

HB

262

Revision Date: _____
 Title: An Act relating to the human services community matching grant and providing for effective date.
 Sponsor: Representative Kelly
 Requestor: House (CRA)

Dept. Affected: Health and Social Services
 BRU: Family and Youth Services
 Component: DFYS Central Office
 COMPONENT SERIAL NO. 259
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY95) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

There would be no fiscal impact to the Department if this bill were to become law.

Prepared by: Kathy Tibbles, Acting Director
 Division: Family & Youth Services

Phone: 465-3191
 Date: 03/21/95

Approved by Commissioner: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Date: 3/25/95

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Alaska State Legislature

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PETER KELLY

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House District 31

House Of Representatives

Sponsor Statement

House Bill 262

The Human Services Community Matching Grants program requires matching grants from larger communities throughout Alaska. Smaller communities, without a tax base, are not required to provide local tax revenues to match their community services grants.

The Human Services Community Matching Grants program was created by the 1992 legislature. The program sought to utilize private nonprofit agencies to provide for important services in the various municipalities. It was felt that the municipalities were best able to determine the needs of the local community than State officials. Local officials could also provide better focus and direction, potentially saving the State thousands of dollars.

House Bill 262 holds the local matching funds at 30%. Without the passage of HB 262 local governments will have to increase the level of funds required to receive matching State grants to the 50% level. Declining local revenues, when added to declining State revenues, will accelerate the loss of these services.

Alaska State Legislature

REPRESENTATIVE
PETER KELLY

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House District 31

House Of Representatives

Memorandum

To: Representative Ivan

From: Representative Pete Kelly

PK

Date 3-22-95

Re: Request for hearing

Please schedule House Bill 262, "An Act relating to the human services community matching grant program" for hearing at your earliest convenience.

Thank you very much.

DEPARTMENT OF HEALTH AND
SOCIAL SERVICES

DIVISION OF FAMILY AND YOUTH SERVICES

P.O. BOX 110630
JUNEAU, ALASKA 99811-0630
PHONE: (907) 465-3170

March 31, 1995

Representative Ivan Ivan
Co-Chairman
Community and Regional Affairs Committee
Room 503, State Capitol
Juneau, Alaska 99801-1182

Dear Representative Ivan,

This letter follows my testimony of yesterday regarding the modifications to the Human Services Community Matching Grant program found at AS 29.60.600 *et. seq.* As I concluded my testimony, I promised I would provide further information to the committee regarding the manner by which the required match by eligible municipalities is calculated. First, however, I would like to correct one part of my testimony. I erroneously represented that with the current year's grants, the municipalities only had to provide 10% match. For FY 95, the required match is in fact 30%. See the transitional provision at Sec. 2 of Ch. 74, SLA 1992.

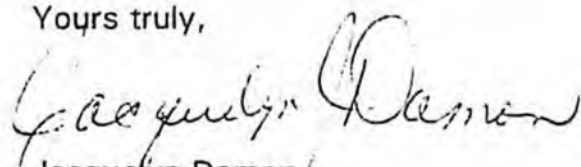
As for the amount of the match, and how it is calculated, the Department of Health and Social Services, initially interpreted the requirement to mean simply a percentage of the amount approved for each municipality. Last spring, however, following an internal discussion, we concluded the the correct approach is to view the percentage requirement as a percentage of the total effort. We sought an Attorney General's Opinion on the issue. A copy of our request and the resulting opinion accompanies this letter. Also accompanying this letter is a table which shows the Actual amounts granted since FY 93 and how it would work with the new approach to calculating the match. Although the Attorney General's Opinion approved of the new interpretation, the new interpretation was not imposed upon the municipalities for FY 95 because they had relied upon the old approach in rendering their budgets. Both municipalities were advised, however, that the new interpretation would be applied to their FY 96 grants.

Letter to Representative Ivan Ivan
March 31, 1995
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Finally, I wish to reiterate that Anchorage and Fairbanks are in fact the only two municipalities that receive direct grants to provide social service programs from the Department of Health and Social Services Human Services Community Matching Grant program. Other municipalities provide social services through other funding mechanisms which Anchorage and Fairbanks also receive.

If I can be of further assistance to the committee, please call.

Yours truly,


Jacquelyn Damon
Social Services Program Officer

Human Services Community Matching Grants Table

	Anchorage	Match	Total Effort		Fairbanks	Match	Total Effort
FY 93	\$1,656,600	-0-	\$1,656,600	FY 93	\$300,700	-0-	\$300,700
FY 94	1,467,975	146,798(10%)	1,614,773	FY 94	489,325	48,933	538,258
FY 95	1,348,400	404,520(30%)	1,752,920	FY 95	421,200	126,360	547,560
FY 96	1,348,400	577,886(30%) ¹	1,926,286	FY 96	421,200	180,514	601,714
FY 96	1,348,400	1,348,400(50%) ²	2,696,800	FY 96	421,200	421,200	842,400

¹ This assumes both that the bill to lower the required match beginning in FY 96 passes, and that the legislature makes identical appropriations each to Anchorage and Fairbanks as for FY 95. It also uses the new approach to calculating the match.

