

S B

398

Alaska State Legislature

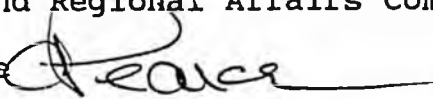
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Anchorage, Alaska 99503
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During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4993

Senator Drue Pearce
District G

MEMORANDUM

TO: Senator Mike Szymanski, Chair
Senate Community and Regional Affairs Committee

FROM: Senator Drue Pearce 

RE: Request for Hearing - SB 398

DATE: January 29, 1990

I request that a hearing be scheduled for Senate Bill 398 "An Act relating to day care programs and child care grants."

Currently two other bills that I sponsored, SB 307 and SB 308, are scheduled for February 15th before your committee. I would appreciate having SB 398 scheduled on the same day.

DP:jf



Alaska State Legislature

Senator Mike Szymanski

While in Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4978

Interim:
3111 C Street, Suite 510
Anchorage, Alaska 99503

SB 398: "AN ACT RELATING TO DAY CARE PROGRAMS AND CHILD CARE GRANTS."

SPONSOR: PEARCE

(907) 566-7617
OF
165 E. Parks Highway
Wasilla, Alaska 99687
(907) 376-6453

The next bill before the committee is SB 398, an act relating to day care programs and child care facilities. This bill would expand the state's ability to contract with local entities, including non-profit and for-profit organizations, to provide day care program administration. SB 398 also changes the payment cycle for child care grants from monthly to quarterly, and revises the existing formula for the allocation of daycare positions to Daycare Assistance Program participants by a child care facility. Finally, the bill would amend the definition of "developmentally disabled" to reflect the federal definition.

TESTIFYING:

Jim Plasman, DCRA

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

February 5, 1990

SUBJECT: Sectional Description
(SB 398)

TO: Senator Mike Szymanski

FROM: Terri Lauterbach *TL*
Legislative Counsel

Following is a brief sectional description of SB 398.

Sec. 1. Clarifies the authority of DC&RA to contract for day care program administration.

Sec. 2. Technical amendment to conform to changes made in sec. 1.

Sec. 3. Technical amendment to conform to changes made in sec. 1.

Sec. 4. Provides for day care grants to be on a quarterly, rather than monthly, basis.

Sec. 5. Modifies provisions under which child care facilities that receive grants must reserve space for children of families who are eligible for day care assistance from the state. Deletes a complicated formula and establishes, instead, a 20 percent minimum number of spaces.

Sec. 6. Raises the age of children eligible for day care assistance.

Sec. 7. Redefines the term "developmental disability."

Please let me know if you have further specific questions about the bill.

TL:pl
WKP1/101

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: "An Act..day care programs and child care grants."
 Sponsor: Senators Pearce, Duncan, etc.
 Requestor: _____

Agency Affected: Community & Regional Affairs
 BRU: Child Assistance
 Components: Child Care

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

ANALYSIS : (Attach a separate page if necessary)

There is no fiscal effect for FY 90.

Prepared by: Brenda Knapp, Deputy Director
 Division: Rural Development/Division
 Approved by Commissioner: [Signature]
 Agency: Department of Community & Regional Affairs

Phone: 465-4890
 Date: 2/28/90
 Date: 2-28-90

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

SB 398

Amendment proposed by Senator Pearce

Beginning on page 1, line 13 and ending on page 1, line 23:

"(2) contract with other entities [MUNICIPALITIES, OR, IF NECESSARY, WITH DAY CARE FACILITIES,] to perform duties of the department under AS 44.47.250 - 44.47.310 within an area specified by the department; the department shall give priority to contracting under this paragraph to municipalities and other entities in descending order of priority [THAT MUNICIPALITY; WITH THE APPROVAL OF THE DEPARTMENT, THE MUNICIPALITY MAY SUBCONTRACT WITH ANOTHER ORGANIZATION IN THE COMMUNITY TO PERFORM ADMINISTRATIVE DUTIES, OR, IF NECESSARY, THE DEPARTMENT MAY CONTRACT WITH ANOTHER ORGANIZATION TO PERFORM ADMINISTRATIVE DUTIES;"

2/6/90

MEMORANDUM

State of Alaska

Community and Regional Affairs

TO: Bob Evans
Legislative Liaison
Office of the Governor

DATE: December 28, 1989

FILE NO: 0644Q/DGH/JP/do/604

TELEPHONE NO: 465-4700

THRU:

SUBJECT: Day Care Assistance
Program Legislation

FROM: David G. Hoffman
Commissioner

As a result of an internal audit which has just been completed, some problems with existing statutory language for this program have arisen. We have attached some draft language which will address these problems, as well as some other program administration issues which arose as part of the review of the program. As you are aware, this program has a fairly high profile and is one which has been of interest to legislators, particularly from the funding aspect. At least in part because of this interest, the department undertook the audit. For your information, Legislative Audit has been requested to review the program as well, but has been waiting for the completion of our audit before commencing its audit. This provides a certain amount of momentum to address the problems revealed by the audit during this session.

