewise, so was the amendment. He stated the issue could be addressed at present or later on. He believed it was worth analyzing whether they should move forward on the issue.

Co-Chair Foster MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Ortiz, Pruitt, Thompson, Tilton, Wilson

OPPOSED: Kawasaki, Gara, Grenn, Guttenberg, Seaton, Foster

The MOTION FAILED (5/6).

[4:12:07 PM](#)

Representative Wilson was sorry the amendment failed. She thought the bill picked winners and losers.

Co-Chair Seaton felt that increasing the budget was not prudent.

Representative Wilson interjected it was not \$75 million.

Co-Chair Seaton noted the previous fiscal note on a bill had been that amount.

Representative Wilson stated much had changed.

Representative Pruitt did support moving the bill forward. He suspected that some of the communities would be coming back with some of the challenges addressed in Amendment 1.

4:15:26 PM

Vice-Chair Gara explained the two fiscal notes.

Representative Wilson stated were not four communities written into the bill. She asked if there was a way to cover other communities under the bill in the future.

Mr. LaBolle asked for a repeat of the question.

Representative Wilson complied.

Mr. LaBolle replied in the negative.

Vice-Chair Gara MOVED to REPORT HB 47 out of committee with individual recommendations and the accompanying fiscal notes.

Representative Wilson OBJECTED.

A roll call vote was taken on the motion.

IN FAVOR: Thompson, Tilton, Gara, Grenn, Guttenberg, Ortiz, Pruitt, Foster, Seaton  
OPPOSED: Wilson

The MOTION PASSED (10/1).

There being NO further OBJECTION, HB 47 was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Department of Administration and one zero note from the Department of Administration.

#hb151

HOUSE BILL NO. 151

"An Act relating to the duties of the Department of Health and Social Services; relating to training and workload standards for employees of the Department of Health and Social Services; relating to foster care licensing; relating to placement of a child in need of aid; relating to the rights and responsibilities of foster parents; relating to subsidies for adoption or guardianship of a child in need of aid; requiring the Department of Health and Social Services to provide information to a child or person released from the

department's custody; and providing for an effective date."

4:19:38 PM

REPRESENTATIVE LES GARA, SPONSOR explained detail about the need for the bill. He stressed it was not prudent to have youth see a different foster parent. The bill was a fix to try to make the system work. Without the bill the negative consequences would continue to occur. He stressed the state could not keep doing it. He remarked a caseworker could handle about 12 to 15 cases - they could not handle the number of cases they currently had. The caseworkers on average in the Wasilla office handled 43 families; in other areas the caseload was double what it should be.

4:28:17 PM

Vice-Chair Gara continued to address the bill. in New Jersey, which many people saw as the gold standard, they gave 6 to 8 weeks of training to caseworkers. Alaska did about 2 to 3 weeks. The bill specified Alaska should do 6 to 8 weeks. The caseloads of new caseworkers were limited to prevent burnout. He stated things went on too long at OCS because it was an agency in crisis. He provided a scenario where foster parents had quit because of problems.

4:35:21 PM

Vice-Chair Gara continued to address the bill. He could not in good conscience recommend leaving the system the same. A child did not deserve to be bounced between homes. He thought the fiscal note would be \$12 million to \$15 million and he had been nervous. However, due to federal funds and other, the fiscal note would be approximately \$5 million. Part of the bill had to be dropped. He continued that there were youth who were 18 to 20 who did not have homes. Some of those kids would end up in a permanent home, but at \$7.8 million it was not the best use of money, which hurt to say. The fiscal note would disappear.

4:39:08 PM

Vice-Chair Gara addressed the original fiscal note for caseworkers to meet the standard - he had worked with the department that had been trying to determine the federal matching rate. He planned to introduce to raise the

caseload standard to 13 to come up with an affordable fiscal note. It would still be far superior to the current caseloads. He reiterated the changes that would mean roughly \$4.2 million for caseworkers and training. Some office space and equipment would come with that as well. A caseworker was supposed to look out to see if a family member could care for the child; often the family member would become the adoptive parent. The bill would require a supervisor to double check if a family member was available.

[4:42:32 PM](#)

Representative Wilson agreed there was a problem. She pointed to page 5, lines 16 to 20 of the bill. She asked who determined appropriate placement.

Vice-Chair Gara replied that the placement standard was about what was the best interest for the child.

Representative Wilson asked for the statutory definition of "best interest for a child."

Vice-Chair Gara did not know the statutory definition. // He deferred to the department for detail.

CHRISTY LAWTON, DIRECTOR, OFFICE OF CHILDREN'S SERVICES, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, did not have the definition on hand. She would follow up.

[4:47:20 PM](#)

Representative Wilson placed concerns on the record related to the fiscal note. She wondered why there was not a fiscal note from the Public Defenders' Agency and other. She was also concerned about qualifications of workers. She wondered how the bill would impact supervised visits.

[4:50:27 PM](#)

Vice-Chair Gara spoke to the fiscal notes for the other departments - there were a shortage of guardians. He knew of at least one caseworker who had not known looking for a family member was a part of their job.

Representative Wilson was not debating that portion. She did not believe all of the people who would be hired. She

addressed complaints that came in. There was a possibility more investigations were done. It had happened in the past. She was not stating the issue was right or wrong.

[4:55:01 PM](#)

Vice-Chair Gara stated that the first sixty days that the child was in foster care were assigned an assessment worker who was required to develop a case plan. That person often did not have time to meet with the parents. He hoped that the caseload standard would be 13 cases.

Ms. Lawton elaborated stated that the reduction of case loads and the addition of staff would allow for more visitation, because those workers could potentially have time to supervise some of those visits, with the possible flexibility in the parent home.

Representative Wilson asked how many investigations were currently investigated.

Ms. Lawton asked for clarification.

Representative Wilson clarified her question.

Ms. Lawton answered the department screened roughly 10,000.

[5:00:06 PM](#)

Representative Pruitt asked how to deal with the additional burden of new requirements.

Vice-Chair Gara replied that the bill aimed to lessen bill. He had never spoken to his first foster family and had been taught that he was not supposed to maintain contact with them. He regretted it.

[5:03:23 PM](#)

Representative Pruitt looked at Section 10, and queried the roll of psychological parents and grandparents as it related to foster families.

Vice-Chair Gara asked for further clarification.

Representative Pruitt relayed that there was a case of the psychological grandparents rejecting children.

Co-Chair Foster handed the gavel to Representative Kawasaki.

Vice-Chair Gara that the section tried to limit the number of children removed from their family. He provided a scenario where a grandparent lived at home. Section 10 specified the child should be allowed to remain at home.

[5:07:25 PM](#)

Representative Pruitt spoke to trying to determine the definition of family member.

Vice-Chair Gara answered there was no attempt in the bill to change the definition of family member.

HB 151 was HEARD and HELD in committee for further consideration.

Representative Kawasaki addressed the schedule for the following day.

Representative Wilson asked about the amendment due date.

[5:10:00 PM](#)

AT EASE

[5:12:36 PM](#)

RECONVENED

Vice-Chair Gara relayed he would aim to remove the portion related to adoption subsidies and changing caseworker standards to 13 instead of 12.

Representative Wilson wondered whether the statutes would be based on appropriation to meet that standard.

Vice-Chair Gara replied that the fiscal note would reflect the actual cost for meeting the caseload.

Co-Chair Foster communicated amendments would be due by noon on Saturday. He addressed the schedule for the following day. He recessed the meeting to a call of the chair [note: the meeting never reconvened].

#

ADJOURNMENT

5:15:52 PM

The meeting was adjourned at 5:15 p.m.