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and Szymanski

1 IN THE SENATE BY THE RULES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 19 (Rules)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska children's trust
7 fund to provide a continuing source of revenue for
8 grants to community-based programs for the prevention
9 of child abuse and neglect; and providing for an
10 effective date."

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

12 * Section 1. AS 37.14 is amended by adding new sections to read:

13 ARTICLE 4. ALASKA CHILDREN'S TRUST FUND.

14 Sec. 37.14.200. ALASKA CHILDREN'S TRUST FUND ESTABLISHED. (a)

15 The Alaska children's trust fund is established as a separate endow-
16 ment trust fund of the state.

17 (b) The principal of the fund consists of

18 (1) legislative appropriations to the fund; and

19 (2) gifts, bequests, and contributions of cash or other
20 assets from a person.

21 (c) The net income of the fund shall be determined by the com-
22 missioner of revenue in accordance with investment accounting princi-
23 ples and in a manner that preserves the distinction between principal
24 and income.

25 Sec. 37.14.210. POWERS AND DUTIES OF THE COMMISSIONER OF REVE-
26 NUE. The commissioner of revenue is the treasurer of the fund and has
27 the following powers and duties under this section:

28 (1) to act as official custodian of the cash and invest-
29 ments belonging to the fund by securing adequate and safe custodial

1 facilities;

2 (2) to receive all items of cash and investments belonging
3 to the fund;

4 (3) to collect the principal and income from investments
5 owned or acquired by the fund and deposit the amounts in separate
6 principal and income accounts for the fund;

7 (4) to invest and reinvest the assets of the fund as pro-
8 vided in this section and as provided for the investment of surplus
9 pension funds under AS 39.35.110(a), (c), (e), (f), (h) and (i);

10 (5) to exercise the powers of an owner with respect to the
11 assets of the fund;

12 (6) to do all acts, whether or not expressly authorized,
13 that the commissioner of revenue considers necessary or proper in
14 administering the assets of the fund;

15 (7) to maintain accounting records of the fund in accor-
16 dance with investment accounting principles and with distinction
17 between the principal and income accounts of the fund;

18 (8) to engage an independent firm of certified public
19 accountants to annually audit the financial condition of the fund's
20 investments and investment transactions;

21 (9) to enter into and enforce contracts or agreements
22 considered necessary for the investment purposes of the fund;

23 (10) to report to the board the condition and investment
24 performance of the fund.

25 Sec. 37.14.220. ALASKA CHILDREN'S TRUST FUND BOARD ESTABLISHED.

26 (a) The Alaska Children's Trust Fund Board is established in the
27 Office of the Governor. The board is composed of

28 (1) the governor or a designee of the governor;

29 (2) the commissioner of health and social services or the

1 commissioner's designee;

2 (3) a member of the Council on Domestic Violence and Sexual
3 Assault elected by the council;

4 (4) the director of the office of public advocacy or the
5 director's designee;

6 (5) the commissioner of education or the commissioner's
7 designee;

8 (6) a member of the senate elected by the members of the
9 senate;

10 (7) a member of the house of representatives elected by the
11 members of the house of representatives; and

12 (8) three members appointed by the governor as follows:

13 (A) a licensed physician with a specialty in pediat-
14 rics who has practiced medicine in the state for at least five
15 years and who is an expert in the subject of child abuse and
16 neglect; and

17 (B) two public members, one of whom is a recognized
18 expert in the subject of child abuse and neglect.

19 (b) The board shall elect a member to chair the board.

20 (c) The staff of the office of child advocacy serves as the
21 staff of the board.

22 Sec. 37.14.230. POWERS AND DUTIES OF BOARD. The board shall

23 (1) hold regular meetings and special meetings it considers
24 necessary; the board may hold meetings by teleconference;

25 (2) award grants from the net income of the fund to com-
26 munity-based programs and projects that the board finds will aid in
27 the prevention of child abuse and neglect;

28 (3) monitor approved programs and projects for compliance
29 with AS 37.14.200 - 37.14.270;

1 (4) before providing assistance to a program or project,
2 approve written findings on the program or project that include a
3 consideration of the means of measuring the effectiveness of the
4 program or project;

5 (5) apply for, and use net income from the fund to obtain,
6 private and federal grants for the prevention of child abuse and
7 neglect;

8 (6) solicit contributions, gifts, and bequests to the fund;

9 (7) keep audio tape recordings of each meeting of the board
10 to be made available on request; and

11 (8) submit to the governor and the legislature by Janu-
12 ary 10 each year a report describing

13 (A) the child abuse and neglect prevention services
14 that were provided by the programs and projects to which the
15 board awarded grants; and

16 (B) the annual level of contributions, income, and
17 expenses of the fund.

