

SB

177

SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE \_\_\_\_\_

4/14/88  
Mr. President:

FINANCE Committee considered SB 177

medical expenses of prisoners

and recommended

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

OTHER RECOMMENDATIONS

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

\_\_\_\_\_  
Chairman signature and recommendation

[ ] Committee Backup attached

SENATE COMMITTEE REPORT

FURTHER:

FINANCE

DATE TURNED INTO OFFICE \_\_\_\_\_

Mr. President:

JUDICIARY

Committee considered SB 177

medical expenses of prisoners.

and recommended:

replace with CS FOR SB 177 (JUDIC.)  same title  
 or adopt \_\_\_\_\_ CS FOR \_\_\_\_\_  new title

attached amendment(s) and

*and reports it back  
with no recommendation*

do pass

do not pass

no recommendation

individual recommendations

*1 Fnt  
\$20 Fnt*

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

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

~~John Smith N/R~~  
Joe Josephson N/R  
John Smith N/R  
Patricia Rader  
Alicia Dargatzis N/R

*J. Smith* N/R  
Chairman signature and recommendation

Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/18/87 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY  
FINANCE

\*\*FISCAL NOTE(S) ATTACHED 2 \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

3/11/87

DATE TURNED INTO OFFICE 3/26/87

Mr. President:

HESS Committee considered SB 177

medical expenses of prisoners.

and recommended:

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

~~do pass~~

do not pass

no recommendation

individual recommendations

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

letter of intent adopted and attached

\*\* Committee  attached or  adopted fiscal note(s)  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

*Lord*  
*[Signature]*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

OTHER RECOMMENDATIONS

*Rep. Joseph - No Recommendation*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*Paul Fisher Do Pass*  
Chairman signature and recommendation

Committee Backup Attached

Original sponsors: Fischer, Kerttula,  
Binkley, et al.

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 177 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical expenses of prisoners."

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

8 \* Section 1. AS 33.30 is amended by adding a new section to read:

9 Sec. 33.30.015. MEDICAL EXPENSES OF PRISONERS. (a) The commis-  
10 sioner shall adopt regulations establishing a graduated schedule of  
11 fees to be charged all prisoners to whom medical services are provided  
12 under AS 33.30.011(4). The amount of the fee

13 (1) must be based upon the level of medical service pro-  
14 vided; and

15 (2) may not exceed \$10 per visit or appointment.

16 (b) The commissioner may assess a penalty for a prisoner's  
17 wilful failure or refusal to keep a medical or health care appointment  
18 that has been scheduled with the prisoner's knowledge and consent.  
19 The penalty assessed equals twice the fee for the medical service  
20 established under (a) of this section.

21 (c) The department may not deny necessary medical services  
22 because of the inability of a prisoner to pay the established medical  
23 fee or any penalty. If the commissioner determines that a prisoner  
24 has insufficient funds to pay the medical fee or penalty, the commis-  
25 sioner may waive or reduce the established fee or penalty, or may seek  
26 reimbursement of the fee or penalty from the prisoner after the med-  
27 ical service has been provided.

Introduced: 3/11/87  
Referred: Health, Education &  
Social Services, Judiciary  
& Finance

5-0819A

BY FISCHER, KERTTULA, BINKLEY,  
JONES AND DUNCAN

1 IN THE SENATE

2 SENATE BILL NO. 177

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical expenses of prisoners."

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

8 \* Section 1. AS 33.30 is amended by adding a new section to read:

9 Sec. 33.30.015. MEDICAL EXPENSES OF PRISONERS. The commissioner  
10 may attach the permanent fund dividend check of a prisoner who is in a  
11 correctional facility or committed by a court to the custody of the  
12 commissioner in order to pay the prisoner's medical expenses. The  
13 commissioner may apply for a permanent fund dividend under AS 43.23.-  
14 005(d) on behalf of a person whose dividend is subject to being taken  
15 under this section. Property other than a permanent fund dividend  
16 check may not be taken to pay a prisoner's medical expenses.

17 \* Sec. 2. AS 43.23.005 is amended by adding a new subsection to read:

18 (d) The commissioner of corrections may claim the permanent fund  
19 dividend of an individual as provided in AS 33.30.015 if the  
20 commissioner has reason to believe the individual is eligible to  
21 receive the dividend. A claim for a dividend under this subsection  
22 has priority over a claim under (a) or (c) of this section.

