

COMMITTEE REPORT  
SENATE

FURTHER:

2/13/84

Date 2/24/84

Mr. President

The Committee on FINANCE considered SB 323.  
Relating to income of Alaska Pioneers' home residents.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 323 (Fin)
- new title
- same title and recommends Do Pass
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation 2/17/84  
\$ 133.0
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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Chairman \_\_\_\_\_

Chairman recommendation \_\_\_\_\_

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: February 17, 1984  
Page 1 of 2

REQUEST

Bill/Resolution No.: CSSB 323 (State Affairs)  
Title: Income of Pioneers' Homes Residents

Sponsor: V. Fisher  
Requestor:  
Date of Request:

FISCAL DETAIL

Agency Affected: Administration  
Program Category Affected: Social Servcs

BRU, Program of Subprogram(s) Affected:  
Pioneers' Homes

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		133.0	133.0	133.0	133.0	133.0
800 MISCELLANEOUS						
TOTAL OPERATING	0	133.0	133.0	133.0	133.0	133.0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	133.0	133.0	133.0	133.0	133.0
FEDERAL FUNDS	0					
OTHER (Specify Source)	0					
TOTAL	0	133.0	133.0	133.0	133.0	133.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not indicated by sponsor.

ANALYSIS: Attach a separate page for any analysis

Prepared By: E. Louis Keller, Director  
Division: Pioneers' Benefits

Phone: 465-4401  
Date: February 17, 1984

Approved by Commissioner: Lisa Rudd  
Department: ADMINISTRATION

Date: 2/23/84  
Revised:

FISCAL NOTE/BDGSF2

Distribution:  
Legislative Finance  
Legislative Sponsor  
Registrar  
Office of Management and Budget  
Impacted Agency(ies)

12/1/83

CSSB 323 (State Affairs)  
Fiscal Note Analysis  
Prepared by Division of Pioneers' Benefits  
Department of Administration  
February 17, 1984

ASSUMPTIONS

1. The bill would become effective on July 1, 1984.
2. The Pioneers' Home populations would remain stable, but the total number of residents receiving the stipend would increase from 154 to 165 due to inclusion of the persons who have less than \$100 monthly income.
3. The stipend payments would continue to be paid from the General Fund.
4. The rates for cost of care would remain at the present level of \$425 per month for residential care and \$525 per month for skilled nursing care.



Original sponsors: V.Fischer, Ziegler,  
Kerittula, et al

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 323 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Pioneers' Home."

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

8 \* Section 1. AS 47.25.020(b) is amended to read:

9 (b) Every person admitted to the Pioneers' Home, except a person  
10 admitted under AS 47.25.030, who receives income from any source in  
11 excess of \$100 per [\$35 A] month may be required by the Department of  
12 Administration to pay the excess to the Department of Administration  
13 immediately upon receipt of the money in payment, or part payment, of  
14 the cost of the person's [HIS] maintenance.

15 \* Sec. 2. AS 47.25.020(c) is amended to read:

16 (c) At the end of each month the payments made under (b) of this  
17 section shall be transmitted to the commissioner of revenue together  
18 with the names of the persons making them and the amount paid by each.  
19 The Department of Administration may pay [THE SUM OF \$35 A MONTH] to a  
20 resident without funds th. sum of \$100 per month.

21 \* Sec. 3. AS 47.25.030 is amended by adding a new subsection to read:

22 (b) The Department of Administration shall adopt regulations  
23 establishing a daily or monthly rate for the compensation a resident  
24 is to be charged under (a) of this section. The commissioner of  
25 administration shall review this rate not less than once every two  
26 years.

27 \* Sec. 4. AS 47.25 is amended by adding a new section to read:

28 Sec. 47.25.045. NOTICE OF RATE INCREASES. The Department of  
29 Administration shall provide to all residents of the Alaska Pioneers'

1 Home written notice of any proposed increase in the rate charged for  
2 care and support of persons at the home. Notice under this section  
3 shall be given not less than 60 days before an increase is adopted.

