

CSSS HB

57

SENATE COMMITTEE REPORT

FURTHER:

5/15/87

DATE TURNED INTO OFFICE 5/16/87

Mr. President:

FINANCE Committee considered CSSSHB 57(Fin)am

establishing the Alaska children's trust fund to provide a continuing source of revenue for grants to community-based programs for the prevention of child abuse and neglect; efd.

and recommended:

[ ] replace with \_\_\_\_\_ ) [ ] same title  
[ ] or adopt \_\_\_\_\_ ) [ ] new title

[ ] attached amendment(s)

[ ] do pass

[ ] do not pass

[ ] no recommendation

[ ] individual recommendations

[ ] further referral to \_\_\_\_\_

[ ] letter of intent adopted \_\_\_\_\_

Committee [ ] attached or [ ] adopted fiscal note(s)

[ ] new [ ] updated or [ ] previous  
[ ] zero [ ] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature] DO PASS  
Chairman signature and recommendation

[ ] Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

RO Age 5/16/87  
No. 8

CC

Bill Version: CS SS HB 57(Fin)  
Publish Date: HOUSE 4/13/87

REQUEST \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: "An act establishing the Alaska children's trust fund..."  
Sponsor: Goll, Brown, et al  
Requestor: HOUSE FINANCE

Agency Affected: Revenue  
BRU: Administrative Services

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
<b>OPERATING</b>						
PERSONAL SERVICES	-	20.2	17.0	17.0	17.0	17.0
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	5.0	5.0	5.0	5.0	5.0
SUPPLIES	-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	33.4	22.2	22.2	22.2	22.2
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	33.4	22.2	22.2	22.2	22.2
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	33.4	22.2	22.2	22.2	22.2

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	4	3	3	3	3
TEMPORARY	-	-	-	-	-	-

ANALYSIS : (Attach a separate page if necessary)

\_\_\_\_\_

Prepared by: Al Adams Chair Phone: 465-3706  
Division: House Finance Committee Date: 4/11/87

APA

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

- c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.
- d) Due to the complexity of balancing and certifying warrant runs with varying warrant amounts, additional temporary staff will be required to balance the weekly warrant runs from October through December of each year.

1. Positions

1 PPT Analyst/Programmer V, R21  
@ \$5,638.47/Mo including salary  
and benefits for 2 months = \$11.2

PCN 04-1125 would be funded for an additional two months, in accordance with Attachment A. Ongoing maintenance of new programs would be accomplished by existing staff.

1 PPT Document Processor I, R7  
@ \$2,117.76/Mo, including salary and  
benefits for 3 months = \$6.3

This position would assist in the manual review and coding of 540,000 applications for the new contribution decision. This position represents the equivalent of the additional time and effort.

1 PPT Data Processing Clerk I, R8,  
@ \$2,221.64/Mo, including salary and  
benefits for 2 months = \$4.4

This position would assist in the data capture of the additional contribution decisions. The position represents the equivalent value of the additional time and effort.

1 PPT Document Processor I, R7,  
@ \$2,117.76/Mo, including salary  
and benefits, for 3 months = \$6.3

This position will assist in the balancing and verification of the weekly warrant runs from October 1 through December 31 each year.

TOTAL Personal Services \$28.2

Department of Revenue  
Administrative Services Division  
Fiscal Note Analysis  
SSHB 57  
Summary of Data Processing Requirements  
2/25/87

Wang data entry processing	75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer
IBM Update jobs	30.0 hours
Includes:	Edits Batch listings Log sheets
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the Alaska Children's Trust Fund, and to account for the reserve necessary due to returned and cancelled PFD warrants.
Miscellaneous	45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.
TOTAL HOURS	300.0 hours

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act relating to the Alaska children's trust fund to provide etc.  
Sponsor: Gail Brown, etc.  
Requestor: HOUSE FINANCE

Agency Affected: Public Safety  
BRU: Council on Domestic Violence and Sexual Assault  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

APA

Prepared by: Al Adams Chair Phone: 465-3706  
Division: House Finance Committee Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

REQUEST: \_\_\_\_\_

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

Title: Alaska Children's Trust Fund

Agency Affected: Department of Revenue

BRU: Treasury

Sponsor: Goll

Requestor: HOUSE FINANCE

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
<b>OPERATING</b>						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	-	-	-	-	-
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

APA

Prepared by: Al Adams Chair  
Division: House Finance Committee

Phone: 465-3706

Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

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

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSSHB 57 (Fin)  
Publish Date: HOUSE 4/13/87

REQUEST

Revision Date: \_\_\_\_\_ Agency Affected: Department of Revenue  
Title: "...Ak children's trust fund to provide a continuing source of revenue for..." BRU: Revenue- Permanent Fund Dividend  
Sponsor: Gall, Brown, Ellis, Navarre, etc. Components: \_\_\_\_\_  
Requestor: HOUSE FINANCE !

EXPENDITURES/REVENUES: (Thousands of Dollars)

<u>OPERATING</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS/CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

<u>CAPITAL</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
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<u>REVENUE</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

APA

Prepared by: Al Adams Chair Phone: 465-3706  
Division: House Finance Committee Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

Revision Date: \_\_\_\_\_  
Title: Alaska Children's Trust Corp.

Agency Affected: Office of the Governor  
BRU: Executive Operations

Sponsor: Goll, Brown, Ellis, Navarre, Boyer  
Requestor: Larson, Phillips, Menard

Component: Alaska Children's Trust Corp

HOUSE FINANCE

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

ABA

Prepared by: Al Adams Chair  
Division: House Finance Committee

Phone: 465-3706  
Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

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

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

SENATE AMENDMENT

By THE FINANCE COMMITTEE

To: \_\_\_\_\_ SENATE BILL No. \_\_\_\_\_

To: SCS CS SS HOUSE BILL No. 57 (Jud)

PAGE: 5      LINE: 14

DELETE "managing"      AND

INSERT "establishing"

Original sponsors: Goll, Brown,  
Ellis, et al.

