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# Alaska State Legislature

CO-CHAIRMAN  
FINANCE COMMITTEE

907-465-3740

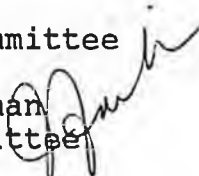
JAN FAIKS  
POUCH V  
CAPITOL BUILDING  
JUNEAU, ALASKA 99311

## Senate

April 21, 1986

### MEMORANDUM

TO: Pat Rodey, Chairman  
Senate Judiciary Committee

FROM: Jan Faiks, Co-Chairman  
Senate Finance Committee 

SUBJECT: Senate Bill 482 - Day Care Assistance Payments

SB 482 reduces the administrative charge municipalities and organizations can take for operating the state's day care assistance program. Currently the statute permits the groups to take 10% of the grant amount. SB 482 reduces this to 5%.

This legislation is in response to the Finance Committee's decision to reduce the day care assistance program. In doing so, however, the committee wanted to "protect" as much as the assistance that goes to a parent for a child's day care costs. The Committee agreed limiting the program's overhead was one step in accomplishing this.

If the committee needs any additional information, please let me know.

OUT OF SESSION

1024 WEST SIXTH AVENUE, SUITE 302 ANCHORAGE, ALASKA 99501 907-274-6611

Original sponsor: Finance Committee

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 482 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administrative costs of  
7 day-care assistance payments to municipalities and  
8 organizations; and providing for an effective date."

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

10 \* Section 1. From July 1, 1986, through June 30, 1988, the amount of  
11 payments made by the state to municipalities and organizations under  
12 AS 44.47.260(1) is reduced to five percent of the total annual day-care  
13 benefits paid to day-care facilities in the geographic area administered by  
14 that municipality or organization.

15 \* Sec. 2. The reduction under sec. 1 of this Act is extended for suc-  
16 cessive two-year periods until this Act is repealed.

17 \* Sec. 3. This Act takes effect July 1, 1986.

Name: Dinah M. Hobson  
Local Day Care Administrators Association Member

I am writing you this testimony against House Bill # 482.

I am adamantly opposed to the five percent (5%) administration cut to the Day Care Assistance Program.

The Juneau Day Care Assistance Program can not possible survive on a 5% cut in administration. The Juneau Day Care Program would reach a crisis level in service to the community. Juneau see 171-200 families a month for Day Care. 60-100 sitters need to be payed for their service.

The Juneau Day Care Program runs on one administrative assistant and one half time clerk. Juneau Day Care needs more staff not less staff.

If the Juneau Day Care Program is cut by 5%, the clerk position would be cut to none and the administrative assistant would work half time. They would have no funds for paper and supplies.

Families could not get in for an appointment for three months. Sitters would not be payed for at least four to six weeks.

I urge law makers not to pass Bill # 482.