

HB-161

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 1, 1975

Meeting was called to order at 9:00 for discussion of HB 161, 162 & SB 120am, 121. Present:

Rep. Sam Cotten, Chairman	Rep. Al Ose
" Kathryn Ostrosky	" Mike Hershberger-late
" Oral Freeman	" Glenn Hackney-late
" Larry Davis	

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Eric Lee, SECO, Dept. of C&RA
Susan Clark
Jennifer Peterson, Juneau Model Cities

(1365) Ostrosky, presiding Chairperson, asked Ms. Clark to give a run down on the differences between HB 161 and SB 120.

Pg. 1 line 11— "who either do not qualify... with dependent children" was considered to go better under the Eligibility section.. Was put on page 2 line 14 under eligibility. "Whether the family receives aid to families with dependent children and is eligible for day care service under aid to families with dependent children." Intent: people who get AFDC are not eligible for day care under this program but people who are eligible for AFDC but who don't use it may get day care.

Page 1 line 21—wording simply changed from "the provision of" to "assist in providing".

Page 1 line 29—added section 5 under powers and duties to insure local control and input.

Page 2 line 2—two additional subsections were added under "the dept may: contract with local agencies to perform duties and solicit recommendations from local governing bodies. Local control would be better for state. Less money, city could easily do it.

(1560) Ostrosky asked what the contractual duties would be? Lee answered: selecting recipients, dealing with day care centers, billing centers, paying billing, seeing that the homes are licensed.

(1575) Freeman asked what was the cities reaction to this. Eric said Senators had been in touch with cities and had gotten favorable reaction. It would only be a %5 or %10 match for the cities and often they would already have someone on the payroll who could administer the program. The parents would be free to be more productive and their earnings would then add to the tax base. (1618) Freeman doesn't like the idea of the State mandating a program and then expecting the city to carry it out.

(1630) Cotten -- Should the dept. make contact with the local agency? Lee—if the local community is incorporated they would have a choice whether they want the program or not. Cotten said that would be bypassing the local administration. Freeman didn't like that either so Lee suggested adding an amendmtn on page 2 line 12 "the incorporated city or borough shall give approval to and pay the cost."

Page 2 line 20—drafting error.. Contributions will be paid to the day care facility instead of the dept.

page 3 line 14— added to definition of licensed day care " or recognized by the federal government". This was so head start centers in rural areas would be included.

page 3 line 29— definition of child chaged to read " up to the mandatory school age" instead of 5 years.

(end of tape)

Cotten moves to accept the Senate amendments and include the amendment by C&RA and to adopt a committee substitute.

Reps. Hershberger and Hackney arrived late and Cotten explained the Senate amendments to them. Hackney asked lee how many people SEOO will need. Two. And how will you pay for it? The Finance committee will appropriate for a new position.

Cotten withdraws his motion and moves to offer amendment for SB 120am, also to move SB 121 out.

Without objection they were moved out of committee with individual recommendations.

Meeting was adjourned at 10:00.

BACKGROUND INFORMATION
HB 161

The League of Women Voters strongly supports HB 161 with the substitutes and amendments added to it by the Senate. Some of the changes were due simply to misunderstandings and oversights in drafting. Other changes to the bill we feel have strengthened it and would urge your concurrence.

*Pg. 1, ln. 11-12: "who either do not qualify...with dependent children." This was considered to belong better under the Eligibility section. Under that section (44.47.200) was added:

(4) "Whether the family receives aid to families with dependent children and is eligible for day care service under aid to families with dependent children;"

*Pg. 1, ln. 21-22: "a program to assist in providing day care..." This wording was simpler.

*Pg. 1, ln. 29: Subsection (5) was added to "the dept. shall" requiring that the Dept. of CRA... "Provide notification to the local government body of the request for a contract with a day care facility. This insures local input and control of the program, one of the important aims of this bill. Too often programs are run thru Juneau and local governments or participants are unable to have adequate input on what should have been a local concern.