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE  
2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 57 (Judiciary)  
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) permanent fund dividend contributions made under  
19 AS 37.14.210;

20 (2) legislative appropriations to the fund; and

21 (3) gifts, bequests, and contributions of cash or other  
22 assets from a person.

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

27 Sec. 37.14.205. POWERS AND DUTIES OF THE COMMISSIONER OF REVE-  
28 NUE. The commissioner of revenue is the treasurer of the fund and has  
29 the following powers and duties under this section:

1           (1) to act as official custodian of the cash and invest-  
2           ments belonging to the fund by securing adequate and safe custodial  
3           facilities;

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

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

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

12          (5) to exercise the powers of an owner with respect to the  
13          assets of the fund;

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

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

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

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

25          (10) to report to the board the condition and investment  
26          performance of the fund.

27          Sec. 37.14.210. CONTRIBUTION TO THE ALASKA CHILDREN'S TRUST  
28          FUND. (a) The Department of Revenue shall prepare the permanent fund  
29          dividend application to allow an applicant to contribute all or part

1 of a dividend to the Alaska children's trust fund as follows:

- 2 (1) \$25;  
3 (2) \$50;  
4 (3) \$100;  
5 (4) \$250; or  
6 (5) the entire amount of the dividend.

7 (b) The department shall pay contributions directly to the fund.

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

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

- 11 (1) the governor or a designee of the governor;  
12 (2) the commissioner of health and social services or the  
13 commissioner's designee;  
14 (3) a member of the Council on Domestic Violence and Sexual  
15 Assault elected by the council;  
16 (4) the director of the office of public advocacy or the  
17 director's designee;  
18 (5) the commissioner of education or the commissioner's  
19 designee;  
20 (6) a member of the senate elected by the members of the  
21 senate;  
22 (7) a member of the house of representatives elected by the  
23 members of the house of representatives; and  
24 (8) three members appointed by the governor as follows:  
25 (A) a licensed physician with a specialty in pedi-  
26 atrics who has practiced medicine in the state for at least five  
27 years and who is an expert in the subject of child abuse and  
28 neglect; and  
29 (B) two public members, one of whom is a recognized

1 expert in the subject of child abuse and neglect.

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

3 (c) The staff of the office of child advocacy serves as the  
4 staff of the board.

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

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

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

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

13 (4) before providing assistance to a program or project,  
14 approve written findings on the program or project that include a  
15 consideration of the means of measuring the effectiveness of the  
16 program or project;

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

20 (6) solicit permanent fund dividend contributions and other  
21 contributions, gifts, and bequests to the fund;

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

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

26 (A) the child abuse and neglect prevention services  
27 that were provided by the programs and projects to which the  
28 board awarded grants; and

29 (B) the annual level of contributions, income, and

1 expenses of the fund.

2 Sec. 37.14.240. FUND UTILIZATION. (a) The principal of the  
3 fund and any capital gains or losses realized on the principal shall  
4 be retained perpetually in the fund for investment as specified in  
5 AS 37.14.205, and may not be used for the awarding of grants.

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

8 (1) the awarding of grants;

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

10 (3) soliciting permanent fund dividend contributions and  
11 other contributions, gifts, and bequests for the fund; and

12 (4) reimbursement to the Department of Revenue for the  
13 costs

14 (A) of ~~managing~~<sup>establishing</sup> the fund;

15 (B) of making changes to the permanent fund dividend  
16 application under AS 37.14.210; and

17 (C) directly attributable to calculating and deposit-  
18 ing permanent fund dividend contributions to the fund.

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

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

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

29 (2) the application for financial assistance contains an

1       adequate plan for project implementation, including both financial  
2       feasibility and project effectiveness;

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

6               (4) the applicant has identified costs associated with and  
7       ancillary to the project, additional governmental costs, future obli-  
8       gations generated by the program or project, and necessary operating,  
9       maintenance, or other support costs for the life of the program or  
10      project.

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

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

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

17                      (2) will make the most effective use of the money avail-  
18      able.

19              (d) The amount of all grants awarded by the board during a  
20      12-month period to a single project or program may not exceed \$50,000.  
21      The board may not finance more than 75 percent of the cost of a pro-  
22      gram or project during each of the first two years for which the  
23      program or project receives a grant, 50 percent during each of the  
24      third and fourth years, and 25 percent during each year thereafter.

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

27              (f) To the extent consistent with the terms or conditions of the  
28      grant, a private or federal grant awarded to the board shall be dis-  
29      tributed in the same manner as provided for grants under this section

1 and AS 37.14.260.

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

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

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

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

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

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

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

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

18 (5) "primary prevention program" means an educational or  
19 training program intended to raise the awareness of and change atti-  
20 tudes concerning child abuse and neglect and its prevention;

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

24 \* Sec. 2. Notwithstanding the provisions of AS 37.14.230 and 37.14.240  
25 as enacted by sec. 1 of this Act,

26 (1) until July 1, 1988, the Alaska Children's Trust Fund Board  
27 may use not more than \$50,000 from the principal of the Alaska children's  
28 trust fund for the purposes specified in AS 37.14.240(b)(2) and (3) as  
29 enacted by sec. 1 of this Act;

1           (2) the Alaska Children's Trust Fund Board may not use the net  
2 income of the Alaska children's trust fund until one year after the commis-  
3 sioner of revenue begins depositing into the fund permanent fund dividend  
4 contributions made under AS 37.14.210 as enacted by sec. 1 of this Act.

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

Original sponsors: Goll, Brown,  
Ellis, et al.

1 IN THE HOUSE BY THE FINANCE COMMITTEE  
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 57 (Finance) am  
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) permanent fund dividend contributions made under  
19 AS 37.14.210;

20 (2) legislative appropriations to the fund; and

21 (3) gifts, bequests, and contributions of cash or other  
22 assets from a person.

