

S J R

76

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/12/90

FURTHER:

Date of 5-Day Notice: 2/15/90
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2/26/90

L & C Committee considered

SJR 76

Urging a change in the allocation formula for federal grants for alcohol, drug abuse, and mental health services.

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:

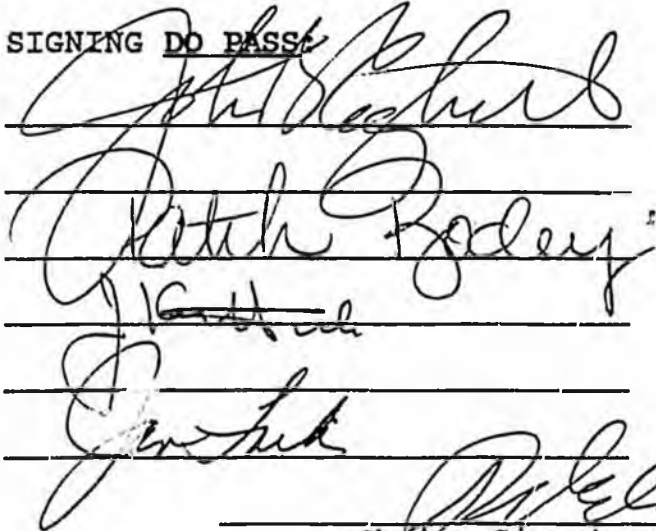
fiscal note(s) _____

zero fiscal note(s) _____
Dept of Health & Social Services 2/23/90

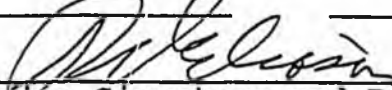
appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:



OTHER RECOMMENDATIONS:

 Do pass
Chair: Signature and Recommendation

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Health & Social Services
 Title: Urging a change in the allocation formula for federal grants for alcohol . . . BRU: Office of Alcohol & Drug Abuse
 Sponsor: Fahrenkamp/Sturculewski Components: _____
 Requestor: _____

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	-0-	-0-	-0-	-0-	-0-	
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)

Fiscal impact for FY90 is "0".

Prepared by: Matthew Relix, Coordinator
 Division: Office of Alcohol & Drug Abuse

Phone: 586-6201
 Date: _____

Approved by Commissioner: Myra M. Munson
 Agency: Department of Health & Social Services

Date: 2/23/90

Distribution (by preparer):

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

Alaska State Legislature



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Senate

MEMORANDUM

TO: Senator Richard Eliason, Chairman
Senate Labor & Commerce Committee

FROM: Senator Bettye Fahrenkamp *Bettye*

DATE: February 21, 1990

SUBJECT: Senate Joint Resolution 76
"Urging a change in the allocation formula for federal grants for alcohol, drug abuse, and mental health services."

The federal government has provided funding for substance abuse and mental health services in the form of block grants since 1981. Last fall, the President requested an addition \$1.65 billion for drug abuse programs, from which \$415 million was to go to the states' block grants for prevention and treatment services.

This block grant money is distributed to the individual states by a formula that favors urban areas. As a result, Alaska and six other rural states are not scheduled to receive *any additional funding* for federal fiscal year 1990.

This resolution requests that the Alaska Congressional delegation seek changes in the funding formula so that Alaska can receive a fair share of federal aid.

Thank you for scheduling this resolution. I urge your support, and would be happy to answer any questions.

MEMORANDUM

State of Alaska

TO: Kurt Parkan (Rep. Boyer)
~~James Nordlund (Rep. Ellis)~~
Geoffrey Bullock (Rep. Davis)

DATE: January 9, 1990

FILE NO:

TELEPHONE NO: 586-6201

THRU: Jay Livey
Special Assistant
Office of the Commissioner

SUBJECT: Federal Funding
Anti Drug Act 1990

FROM: Matthew Felix *MF*
Coordinator
Office of Alcoholism/Drug Abuse

Attached is the information on federal funding you requested. I also have included a status report I wrote a month ago.

