

H/B - 161

"An Act relating to day care facilities; and providing for an effective date."

2/12/75

COMMITTEE REPORT

FINANCE

HOUSE

Mr. Speaker:

Date 3-26

The Committee on HESS has had HB 161

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

(X) "and" recommends it BE REFERRED TO THE CEH Committee

COMMITTEE with individual recommendations

() reports it back WITHOUT RECOMMENDATION

(X) "other" individual recommendations

Members signing the Majority report:

<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

[Signature] recommends: NO REC

[Signature] recommends: NO REC

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman



Alaska State Legislature

House

JUNEAU ALASKA

HESS COMMITTEE MEETING

3-26-75

Members Present:

Davis	Parr
Hackney	Sullivan
Ose	Swanson
Osterback	
Ostrosky	

Chairman Sullivan called the meeting to order at 3:00pm. to take up DAY CARE bills.

Rick Davidge-Univ. of Alaska, Fairbanks

The need is great for child care on the Fairbanks Campus. (Handed out material)
The problem once again is due largely to pipeline impact. There are presently six facilities in the Fairbanks area, 162 children is the total capacity and there is a waiting list that is endless. We have taken a survey and come up with 300 children who are related to the University, and if they were to be taken out of the community centers and put in U of A centers, this would allow for the low income families to take advantage of the present centers. Three things we are trying for are:
1) money, 2) authorization, 3) cooperation. In the area of money, operating costs, capital improvements, and revenues, which would be put back into the program. We primarily interested in 3 year olds and up.

Ose What will this cost per child per day?

Davidge \$1 per hour per child per day. It is pretty much in line with the costs of the State Day Care Center operations now.

Ose Will this be for low income groups?

Davidge No, this will be for students, student families, and staff at the U of A.

Ose Have you looked into the possibilities for Federal support of this?

Davidge Our major problem is in the area of the facilities on or near the Campus to meet state requirements. (gave breakdown of financial aid, see attached)
Childcare is not a new program to the University, We have requirements in childhood and early development and this would be extending our academic program that would also function as a campus service.

Hackney I am questioning the \$29,000 yearly salary for the coordinator?

Sullivan I agree with you Mr. Hackney, that sounds too high.

Davidge \$14,000 to \$20,000 is presently being paid in the local Fairbanks area for this service. This person would also be a registered nurse.

Sullivan Is there anyone who is going to introduce this Legislation for you?

Davidge Yes, the Fairbanks delegation of both houses will be putting together a bill after reviewing this material. Everything here has been developed by the students and this is the first time in 20 years this has happened. I think you have a very good point on the salary level for example and I'm sure changes will be made with the introduction of a bill.

Sullivan Thank you Mr. Davidge and we will continue discussion on this presentation when we have a bill to work with.

HB 161 162

We have had previous discussion on these bills. They should be going to CRA and I would like to get these two bills moving and on to that Committee. The basic thrust of these bills is to make day care available on a sliding scale to people who prefer not to receive AFDC monies.

Swanson We should move these bills on to CRA, and I make a motion to that effect.

Without objection, So ordered.

HB 349 Ms. Sullivan gave Committee a few minutes to read over bill.

Hackney How big and How many? In section 'C', I wonder if we aren't setting up a privledged class?

Sullivan I see your point, what would you suggest?

Hackney Again your giving state employed something the general public isn't getting. It would almost have to be a condition between wage and state employees. I would like to hear from the AG on this matter. SEC. G may be a conflict with competitive day care centers.

Senator Chance Other employees could start providing these services, it could be by Federal Regulations tax deductible to the business. I have been working with the Chamber of Commerce as to this idea.

Swanson I think what we are trying to do is to add space or construct new space in new buildings for these services. Maybe we could contract its operation out or run the actual day care centers. All we are doing here is to put the facility in the buildings. If we kept it on a business basis it would be alright.

Senator Chance Back in WWII this was common practice as men went to war, to attract women to come to work, facilities were placed in many businesses. When the war was over, day care was dropped in these businesses to get women back into homes and let the men have the jobs.