23 \* Sec. 3. AS 43.23.015(b) is amended to read:

24 (b) The department shall prescribe and furnish an application  
25 form for claiming a permanent fund dividend. The application for a  
26 claim under AS 43.23.005(d) must include a statement by the department  
27 of corrections of the basis for its belief that the individual is  
28 eligible to receive the dividend. The application for a claim under  
29 AS 43.23.005(a) or (c) must contain a statement of eligibility and a  
S

1 certification of residency in substantially the following form:

2 I certify that

3 ( ) I am a state resident on the date of this application and I  
4 have been a state resident for at least six months immediately preced-  
5 ing the date of this application; or

6 ( ) (name), the individual on whose behalf I am applying, is a  
7 state resident and has been a state resident for at least six months  
8 immediately preceding the date of this application.

9 I understand that a false claim of residency to obtain a  
10 permanent fund dividend for myself or for another is a criminal of-  
11 fense and that if convicted I will forfeit future permanent fund  
12 dividends and that I must repay all permanent fund dividends that have  
13 been paid to me. I understand that this penalty is in addition to any  
14 criminal penalties imposed.

15 \_\_\_\_\_  
16 (signature of individual, parent, guardian,  
17 or other authorized representative)

18 \* Sec. 4. AS 43.23.015(c) is amended to read:

19 (c) Except for claims under AS 43.23.005(d) and as provided in  
20 (d) of this section or as may be provided by regulations adopted by  
21 the department, an individual must personally sign the application for  
22 permanent fund dividends, including the certification of residency  
23 required under (b) of this section.

24 \* Sec. 5. AS 43.23.015(e) is amended to read:

25 (e) If the commissioner of corrections claims a permanent fund  
26 dividend of an individual, the dividend shall be deposited in the  
27 general fund. If another [A] public agency claims a permanent fund  
28 dividend on behalf of an individual, the public agency shall hold the  
29 dividend in trust for the individual. Money held in trust under this

1 subsection shall be invested by the commissioner in accordance with  
2 AS 37.10.070.

3 \* Sec. 6. AS 43.23.065(b) is amended to read:

4 (b) An exemption is not available under this section for perma-  
5 nent fund dividends taken to satisfy

6 (1) child support obligations required by court order or  
7 decision of the child support enforcement agency under AS 47.23.140 -  
8 47.23.220;

9 (2) court ordered restitution under AS 12.55.045 - 12.55.-  
10 051 or 12.55.100;

11 (3) a court ordered probation fee under AS 12.55.105; ~~FOR!~~

12 (4) a debt owed by an eligible individual to an agency of  
13 the state, unless the debt is contested and an appeal is pending, or  
14 the time limit for filing an appeal has not expired; or

15 (5) a debt owed by a prisoner for medical expenses under  
16 AS 33.30.015.

STATE OF ALASKA  
1988 LEGISLATIVE SESSION

APR 13 1988  
BILL VERSION: CS SB 177  
PUBLISH DATE: (Judiciary)  
SENATE 4/14/88

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: "An Act relating to medical expenses of prisoners."  
Sponsor: Senator Fischer, Kotzebue  
Requestor: Binkley

Agency Affected: Department of Corrections  
BRU: Statewide Operations  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		405.7	405.7	407.7	405.7	405.7
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT		24.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	429.7	405.7	405.7	405.7	405.7

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		429.7	405.7	405.7	405.7	405.7
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	429.7	405.7	405.7	405.7	405.7

POSITIONS:

FULL-TIME	-0-	12	12	12	12	12
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Attached.

*Susan E. Knighton*

Susan E. Knighton, Director

465-3376

Prepared by: \_\_\_\_\_

Phone: \_\_\_\_\_

Division: Administrative Services

Date: 4-11-88

Approved by: *Susan E. Knighton*

Date: 4-11-88

Agency: Department of Corrections

Distribution (by preparer):

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

## CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS SB 177

### ANALYSIS

This proposed legislation specifies that the Commissioner will adopt regulations establishing a graduated schedule of fees to be charged all prisoners to whom medical services are provided under AS 33.30.011(4).

In order to properly track the medical services received by the 2400 inmates under the care of the Department and assess each inmate the appropriate amount, additional positions will be required.

This reflects the addition of a Clerk III (\$33,810/year) in each of 12 institutions and \$2.0 equipment for each position. No inflation factor has been included in these calculations.