Attached is some draft language developed by program staff to address the problems. An explanation of the various provisions follows:

1. Amend AS 44.47.250(b)(2); repeal AS 44.47.250(4).

It has been the experience of the program that often day care facilities lack the necessary administrative capacity to deal with the administrative requirements of the program. The proposed language allows the department to grant funds to entities which can demonstrate the ability to appropriately administer the funds. The priority set out recognizes the preference to deal first with a local governmental institution, then with a non-profit corporation and finally, if there is no other alternative, a for-profit corporation.

Bob Evans
December 28, 1989
Page Two

2. Amend AS 44.47.260.

Language is amended to reflect the changes made to 250(b)(2).

3. Amend AS 44.47.300(b).

This change is made to be consistent with the change made in 250(b)(2).

4. Amend AS 44.47.305(g).

The existing formula set out in this subsection for allocation of space by participating facilities to day care assistance eligible children results in some cases in a negative number. This clearly is not the intent of the program. Instead of the complicated and flawed formula set out in the existing statute, the amendment replaces it with a simple 20 percent minimum, which is consistent with existing practice.

5. Amend AS 44.47.310(1).

A "child" is defined for the purposes of this program to be below age 13, rather than the current age of 11. While typically children this age do not require day care, there are some shift workers who require care for children at night. Because of the limited number expected to be affected, no fiscal impact is anticipated.

6. Amend AS 44.47.310(6)

The change to the definition of developmental disability is in keeping the federal definition used in FSA matters. The definition expands the coverage of the statute to developmental disabilities beyond mental retardation. This allows for physical disorders which are debilitating and allows us to pay additional costs for these children and assist them to an older age.

DCAP Statute Change:

Section 1. Amend AS 44.47.250(b)(2) to read (and repeal 250(b)(4)) as follows:

Priority in granting funds for Day Care Assistance Program administration within a specified area will go to municipalities, non-profits, and for-profits, in this respective order.

Section 2. Amend AS 44.47.260 to read:

When a grant is made under AS 44.47.250(b)(2) between the department and an entity, the department shall pay to the grantee the greater of

(1) an amount equal to 10 percent of the total annual day care benefits paid to day care facilities in the geographic area administered by the grantee; or

(2) [stays as is]

Section 3. Amend AS 44.47.300(b) to read:

Benefits shall be paid by the department directly to the entity contracting with the day care facility.

Section 4. Amend AS 44.47.305(g) to read:

Each child care facility receiving a grant under (a) or (d) of this section shall assure a minimum of 20 percent of their child care positions are available to children eligible for day care assistance under AS 44.47.250-44.47.310, whose parents or guardians wish to pay for care based on attendance only.

Section 5. Amend AS 44.47.310(1) to read:

"child" means a person below 13 years of age, or a minor who has a developmental disability;

Section 6. Amend AS 44.47.310(5) to read:

"developmental disability" means a minor who is incapable of caring for himself or herself, as verified based upon determination by a physician or a licensed or certified psychologist.

6-1953E
Lauterbach
2/12/90

SEN. Szymanski

Original sponsor(s): SEN. PEARCE, Duncan, Kelly, Sturgulewski

1 IN THE SENATE

BY THE C&RA COMMITTEE

2 CS FOR SENATE BILL NO. 398 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to day care programs and child care
7 grants."

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

9 * Section 1. AS 44.47.250(b) is amended to read:

10 (b) The department may

11 (1) adopt regulations necessary for the performance of its
12 duties under AS 44.47.250 - 44.47.310;

13 (2) contract with other entities [MUNICIPALITIES, OR, IF
14 NECESSARY, WITH DAY CARE FACILITIES,] to perform duties of the depart-
15 ment under AS 44.47.250 - 44.47.310 within an area specified by the
16 department; the department shall give priority in contracting under
17 this paragraph to municipalities, nonprofit organizations, and for-
18 profit organizations serving the specified area, in descending order
19 of priority [THAT MUNICIPALITY; WITH THE APPROVAL OF THE DEPARTMENT,
20 THE MUNICIPALITY MAY SUBCONTRACT WITH ANOTHER ORGANIZATION IN THE
21 COMMUNITY TO PERFORM ADMINISTRATIVE DUTIES, OR, IF NECESSARY, THE
22 DEPARTMENT MAY CONTRACT WITH ANOTHER ORGANIZATION TO PERFORM ADMINIS-
23 TRATIVE DUTIES;

24 (3) REPEALED;

25 (4) CONTRACT WITH DAY CARE FACILITIES OUTSIDE OF MUNICIPAL-
26 ITIES; TO PROVIDE MORE EFFECTIVE ADMINISTRATION OF PROGRAMS IN THE
27 UNORGANIZED BOROUGH, THE DEPARTMENT MAY CONTRACT WITH ANOTHER ORGANI-
28 ZATION IN THE COMMUNITY OR WITH AN ORGANIZATION SERVING THE REGION IN
29 WHICH THE COMMUNITY IS LOCATED TO PERFORM ADMINISTRATIVE DUTIES].

