

Introduced: 2/16/70  
Referred: Health, Welfare &  
Education and Finance

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1 IN THE HOUSE

2 HOUSE BILL NO. 692

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing state grants-in-aid to nonprofit  
7 corporations for the establishment and operation of  
8 day care and child development centers."

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

10 \* Section 1. AS 47.35 is amended by adding new sections to read:

11 ARTICLE 4. GRANTS-IN-AID FOR DAY CARE

12 AND CHILD DEVELOPMENT CENTERS.

13 Sec. 47.35.10. GRANTS-IN-AID PROGRAM. (a) The Department of  
14 Health and Welfare shall administer the grant-in-aid program created  
15 under this section. There is in the Department of Health and Welfare  
16 a day care and child development center grant fund. Funds appropriated  
17 by the legislature for day care and child development center construc-  
18 tion and operation under this section shall be deposited in the fund.

19 (b) A nonprofit corporation which is created for the purpose of  
20 providing a day care and child development center program and which is  
21 licensed in the manner required by regulations adopted by the Department  
22 of Health and Welfare is eligible to receive grant-in-aid funds under  
23 this section. Applications shall be sent to the Department of Health  
24 and Welfare and must be submitted annually for purposes of (e) of this  
25 section.

26 (c) The Department of Health and Welfare shall award grants to  
27 nonprofit corporations under this section for the development of day  
28 care and child development center programs designed to meet the needs  
29 of the communities or areas to be served. Grants will be awarded on

1 a competitive basis. The Department of Health and Welfare shall con-  
2 sider the amount of money that is available for all applications and  
3 whether an applicant would fulfill a need for a day care and child  
4 development center in the community or area which it proposes to serve.

5 (d) Within the limits of state appropriations available for the  
6 purpose, grants for one year shall be awarded in a ratio of 75 per  
7 cent state money to 25 per cent nonprofit corporation money for the  
8 purpose of constructing, purchasing, leasing or improving day care and  
9 child development center facilities.

10 (e) Within the limits of state appropriations available for the  
11 purpose, annual grants, for not more than three years, shall be awarded  
12 in the following ratios to a nonprofit corporation for the purposes of  
13 day care and child development center staffing, program development  
14 and delivery of services:

15 (1) 75 per cent state money to 25 per cent nonprofit corpora-  
16 tion money for the first year grant;

17 (2) 50 per cent state money to 50 per cent nonprofit corpora-  
18 tion money for the second year grant; and

19 (3) 25 per cent state money to 75 per cent nonprofit corpora-  
20 tion money for the third year grant.

21 (f) Money used by an applicant to qualify for the state grants-  
22 in-aid under this section may be from any source other than from the  
23 state. The Department of Health and Welfare shall allow as part of the  
24 nonprofit corporation's share the reasonable value of in-kind contribu-  
25 tions pledged and directly related to the payment of costs for which  
26 grants-in-aid are available under this section. Determination of value  
27 by the Department of Health and Welfare shall be final. The cost of  
28 day care and child development services purchased by the Department of  
29 Health and Welfare from a nonprofit corporation for persons for whom

1 the state has assumed responsibility under the laws of the state may  
2 not be used in calculating the amount of the state's share of grant-in-  
3 aid awarded under this section.

4 (g) The Department of Health and Welfare may withhold the payment  
5 of funds under this section if a day care and child development center  
6 program for a fiscal year is substantially altered or discontinued or  
7 if a corporation fails to comply with the regulations adopted under  
8 secs. 110 - 130 of this chapter. If, at any time after the awarding  
9 of a grant-in-aid under this section which was used in part or in whole  
10 for the purpose of constructing or purchasing center facilities, a  
11 nonprofit corporation ceases operation of a center, the title to the  
12 facilities constructed or purchased under this section vests in the  
13 state. If title to a facility vests in the state under this subsection,  
14 the Department of Health and Welfare may transfer the title, subject  
15 to those conditions that the Department of Health and Welfare determines  
16 to be necessary, to a nonprofit corporation, created and qualified under  
17 this section, for the purpose of providing a day care and child develop-  
18 ment center program.

19 (h) Nothing in this section prevents a nonprofit corporation from  
20 establishing and operating more than one day care and child development  
21 center under this section or from applying for and receiving more than  
22 one grant-in-aid under this section for that purpose.

23 Sec. 47.35.120. GRANT-IN-AID PROGRAM REGULATIONS. The Department  
24 of Health and Welfare shall adopt regulations implementing sec. 110 of  
25 this chapter. The regulations shall provide for the method of applica-  
26 tion, the information required in the application, the time for consider-  
27 ation of applications, the processing of applications, the requirements  
28 for reporting the progress and statistics of the program, and the  
29 notification of the applicant as to the action taken on the application.

1 The Department of Health and Welfare shall also establish the necessary  
2 forms of application and may adopt other regulations considered neces-  
3 sary to meet the requirements of health and safety and the orderly  
4 administration of the grant-in-aid program.

5 Sec. 47.35.130. REQUIRED ACCOUNTING PROCEDURES. (a) Nonprofit  
6 corporations which receive grants from the Department of Health and  
7 Welfare under sec. 110 of this chapter shall meet acceptable standards  
8 of fiscal accountability for public funds and shall submit a complete  
9 financial report by an independent, licensed auditor to the Department  
10 of Health and Welfare each year as the department requires.

11 (b) These nonprofit corporations shall record and report to the  
12 Department of Health and Welfare their financial activities according  
13 to, and demonstrate the actual cost of day care and child development  
14 services provided using cost accounting procedures compatible with,  
15 the standards in "Standards of Accounting and Financial Reporting for  
16 Voluntary Health and Welfare Organizations", published in 1964 by the  
17 National Health Council and the National Social Welfare Assembly.  
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