FISCAL NOTE

REQUEST:

Revision Date: 3/25/88  
Title: "An Act relating to medical expenses of prisoners."  
Sponsor: Senator Fischer  
Requestor: Senate Judiciary

Agency Affected: Public Safety  
BRU: Alaska State Troopers  
Components: Detachments & CIB

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE		-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Francis C. Allan/dp Phone: 269-5691  
Division: Alaska State Troopers Date: 3/25/88

Approved by Commissioner: Wayne A. H. ... Date: 3-25-88  
Agency: Public Safety

Distribution (by preparer):

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

FISCAL NOTE

REQUEST

Revision Date: 03/25/88  
Title: An Act relating to medical expenses of prisoners  
Sponsor: Fischer, Kerttula, Binkley  
Requestor: Judiciary

Agency Affected: Revenue  
BRU: Permanent Fund Dividend Division  
Components: Permanent Fund Dividend Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
<b>OPERATING</b>						
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

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

ANALYSIS: None required.

Prepared By: Ervin Jones  
Division: Permanent Fund Dividend Division

Phone: 465-2323  
Date: March 25, 1988

Approved by Commissioner: J. T. McTeer  
Agency: Revenue

Date: 3/25/88

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

FISCAL NOTE

REQUEST

Revision Date: \_\_\_\_\_  
Title: "An Act relating to medical expenses  
of prisoners."  
Sponsor: Sen. Fischer  
Requestor: Senate Judiciary

Agency Affected: Public Safety  
BRU: Alaska State Troopers  
Components: Detachments

FEB 15 1988

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY88	FY89	FY90	FY91	FY92	FY93
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 FUNDS						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Francis C. Allan *G.C.A.*  
Division: Alaska State Troopers

Phone: 269-5691  
Date: 1/29/88

Approved by Commissioner: Arthur English *A.H.*  
Agency: Public Safety

Date: 1/29/88

Distribution: (by preparer):

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

*JNR*  
*2/9/88*

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

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

Bill Version: SB 177

Publish Date: 3-26-87

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

Agency Affected: Department of Corrections

Title: "An Act related to medical expenses of prisoners."

BRU: Administrative Services

Sponsor: Fischer, Kerttula, Binkley, Jones  
Requestor: and Duncan

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

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	61.0	64.0	67.0	70.0	74.0	78.0
TRAVEL						
CONTRACTUAL	2.0	2.0				
SUPPLIES						
EQUIPMENT	5.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>
<b>CAPITAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	68.0	66.0	67.0	70.0	74.0	78.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>

**POSITIONS:**

FULL-TIME	2	2	2	2	2	2
PART-TIME						
TEMPORARY						

**ANALYSIS : (Attach a separate page if necessary)**

Prepared by: Susan Knighton, Research Analyst IV  
Division: Administrative Services

Phone: 465-3376

Date: 3-12-87

Approved by Commissioner: Susan Hunphrey-Barnett  
Agency: Department of Corrections

Date: 3-12-87

**Distribution (by preparer):**

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

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 177

## ANALYSIS

Senate Bill No. 177 will allow the Commissioner of the Department of Corrections to attach a prisoner's permanent fund dividend checks in order to pay the prisoner's medical expenses. The amount to be attached is limited each year to the amount of the permanent fund dividend less child support obligations and court ordered restitution.

It is very difficult to estimate the amount of revenue to be collected until it is determined how the medical expenses will be assessed. The Department could assess the average daily medical cost of \$6.00 for each day an offender was housed in an institution plus the cost of specialized medical care received by an individual. The yearly revenues collected under this scenario might be:

2648	persons incarcerated on 12-87
-132	less persons whose permanent fund is already being attached for child support payments and restitution. (Estimated at 5%)
<u>2516</u>	persons eligible to pay for medical costs on 12-87
<u>\$1,383,800</u>	\$2516 X \$550 PF dividend check

The implementation of this bill will add on-going administrative costs to the Department of Corrections' budget. The Department will be able to utilize the Offender-Based State Correctional Information System (OBSCIS) to collect the necessary cost information, but additional Restitution Unit staff and OBSCIS equipment must be acquired. These are costs which must be funded as there is no staff available to absorb such a large workload.

### Costs:

Accounting Clerk IV	\$31,319/year
Clerk Typist III	29,705/year
2 OBSCIS Terminals	5,000 purchase
Data Processing Chargeback	2,016/year for 2 years
	<u>\$68,040</u>

A yearly inflation factor of 5% is assumed for the personnel costs.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SB 177

Publish Date: 3-24

REQUEST

Revision Date:

Title: "An act relating to medical expenses of prisoners."