Attachment

cc: Yvonne Chase

**Federal Funding
Alcohol, Drug Abuse, Mental Health Block Grant**

Federal funding for substance abuse and mental health services has been coming to Alaska in the form of a block grant since 1981. The allocation formula has been debated every year since. In FY 89 ending in September 1989, Alaska was given a small increase in funding but the formula did not allow any increase in the subsequent three (3) years.

In the fall of '89, the President announced a major initiative against drug abuse with a fiscal note of 1.65 billion additional dollars. Of this funding, \$415 million was to be added to the states block grants. This money is distributed to individual states by a formula with four basic components; population, age of population, number of abusers, and a state's calculated total tariffable resources. Alaska does not fair well under this formula. A new formula would have given Alaska a substantial increase. The Senate concurred with the administration although it moved some funds into treatment from the enforcement allocation. The Senate Bill S.1715 included formula changes that reduced the urban weighting considerably. This would have been very advantageous to Alaska. The FY 89 formula with its 40% urban weighting gave Alaska one of the smallest increases that year and 0 increase for FY 90. Nevertheless, some states (8) received no increases in '89 and a few actually took some reductions. The reduction of the urban weighting was viewed as more equitable and still allowed urban areas substantial funding increases.

The House passed HR 3630 that sought to make a number of changes to the Block Grant, including the reprogramming of \$250 million in block grant funds to 4 categorical programs. Additionally, the House bill would have designated separate allocation formulas for the alcohol and drug portion of the Block and for the mental health portion.

The Senate, which had previously passed S.1735, a bill that included a formula change reducing urban weighting from 40% to 20%, tried to convince the House to adopt a formula change.

However, for a number of reasons, including the fact that Congress was anxious to adjourn before Thanksgiving and that the House and Senate could not agree on transportation employee drug testing provisions, the conferees did not reach a compromise and Congress adjourned without making any changes to either the appropriations level or to the formula.

The attached chart prepared by Federal Funds Information for States (FFIS) provides an estimate of each states FY 1990 allocations under both the ADMS Block Grant and the State and Local Law Enforcement Block Grant.

Please note that while the total FY 1990 ADMS Block Grant appropriations was \$1.2 billion, a 1.4 percent reduction was required by the Gramm-Rudman-Hollings sequester law.

Also, H. R. 3015, the Transportation Appropriations bill that provided an additional \$415 million to the ADMS Block Grant for alcohol and drug abuse services contained language stating that the \$415 million "shall remain available for obligation by the states until March 31, 1991 and such obligated funds shall remain available for expenditure by the states until March 31, 1992." Thus, it appears that for the increased appropriations an additional six months is given to obligate and expend these monies. The current law requirement of one year to obligate block grant funds will apply to states' shares of the basic FY 1990 appropriation level of \$790 million.

Although the Congress did not act to change the allocation formula or to make other Block Grant changes before adjournment, it is anticipated that Congress may consider these issues early in 1990.

It is my estimate that the Senate version of the drug bill with its 20% weighting for population (urban) would increase the Alaska block by approximately \$320,000. A 30% weighting may add \$120,000-\$140,000. Again, the House Bill or the use of last year's formula would add 0 to the block grant formula. Alaska would be one of seven (7) states to receive nothing from a \$415 million (FY 90) drug bill allocation. The months of January and February will be a critical time to let our Legislative delegation know of this inequity. Nothing in the formula allows for the high cost of providing prevention and treatment in Alaska. The seven states will be lobbying for a minimum increase for all states. The final bill may set allocations for three (3) years. We must make our position known this next month.

Matthew Felix

ESTIMATED ALLOCATIONS FROM ANTI-DRUG ABUSE FORMULA GRANTS: 1989 & 1990
(federal fiscal years; dollars in thousands)