Sullivan I think this bill has significant payback possibilities.

Hackney I would like to get the AG's opinion.

Ann from LAA I don't think you are going to have any Constitutional problems here.

Page Three
HESS Meeting
3-26-75

Day Care

Susan Clark The Federal people are providing day care, I can get the backup material on that for you.

Ose Who will make the Study?

Sullivan That's a good question and I wanted to bring this up for suggestions.

Hackney I al so think it would be important to define 'renovation' also a survey as to how many children will be involved per building.

Susan Clark I have just completed a survey in the Federal Building. Sent questionnaires out and will make a report available to the Committee on my findings.

Sullivan This will also take the pressure off of local day care centers to let low income familie. have these services available.

Meeting was adjourned and work session was continued on the bill.

POSITION PAPER
ON
HOUSE BILL 161

An act relating to Day Care Facilities; and providing for an effective date.

This bill coupled with House Bill 162 proposes to provide funding for day care for approximately 1,100 children of low-income parents. The \$1,600 to \$2,000 per year it now costs for full time day care is clearly beyond the means of many working parents. Consequently, large numbers of children are currently receiving inadequate day care or no day care. This bill would provide funding for adequate care for those children. It would also allow low-income parents who have not previously been able to enter the labor market to do so or to enter training programs and see that their children are receiving adequate care.

We note this bill vests in the Department of Community and Regional Affairs the responsibility for the following:

- The administration of day care assistance programs.
- The establishment of an eligibility determination unit.
- Contractual powers with day care facilities.
- Establish eligibility standards.
- Develop a sliding fee scale.
- Establish a monitoring mechanism for periodic reviews for needs of families receiving day care.

These are duplicative functions that are currently carried on by the Department of Health and Social Services. The FY76 Budget level does not permit the Department to carry out the expanded function as proposed in this bill, because of limited funds and manpower.

With the licensing function for the proposed program expansion placed with the Department of Health and Social Services, the positions and the funding specified on the attached fiscal note will be required in order to carry out the licensing function of House Bill 161. The purpose of licensing is to assure children in care protection, supervision and the promotion of sound growth and development. Licensing is not administration, but an essential part of day care service.

Virtually all licensed day care slots in the state are currently being utilized. There are only a handful of unused slots for the approximately 1,100 children this bill would fund. The Department does not have sufficient staff to license the number of slots needed to serve children under this bill. Slots are

as follows:

51 Day Care Centers	1,600 licensed capacity slots
143 Family Day Care Homes	490 licensed capacity slots
29 Head Starts	<u>600</u> slots
	2,690 capacity slots

Fewer than 500 of those slots can take children under age three. We estimate that nearly 550 children eligible under this bill will be under age three. This Department is currently using 550 of the licensed capacity slots for persons who are eligible for Aid to Families with Dependent Children (AFDC) day care. The general public is using the remainder of the slots. Parents of the 1100 children this bill would fund are not using these slightly higher priced slots, or there would be no need to fund them.

Without the development of additional licensed facilities, there are three potential major consequences. First, the vast majority of the funds under this bill will remain un-utilized. Low income parents will remain out of employment or training or, they will continue to be forced to place their children in inadequate facilities if they are working. Second, many working parents who are making marginal salaries but are above the income that would be allowable in this bill and who are currently using licensed care will be squeezed out of the licensed facilities, forcing them to either quit their jobs or training or to use inadequate day care. Third, parental choice in selecting day care facilities will be removed. Over 60% of parental choice is for family day care. This is especially true where infants and toddlers are in care.

The Department estimates a need for 13 licensing professionals and four clerical support staff to provide up to 3,000 licensed capacity slots, largely in Family Day Care Homes. The general public has as much right as state and federally funded children to use licensed slots. It has been the experience of the Division that there is high pressure on licensed facilities, particularly Day Care Homes, where family day care mothers receive up to three phone calls a day from mothers looking for child care for their children. In order to adequately provide slots for state/federally funded children licensed slots should exceed the number of funded children by 3 to 1. The 13 requested positions would provide this flexibility, would prevent children who are currently in licensed care from being displaced, and would provide additional safe facilities, good programming, and consumer protection for the general public.