Sponsor: Fischer, Kerttula, et al

Requestor: Judiciary, Finance

Agency Affected: Department of Revenue

BPU: Permanent Fund Dividend

Components: Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	6.3	6.3	6.3	6.3	6.3	6.3
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	1.1	1.1	1.1	1.1	1.1	1.1
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	7.4	7.4	7.4	7.4	7.4	7.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER - PFD	7.4	7.4	7.4	7.4	7.4	7.4
TOTAL	7.4	7.4	7.4	7.4	7.4	7.4

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	1	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

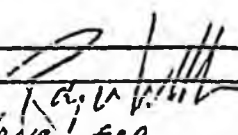
(See attached)

Prepared By:  Eryn B. Jones

Division: Administrative Services

Phone: 465-2313

Date: 3/24/87

Approved by Commissioner:  Hugh Malone

Agency: Revenue

Date: 3/25/87

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Senate Secretary

page \_\_\_\_\_ of \_\_\_\_\_



**ALASKA STATE LEGISLATURE**

15th . . . Legislature . . . 1st . . . Session

SENATE . . . **BILL** . . . . . NO. . . . . **177**

By . **FISCHER, KERTTULA, BINKLEY,  
JONES & DUNCAN**

"An Act relating to medical expenses of prisoners."

Introduced in the Senate **3/11** . . . . . 19 **87** . . .

**HISTORY IN THE SENATE**

19 **87**

**3 11**

Read first time and referred to Committee on

**HESS, JUDICIARY & FINANCE**

Reported back with recommendation that

*2 do pass  
Income, fiscal note to  
Judiciary  
Jud. update w/es-Snow  
Feb 8 10 PM to Fin*

**4 14**

Read second time and

Read third time and

PASSED                      Effective Date  
Yeas                              Yeas  
Nays                              Nays  
Excused                        Excused  
Absent                          Absent

Reconsideration  
Reconsideration not taken up

PASSED                      Effective Date  
Yeas                              Yeas  
Nays                              Nays  
Excused                        Excused  
Absent                          Absent

Reported correctly engrossed  
Signed by President  
Sent to House

SECRETARY OF THE SENATE

**HISTORY IN THE HOUSE**

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASSED                      Effective Date  
Yeas                              Yeas  
Nays                              Nays  
Excused                        Excused  
Absent                          Absent

Reconsideration  
Reconsideration not taken up

PASSED                      Effective Date  
Yeas                              Yeas  
Nays                              Nays  
Excused                        Excused  
Absent                          Absent

Reported correctly engrossed  
Signed by Speaker  
Returned to Senate

CHIEF CLERK OF THE HOUSE

**HISTORY IN THE SENATE**

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Chapter No. ....

Filed with Lt. Governor

SB 177 - Medical expenses of  
prisoners

Fischer  
et al

3/26/87

In: 3/26/87  
68.0 DOC

Bill delivered to  
us prematurely.  
It had a Judiciary  
referral prior to Finance.

NEW IN SFC  
3/26/87

Introduced: 3/11/87  
Referred: Health, Education &  
Social Services, Judiciary  
& Finance

5-0819A

1 IN THE SENATE BY FISCHER, KERTTULA, BINKLEY,  
JONES AND DUNCAN

2 SENATE BILL NO. 177  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - FIRST SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to medical expenses of prisoners."

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

8 \* Section 1. AS 33.30 is amended by adding a new section to read:

9 Sec. 33.30.015. MEDICAL EXPENSES OF PRISONERS. The commissioner  
10 may attach the permanent fund dividend check of a prisoner who is in a  
11 correctional facility or committed by a court to the custody of the  
12 commissioner in order to pay the prisoner's medical expenses. The  
13 commissioner may apply for a permanent fund dividend under AS 43.23.-  
14 005(d) on behalf of a person whose dividend is subject to being taken  
15 under this section. Property other than a permanent fund dividend  
16 check may not be taken to pay a prisoner's medical expenses.

17 \* Sec. 2. AS 43.23.005 is amended by adding a new subsection to read:

18 (d) The commissioner of corrections may claim the permanent fund  
19 dividend of an individual as provided in AS 33.30.015 if the  
20 commissioner has reason to believe the individual is eligible to  
21 receive the dividend. A claim for a dividend under this subsection  
22 has priority over a claim under (a) or (c) of this section.

