

S B

394

FIRST COMMITTEE REFERRAL

DATE: 1/23/90

FURTHER: State Affairs
Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: _____

H E S S Committee considered SSSB 394

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

and recommended:

- replace with _____ CS _____ same title
- attached amendment(s) new title
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

J. H. ...

OTHER RECOMMENDATIONS:

Cee Adams - No Rec
Tina Kelly - No Rec
Floyd Jones - No Rec

Paul Frank (Do Pass)

Chair: Signature and Recommendation

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
REVENUE	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
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 *Sally Smith* Phone: 465-4470
 Division: Retirement and Benefits Date: Jan 25, 1990
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 1/29/90
 Agency: Department of Administration

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 the state group insurance BRU: Vocational Rehabilitation
 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						
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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: 465-2214
 Division: Vocational Rehabilitation Date: 1/31/90
 Approved by Commissioner: William G. Demmert Date: 1/31/90
 Agency: Education

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and
- Contracted Agencies

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 334 is not expected to impact the University.

Prepared by: Jim Lynch
 Division: University of Alaska

Phone: 907-474-7711
 Date: February 15, 1990

Approved by Commissioner: Brian Poppers
 Agency: University of Alaska

Date: 2/15/90

Distribution (by preparer):

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

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

Fax# 465-3086

701 EAST TUDOR ROAD, SUITE 240
ANCHORAGE, ALASKA 99503-7445
PHONE: (907) 563-5885

Public Employees' Retirement System
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Retirement System
National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental-Vision-Audio Plan
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

STEVE COWPER, GOVERNOR

March 23, 1990

The Honorable Paul Fischer
Alaska State Senator
P. O. Box V
Juneau, AK 99811

Dear Senator Fischer:

Re: SB 394

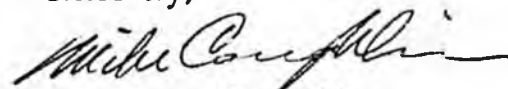
During the Senate HESS Committee hearing on SB 394 this past Wednesday, you asked the nature of the Aleutian West Coastal Resource Area. This question arose during the discussion of eligibility of certain public organizations for health insurance under the State provided plan.

The Aleutian West Coastal Resource Area is a product of legislation (AS 46.40.120) that created coastal resource service areas administered in the Department of Community and Regional Affairs. This legislation provided for certain coastal areas to organize for the purpose of managing the coastal zone in that area. Board members are elected at large by the qualified voters in the area.

This type of organization clearly fits our requirements for public organizations to participate in the health plan.

I hope this information assists you in your deliberations on this bill. Any questions you may have on the details of the Aleutian West Coastal Resource Area would be better answered by Community and Regional Affairs.

Sincerely,



Michael B. Coughlin
Deputy Director

MBC/ksl

POLITICAL SUBDIVISION GROUP HEALTH AND LIFE

Presently 43 Political Subdivision Participants
As of December 1, 1989
Updated December 7, 1989

Effective
Date

A

~~07/01/76~~ Adak Region Schools (FPO Seattle)
~~07/01/89~~ Aleutian West Coastal Resource Area
02/01/85 Akutan, City of (Anchorage)
07/01/76 Alaska Central Railbelt Region Schools (Healy)
12/01/74 Alaska Housing Finance Corp. (Anchorage)
10/01/74 Alaska State Building Authority (Anchorage)
07/01/84 Anderson, City of

B

~~07/01/88~~ Bering Straits Coastal Management Program (Unalakleet) (Plan II)
~~11/01/85~~ Bristol Bay Coastal Resource Service Area (Plan II)

C

02/01/85 Chignik, City of
12/01/89 Cold Bay, City of

*could be if in Alaska
not living in Alaska*

D

07/01/87 Delta/Greely School District (Delta Junction)
05/01/83 Delta Junction, City of
09/01/70 Dillingham, City of

H

01/01/83 Houston, City of
10/01/74 Hydaburg School District

K

04/01/85 Klawock, City of (Plan II)
11/01/84 Kodiak, City of
01/01/80 Kodiak Island Borough
07/01/89 Kodiak Island Hospital

M

04/01/84 McGrath, City of (Plan II)

POLITICAL SUBDIVISION GROUP HEALTH AND LIFE (continued)

Effective
Date

N

07/01/77 North Pacific Fishery Management Council (Anchorage)

P

08/01/80 Pelican, City of
07/01/86 Petersburg, City of
07/01/86 Petersburg General Hospital
07/01/86 Petersburg School District
09/01/76 Pribilof School District (Saint Paul)

R

07/01/86 Ruby, City of (Plan II)

S

07/01/83 Saint Marys, City of
09/01/71 Sand Point, City of (Plan II)
10/01/83 Saxman, City of (Plan II)
11/01/77 Seldovia, City of
11/01/81 Skagway City School District
07/01/73 Soldotna, City of
12/01/76 Southeastern Regional Resource Center (Juneau)
09/01/86 Special Education Service Agency

T

11/01/82 Tanana, City of
09/01/82 Tanana School District
09/01/89 Thorne Bay, City of (Plan II)

U

01/01/83 Unalakleet, City of

W

03/01/77 Wasilla, City of
07/01/74 Whittier, City of (Plan II)

Y

07/01/75 Yakutat Public Schools

Alaska State Legislature



SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 456-2899

WHILE IN JUNEAU
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JUNEAU, ALASKA 99811
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Senate

M E M O R A N D U M

TO: Senator Paul Fischer, Chairman
Senate Health, Education and Social Services Committee

FROM: Senator Bettye Fahrenkamp

DATE: February 5, 1990 *Bettye*

SUBJECT: Senate Bill 394
"An Act relating to eligibility to participate in the state group insurance for certain licensees in vocational rehabilitation programs."

Under current law, the Division of Vocational Rehabilitation is mandated to provide fringe benefits, such as health insurance, to blind and severely disabled vendors licensed under the Small Business Enterprise Program. Funds to purchase this insurance come from proceeds from vending machines operated in state and federal office buildings through the state.

The cost to provide this insurance for the five affected vendors has been increasing in recent years. SB 394 would permit these vendors to participate in the state's health insurance plan, on the same plan as a political subdivision. This would provide better insurance at a net savings of \$5,161.

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

I would greatly appreciate your early scheduling of this bill, and strongly encourage your support of the measure.

of people -

SESA