*Pg. 2, ln. 1: Under the heading "the dept. may" were added two additional subsections. (2) "contract with local agencies to perform its duties under secs. 180-230 of this chapter;" This is important not only to local control, but also because it cuts down on the potential bureaucracy of a dept.

(3) "Solicit recommendations from local governing bodies regarding local agencies which may provide contractual services under this section."

This again strengthens local control and allows some local say as to who runs the program in that area.

*Pg. 2, ln. 1: Section 44.47.185 was added by the Senate Finance Committee and we basically support the concept.

"When a contract is made under sec. 180(b)(2) of this chapter between the depart. and a local agency within an incorporated borough or city of the state, the incorporated borough or city shall pay the costs of administering the contractual duties within its jurisdiction."

This section makes the program a type of revenue-sharing tagged specifically for day care. The cost to any single city would be slight, yet the cost to the state in terms of money, peoplepower, and added bureaucracy were this section not added would be high.

For example, in Juneau, an individual already hired by the city would take on the duties of this contract as a small part (currently four days a month) of her job at no additional cost to city or state.

In Anchorage, this could similarly be the case. Several people already hired for compatible duties (say, in the Borough Health Dept.) could incorporate these as a part of their job. The maximum staff that Anchorage should have to hire for the approximately 750 slots would be two people - a

small price to pay for an estimated \$685,000 in sharing from the state.

In smaller cities, only a couple days a month need be set aside for these contractual duties. On the other hand, the state would have to hire considerably more staff, including travel expenses, etc. at the estimated cost of \$100,000.

*Pg. 2, ln. 15: ~~As was mentioned; this was taken out of the purpose of the bill and put here instead;~~

(4) "Whether the family receives aid to families with dependent children and is eligible for day care service under aid to families with dependent children;

(5) "Other factors..."

*Pg. 2, ln. 20: "The contribution of the parent or guardian shall be paid to the day care facility."

This was simply a misunderstanding in the drafting.

*Pg. 3, ln. 23: "licensed by the Dept. of H.S.S. or recognized by the Federal government for the care of children".

This was added so that Head Start children could also benefit from this bill. In some areas where necessary Head Start programs have been expanded to a full day program and can include "private" children as well as federal funded children.

*Pg. 2, ln. 28: "'child' means a person up to the mandatory school age" Five was originally an arbitrary age given the limitations of the \$1.2 million appropriation. It was thought that the inclusion of all "pre-school" children was more reasonable since some areas of the state do not have kindergarten. Once the program has proven itself, and more money is available to it, we would hope that children in need up to age 12 or 14 would be included in subsequent years to provide before and after-school care and care during vacation and holidays.

Of course the most persistent question people have had on this bill is why it has been put in CRA rather than HSS. We feel that the placement in CRA is important to this piece of legislation for the following reasons:

- (1) Following the lead of the Federal government in this year's social services amendments, we believe it is important to separate from this program the "stigma" of welfare. This is a program to keep people off or remove them from the welfare rolls. In Juneau, over one-third of the participants (37%) were eligible for welfare, but just knowing that their children were adequately cared for allowed them to side-step AFDC and retain their independent lives. At any rate we surely don't need more folk standing in lines at 5 AM in sub-zero weather at the HSS eligibility office in Anchorage, for example.
- (2) HSS does not have an extensive history of contracting out services to local control, which is one of the main aims of this bill. In a dept. always underfunded, always needing more personnel and top heavy with bureaucracy, we feel that this program might simply get "lost" in the process. HSS has some serious problems on which we need to work. This is not the time to throw yet another program onto their already over burdened laps.
- (3) This bill was intended as a revenue-sharing idea, a community self-help program. CRA would only handle the money, would probably always contract out the administration of local programs, and would not concern itself with specific day care problems other than to see that the facilities contracted with were paid on time. HSS is frequently months behind in their payments seemingly due to the large bulk of programs it has to deal with.

HSS (DFCS) would continue to license and monitor the programs of the day care facilities as is its job. It should perhaps be noted here that when time comes to consider the HSS budget, serious thought should be given to assuring additional licensing staff to carry out this important job of quality control for the children of the state.