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394

STATE OF ALASKA
THE LEGISLATURE

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JUNEAU, ALASKA 99811
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Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

SB 394

H. HESS

5/2/90

HOUSE COMMITTEE REPORT

(7)

Date Referred: April 28, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/2/90

The HESS Committee considered:

SSSB 394

SS SENATE BILL NO. 394

BLIND/DISABLED VENDORS GROUP HEALTH INS

"An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
[] a new title
[] have attached amendment(s)
[X] do pass
[] do not pass
[] no recommendation
[] individual recommendations
[] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [] fiscal impact _____
[] zero fiscal note _____
[] zero with analysis _____

- [X] fiscal note(s) 3/29/90 / Education
2[X] zero fiscal note(s) 3/27/90 / UGA, Admin
[] zero fn/analysis _____

SIGNING DO PASS:

JL Ellis Ellis
Cheri Davis Davis
MARK BAKER Baker
W. G. Gentry Gentry

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend
<u>George Jacko</u>			<input checked="" type="checkbox"/>

JL Ellis
Chairman's Signature

Alaska State Legislature



SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
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Senate

MEMORANDUM

TO: Representative Johnny Ellis, Chair
House Health, Education and Social Services Committee

FROM: Senator Bettye Fahrenkamp

DATE: April 30, 1990

SUBJECT: Senate Bill 394

"An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs."

The Division of Vocational Rehabilitation administers a program to set up blind and severely disabled people in business as vendors in state and federal buildings, licensing them through the Small Business Enterprise Program.

The Division is required to purchase health insurance for these vendors (there are currently five in the state, four of whom are located in Anchorage and the other in Juneau at the State Office Building). The insurance is paid for out of proceeds in the Small Business Enterprise Revolving Fund (which is funded by receipts from vending machines in state and federal buildings).

Because there are only 5 vendors, they are too few to get a group insurance rate on their own, which means they each have to make arrangements for health insurance individually. If we were to include them in the state group health plan as a political subdivision, it would provide them with better insurance for less money. This will save the revolving fund \$5,200 per year, which can then be used toward helping other blind or disabled people to establish or improve vending businesses.

Attached you will find a negative fiscal note and analysis from the Division of Vocational Rehabilitation, and zero fiscal notes from the Division of Retirement and Benefits and the University.

I very much appreciate your early scheduling of this bill, and I strongly encourage your support of this measure.

ATTACHMENT A

ANALYSIS:

The Division of Vocational Rehabilitation has the statutory and regulatory authority to receive net proceeds from vending machines operated by private persons in state or federal buildings throughout the state of Alaska.¹ These proceeds are deposited quarterly in the Small Business Enterprise Program's revolving fund which is administered by the division. The income from these machines can only be used by the division to enhance, expand and provide fringe benefits to vendors licensed under the Small Business Enterprise Program.

One of the services provided to the licensees is health insurance. The Division has provided this health insurance in the past, but the cost has been higher with less coverage than that provided under the state health insurance program. For calendar year 1991, the division is paying \$14,772.00 to cover five vendors out of this revolving fund. The division would only have to pay \$9,611.40 to cover these same five individuals if they were eligible to participate in the state health insurance program. This would create a net savings of \$5,161.00 for the division in program receipts which could then be used for other services needed to operate the vending program.

¹AS 23.15.010-210
4 AAC 54.430

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act Relating to State Group Insurance
Sponsor: Sen. Fahrenkamp
Requestor: _____

Agency Affected: University of Alaska
BRU: ATI
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	None	None	None	None	None	None

CAPITAL						
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REVENUE	None	None	None	None	None	None
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

SB 394 is not expected to impact the University.

Prepared by: Jim Lynch
Division: University of Alaska

Phone: 907-373-7711
Date: February 15, 1990

Approved by Commissioner: Brian Rogers
Agency: University of Alaska

Date: 2/15/90

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An act relating to eligibility to BRU: Retirement and Benefits
participate in state group insurance.
 Sponsor: Fahrenkamp Components: Retirement and Benefits
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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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
TOTAL	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: (Attach a separate page if necessary)

This bill expands the eligibility in the State sponsored health plan for governmental units to allow individuals in certain vocational rehabilitation programs to participate in this coverage.

Prepared by: Sally Smith
 Division: Retirement and Benefits
 Approved by Commissioner: Frank S. Baxter
 Agency: Department of Administration

Phone: 465-4470
 Date: Jan 25 1990
 Date: 1/29/90

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Education
 Title: Eligibility to participate in BRU: Vocational Rehabilitation
the state group insurance
 Sponsor: Senator Fahrenkamp Components: Specialized Facilities
 Requestor: Senator Fahrenkamp

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)
MISCELLANEOUS						
TOTAL OPERATING	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER P.R.	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)	(5.2)
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Attachment A.

Prepared by: F. Pat. Young Phone: 365-2212
 Division: Vocational Rehabilitation Date: 1/21/90
 Approved by Commissioner: William G. Demmert Date: 1/21/90
 Agency: Education

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Business
 (Impacted Agencies)

ATTACHMENT A

ANALYSIS:

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