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

27 Sec. 37.14.205. POWERS AND DUTIES OF THE COMMISSIONER OF REVE-  
28 NUE. The commissioner of revenue is the treasurer of the fund and has  
29 the following powers and duties under this section:

1           (1) to act as official custodian of the cash and invest-  
2 ments belonging to the fund by securing adequate and safe custodial  
3 facilities;

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

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

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

12           (5) to exercise the powers of an owner with respect to the  
13 assets of the fund;

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

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

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

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

25           (10) to report to the board the condition and investment  
26 performance of the fund.

27       Sec. 37.14.210. CONTRIBUTION TO THE ALASKA CHILDREN'S TRUST  
28 FUND. (a) The Department of Revenue shall prepare the permanent fund  
29 dividend application to allow an applicant to contribute all or part

1 of a dividend to the Alaska children's trust fund as follows:

2 (1) \$25;

3 (2) \$50;

4 (3) \$100;

5 (4) \$250; or

6 (5) the entire amount of the dividend.

7 (b) The department shall pay contributions directly to the fund.

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

9 (a) The Alaska Children's Trust Fund Board is established in the  
10 Office of the Governor. The board is composed of the commissioner of  
11 health and social services, the commissioner of education, or their  
12 designees, the director of the office of child advocacy, the executive  
13 director of the Council on Domestic Violence and Sexual Assault, and a  
14 public member appointed by the governor.

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

16 (c) The staff of the office of child advocacy serves as the  
17 staff of the board.

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

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

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

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

26 (4) before providing assistance to a program or project,  
27 approve written findings on the program or project that include a  
28 consideration of the means of measuring the effectiveness of the  
29 program or project;

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

4           (6) solicit permanent fund dividend contributions and other  
5 contributions, gifts, and bequests to the fund;

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

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

10           (A) the child abuse and neglect prevention services  
11 that were provided by the programs and projects to which the  
12 board awarded grants; and

13           (B) the annual level of contributions, income, and  
14 expenses of the fund.

15       Sec. 37.14.240. FUND UTILIZATION. (a) The principal of the  
16 fund and any capital gains or losses realized on the principal shall  
17 be retained perpetually in the fund for investment as specified in  
18 AS 37.14.205, and may not be used for the awarding of grants.

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

21           (1) the awarding of grants;

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

23           (3) soliciting permanent fund dividend contributions and  
24 other contributions, gifts, and bequests for the fund; and

25           (4) reimbursement to the Department of Revenue for the  
26 costs

27           (A) of establishing the fund;

28           (B) of making changes to the permanent fund dividend  
29 application under AS 37.14.210; and

1 (C) directly attributable to calculating and deposit-  
2 ing permanent fund dividend contributions to the fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29 (4) "prevention of child abuse and neglect" includes

1 primary and secondary prevention programs;

2 (5) "primary prevention program" means an educational or  
3 training program intended to raise the awareness of and change atti-  
4 tudes concerning child abuse and neglect and its prevention;

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

8 \* Sec. 2. Notwithstanding the provisions of AS 37.14.230 and 37.14.240  
9 as enacted by sec. 1 of this Act,

10 (1) until July 1, 1988, the Alaska Children's Trust Fund Board  
11 may use not more than \$50,000 from the principal of the Alaska children's  
12 trust fund for the purposes specified in AS 37.14.240(b)(2) and (3) as  
13 enacted by sec. 1 of this Act;

14 (2) the Alaska Children's Trust Fund Board may not use the net  
15 income of the Alaska children's trust fund until one year after the commis-  
16 sioner of revenue begins depositing into the fund permanent fund dividend  
17 contributions made under AS 37.14.210 as enacted by sec. 1 of this Act.

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

HB 57 - Children's Trust Fund

Technical amendment requested by Department of Revenue  
and agreed to and requested by sponsor;

Senate CS for CS for sponsor substitute for HB 57

page 5 line 14

Sec 37.14.240 Fund Utilization

(b)(4) (A) of (managing) establishing the fund.

replaces "managing" with "establishing"

CHILDREN'S TRUST FUND LEGISLATION

Purpose: To create a special funding mechanism to provide child abuse prevention services through community-based agencies.

STATE	LEGISLATION/ EFFECTIVE DATE	MECHANISM	FUNDS GENERATED	ADMINISTRATION	ADVISORY COMMITTEE	PROCESS	CONTACT
Alabama	HB 56 & 57 1983	Voluntary income tax refund check-off (\$2); grants, gifts.	1984:\$174,000 expected 1985: \$400,000	Funding-Dept. of Revenue; Dept. of Pensions & Security Programs	14-member State Child Abuse & Neglect Prevention Board.	Support organizations to operate programs for direct service provisions.	Jane Nichols Legislative Fiscal Office 205/261-1067
Arizona	HB 2212 7/29/82	Voluntary income tax refund check-off (\$2); marriage license surcharge (\$2); divorce filing fee (\$10).	1982:\$100,000	Department of Economic Security	None.	Provide financial assistance to community treatment programs that offer direct services to abused children/parents.	Pat Chumbley Staff, House of Representatives 602/255-3250
California	AB 2994 1982	Fee for duplicate birth certificate (\$4); gifts, grants.	1984:\$400,000	Dept. of Social Services	County Board of Supervisors may designate a voluntary local commission.	Grants to private non-profit organizations providing direct services in prevention and intervention.	Chet Olson Assembly Select Committee on Child Abuse 916/445-7486
	AB 607 1983	Voluntary income tax refund check-off (\$3).	1984:\$430,000	Dept. of Social Services	Advisory Committee within DSS and select co-advisors.		
Connecticut	SB 2006 7/1/83	Grants/gifts	\$60,000 appropriated (\$50,000 spent; \$10,000 left in fund to accrue interest.	Dept. of Children & Youth Services	Commissioner of Dept. of Children & Youth Services can appoint advisory committee.	Commissioner adopts rules and regs. which may be approved by legislature.	Kathy Wright Leg. Commissioners 203/566-8410