Recommended By:

Freda M. Borchick
Freda M. Borchick
Acting Director

8/13/75
Date

Approved By *Paul F. Williamson*
for Francis S. Williamson
Commissioner

3/12/25
Date

Comments by Governor's Office:

By: _____

_____ Date

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. House Bill 161
 Title: An Act relating to day care facilities; and providing for an effective date
 Requested by: _____ Date: 3/5/75
 Return Date Requested: _____
 Agency: Health & Social Services Program: Social Service Day Care
Family & Children Services

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Social Services

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES		293.4	322.7	355.0	390.5	429.6
200 TRAVEL		7.4	8.1	8.9	9.8	10.8
300 CONTRACTUAL		28.2	31.0	34.1	37.5	41.3
400 COMMODITIES		3.4	3.7	4.1	4.5	5.0
500 EQUIPMENT		18.1	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		-0-	-0-	-0-	-0-	-0-
TOTAL		350.5	365.5	402.1	442.3	486.7

B. FUNDING: (Thousands of dollars)

GENERAL FUND		350.5	365.5	402.1	442.3	486.7
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	17 /	17 /	17 /	17 /	17 /
MAN MONTHS (P./T.)	/	204 /	204 /	204 /	204 /	204 /

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- A. Assumptions - for the sake of simplicity a 10% overall inflation factor was assumed.
- B. 13 Child Care Specialists and 4 Clerk-typist III's will be required. Forms 13 are attached showing details of cost. Locations were selected according to census data.

IV. ATTACHMENTS

V. DATE: 3/10/75 PREPARED BY: Ada Gleason

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B—JUNEAU 99801

March 5, 1975

The Honorable Susan Sullivan
Chairperson, House Health
& Social Services Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Ms. Sullivan:

Re: HB 161 & 162 (Day Care)

The Department of Community and Regional Affairs, Division of State Economic Opportunity, has done extensive research on the Day Care bills now before the State Legislature. We have presented both written and verbal testimony to the appropriate Senate committees holding hearings on the bills.

It is our understanding that HB 161 and the accompanying appropriations bill, HB 162, are identical to bills introduced in the Senate as SB 120 and SB 121. SB 120 was replaced by CSSB 120 and amended by the Finance Committee before its adoption. This department wholeheartedly supports those amendments to wit:

- 1) The department may adopt regulations for the performance of its duties.
- 2) The department may contract with local agencies to perform its duties under the act.
- 3) The department may solicit recommendations from local governing bodies regarding local agencies which may provide the contractual services under this section.
- 4) A contribution of the parent or guardian shall be made directly to the day care facility.

The Honorable Susan Sullivan
Alaska State Legislature

March 5, 1975

- 2 -

5) That definition of "day care" should also include those homes licensed or recognized by the federal government for the care of children.

6) That the age be changed for the definition of "child" up to the mandatory school age.

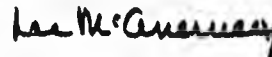
7) Incorporated local governments cover under contract terms necessary administrative costs.

It is the department's philosophy that under this type of a bill we would be administering under a contractual arrangement a program similar to grants or special revenue sharing. It is our position that a program administered in this fashion could realize considerable savings to the state, as well as having the desirable effect of local control over the project.

Attached are supportive documents as submitted to the Senate Finance Committee outlining how the department would administer the program under the guidelines of the Senate adopted version of the bills.

If you have questions regarding these documents or if we could assist you by offering verbal testimony we are more than happy to accommodate you.