4 \* Sec. 5. AS 47.25.070 is repealed and reenacted to read:

5 Sec. 47.25.070. INDEBTEDNESS OF PIONEERS' HOME RESIDENT TO  
6 STATE. (a) The following expenses incurred for a Pioneers' Home  
7 resident under AS 47.25.010 - 47.25.110 are a debt to the state and  
8 may be recovered during the life of the resident:

9 (1) allowances paid under AS 47.25.020(c);

10 (2) costs of standard or nursing care provided in the  
11 Pioneers' Home each month to the resident not exceeding the rate  
12 established by the Department of Administration under AS 47.25.030,  
13 with credit given for any amounts paid by or collected from the resi-  
14 dent;

15 (3) arrearages in fees for ancillary charges in the  
16 Pioneers' Home;

17 (4) prescription medicine; and

18 (5) burial and related expenses.

19 (b) The debt is a first, prior and preferred claim against the  
20 estate of the Pioneers' Home resident after the resident's death, and  
21 after all claims for food, clothing, fuel, shelter, medical aid, or  
22 burial expenses are paid. Hei ooms without regard to value are  
23 exempt from a claim by the state under this section.

24 (c) Money left in charge of the Department of Administration by  
25 a deceased Pioneers' Home resident may be used for the burial and  
26 funeral expenses of the resident and for the improvement of the burial  
27 plot of the Pioneers' Home.

28 (d) If the clothing and other personal effects of a deceased  
29 Pioneers' Home resident are not claimed by a person designated by the

1 resident, or by a relative of the resident if no designee survives  
2 within 60 days after the home notifies the person or relative of th  
3 death of the resident then the clothing and effects may be used fo  
4 the benefit of other residents, or they may be sold and the proceed  
5 applied in the manner provided for money left by a deceased resident.

6 (e) For purposes of this section, "heirloom" means personal  
7 property of sentimental value to a Pioneers' Home resident that has  
8 been in the possession of the resident's family for 10 years or more  
9 or was a gift to the resident.  
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Introduced: 1/9/84  
Referred: State Affairs and  
Finance

BY V.FISCHER, ZIEGLER, KERTTULA,  
RODEY, JOSEPHSON, RAY AND  
STURGULEWSKI

1 IN THE SENATE

2 SENATE BILL NO. 323

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to income of Alaska Pioneers' Home  
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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 47.25.020(b) is amended to read:

10 (b) Every person admitted to the Pioneers' Home, except a person  
11 admitted under AS 47.25.030, who receives income from any source in  
12 excess of \$100 per [\$35 A] month may be required by the Department of  
13 Administration to pay the excess to the Department of Administration  
14 immediately upon receipt of the money in payment, or part payment, of  
15 the cost of the person's [HIS] maintenance.

16 \* Sec. 2. AS 47.25.020(c) is amended to read:

17 (c) At the end of each month the payments made under (b) of this  
18 section shall be transmitted to the commissioner of revenue together  
19 with the names of the persons making them and the amount paid by each.  
20 The Department of Administration may pay [THE SUM OF \$35 A MONTH] to a  
21 resident without funds the sum of \$100 per month, adjusted annually in  
22 accordance with the consumer price index for Anchorage, published by  
23 the United States Department of Labor, Bureau of Labor Statistics.



# Alaska State Legislature

## Senate Committee on State Affairs

Vic Fischer, Chair • Pouch V  
Juneau, Alaska 99811  
(907) 465-4954

Official Business

### MEMORANDUM

TO: Senate Finance Committee  
FROM: Senator Vic Fischer *VF*  
RE: SB 323 Pioneer home residents  
DATE: February 23, 1984

Attached you will find a copy of a proposed finance committee substitute for SB 323. The proposed CS amends the State Affairs version of SB 323 by adding a provision that would require the Department of Administration to give written notice to all pioneer home residents 60 days before a rate increase is adopted. This language comes from lines 10-15 of SB 405.