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	Bill Title (Year)	Voluntary income refund check-off (all or any amount); grants, gifts.	not available	Dept. of Children, Youth, and Families.	12-member Delaware Children's Trust Fund Board of Directors; 8 appointed by Governor; 1 shall be chairperson of Juvenile Justice Advisory Group; 1 each appointed by Secretary of following departments; Chief Judge of Family Courts; Dept. of Services for Children, Youth and Families, Health & Social Services; Dept. of Public Instruction; 6 Family Courts.	Grants totaling no more than \$15,000 awarded to programs that provide prevention services and improve coordination among state agencies. (Organization agrees to match the grant, at least 25% 1st year and 50% during the second and subsequent years.)	Tom Shickel Leg. Council RD2/70-4114
Illinois	SIB 537 1983	Voluntary state income tax refund check-off (up to \$10).	estimated 1984:\$100,000 actual 1984:\$500,000.	Dept. of Children & Family Services	Statewide citizen's committee on child abuse and neglect.	Grants for comprehensive community-based services to reduce family dysfunction through child abuse and neglect.	Alex Reichl House Republican Staff 217/782-9603
Iowa *	HB 2393 1982	Marriage license surcharge (\$5)	1982:\$120,000 1983:\$116,000 1984:\$125,000	State Dept. of Social Services	5-member board attached to Dept. of Social Services.	Dept. contracts with a community-based agency	Norm Ostbloom Executive Dir. Iowa Chapter Nat'l Cmte for Prevention of Child Abuse 515/281-6327

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February 1985

	R SB 677	Surcharge (\$7) Fee on live birth registration (\$4) (General fund and then allocated to trust fund)	1984:\$300,000	Div. of Services to Children & Youth	14-member. Children and Youth Advisory Committee to: 1. Act as advoc- ate for child- ren in the Governor's office; 2. Adv- ises Secretary & Director of Services to Children & Youth.	Grants limited to \$20,000 to community- based preventive or educational pro- jects can be funded for 4 years; at: 100% 1st year, 80% 2nd year, 60% 3rd year, 40% 4th year,	January Scott Executive Dir. Kansas Cntr for Prevention of Child Abuse 913/354-7738
Kentucky	HB 486 1984	Voluntary income tax refund check off (\$2); grants, gifts.	Not available	Attorney General's office 5-exofficio to serve by virtue of office.	10 member public, 5-exofficio to serve by virtue of office. Child Sexual Abuse & Exploitation Board.	Provides financial assistance to or- ganizations to further prevent & treat abuse.	Dianna McClure Leg. Research Commission 502/564-8100
Louisiana	Act 481 1983	Legislative Appropriation (\$45,000) income tax refund check- off (no specific amount); grants, gifts.	1984:\$45,000	Dept. of Health & Human Resources	7-member Child- ren's Trust Fund Board; 2 from general public; 1 each from House and Senate; Secretary of Health & Human Resources; 1 each from Medical Society and Parents Anony- mous.	Programs for preven- ting physical and sexual abuse and neglect of children.	Michael Mielke Dept. of Health & Human Resources 504/342-6784

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Michigan	HB 4664 1982	Voluntary income tax refund check-off (\$2); part of each year's receipts (%) go to fund programs, rest is invested & earnings are credited to trust fund; ceiling of \$20 million & programs are funded from earned interest; separate fund established in Dept. of Treasury, donations.	1981 & 1984 \$1.5 mil.	Michigan Child Abuse & Neglect Prevention Board: autonomous agency within Dept. of Management & Budget.	15-member Board; 5 appointed by major state dept. heads involved in abuse & neglect; Education, Mental Health, Police, Health & Social Services; 10 appointed by Governor with consent of Senate.	1 classes of grantees private & public organizations providing 50% match, local councils (also match).	David Miller Director Children's Trust Fund 517/373-4321
Missouri	HB 550 9/28/83	Voluntary state income tax refund check-off (\$2); grants, gifts.	1984:\$147,000	Office of Administration	15-member Children's Trust Fund, within, yet independent of Office of Admin. 11 public members appointed by Governor, 2 Senators appointed by President. Pro Tem, 2 House members appointed by Speaker.	Contract with public or private agencies, schools to establish community-based educational & services prevention programs.	Kathy Ruckman House Research Staff 314/751-2979
New York	S 21047 1984	State appropriation, grants, gifts.	\$2 mil approp by Governor to Trust Fund.  \$250,000 appropriated for administrative expenses.	Commission of Social Services	17-member advisory Board.	Provide grants to public and not for profit agencies for establishing & extending programs to prevent violence or provide service to victims.	Ruth Sabo NY Assembly Staff 518/455-4371

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Carolina	SB 971	1983	Marriage License fee (\$5); grants, gifts.	1984:\$257,000	State Board of Education	Inter-Agency Advisory Council for Community Schools.	Community-based programs.	Don Miller Coordinator Child Abuse Prevention 919/733-6125
Ohio	HB 319	12/26/84	Birth certificate fee (\$2); divorce and dissolution decrees (\$10); death certificate (\$2); grants, gifts, federal funds.	Expected: \$2,490,000 (\$150,000 to be used for expenses.	Children's Trust Fund Board upon recommendation of Criminal Justice Services within the Dept. of Development.	Children's Trust Fund Board: 7 members appointed by Governor; Director of Health & Human Services also a member.	Provides grants to programs to prevent child abuse & neglect.	Anita Lunn Legislative Services Comm. 614/466-5939
Rhode Island	S 0577	7/1/83	Marriage license surcharge (\$2); grants, gifts, bequests.	1984:\$70,000	Dept. of Children & Their Families	State Advisory Council for Children and Their Families	Community-based programs for prevention of problems of families & children; grants for education programs; evaluate projects & programs & disseminate information & techniques.	Joachim Weissfeld Attorney Number of Advisory Council 401/274-2300
South Carolina	A 3286	1984	State appropriation (\$20,000) one time start up; voluntary income tax refund, check-off (\$1+); gifts, grants.	Expected: \$150,000	Non-profit organization administered by 9-member Board of Trustees.	9-member Board of Trustees to be appointed by Governor.	Provide grants to private non-profit organizations to stimulate innovative prevention and treatment programs.	Harriet Thogersen Ex. Director Children's Trust Fund 803/256-7146
South Dakota	HB 1197	1984	Surcharge on birth certificates (\$2); gifts & grants & appropriation of \$40,000.	Expected: \$40,000	Department of Social Services	None	Grants to non-profit organizations to establish or continue community based education and prevention projects.	Mark Zickrick Leg. Research Council 605/773-3251