1 * Sec. 2. AS 44.47.260 is amended to read:

2 Sec. 44.47.260. PAYMENTS TO MUNICIPALITY OR ORGANIZATION. When
3 a contract is made under AS 44.47.250(b)(2) [OR (b)(4)] between the
4 department and a municipality or an organization, the department shall
5 pay to that municipality or organization the greater of

6 (1) an amount equal to 10 percent of the total annual day
7 care benefits paid to day care facilities in the geographic area
8 administered by that municipality or organization under the contract;
9 or

10 (2) \$1,000 per year.

11 * Sec. 3. AS 44.47.300(b) is amended to read:

12 (b) Benefits shall be paid by the department directly to the
13 municipality or organization contracting with the day care facility
14 [OR, OUTSIDE OF A MUNICIPALITY, TO THE FACILITY UPON RECEIPT OF A
15 BILLING FROM A MUNICIPALITY OR FACILITY].

16 * Sec. 4. AS 44.47.305(f) is amended to read:

17 (f) A grant under (a) of this section may [SHALL] be made quar-
18 terly or monthly and shall be based on the average daily full-time
19 equivalent enrollment in the child care facility [DURING THE CALENDAR
20 MONTH PRECEDING THE DATE ON WHICH APPLICATION FOR A GRANT IS MADE].

21 * Sec. 5. AS 44.47.305(g) is amended to read:

22 (g) Each child care facility receiving a grant under (a) or (d)
23 of this section shall assure that at least 20 percent or one, whichev-
24 er is greater, of their child care positions [A SPECIFIED NUMBER OF
25 CHILD CARE POSITIONS] are available to children eligible for day care
26 assistance under AS 44.47.250 - 44.47.310, whose parents or guardians
27 wish to pay for care based on attendance only [THE NUMBER OF FULL-TIME
28 EQUIVALENT DAYS THE CHILD ATTENDS THE FACILITY. ALL CHILD CARE POSI-
29 TIONS NOT MADE AVAILABLE UNDER A PAYMENT SCHEDULE BASED ON ENROLLMENT

1 SHALL BE MADE AVAILABLE UNDER A PAYMENT SCHEDULE BASED ON ATTENDANCE
2 AND AT LEAST ONE FULL-TIME EQUIVALENT POSITION SHALL BE MADE AVAILABLE
3 BASED ON ATTENDANCE RATHER THAN ENROLLMENT. THE MAXIMUM NUMBER OF
4 CHILD CARE POSITIONS IN EACH FACILITY THAT MAY BE MADE AVAILABLE UNDER
5 A PAYMENT SCHEDULE BASED ON ENROLLMENT SHALL BE DETERMINED EACH MONTH
6 UNDER THE FOLLOWING FORMULA:

7 M = (T+E) - (A+B) WHERE

8 M = MAXIMUM NUMBER OF POSITIONS AVAILABLE UNDER AN ENROLL-
9 MENT-BASED FEE SCHEDULE;

10 T = THE TOTAL NUMBER OF FULL-TIME EQUIVALENT CHILD CARE
11 POSITIONS IN THE FACILITY;

12 E = NUMBER OF FULL-TIME EQUIVALENT POSITIONS DURING THE
13 MONTH BEFORE COMPUTATION WITH AN ENROLLMENT-BASED FEE SCHEDULE;

14 A = AVERAGE DAILY FULL-TIME EQUIVALENT ATTENDANCE DURING THE
15 MONTH BEFORE COMPUTATION IN POSITIONS WITH AN ENROLLMENT-BASED
16 FEE SCHEDULE;

17 B = MAXIMUM DAILY FULL-TIME EQUIVALENT ATTENDANCE DURING THE
18 MONTH BEFORE COMPUTATION IN POSITIONS WITH AN ATTENDANCE-BASED
19 FEE SCHEDULE].

20 * Sec. 6. AS 44.47.310(1) is amended to read:

21 (1) "child" means a person below 13 [11] years of age, or a
22 minor who has a developmental disability;

23 * Sec. 7. AS 44.47.310(6) is repealed and reenacted to read:

24 (6) "developmental disability" means a disability under
25 which a person is incapable of self-care, as verified by a physician
26 or licensed or certified psychologist who has examined the person;
27
28