23 \* Sec. 3. AS 43.23.015(b) is amended to read:

24 (b) The department shall prescribe and furnish an application  
25 form for claiming a permanent fund dividend. The application for a  
26 claim under AS 43.23.005(d) must include a statement by the department  
27 of corrections of the basis for its belief that the individual is  
28 eligible to receive the dividend. The application for a claim under  
29 AS 43.23.005(a) or (c) must contain a statement of eligibility and a

1 certification of residency in substantially the following form:

2 I certify that

3 ( ) I am a state resident on the date of this application and I  
4 have been a state resident for at least six months immediately preced-  
5 ing the date of this application; or

6 ( ) (name), the individual on whose behalf I am applying, is a  
7 state resident and has been a state resident for at least six months  
8 immediately preceding the date of this application.

9 I understand that a false claim of residency to obtain a  
10 permanent fund dividend for myself or for another is a criminal of-  
11 fense and that if convicted I will forfeit future permanent fund  
12 dividends and that I must repay all permanent fund dividends that have  
13 been paid to me. I understand that this penalty is in addition to any  
14 criminal penalties imposed.

15 \_\_\_\_\_  
16 (signature of individual, parent, guardian,  
17 or other authorized representative)

18 \* Sec. 4. AS 43.23.015(c) is amended to read:

19 (c) Except for claims under AS 43.23.005(d) and as provided in  
20 (d) of this section or as may be provided by regulations adopted by  
21 the department, an individual must personally sign the application for  
22 permanent fund dividends, including the certification of residency  
23 required under (b) of this section.

24 \* Sec. 5. AS 43.23.015(e) is amended to read:

25 (e) If the commissioner of corrections claims a permanent fund  
26 dividend of an individual, the dividend shall be deposited in the  
27 general fund. If another [A] public agency claims a permanent fund  
28 dividend on behalf of an individual, the public agency shall hold the  
29 dividend in trust for the individual. Money held in trust under this

1 subsection shall be invested by the commissioner in accordance with  
2 AS 37.10.070.

3 \* Sec. 6. AS 43.23.065(b) is amended to read:

4 (b) An exemption is not available under this section for perma-  
5 nent fund dividends taken to satisfy

6 (1) child support obligations required by court order or  
7 decision of the child support enforcement agency under AS 47.23.140 -  
8 47.23.220;

9 (2) court ordered restitution under AS 12.55.045 - 12.55.-  
10 051 or 12.55.100;

11 (3) a court ordered probation fee under AS 12.55.105; [OR]

12 (4) a debt owed by an eligible individual to an agency of  
13 the state, unless the debt is contested and an appeal is pending, or  
14 the time limit for filing an appeal has not expired; or

15 (5) a debt owed by a prisoner for medical expenses under  
16 AS 33.30.015.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SB 177

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

REQUEST

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

Title: "An act relating to medical expenses of prisoners."

Sponsor: Fischer, Kerttula, et al

Requestor: Judiciary, Finance

Agency Affected: Department of Revenue

BRU: Permanent Fund Dividend

Components: Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
<b>OPERATING</b>						
PERSONAL SERVICES	6.3	6.3	6.3	6.3	6.3	6.3
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	1.1	1.1	1.1	1.1	1.1	1.1
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>
<b>CAPITAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER - PFD	7.4	7.4	7.4	7.4	7.4	7.4
<b>TOTAL</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	1	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

(See attached)

Prepared By: Eryn B. Jones

Division: Administrative Services

Phone: 465-2313

Date: 3/24/87

Approved by Commissioner: Hugh Malone FOR

Agency: Revenue

Date: 3/25/87

Distribution (by Agency preparing fiscal note):

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

**RECEIVED**

MAR 27 1987

page \_\_\_\_ of \_\_\_\_

LEGISLATIVE FINANCE

Department of Revenue  
Administrative Services Division  
Fiscal Note Analysis  
SB 177  
3/24/87

Assumptions:

1. The bill will take effect in time to affect the permanent fund dividends to be paid for the 1987 year.
2. According to the Department of Corrections, virtually every prisoner who is in a correctional facility or who is committed by a court to the custody of the Commissioner of Corrections receives some medical care from the state, each year. The average cost is approximately \$6.00 per day, or \$2,190 per year, well in excess of the expected value of the permanent fund dividend.
3. According to the Department of Corrections, the average number of prisoners in custody, as of December 1986 is as follows:

Institutions	2,069
Community Residential Centers	<u>237</u>
TOTAL in custody of state	<u>2,306</u>

4. Prisoners held in federal facilities or in Minnesota institutions on contract, also incur medical expenses, but the provision of such services is included in the contract for service. I assume the Department of Corrections would be able, and would wish to file for, or attach the dividends of applicants who were in custody outside the state.