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State	Bill No.	Year	Voluntary private donation	Less than \$5,000	Dept. of Social Services	Div. of Family Services Board, policy making body appointed by Governor.	Not available	Byrd House Office of Legislative Research 801/533-5481
Virginia ***	S 279	4/9/82	Surcharge on marriage license (\$10)	\$400,000 annually	Dept. of Social Services	Established through implementation plan for Virginia Family Violence Prevention programs; has 9-11 members, advises Dept. of Welfare.	Solicits grant apps. from public & private non-profit organizations, divide evenly between child abuse & domestic violence programs.	Jane Horwood House Appropriation Staff 804/786-1837
Washington	HB 179	1982	Marriage license surcharge (\$5)	Estimated \$470,000/year.	Washington Council for the Prevention of Child Abuse & Neglect.	11-member Council on Child Abuse & Neglect; 5 appointed by Governor; 1 each appointed by Secretary of Dept. of Social Services, Speaker of the House, President of the Senate, Superintendent of Public Instruction.	Grants for community education or child abuse prevention--match 25%.	Jim Teverbaugh Washington Council for The Prevention of Child Abuse & Neglect 206/464-6151

Wisconsin	SB 81	7/1/83	Birth certificate fee (\$2); private contributions	\$290,000	Dept. of Health & Social Services	Child Abuse & Neglect Prevention Board; 14 members; 8 appoint at large by Governor; 1 Governor designee; 1 each from Dept. of Health & Social Services; Dept. of Public Instruction; House and Senate.	Grants limited to \$15,000 for community-based programs or crisis care, early identification of at-risk children on matching basis.	Elaine Olson Ex. Director Children's Trust Fund 608/266-6871
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- \* In Iowa, funds go into general revenue and are passed through to this fund.
- \*\* In Kansas, these funds may not be used for abortion and they are shared between programs for child abuse prevention and services for battered women.
- \*\*\* In Virginia, money goes to general revenues and is passed on to programs. Must be passed again next session - don't actually have trust fund.

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February 1985.

## CHILDREN'S TRUST FUNDS

### OVERVIEW

Since 1980, advocates for abused and neglected children have established Children's Trust Funds in 31 states; 26 have been established in the last three years. The Children's Trust Fund establishes a permanent funding mechanism for child abuse and neglect prevention programs at the community level. It allows communities to coordinate and utilize their own local design and resources to administer programs according to their specific local needs. The National Committee for Prevention of Child Abuse views the Children's Trust Fund as an important funding vehicle for reaching its goal of a 20 percent reduction of child abuse by 1990.

The notion of a Children's Trust Fund was first conceived by Dr. Ray E. Helfer, a pediatrician nationally recognized in the field of child abuse, and at the time a vice-president of the National Committee for Prevention of Child Abuse. Dr. Helfer began to think about the fact that we have trust funds in our country to preserve our highways and our wildlife. Why not, he thought, a trust fund for our most important resource--our children. In June of 1979, the Kansas Chapter of the National Committee for Prevention of Child Abuse presented this concept to individuals representing children's advocacy groups, state agencies, and the legislative and executive branches of state government. The concept met with such wide appeal that individuals from over 35 private organizations and representatives from state government drafted legislation and gained passage of the first state's Children's Trust fund in the 1980 Kansas Legislative Session.

Philosophically, a Children's Trust fund is meant to create a continuing funding mechanism which promotes a directed focus on prevention programming for child abuse and neglect (in a few states family abuse is included) at the community level. The Children's Trust Fund provides start-up or expansion grants for community-based prevention programs. Revenues are generated from one or more of the following methods: an increased fee on marriage licenses, a surcharge on birth certificates, check-offs on the state income tax forms, an increased cost on divorce filings; an increased fee on death certificates. Guidelines for funding reflect a strong emphasis on volunteerism, collaboration, community need and support, evaluation, innovation, and potential of replication. Projects funded by the Children's Trust Funds represent a wide diversity of programs.

The governing body of a trust fund is intended to create a public/private partnership. In some states, existing bodies which have representation from state agencies, the state legislature, and the private sector have been charged with the responsibility of administering the trust fund. In other states where this model did not exist, a public advisory council of public and private sector representatives has been created.

Understandably, the Children's Trust Fund legislation has been especially attractive to state legislators. This approach presents legislators with an opportunity to fund programs they have traditionally neglected -- those for the prevention of child abuse and neglect. In addition the trust fund model can create a funding base which is protected from periodic depressions in state economies, and the potential of cuts in state budgets.

The Children's Trust Fund approach is flexible. Each state that has enacted the legislation differs in geographic size, population, demographics, economies and political ideologies. Yet each has taken the Children's Trust Fund and adopted the concept to suit its own constituency. The field is rich with models that might suit any state's situation. (See attached chart)

The 31 states with Children's Trust Funds are:

Alabama, Arizona, California, Delaware, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Missouri, Montana, Nevada, New Jersey, New Mexico, New York, North Dakota, North Carolina, Ohio, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, and Wisconsin.

#### FUNDING MECHANISM

As previously stated, revenues to build the Children's Trust Funds have been generated by surcharges on marriage licenses, birth certificates, divorce decrees, death certificates, or by specifically designated checkoffs on state income tax forms.

Some states have actually enacted more than one funding scheme, increasing the cost of birth certificates after having raised the marriage license fees, or passing an income tax checkoff on top of the surcharge on certificates. The cost of copies of death certificates and divorce filing fees have also been increased to support Children's Trust Funds.

Typically the money is located in a separate fund in the state treasury. In some states, though, policy prohibits establishing a specially designated fund of state money. In those cases, the extra fees from marriage licenses go into general

revenues and are then automatically passed along to the Children's Trust Fund advisory boards for grants to support preventive programs in child abuse.