The State Affairs Committee recently heard SB 405. It was the consensus of the committee and Senator Josephson that the notice requirement to Pioneer Home residents in SB 405 be included in SB 323. This decision resulted from the fact that CSSB 323 (State Affairs) already included a procedural section on rate increases for Pioneer Home residents.

In effect, then, the finance CS addresses the problem of rate increases by requiring the department to:

- 1) establish in regulation the compensation to be charged pioneer home residents,
- 2) review the rate every two years,
- 3) give notice to residents of the homes 60 days before an increase.

### Fiscal information

FY 85	133.0 thousand
FY 86	139.1 thousand
FY 87	145.5 thousand

*FEB 17, 1984*  
*FISCAL*  
*2/23/84*

### Back up information

#### Sectional analysis

All version of SB 323

Copy of SB 405

Department of Administration position paper and fiscal note for SB 405

Department of Administration position paper and fiscal note for CSSB 323 (State Affairs)

A copy of relevant statutes

February 23, 1984

Sectional Analysis for CSSB 323 (Finance)

- Section 1: Increases the allowance to qualifying Pioneer Home residents from \$35 to \$100 a month; states that any money in excess of the stipend may be required by the Department of Administration.
- Section 2: States that the money collected by the Department of Administration shall be transferred to the Commissioner of Revenue; raises from \$35 to \$100 the amount paid to Pioneer Home Residents without funds.
- Section 3: Requires the Department of Administration to establish in regulation the daily or monthly rate charged to the resident to compensate the state, and requires the department to review the regulations at least every two years. This section also requires the department to give 60 day notice before a rate increase is adopted.
- Section 4: Outlines the expenses for which the resident of the home is responsible; states that the debt to the state is the first claim against the residents estate; exempts heirlooms from a claim by the state; defines that money left in charge of Dept. of Admin. by a deceased resident shall be used for burial purposes; outlines the method by which personal effects of the deceased resident are to be dispersed; defines heirloom as personal property of sentimental value to the resident that has been in possession of the resident's family for 10 or more years or was a gift to the resident.

CS OR SENATE BILL 323 An Act relating to the Alaska Pioneers' Home

1/9/84

Introduced by Senator V. Fischer  
Referred: State Affairs, Finance

2/13/84

State Affairs passed Committee Substitute, 5-0  
Fiscal Note in Senate Supplement #52

Fiscal Note:

FY85 \$133,000

Summary:

Section 1 increases the allowance to qualifying Pioneer Home residents from \$35 to \$100 a month. It further states that money in excess of the stipend may be required by the Department of Administration.

Section 2 states that the money collected by the Department of Administration shall be transferred to the Commissioner of Revenue. It also raises from \$35 to \$100 the amount paid to Pioneer Home Residents without funds.

Section 3 requires the Department of Administration establish, in regulation, the daily or monthly rate charged to residents to compensate the state, and requires the Department to review the regulations at least every two years.

- Section 4:
- 1) outlines the expenses that residents are responsible for;
  - 2) states that the debt to the state is the first claim against the residents estate;
  - 3) exempts heirlooms from a claim by the state;
  - 4) specifies that money left by a deceased resident by used for burial;
  - 5) outlines how personal effects of the deceased are to be dispersed;
  - 6) defines the term "heirloom".

2/22/84


POSITION PAPER  
SB 323

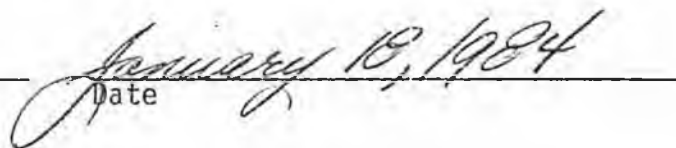
This bill would increase the monthly stipend paid to certain residents (who are otherwise without funds) of Alaska's Pioneers' Homes from the current \$35 to \$100, and would also cause that sum (\$100) to be adjusted annually in accordance with the consumer price index for Anchorage. The current \$35 stipend is clearly too little. An increase is indicated.