TOTAL in custody out-of-state	233
-------------------------------	-----

5. Taking the provisions of Sec. 1 and Sec. 2 together, it is assumed that the Department of Corrections has a choice of either filing applications for those inmates who they believe to be eligible, or serving attachments on the dividends of those inmates who Corrections believes to be eligible. It would seem unnecessary to do both.

Program Summary:

The PFD system currently identifies duplicate applications. Since Section 2 requires that an application filed by the Commissioner of Corrections has priority over an application filed under AS 43.23.005(a) or (c), the department would need to identify competing applications and deny them. This would be accomplished by computer match and would result in denied applications for every inmate who filed a competing application. Assuming that 2000 of the approximate 2500 inmates will file on their own behalf, we will generate 2000 denial notices, with notice of appeal rights, and mail notices to each denied applicant. As a result of the applications filed by the Commissioner of Corrections, Revenue will review and either approve or deny the applications. In the general case, the applications will be approved and payment will be transferred to the general fund (Sec. 5).

It is assumed that the Commissioner of Corrections will file applications only for those inmates who meet the general eligibility requirements (i.e. residency and intent to remain). If the commissioner chooses under Section 1 to attach the dividend, the Department of Revenue will process the attachments.

Since the implementation of the Permanent Fund Dividend program, the attachment of dividends by third parties has grown dramatically. Garnishment and assignments received and processed by the program numbered 20,548. Of those processed, a total of 14,507 have been paid. Each attachment received has to be recorded, matched against the dividend application file, and acknowledged in one of two ways: rejected with an explanation, or paid in part or in whole, again with an explanation.

Currently, the program has one full-time accounting clerk assigned to this process. Even with recent improvements to the process, we cannot keep up with the increasing demands.

1. Positions

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

This position would assist the one existing position in receiving, processing and responding to the attachments, and responding to the expected contact from the affected parties. This would be a continuing expense. This position would also assist in the determination of duplicate filings and distribution of denial notices.

2. Other Expenditures:

a) Travel: None.

b) Contractual:

Postage for 2,000 denials, printing costs for denial forms, appeal notices, envelopes. = \$1.1

c) Supplies: None.

d) Equipment: Use existing.

TOTAL COST

\$7.4

Funding: Permanent Fund Dividend Fund.

4. Section Cost Analysis: N/A.

Computations: N/A.

Economic Impact: N/A.

Impact on Local Government: N/A.

Suggested Amendments: None.

Attachments: None.

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**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

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

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

Title: "An Act related to medical expenses of prisoners."

Sponsor: Fischer, Kertrula, Binkley, Jones

Requestor: and Duncan

Bill Version: SB 177

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

Agency Affected: Department of Corrections

BRU: Administrative Services

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

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	61.0	64.0	67.0	70.0	74.0	78.0
TRAVEL						
CONTRACTUAL	2.0	2.0				
SUPPLIES						
EQUIPMENT	5.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	68.0	66.0	67.0	70.0	74.0	78.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>

**POSITIONS:**

FULL-TIME	2	2	2	2	2	2
PART-TIME						
TEMPORARY						

**ANALYSIS : (Attach a separate page if necessary)**

Prepared by: Susan Knighton, Research Analyst IV *Sknighton* Phone: 465-3376

Division: Administrative Services Date: 3-12-87

Approved by Commissioner: Susan Humphrey-Barnett *William W. Kelling for* Date: 3-12-87

Agency: Department of Corrections

Distribution (by preparer):

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

**RECEIVED**

MAR 16 1987

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 177

## ANALYSIS

Senate Bill No. 177 will allow the Commissioner of the Department of Corrections to attach a prisoner's permanent fund dividend checks in order to pay the prisoner's medical expenses. The amount to be attached is limited each year to the amount of the permanent fund dividend less child support obligations and court ordered restitution.