18 Sec. 37.14.240. FUND UTILIZATION. (a) The principal of the
19 fund and any capital gains or losses realized on the principal shall
20 be retained perpetually in the fund for investment as specified in
21 AS 37.14.210, and may not be used for the awarding of grants.

22 (b) The net income of the fund may be appropriated only for the
23 following purposes:

24 (1) the awarding of grants;

25 (2) obtaining private and federal grants for the fund;

26 (3) soliciting contributions, gifts, and bequests for the
27 fund; and

28 (4) reimbursement to the Department of Revenue for the
29 costs of establishing the fund.

1 (c) Realized net income that has not been appropriated, or that
2 has been appropriated but not expended, shall be invested until appro-
3 priated and expended.

4 Sec. 37.14.250. GRANTS. (a) In awarding grants from the net
5 income of the fund, the board shall consider the proposals of a qual-
6 ified applicant only after the applicant has submitted a detailed
7 proposal in the form prescribed by the board. The board may not award
8 a grant unless the board makes written findings that

9 (1) the proposed project, if successful, will help prevent
10 child abuse or neglect;

11 (2) the application for financial assistance contains an
12 adequate plan for project implementation, including both financial
13 feasibility and project effectiveness;

14 (3) the applicant demonstrates that sufficient technical
15 expertise is available to accomplish the objectives of the proposed
16 program or project; and

17 (4) the applicant has identified costs associated with and
18 ancillary to the project, additional governmental costs, future obli-
19 gations generated by the program or project, and necessary operating,
20 maintenance, or other support costs for the life of the program or
21 project.

22 (b) The board may establish other requirements for the award of
23 grants under this section if necessary to carry out the purpose of the
24 fund.

25 (c) The board shall award grants in amounts that

26 (1) are appropriate to the conditions of the applicant and
27 the proposed program or project; and

28 (2) will make the most effective use of the money avail-
29 able.

1 (d) The amount of all grants awarded by the board during a
2 12-month period to a single project or program may not exceed \$50,000.
3 The board may not finance more than 75 percent of the cost of a pro-
4 gram or project during each of the first two years for which the
5 program or project receives a grant, 50 percent during each of the
6 third and fourth years, and 25 percent during each year thereafter.

7 (e) A recipient of a grant may not use more than 10 percent of
8 the grant for administration of the program or project.

9 (f) To the extent consistent with the terms or conditions of the
10 grant, a private or federal grant awarded to the board shall be dis-
11 tributed in the same manner as provided for grants under this section
12 and AS 37.14.260.

13 Sec. 37.14.260. ELIGIBILITY FOR GRANTS. The board may award a
14 grant to an applicant if

15 (1) the applicant has submitted a proposal that is accept-
16 able to the board; and

17 (2) programs and projects ,if any, of the applicant that
18 have previously received a grant from the board have complied with all
19 requirements of that assistance and have performed with sufficient
20 success or promise to warrant further financial assistance.

21 Sec. 37.14.270. DEFINITIONS. In AS 37.14.200 - 37.14.270

22 (1) "board" means the Alaska Children's Trust Fund Board;

23 (2) "child abuse and neglect" has the meaning given in
24 AS 47.17.070;

25 (3) "fund" means the Alaska children's trust fund estab-
26 lished under AS 37.14.200;

27 (4) "prevention of child abuse and neglect" includes pri-
28 mary and secondary prevention programs;

29 (5) "primary prevention program" means an educational or

1 training program intended to raise the awareness of and change atti-
2 tudes concerning child abuse and neglect and its prevention;

3 (6) "secondary prevention program" means a service intended
4 to reach high-risk groups and to prevent the occurrence or recurrence
5 of child abuse and neglect.

6 * Sec. 2. Notwithstanding the provisions of AS 37.14.230 and 37.14.240
7 as enacted by sec. 1 of this Act, until July 1, 1988, the Alaska Children's
8 Trust Fund Board may use not more than \$50,000 from the principal of the
9 Alaska children's trust fund for the purposes specified in AS 37.14.-
10 240(b)(2) and (3) as enacted by sec. 1 of this Act.

11 * Sec. 3. This Act takes effect July 1, 1987.