#### ADMINISTRATION

Through the advisory boards which direct and administer the Children's Trust Funds, a public and private partnership has developed important new links to address the prevention of child abuse. States include on their boards statutorily specified heads of governmental agencies which are working to prevent child abuse -- education, social services, health, mental health, law enforcement, criminal justice. The advisory boards' public members are appointed by the governor and legislative leadership of the states. In most states the advisory board is attached to the department of social services for administrative support, but in some states the Children's Trust Fund board is an independent entity. The South Carolina Children's Trust Fund is a private, non-profit organization with a 501(c)(3) tax exempt status.

The responsibilities of boards vary from state to state, but they generally include both advisory and administrative duties. In administering the Children's Trust Fund, a board may hire staff to run the program; develop a state plan for the Children's Trust Fund; establish priorities for projects to be funded; develop eligibility criteria for grantees; review proposals; approve the awarding of grants; monitor expenditures of the trust fund; evaluate the effectiveness of the Children's Trust Fund; and submit an annual report to the legislature and the governor. As appointees of the governor and the leadership of the legislative branch of state government, board members are in a unique position to act as advocates for the prevention of child abuse.

#### DEFINITIONS

In the statute or in the administrative rules and regulations, oftentimes primary prevention and secondary prevention are defined. An example follows.

**PRIMARY PREVENTION** is taking measures to keep child abuse from happening before it has ever occurred. The key aspects of primary prevention efforts are as follows.

- It is offered to all members of a population;
- It is voluntary;
- It attempts to influence societal forces which impact on parents and children; and
- It seeks to promote positive family functioning rather than to just prevent problems.

Examples of primary prevention programs include educational programs in schools, parenting and prenatal support classes, "awareness" announcements in the media, etc.

SECONDARY PREVENTION is taking measures to keep child abuse from happening before it has occurred to a serious degree, but after certain warning signals have appeared. The major components of secondary prevention are as follows.

- It is offered to a pre-defined group of "at risk" individuals;
- It is voluntary;
- It is more problem-focused than primary prevention; and
- It seeks to prevent future parenting problems by focusing on the particular stresses of identified parents or guardians.

Examples of secondary programs include support programs for teenage parents, programs for parents of infants with specific problems, and programs for families with identifiable stresses.

#### POSSIBLE PROGRAMS

The following examples are intended to stimulate thinking and discussion about possible community-based prevention programs which could be funded by the Children's Trust Fund. An emphasis on volunteerism is encouraged.

SUPPORT PROGRAMS FOR NEW PARENTS -- The purpose of support programs for new parents, such as perinatal support programs, is to prepare individuals for the job of parenting. Such programs could include supports during both the pre- and postnatal periods. Prenatal programs can build on existing medical programs and educate about-to-be parents in child development, parent-child relationships, and adult relationships. Information on community resources available to new parents and to infants and children should be provided. In supplying information and in teaching skills for coping with the challenges of being parents, special emphasis should be placed on developing techniques useful in communicating with the new baby. One focus of these services should be to develop group activities that form a social network among new parents, thereby creating peer relations and peer support. Although such programs could be available to all parents, special attention should be made to all first-time parents, teenage parents, and single parents.

Prenatal and postnatal medical care is clearly important, particularly since low-birth-weight babies and babies otherwise sick in infancy are at risk for being abused. Many prospective parents now participate in prenatal care programs that go beyond the medical needs of the pregnant mother and the growing fetus to include attention to the demands of parenting. All prenatal

care programs should provide prospective parents with parenting education and other supports to ease the difficulties associated with having a new infant in the home.

Studies suggest that in families in which parent-child bonding is weak the child is at greater risk for abuse. Part of the function of perinatal support programs could, therefore, be to enhance parent-child bonding. Childbirth procedures involving both parents, rooming-in, and unlimited visiting privileges for parents with their infants are important. Minor changes in hospital procedures could facilitate opportunities for families to get to know their newest member, while enhancing the opportunities for early and effective parent-child bonding. Many hospitals offer prospective parents the opportunity to participate in programs that enhance the bonding process.

**EDUCATION FOR PARENTS** -- As a continuation of the prenatal program and as part of perinatal support programs, all new parents should have an opportunity to participate in a program to increase their skills in caring for a new baby. The programs may be directed toward the continuation of instruction in child care and child development.

Having a new infant in the home creates stress in any family. When, however, the infant requires extra or special care, stress can be greatly increased, putting the child at greater risk for abuse. To reduce the additional stresses created for parents by infants with special problems following birth--for example, premature babies or those with illnesses, abnormalities, or defects--a special educational support program could be made available. The program could focus on group support from parents with similar children, and it could educate parents about the particular needs of their child and how to deal with those needs in a family environment. Every attempt could be made to furnish supports that minimize distortion of the parents' perception of their new child. Separating newborns from their families to provide intensive care can require special adjustments for parents, and they could receive help that is sensitive to this unique stress.

Among the problems experienced by families with young children is isolation from and lack of knowledge about health and social services in the local community. Coupled with a lack of knowledge of how to detect and handle many childhood problems, this puts a family at risk for abuse. As an ongoing source of support and information for parents, educational support programs could include home visitor services that consist of periodic visits to the home following childbirth until the child begins school.

These visits should be made by a trained home health aide under the supervision of medical professionals. The aide could provide information and advice to parents on child care,

nutrition, and home management and could carry out routine health checkups on young children. In addition, the aide could refer parents to needed social and health services in the community. In some communities the services of the home visitor can be effectively rendered through a local well-baby program.

**LIFE SKILLS TRAINING FOR CHILDREN AND YOUNG ADULTS --** The purposes of life skills training are first to equip children, adolescents, and young adults with interpersonal skills and knowledge that are valuable in adulthood, especially in the parenting role; and second, to provide children with skills to help them protect themselves from being abused. Knowledge and skills can be imparted in a variety of ways; irrespective of the specific techniques, educational classes or supports could be provided through the school system and through adult education centers.