It is very difficult to estimate the amount of revenue to be collected until it is determined how the medical expenses will be assessed. The Department could assess the average daily medical cost of \$6.00 for each day an offender was housed in an institution plus the cost of specialized medical care received by an individual. The yearly revenues collected under this scenario might be:

2648	persons incarcerated on 12-87
-132	less persons whose permanent fund is already being attached for child support payments and restitution. (Estimated at 5%)
<u>2516</u>	persons eligible to pay for medical costs on 12-87
<u>\$1,383,800</u>	\$2516 X \$550 PF dividend check

The implementation of this bill will add on-going administrative costs to the Department of Corrections' budget. The Department will be able to utilize the Offender-Based State Correctional Information System (OBSCIS) to collect the necessary cost information, but additional Restitution Unit staff and OBSCIS equipment must be acquired. These are costs which must be funded as there is no staff available to absorb such a large workload.

### Costs:

Accounting Clerk IV	\$31,319/year
Clerk Typist III	29,705/year
2 OBSCIS Terminals	5,000 purchase
Data Processing Chargeback	<u>2,016/year for 2 years</u>
	\$68,040

A yearly inflation factor of 5% is assumed for the personnel costs.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/18/87 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY  
FINANCE

\*\*FISCAL NOTE(S) ATTACHED 2 \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

3/11/87

DATE TURNED INTO OFFICE 3/26/87

Mr. President:

HESS

Committee considered SB 177

medical expenses of prisoners.

and recommended:

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

~~do pass~~

- do not pass
- no recommendation
- individual recommendations
- further referral to \_\_\_\_\_
- letter of intent adopted and attached

\*\* Committee  attached or  adopted fiscal note(s)  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

*Lord*  
*[Signature]*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

OTHER RECOMMENDATIONS

*Rep. Josephson - No Recommendation*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*Paul Fisher Do Pass*  
Chairman signature and recommendation

Committee Backup Attached

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

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

Bill Version: SB 177

Publish Date: 3-26-87

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

Agency Affected: Department of Corrections

Title: "An Act related to medical expenses of prisoners."

BRU: Administrative Services

Sponsor: Fischer, Kerrula, Binkley, Jones  
Requestor: and Duncan

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

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	61.0	64.0	67.0	70.0	74.0	78.0
TRAVEL						
CONTRACTUAL	2.0	2.0				
SUPPLIES						
EQUIPMENT	5.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>
<b>CAPITAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**FUNDING**

GENERAL F						78.0
FEDERAL F						
OTHER						
<b>TOTAL</b>						<b>78.0</b>

**POSITION**

FULL-TIME						2
PART-TIME						
TEMPORAR						

**ANALYSIS:**

Prepared by: \_\_\_\_\_  
Division: Administrative Services

Phone: 376  
Date: 3-12-87

Approved by Commissioner: Susan Humphrey-Barnett  
Agency: Department of Corrections

Date: 3-12-87

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

*Outdated Corrections Note  
original bill*

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

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

Bill Version: SB 177  
Publish Date: 3-24-87

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

Agency Affected: Department of Corrections  
BRU: Administrative Services

Title: "An Act related to medical expenses of prisoners."

Sponsor: Fischer, Kerrtula, Binkley, Jones  
Requestor: and Duncan

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

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	61.0	64.0	67.0	70.0	74.0	78.0
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CONTRACTUAL	2.0	2.0				
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GRANTS, CLAIMS						
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<b>TOTAL OPERATING</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>68.0</b>	<b>66.0</b>	<b>67.0</b>	<b>70.0</b>	<b>74.0</b>	<b>78.0</b>

**POSITIONS:**

FULL-TIME	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PART-TIME						
TEMPORARY						
	2	2	2	2	2	2

**ANALYSIS : (Attach a separate page if necessary)**

Prepared by: Susan Knighton, Research Analyst IV  
Division: Administrative Services

Phone: 465-3376  
Date: 3-12-87

Approved by Commissioner: Susan Humphrey-Barnett  
Agency: Department of Corrections

Date: 3-12-87

**Distribution (by preparer):**

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

08/14/88

*Outdated  
(Included in members' files for comparison purposes.)*

*Revised Appropriations Note*

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 177

## ANALYSIS

Senate Bill No. 177 will allow the Commissioner of the Department of Corrections to attach a prisoner's permanent fund dividend checks in order to pay the prisoner's medical expenses. The amount to be attached is limited each year to the amount of the permanent fund dividend less child support obligations and court ordered restitution.

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