STATE	DRUG LAW ENFORCEMENT			DRUG ABUSE BLOCK GRANT			DRUG FREE SCHOOLS			TOTAL		
	1989	1990	% CHANGE	1989	1990	% CHANGE	1989	1990	% CHANGE	1989	1990	% CHANGE
ALABAMA	\$2,018	\$6,593	226.69%	\$12,953	\$18,006	39.01%	\$4,933	\$8,215	66.52%	\$19,904	\$32,814	64.18%
ALASKA	691	1,704	145.13%	2,734	2,734	0.00%	1,421	2,230	56.92%	4,850	6,668	37.48%
ARIZONA	1,751	5,735	227.17%	12,497	17,519	40.19%	3,793	6,097	60.73%	18,019	29,171	62.75%
ARKANSAS	1,388	4,260	206.93%	7,000	8,380	19.71%	2,851	4,735	66.09%	11,239	17,375	54.60%
CALIFORNIA	10,702	39,616	267.99%	87,351	140,169	60.47%	30,048	48,636	62.01%	128,111	218,181	70.30%
COLORADO	1,725	5,498	218.73%	11,165	16,414	47.01%	3,631	5,358	51.07%	16,521	27,170	64.27%
CONNECTICUT	1,693	5,485	219.27%	10,941	16,027	46.49%	3,299	5,140	57.73%	15,893	26,372	67.20%
DELAWARE	739	1,890	155.69%	2,125	3,073	44.61%	1,421	2,235	57.22%	4,285	7,197	67.95%
DIST OF COL	731	1,831	150.44%	3,444	4,770	38.50%	1,421	2,270	56.21%	5,596	8,821	57.62%
FLORIDA	4,969	17,842	259.07%	39,620	59,657	50.57%	11,335	18,443	63.91%	53,914	76,342	72.21%
GEORGIA	2,813	9,653	243.17%	15,837	23,701	49.66%	7,556	12,457	64.84%	26,206	45,811	74.81%
HAWAII	903	2,488	175.53%	4,095	3,827	42.30%	1,421	2,277	60.27%	6,419	10,392	61.01%
IDAH0	871	2,358	170.75%	2,303	2,600	9.11%	1,421	2,290	61.14%	4,675	7,249	55.01%
ILLINOIS	4,805	16,857	250.83%	35,699	57,509	61.09%	13,047	20,818	59.56%	53,551	95,185	77.74%
INDIANA	2,556	8,500	235.66%	22,522	28,240	25.39%	6,482	9,800	51.17%	31,560	46,619	47.72%
IOWA	1,553	4,860	212.95%	4,809	7,884	62.28%	3,217	4,816	50.64%	9,579	17,511	82.61%
KANSAS	1,420	4,397	209.64%	5,543	7,573	36.62%	2,749	4,212	53.24%	9,712	16,182	66.67%
KENTUCKY	1,885	6,080	222.57%	7,296	11,624	59.32%	4,429	7,214	62.87%	13,610	24,918	81.09%
LOUISIANA	2,158	7,011	224.80%	10,191	16,486	61.77%	5,581	9,241	65.57%	17,910	32,738	82.58%
MAINE	941	2,634	179.94%	4,654	4,654	0.00%	1,421	2,289	61.05%	7,016	9,577	36.50%
MARYLAND	2,186	7,308	234.09%	12,085	21,314	76.37%	4,753	7,714	62.38%	19,024	36,332	90.98%
MASSACHUSETT	2,676	9,035	237.61%	25,271	35,091	38.86%	5,683	9,258	62.94%	33,630	53,384	58.74%
MICHIGAN	3,919	13,613	247.37%	27,271	43,130	58.15%	10,773	17,211	59.76%	41,943	73,954	76.24%
MINNESOTA	2,078	6,873	230.74%	9,134	15,173	66.12%	4,729	7,312	54.61%	15,941	29,358	84.14%
MISSISSIPPI	1,476	4,568	209.47%	6,853	7,972	16.33%	3,481	6,002	74.70%	11,810	18,621	57.61%
MISSOURI	2,397	8,012	234.27%	14,318	21,448	49.80%	5,641	8,028	56.49%	22,336	38,289	71.24%
MONTANA	801	2,080	160.64%	2,964	2,964	0.00%	1,421	2,256	58.76%	5,186	7,308	40.91%