Sincerely,



Lee McAnerney
Commissioner

LM:bf

Enclosures

cc: Eric Lee, Director
State Economic Opportunity

Lynn Wegener, Administrative Officer

Legislative Finance

Budget & Management
Dept. of Administration

FISCAL NOTF

First Session - Ninth Legislature

I. REQUEST

Bill No. CSSB 120 (as amended)
 Title: Day Care Assistance
 Requested by: Senate Finance Date: 2-20-75
 Return Date Requested: _____
 Agency: Dept. Comm. & Reg. Affairs Program: Social Service

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Div. State Economic Opportunity
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SFRVICES		47.5			
200 TRAVEL		5.0			
300 CONTRACTUAL		10.4			
400 COMMODITIFS		0.3			
500 EQUIPMENT		0.9			
600 LAND & STRUCTURES					
700 GRANTS, CLAIMS, ETC.					
TOTAL		64.1			

B. FUNDING: (Thousands of dollars)

GENERAL FUND		64.1			
FFEDERAL FUNDS					
OTHER					

C. POSITIONS:

PERMANENT/TEMPORARY	/	2/0	/	/	/
MAN MONTHS (P./T.)	/	24/0	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

V. DATE: 2-25-75 PREPARED BY: Fric Lee, Director
 Div. State Economic Oppor.

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CSSB 120

PERSONAL SERVICES

Coordinator -- Range 21	\$23,774.00
Field Representative -- Range 16	16,447.00
	<hr/>
	40,221.00
	7,240.00
	<hr/>
	\$47,461.00

TRAVEL

Monitoring and counseling at each site @ \$300 average per trip	\$5,000.00
	<hr/>
	\$5,000.00

CONTRACTUAL

Phones	
Basic	600.00
Long Distance	3,400.00
Postage	400.00
Printing of Regulations	1,000.00
Advertising of Public Hearings	500.00
Office Rent	
350 sq. ft. @ \$.45/sq. ft.	2,000.00
Xerox	500.00
Transportation of new employee personal effects	2,000.00
	<hr/>
	\$10,400.00

COMMODITIES

Office supplies and reference materials	\$300.00
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EQUIPMENT

2 Desks @ \$270.00	\$540.00
2 Chairs @ \$95.00	190.00
2 Chair mats @ \$30.00	60.00
2 Desk Lamps @ \$45.00	90.00
	<hr/>
	\$880.00

TOTAL ADMINISTRATIVE EXPENSES \$64,041.00

III. Analysis

A. Assumptions

1. Dept. of Community & Regional Affairs staff would be housed in existing DCRA facilities in Juneau.
2. All case work would be contracted with a local agency.
3. Div. of State Economic Opportunity in DCRA would administer program.
4. First year would be in areas with operating licensed centers or homes.
5. Administration and associated costs would be contracted to local communities.
6. At the minimum, eligibility requirements will follow Title XX Social Services Act as amended.
7. SFEO will be funded for FY 76.
8. Assistance will be appropriated at 1.2 million dollars.

B. Program Summary

1. Two new positions would be required in the DSEO.
 - a. Coordinator to set up the program, draft regulations and forms, negotiate for contractual services, conduct analysis and evaluation, and general supervision and administration of the program.
 - b. Field Representative would be responsible for training of contracted personnel, on site program monitoring and technical assistance to contractor and other duties as assigned by the Director and Coordinator.
 - c. The DSFO will provide accounting and clerical support with current staff.
2. Travel
 - a. It will be necessary for the Coordinator and Field Representative to travel to the individual communities involved for the purpose of training personnel, contract administration, program monitoring and evaluation.
 - b. Contractual -- All phases of the program directly related to contract with individual recipients, day-care centers or homes will be contracted to local agencies in those communities affected. Additional contractual costs are primarily for space and support of the new position.
3. Other Funding -- None.

CONSULTANTS

The following persons and agencies were consulted in preparation of this fiscal note:

Pat Monroe, Day Care Consultant, Dept. of H&SS
Ada Gleason, Day Care Licensing, Dept. of H&SS
Rosalie Walker, Early Childhood Specialist, Dept. of Ed.
Jennifer Peterson, Model Cities Administrator, City of Juneau
Mike Harper, Deputy Commissioner, Community & Regional Affairs
Reed Stoops, STAP, Div. of State Economic Opportunity, C&RA
Margaret Levitt, Research Analyst, DISEO, C&RA
Heather Flynn, Human Resources, League of Women Voters
Ann Gorsuch, " " " " " "
Elaine Huthengren, " " " " " "
Carol Johnson, Early Childhood Education, ASOSS
Sally Meade, Foster Parents Coordinator, Anch. Comm. College
Margaret Wolf, Child Care Consultant, G.A.A.B. Health Dept.
Betsey McGuire, Exec. Dir., Office of Child Advocacy
Roger Mooney, Head Start, Rural CAP
Pete Luttermoser, Region X, Office of Child Development
Phil Smith, Executive Director, Rural CAP
Lynn Wegener, Administrative Officer, C&RA
Mary McClinton, Rural Development Assistance, C&RA