Skill and knowledge building could be stressed in areas of child development, family and life management, self-development, self-actualization, and methods of seeking help. All adolescents and young adults should know about all types of child abuse, what the warning signs are and how to reach out for help should they perceive the warning signs in themselves.

**SELF-HELP GROUPS AND OTHER NEIGHBORHOOD SUPPORTS --** Social isolation, not having anyone to turn to in times of need, plagues most families who are at high risk for abuse and neglect. The purpose of self-help groups is to reduce the isolation experienced by many parents through the development of peer support systems.

Beginning with social networks created through parent groups in the prenatal and perinatal programs, a variety of opportunities should be offered for parents to participate in group activities or to establish social contacts. Examples include parent groups stemming from local child care programs, Foster Grandparent Programs, Parents Anonymous, Parent Aide and comparable problem-oriented self-help or support groups. The mutual aid programs should also focus on the development or strengthening of neighborhood-based natural helping networks.

**FAMILY SUPPORT SERVICES --** Lacking anywhere to turn in times of crisis puts families at significantly greater risk for abuse or neglect. To provide immediate assistance to parents in times of stress, crisis care programs could be available on a 24-hour basis and could include the following services: telephone hot line, crisis caretakers, crisis baby-sitters, crisis nurseries, and crisis counseling.

Through these programs, parents facing immediate problems could receive immediate support to alleviate the stresses of a particular situation. Help could be available over the phone or through in-person counseling.

The program could also offer parents the options of having someone come into their homes on a temporary basis to assist with child and home care or of taking the child to a crisis nursery. Because crisis care is temporary and short-term, such programs should be equipped to refer parents to long-term services as needed.

**PROGRAMS FOR ABUSED CHILDREN --** It has been argued that prevention of abuse is in part tied to providing therapeutic treatment to children or young people who have been abused or neglected. To minimize the long-term effects of abuse, age-appropriate treatment services should be available to all maltreated children.

Treatment programs for abused children should include a thorough diagnosis of physical and developmental (social, psychological and emotional) problems. Comprehensive therapeutic services should be offered to alleviate identified problems. Assistance should be rendered on the basis of an individual child's needs and could include individual and group services as well as an enriched day care program.

**EARLY AND REGULAR CHILD AND FAMILY SCREENING AND TREATMENT --** Because abusive behavior is cyclic, many health and developmental problems in childhood can lead to behavioral problems in adulthood, including abusive behavior. For this reason detecting and treating health and developmental problems early in life is important. Early childhood screening and treatment programs should be seen as a continuation of the preschool screening services, such as those offered by the home visitor. The purpose of such programs should be to detect problems children may be having, including abuse and neglect, and to ensure that these children receive the necessary health, mental health, and other services that will best protect them from becoming abusive parents.

Screening and treatment programs exist throughout the United States in preschools and schools; they could be available to all children. All screening programs, however, need to be sensitive to the possibility that a child may be inappropriately labeled, with long-term negative consequences.

**CHILD CARE OPPORTUNITIES --** The purpose of child care or day care programs is to furnish parents with regular or occasional out-of-home care for their children. While child care is a necessity in households in which all adults are employed, such

services are also beneficial for parents who do not work outside the home but who find continuous child care responsibilities very stressful. Child care programs also provide opportunities for children to learn basic social skills. Head Start programs in particular provide a rich mix of child care and child development services.

COMMUNITY ORGANIZATION ACTIVITIES -- To increase the availability of social service, health, and education resources and of the other supports that reduce family stress, community organization activities will be necessary. A community-based planning or coordinating body is certainly required, one that represents the views of different community groups and agencies. This body will have an important role in determining priorities for proposed prevention programs.

As programs are implemented, a plan for ongoing evaluation and assessment of them is also necessary. This will ensure that the programs are indeed effective, and that they are continually responsive to those they are intended to help.

PUBLIC INFORMATION AND EDUCATION ON CHILD ABUSE PREVENTION -- Public awareness campaigns have two complementary purposes. The first is to bring parents the message that being a parent is not easy, that all parents experience stress in their parenting role, and that it is all right to reach out for help. The second purpose is to provide parents with information about where to turn for help, particularly how to get in touch with local crisis care services.

Awareness on the part of professionals and volunteers is also essential to the effectiveness of a community's prevention programs. It is particularly important that those who come into contact with families, such as physicians and teachers, receive training in the dynamics of child abuse and information on the availability of prevention programs in the community.

#### EVALUATION

Perhaps the most difficult challenge facing the Children's Trust Fund personnel is that of evaluating how effective the trust fund is. Many of the Children's Trust Funds emphasize program monitoring and program evaluation. Advisory boards may be collecting information on program performance in the area of client outcomes, resource acquisition, productivity, and efficiency. However, there is a great need to assist local programs to define and develop outcome measures. There is increasing concern about the operation of these programs and their effect on the prevention of child abuse. A national network of Children's Trust Funds could provide a means by which technical assistance could be shared on evaluation, as well as other issues.

States which appear to have the longest history in addressing evaluation are: Kansas, Iowa, and Washington.

Both Kansas and Iowa have recently funded major projects with an emphasis on evaluation. The Kansas project (funded at \$46,980) is targeted to a specific population; black, single, female-headed households with young mothers who are pregnant or who have children under five years of age. The identified geographic region is a neighborhood of a fairly large metropolitan area. The service elements for the project involve nine different services clustered under the headings: services that develop parenting skills and enhance self esteem: services that reduce social isolation and develop support systems: services that assist parents in caring for their children: and services that assure access to community resources. The project will be evaluated by John Poertner D.S.W. with Kansas University.

The Iowa project (funded at \$24,001.92) will be evaluated by Ross A. Klein, MSW, Ph.D. of Iowa State University. This special project will implement a number of prevention programs in one county. The programs include: lay health visitor, respite care nurseries, sexual abuse prevention, parent aide education, support programs for young Moms, and the Nurturing Program--a program designed to modify inappropriate parenting belief and child rearing practices.