Sixty-one residents, or just under 10% of all the residents of the Pioneers' Home system presently receive the \$35 stipend. However, the full effect of the recent monthly rate increase has not yet been felt, and it is anticipated that the estimates of stipend needed for FY 85 are more accurately reflected in the operating budget which includes funds for 154 persons (\$65,000). The Division of Pioneers' Benefits estimates that should this bill become law, the number of residents who would qualify for the monthly stipend would be increased to as many as 165 residents, due to more people having less than \$100 in monthly income.


It would be more difficult to prepare annual budgets if the annual adjustment clause of this bill should become law. Also with each adjustment more residents would qualify for the stipend.

The department supports an increase in the monthly stipend, but cautions that \$100 is a 286% increase over the current \$35, and there is uncertainty about how many more residents will be eligible. The department does, however, support increasing the stipend to somewhere between \$75 and \$100.

  
\_\_\_\_\_  
E. Louis Keller, Director  
Division of Pioneers' Benefits

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Lisa Rudd, Commissioner of  
Administration

  
\_\_\_\_\_  
Date

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

Page 1 of 2

REQUEST

Bill/Resolution No.: S.B. 323  
Title: Income of Pioneers' Homes Residents

Sponsor: Fischer  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Administration  
Program Category Affected: Social Servcs

BRU, Program of Subprogram(s) Affected:  
Pioneers' Homes

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		133.0	139.1	145.5	152.2	159.2
800 MISCELLANEOUS						
TOTAL OPERATING		133.0	139.1	145.5	152.2	159.2
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		133.0	139.1	145.5	152.2	159.2
FEDERAL FUNDS						
OTHER (Specify Source)						
TOTAL		133.0	139.1	145.5	152.2	159.2

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not indicated by sponsor.

ANALYSIS: Attach a separate page for any analysis.

Prepared By: George A. Michael  
Division: Pioneers' Benefits

Phone: 465-4401  
Date: January 13, 1984

Approved by Commissioner: Lisa Rudd  
Department: ADMINISTRATION

Date: 1/19/84

FISCAL NOTE/BDGSF2

Distribution:  
Legislative Finance  
Legislative Sponsor  
Registrar  
Office of Management and Budget  
Impacted Agency(ies)

12/1/83

ASSUMPTIONS

1. The bill will become effective on July 1, 1984.
2. The Pioneers' Home populations will remain stable, but the total number of residents receiving the stipend will increase from 154 to 165 due to inclusion of the persons who have less than \$100 monthly income.
3. The amount of the monthly stipend will increase by 4.6% each year after FY 85. This rate of increase is the average of the last 3 years' increase in the Consumer Price Index for the Anchorage area for "all urban consumers," as determined by the United States Department of Labor, Bureau of Labor Statistics. It is assumed, (for lack of better indicators) that this average rate of increase will continue.
4. The stipend payments will continue to be paid from the General Fund.
5. The rates for cost of care will remain at the present level of \$425 per month for residential care and \$525 per month for skilled nursing care.

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

1/9/84

Date: 2/9/84

Mr. President:

The Committee on State Affairs has had SB 323

Relating to income of Alaska Pioneers' Home residents.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

[ ] do pass [ ] do not pass

[ ] do pass with attached amendments(s)

[X] replace with CS for SB 323 (SA) [X] same title new title and recommends

[ ] AND attaches a "Letter of Intent" [X] New Fiscal Note

[ ] reports it back without recommendation

[ ] referred to the Committee

MEMBERS SIGNING DO PASS

Tim Kelly
Cecil Stangor
Robert Bradley
Bice Ray

MEMBERS HAVING OTHER RECOMMENDATIONS:

[Empty lines for other recommendations]

[Signature]