² This assumes that the proposed change to the match requirement does not pass and that the legislature makes identical appropriations to Anchorage and Fairbanks for FY 96 as in FY 95. It also utilizes the new approach to calculating the match.

STATE OF ALASKA

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

MARGARET R. LOWE, COMMISSIONER

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030

M E M O R A N D U M

DATE: 22 July 1994

TO: Bruce M. Botelho
Attorney General

THRU: Nancy Bear Usera
Chief of Staff
Office of the Governor

FROM: Margaret R. Lowe, M. Ed., Ed. S.
Commissioner

SUBJ: Request for an Attorney General's
Opinion Regarding the "Human Services Community
Block Grants" to Fairbanks and Anchorage

This to request a written opinion regarding two issues which relate to the "Human Services Community Matching Grants" to the Municipality of Anchorage and the Fairbanks area.

On pages 22 and 23 of the appropriation bill for FY 95 (Chapter 3 of the First Special Session), (see attached), the legislature made two separate "Human Services Community Block Grant" appropriations, viz. one to the Municipality of Anchorage, and one to the City of Fairbanks/Fairbanks North Star Borough. These two appropriations appear to be outside of the statutory structure the legislature created just two years ago. See AS 29.60.600 - 650. Indeed, it appears that all who have looked at this issue agree that the legislature has done something outside the statutory structure. But does this mean that none of the rules which are contained in statute are to be applied to these two grants? For example, one of the rules is that the match to be provided by an eligible municipality may not be "in-kind." See Sec. 600(b)(1). This is one rule which we would like to use even if you conclude that none of the rules of the statutory structure apply to the grants to be let to the Municipality of Anchorage and the Fairbanks North Star Borough. That is, even if the statutes do not apply, I would hope that we have some license to make reasonable interpretations and impose reasonable conditions, such as that the nature of their match must be cash, and may not be "in-kind."

The second issue is the question of how to calculate the municipal match. There appear to be at least two possible methods of calculating the match. One is to simply say that the required match is 30% of what the legislature appropriates. Another is to say that the amount appropriated by the legislature is 70% of the "total effort." See the

attached table for a graphic display of the two approaches. For FY 94, the only year in which any match was required, the former interpretation was the one that was made. See the copy of the Grant Agreement with the Municipality of Anchorage for FY 94 which accompanies this memorandum. Regardless, we would now like to use the latter approach. Using this approach, the amount appropriated to the Fairbanks area is .7 of the total effort. Thus the total effort is equal to \$421,200 divided by .7 equals \$601,714, and the Fairbanks match is \$180,514 as opposed to \$126,360, a difference of \$54,154.

If the legislature has done something quite apart from the statutory structure such that As 29.60.600 - 650 does not apply and cannot be made to apply to the grant agreements which should now be made, we would hope that we nevertheless have the authority to make reasonable interpretations and impose reasonable conditions on these grants. In the latter category, even before the 1992 legislation, this department had imposed a condition that the recipient municipalities may not use more than 5% of the amount granted for administrative costs incurred in connection with these grants.

I ask for your earliest possible attention to this request. Both Fairbanks and Anchorage are standing by, waiting for their money, and will not issue any money to their subgrantees unless they first have money in hand from us.

MEMORANDUM

State of Alaska

Department of Law

TO: Hon. Margaret R. Lowe
Commissioner
Department of Health and
Social Services

DATE: August 25, 1994

FILE NO.: 663-95-0051

TEL NO.: 465-3603

SUBJECT: Community Block Grants
to Fairbanks and Anchorage

FROM:

Jan A. Rutherford
Jan A. Rutherford
Assistant Attorney General
Human Services Section-Juneau

You requested advice regarding two issues relating to the community block grants appropriated to Anchorage and Fairbanks for FY 95 (hereafter referred to as "FY 95 grants"). First, you asked whether reasonable conditions could be made on the FY 95 grants such as those contained in AS 29.60.600 -- .650, even if those statutes do not apply to the FY 95 grants. Second, you asked if you could use a different funding formula than the one used last year. Our answer is "yes" to both these questions.

In your opinion request, you assume that the FY 95 grants fall outside the statutory structure set out in AS 29.60.600 -- .650, and therefore none of the provisions in these statutes apply. We are aware of only two differences between the FY 95 grants and the type of matching grant contemplated by AS 29.60.600 -- .650: (1) a specific amount is allocated to each municipality so that there is no need to allocate the money between the two municipalities under AS 29.60.620; and (2) the term "community block grant" is used instead of "human services community matching grant" (the term used in the FY 94 grant). These differences, in our opinion, do not render all provisions in the statutes inapplicable.