#### INNOVATIVE POSSIBILITIES

In Washington the Children's Trust Fund, which receives about \$400,000 annually from a \$5 surcharge on marriage licenses, is looking at additional funding mechanisms to build toward the goal of a self-sustaining fund that will provide on-going support for local projects. Washington's statute, like that of most other states, allows the Children's Trust Fund to accept "contributions, grants, or gifts in cash or otherwise from persons, associations, corporations or the federal government," and with that authority the Washington council has begun efforts to generate additional income.

Solicitations are made to individuals and corporations. Public service announcements have been televised asking for contributions to the Washington Children's Trust Fund. Long-range giving has not been overlooked. Packets of informational materials have been developed for attorneys and accountants who work in estate and tax planning. Information on the Washington Children's Trust Fund is available then to pass along to their clients who seek advice on charitable giving.

Also in Washington, a unique effort to generate money for child abuse prevention through private enterprise has brought together a group of designers, business advisers and child abuse prevention experts. This group develops a line of products for marketing, with the objective of raising the public

awareness of child abuse prevention and the Children's Trust Fund, and generating revenue for the fund. Children's furniture is now being manufactured for marketing with the proceeds from sales going to the Washington Children's Trust Fund.

States which have utilized the state income tax checkoff method as their funding mechanism can increase the amount of monies raised through public awareness campaigns about the trust fund and about child abuse prevention. Some states have been very successful receiving donated services from local public relations firms and related entities.

#### FEDERAL CHALLENGE GRANTS

The Child Abuse Prevention Federal Challenge Grant program provides incentives for states to establish funds to support child abuse prevention projects, money that has been historically lacking because of the need to direct limited resources toward treating the increasing numbers of children already abused. For every \$4 states make available in prevention funds the federal government will provide \$1 in matching support. At no time will the federal challenge grant to any state exceed an amount equal to 50 cents times the number of children in a state. The five million dollars appropriated is available through FY 86; and the program is authorized through 1990.

#### CONCLUSION

Indeed the Children's Trust Fund has proven its value everywhere. The variability of the legislation is one of its prime strengths. It presents a model for support of programs to prevent child abuse that is easily adaptable to the political demands of a state. Children's Trust Funds have passed in states with governments across the political spectrum, conservative as well as liberal.

A Children's Trust Fund takes the pressure off the regular state social services budget to fund often neglected preventive services. In a time of limited funding the Children's Trust Fund has been advanced as a significant means to achieve the goal of preventing child abuse.

Through an emphasis on community-based programs selected by a citizens' advisory board, the Children's Trust Fund fosters the creation of local programs to prevent child abuse and shifts some of the responsibility for planning to the local level.

With solid support going to preventive efforts, often for the first time because of the Children's Trust Fund, attention can be focused on prevention. Administrators of public agencies and state legislators can be educated about prevention and regular appropriations can be forthcoming to increase the support for prevention engendered by a Children's Trust Fund.

The challenge for the future is to address the numerous questions which arise as states establish Children's Trust Funds. Examples are:

1. What are the implementation problems associated with the trust fund and how can they most easily be overcome?
2. What types of public awareness campaigns are most effective for the state income tax checkoff method used on some trust funds?
3. When is a program prevention and when is it treatment? How exclusively preventive should trust funds be?
4. How do we evaluate the effectiveness of the funded programs? How do we measure the impact of the program? What methods can we use to assist communities in doing a self-evaluation of the program funded?
5. Can we establish a depository to systematically collect information on trust funds, and to share results of efforts?
6. How do we establish a procedure to promote replication of projects viewed as successful?
7. How do we maintain the intent of the legislation and the integrity of the model? How do we keep the focus on prevention, community, and volunteerism?
8. Are successful program models being assumed as a community responsibility after demonstration funding? How? Why?

Innovative, exciting possibilities are emerging as trust fund personnel begin to confront these questions. The National Committee for Prevention of Child Abuse acknowledges the critical need for a systemized plan for dissemination of information about and technical assistance to the development of Children's Trust Funds. As the uniqueness of the trust fund model may be vulnerable without appropriate resource information, the National Committee is committed to serving as a resource and as a catalyst in this effort.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE *House Bill*  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY  
FINANCE

\*\*FISCAL NOTE(S) ATTACHED \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

DATE TURNED INTO OFFICE 5/13/87

Mr. President:

HESS

Committee considered CS SSHB 57 (Fin) am

establishing the Alaska children's trust fund to provide a continuing source of revenue for grants to community-based programs for the prevention of child abuse and neglect; efd.

and recommended:

[ ] replace with CS \_\_\_\_\_ [ ] same title  
[ ] attached amendment(s) and [ ] new title

[X] do pass

[ ] do not pass

[ ] no recommendation

[ ] individual recommendations

[ ] further referral to \_\_\_\_\_

[ ] letter of intent adopted and attached

\*\* Committee [X] attached or [ ] adopted fiscal note(s)  
[ ] zero [X] fiscal impact *Previous*

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Dee. Josephson  
Rich Halland (who amended)  
Tom Jones (" " )  
J. Keitt

Paul Trish Do Pass  
Chairman signature and recommendation

[ ] Committee Backup Attached

SENATE COMMITTEE REPORT

FURTHER: FINANCE

5/13/87

DATE TURNED INTO OFFICE 5/14/87

Mr. President:

JUDICIARY Committee considered CS SSHB 57 (FIN) am

establishing the Alaska children's trust fund to provide a continuing source of revenue for grants to community-based programs for the prevention of child abuse and neglect; efd

and recommended:

replace with SCS FOR CS SSHB 57 (JD)  same title  
 or adopt \_\_\_\_\_  CS FOR \_\_\_\_\_  new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

letter of intent adopted \_\_\_\_\_

Committee  attached or  adopted fiscal note(s)

new  updated or  previous  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

Joe P. Josephson  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

OTHER RECOMMENDATIONS

Rick Helford - Good idea but  
need v off policy

Artin Stupulovich (s Rec)  
\_\_\_\_\_  
\_\_\_\_\_

J. Kestler do now  
Chairman signature and recommendation

Committee Backup Attached