CHAIRMAN

Offered: 2/13/84  
Referred: Finance

Original sponsors: V.Fischer, Ziegler,  
Kerttula, et al

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR SENATE BILL NO. 323 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 THIRTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to the Alaska Pioneers' Home."  
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
8 \* Section 1. AS 47.25.020(b) is amended to read:  
9 (b) Every person admitted to the Pioneers' Home, except a person  
10 admitted under AS 47.25.030, who receives income from any source in  
11 excess of \$100 per [\$35 A] month may be required by the Department of  
12 Administration to pay the excess to the Department of Administration  
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16 (c) At the end of each month the payments made under (b) of this  
17 section shall be transmitted to the commissioner of revenue together  
18 with the names of the persons making them and the amount paid by each.  
19 The Department of Administration may pay [THE SUM OF \$35 A MONTH] to a  
20 resident without funds the sum of \$100 per month.  
21 \* Sec. 3. AS 47.25.030 is amended by adding a new subsection to read:  
22 (b) The Department of Administration shall adopt regulations  
23 establishing a daily or monthly rate for the compensation a resident  
24 is to be charged under (a) of this section. The commissioner of  
25 administration shall review this rate not less than once every two  
26 years.  
27 \* Sec. 4. AS 47.25.070 is repealed and reenacted to read:  
28 Sec. 47.25.070. INDEBTEDNESS OF PIONEERS' HOME RESIDENT TO  
29 STATE. (a) The following expenses incurred for a Pioneers' Home

1 resident under AS 47.25.010 - 47.25.110 are a debt to the state and  
2 may be recovered during the life of the resident:

3 (1) allowances paid under AS 47.25.020(c);

4 (2) costs of standard or nursing care provided in the  
5 Pioneers' Home each month to the resident not exceeding the rate  
6 established by the Department of Administration under AS 47.25.030,  
7 with credit given for any amounts paid by or collected from the  
8 resident;

9 (3) arrearages in fees for television services provided in  
10 the Pioneers' Home;

11 (4) prescription medicine; and

12 (5) burial and related expenses.

13 (b) The debt is a first, prior and preferred claim against the  
14 estate of the Pioneers' Home resident after the resident's death, and  
15 after all claims for food, clothing, fuel, shelter, medical aid, or  
16 burial expenses are paid. Heirlooms without regard to value are  
17 exempt from a claim by the state under this section.

18 (c) Money left in charge of the Department of Administration by  
19 a deceased Pioneers' Home resident may be used for the burial and  
20 funeral expenses of the resident and for the improvement of the burial  
21 plot of the Pioneers' Home.

22 (d) If the clothing and other personal effects of a deceased  
23 Pioneers' Home resident are not claimed by a person designated by the  
24 resident, or by a relative of the resident if no designee survives,  
25 within 60 days after the home notifies the person or relative of the  
26 death of the resident then the clothing and effects may be used for  
27 the benefit of other residents, or they may be sold and the proceeds  
28 applied in the manner provided for money left by a deceased resident.

29 (e) For purposes of this section, "heirloom" means personal

1 property of sentimental value to a Pioneers' Home resident that has  
2 been in the possession of the resident's family for 10 years or more  
3 or was a gift to the resident.

*3/23/84  
2202 revised  
in committee  
already incorporated  
to 3/23/84*

A M E N D M E N T

Offered in the SENATE

By Josephson

TO: CSSB 323(SA)

Page 1, after line 26, insert a new section to read:

"\* Sec. 4. AS 47.25 is amended by adding a new section to read:

Sec. 47.25.045. NOTICE OF RATE INCREASES; HEARINGS. (a) The Department of Administration shall provide to all residents of the Alaska Pioneers' Home written notice of any proposed increase in the rate charged for care and support of persons at the home. Notice under this section shall be given not less than 60 days before an increase is adopted. The notice shall include the time, date, and place of a hearing to be held by the Department of Administration under (b) of this section.

(b) Not less than 30 days before a proposed rate increase is adopted, the Department of Administration shall conduct a hearing at which interested persons shall be given the opportunity to submit written or oral testimony, statements, arguments or contentions relating to the proposed rate increase. The department shall consider all relevant matter presented to it before adopting a rate increase."

Renumber remaining sections accordingly.