NEBRASKA	1,092	3,177	190.91%	3,949	5,431	37.53%	1,812	2,806	54.80%	6,853	11,413	66.54%
NEVADA	874	2,428	177.80%	3,890	5,404	38.92%	1,421	2,270	59.70%	6,185	10,102	63.32%
NEW HAMPSHIRE	893	2,470	176.83%	4,627	4,627	0.00%	1,421	2,275	60.07%	6,941	9,372	35.02%
NEW JERSEY	3,352	11,538	244.21%	31,449	45,540	44.81%	7,910	12,969	63.96%	42,711	70,047	64.00%
NEW MEXICO	1,958	3,047	187.99%	6,435	6,551	1.80%	1,072	3,132	67.25%	9,365	12,730	35.92%
NEW YORK	7,125	25,459	257.32%	85,794	98,111	14.32%	18,683	37,892	76.06%	91,602	156,462	70.81%
NORTH CAROLI	2,884	9,854	241.69%	14,476	21,069	45.54%	7,136	11,336	58.87%	24,496	42,860	72.52%
NORTH DAKOTA	750	1,899	153.22%	1,630	1,855	13.80%	1,421	2,241	57.71%	3,801	5,996	57.73%
OHIO	4,508	15,820	250.93%	36,561	53,413	46.09%	12,381	19,090	54.19%	53,490	88,323	65.24%
OKLAHOMA	1,716	5,418	215.71%	9,808	12,843	30.94%	3,811	5,856	53.67%	15,335	24,117	57.27%
OREGON	1,512	4,769	215.38%	8,111	11,818	45.70%	2,977	4,605	54.70%	12,600	21,192	68.19%
PENNSYLVANIA	4,936	17,386	252.23%	39,746	58,481	47.14%	12,411	20,225	62.96%	57,093	96,892	68.31%
RHODE ISLAND	866	2,343	170.74%	5,503	7,222	31.24%	1,421	2,239	58.93%	7,790	11,826	51.80%
SOUTH CAROLI	1,773	5,729	223.14%	8,909	12,949	45.35%	4,111	4,738	63.91%	14,793	25,417	71.81%
SOUTH DAKOTA	764	1,962	156.81%	3,759	3,759	0.00%	1,421	2,216	56.05%	5,944	7,967	34.05%
TENNESSEE	2,304	7,678	233.17%	12,898	18,754	45.02%	5,539	9,084	62.55%	19,941	35,435	77.69%
TEXAS	6,740	23,997	256.89%	40,166	65,697	63.56%	20,897	33,091	58.35%	67,803	122,787	81.09%
UTAH	1,124	3,291	193.33%	5,686	8,502	49.53%	2,611	3,910	46.42%	9,481	15,709	65.70%
VERMONT	704	1,749	148.42%	3,918	3,918	0.00%	1,421	2,226	56.59%	6,043	7,892	30.60%
VIRGINIA	2,694	9,207	241.75%	14,757	23,935	62.19%	6,238	9,883	58.64%	23,681	41,024	71.69%
WASHINGTON	2,187	7,339	235.17%	14,549	21,835	50.08%	4,983	7,654	54.22%	21,699	34,828	69.72%
WEST VIRGINI	1,205	3,551	194.70%	5,435	5,900	4.70%	2,239	3,645	62.02%	9,079	13,076	44.25%
WISCONSIN	2,287	7,622	233.26%	10,338	17,451	68.80%	5,479	8,582	55.16%	18,104	33,575	85.45%
WYOMING	482	1,642	140.80%	1,285	1,285	0.00%	1,421	2,226	56.62%	3,388	5,153	52.09%
PUERTO RICO	1,724	5,485	218.18%	9,299	14,298	53.76%	5,283	9,891	87.21%	16,304	29,675	81.98%
TERRITORIES	1,109	3,369	203.75%	2,181	2,701	23.84%	3,475	5,582	59.92%	6,765	9,652	42.67%
UNALLOCATED	31,200	51,621	66.45%	40,280	59,643	48.07%	66,770	75,681	13.35%	138,250	184,915	35.22%
TOTAL	\$150,000	\$416,722	197.81%	\$805,594	\$1,192,851	48.87%	\$354,500	\$530,250	51.85%	\$1,310,094	\$2,177,824	66.23%