DISTRIBUTION OF LICENSED HOMES, LICENSED DAY CARE CENTERS,
AND HEAD START FACILITIES IN ALASKA

City of Anchorage:

27 centers with slots for 850 children (one is for part-time only)
97 licensed homes
3 Head Start locations which serve 100 children (approximately four hours per day)

City of Fairbanks:

8 centers with slots for 213 children
18 licensed homes
Head Start serves 80 children

City and Borough of Juneau:

5 centers with slots for 199 children (one is for summer only)
22 licensed homes

South Central Alaska:

Palmer: 2 centers with slots for 75 children
3 licensed homes

Chugiak: 1 center with slots for 30 children

Seward: 1 center with slots for 20 children
2 homes

Fagle River: 2 homes

Kenai: 1 home

Valdez: 1 center with slots for 24 children

Southeast Alaska:

Hoonah: 1 center with slots for 30 children

Ketchikan: 2 centers with slots for 42 children
2 homes

Sitka: 1 center with slots for 37 children
2 homes

Petersburg: 1 center with slots for 28 children

Southwest Alaska:

Kodiak: 1 center with slots for 49 children
3 homes

Dillingham: 1 home

Western Alaska:

Bethel: 1 center with slots for 30 children

Kotzebue: 1 center with slots for 50 children

Northern Alaska:

Barrow: School district operated program for 50 children

Rural Alaska:

30 villages have Head Start programs (which are not
day care); each serves from 15 to 30 children
3-1/2 to 5 hours per day.

HEAD START VILLAGES

Alakanuk	31 children	Nondalton	16 children
Chevak	21 children	Noatak	17 children
Emmonak	21 children	Noorvik	29 children
Fort Yukon	16 children	Nunapitchuk	21 children
Gambell	14 children	Nulato	20 children
Fortuna Ledge	18 children	Old Harbor	16 children
Hooper Bay	32 children	Point Hope	16 children
Kake	23 children	Saint Paul	21 children
Kaltag	13 children	Savoonga	20 children
Kiana	19 children	Selawik	15 children
Kodiak	20 children	Stebbins	30 children
Kwethluk	22 children	Togiak	26 children
Manokotak	21 children	Wainwright	21 children
Mekoryuk	15 children	Yakutat	20 children
Mountain Village	26 children	(operated by school district)	

NAME	REPRESENTING	TESTIFYING
Margaret Wolfe		
Sharon Hull		
Eric Lee		
JEN PETERSON	City Council of Juneau MODEL CITIES	Yes ✓
Jackie Camon		
Margaret Bazeman	Chairman Fairbanks, Alaska	
PHIL SMITH	Rural Community Action Program	a
Margaret Leith	Dep. of CYRA	-no-
CHARLES L. PARR	REGIONAL ADVISORY BD. FBA	NO
Rosalee J. Walker	Juneau 4C's Agency	Yes ✓
Elaine Huttengen	Governors Advisory Board	
ERIC LEE	Director, Div of State Economic Opportunity (CIRA)	IF REQUESTED
Mary Afean	Top 2000 Business Board day care worker, Fairbanks	yes ✓
Margaret Wolfe	DFCS Advisory Bd	yes ✓
Karen Williams	DFCS Adv Board	no
Pat Denny	DFCS Adv Board	no
Mary Eukalen	DFCS Adv Board	no
Care John	DFCS Advisory Bd Anchorage	no
Velma Haines	DFCS Adv Board	no
Glorie Houston Way	DFCS Advisory Board, Juneau	no
Susan Connolly	DFCS Adv Board, Anchorage	no