The first difference -- that a specific amount of money is allocated -- merely means that the allocation section, AS 29.60.620, does not apply. The second difference -- the use of a different term -- is not significant because the two terms mean the same thing. When the statute was enacted two years ago, the two terms were used interchangeably. During committee hearings on HB 263, Representative Mark Boyer, the prime sponsor of the bill, stated that the purpose of HB 263 is "to codify the Anchorage and Fairbanks block grants [and thereby] clearly [establish] a public purpose for the block grants." Merely using a different term does not invalidate the provisions of the statute that still can be applied in distributing the funds. There is nothing otherwise stated in the appropriation bill or elsewhere to suggest that the statute should not apply. The only statement in the appropriation bill concerning the FY 95 grants is that there should be a "70 percent/30 percent State/Municipality match." This is the same

Hon. Margaret R. Lowe
Commissioner
Our file: 663-95-0051

August 25, 1994
Page 2

match required in section 2 of SCS CSHB 263(CRA) (the transitional provisions) for FY 95. Therefore, it is our opinion that the provisions in AS 29.60.600 and AS 29.60.610 are applicable to the FY '95 grants.

Even if AS 29.60.600 and AS 29.60.610 are inapplicable to the FY 95 grants, the type of conditions stated in those statutes can be used for distributing the FY 95 grants. The state can impose conditions on grants, as long as they are reasonable, and the conditions set out in AS 29.60.600 and AS 29.60.610 appear to be reasonable ones. In the process of codifying these conditions they were subject to public deliberation. They have been in effect for two years now, and those conditions have not been amended. Therefore, they can be imposed by the state even if the FY 95 grants fall outside the reach of the statute.

Your second question is whether the state is bound by the method of calculating the municipalities' match that was used in FY 94 ("the FY 94 method") or whether a different calculation can be used ("the proposed method"). Neither the FY 95 grants, AS 29.60.600 -- .650, nor the transitional provisions of SCS CSHB 263(CRA) discuss how to calculate the municipalities' share, other than stating that it should be a 70/30 percent match. There is no indication that the amount appropriated in the FY 95 grants was determined based on the FY 94 method; therefore, the municipalities cannot argue that they somehow relied on last year's calculations to their detriment. We agree that the proposed method makes more sense than the FY 94 method. We are aware of no other matching programs that use the FY 94 method, but there is another matching program that uses the same method as the proposed method, the state/municipality match for school funding set out in AS 14.11.008. For all the above reasons, there is no reason why the proposed method cannot be used.

We hope this memorandum answers your questions. If you have any additional questions or comments, please feel free to contact us.

/JAR:ebc

FY95 H&SS SUBGRANTEES

Page One

Michael G. Sturm, Controller Phone: (907) 276-6282
Alaska Legal Services Corporation Fax: (907) 279-7417
Anchorage and Statewide Office
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Anchorage, Alaska 99501-1963

Fairbanks Office Phone: (907) 452-5181
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Fairbanks, Alaska 99701

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P.O. Box 73924
Fairbanks, Alaska 99707

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Breast Cancer Detection Center Fax: (907) 479-2215
P.O. Box 71422
Fairbanks, Alaska 99707

Sharon Hunter, Executive Director Phone: (907) 456-8317
Bread Line Phone: (907) 488-4282
P.O. Box 73715
Fairbanks, Alaska 99707

Jody Pritchard, Executive Director Phone: (907) 451-8600
Crisis Line
P.O. Box 70908
Fairbanks, Alaska 99707

Daniel LaBrosse, Executive Director Phone: (907) 456-5913
Deaf Community Services Fax: (907) 456-2604
1405 Kellum Street
Fairbanks, Alaska 99701

Samantha Castle Kirstein, Executive Director Phone: (907) 452-7761
Fairbanks Community Food Bank Fax: (907) 456-2377
517 Gaffney Road
Fairbanks, Alaska 99701

FY95 H&SS SUBGRANTEES

Page Two

John Regitano, Executive Director	Phone: (907) 452-1648
Fairbanks Native Association	Phone: (907) 455-4725
201 First Avenue, Suite 200	Fax: (907) 456-4148
Fairbanks, Alaska 99701-4848	

Jon Zasada, Executive Director	Phone: (907) 457-5223
Fairbanks Youth Center	
P.O. Box 74143	
Fairbanks, Alaska 99707	

Mary Kay Brown, Executive Director	Phone: (907) 474-0311
Hospice of the Tanana Valley	
P.O. Box 82770	
Fairbanks, Alaska 99708	

Jeanne Thomas, Executive Director	Phone: (907) 452-6471
National Senior Volunteer Corps	
1424 Moore Street	
Fairbanks, Alaska 99707	

Richard Greene, Corps Officer	Phone: (907) 452-5005
Salvation Army	
P.O. Box 70405	
Fairbanks, Alaska 99707	

Agency	Allocation	Program Name	Nature of the Services Provided
Alaska Legal Services Corporation	\$70,000.00	Individual & Family Legal Crises Project	Civil legal advice and/or brief services to low income individuals in the areas of family law, landlord/tenant & housing law, needs based benefits and consumer/debt law.
Big Brothers/Big Sisters	\$30,000.00	Big Brothers/Big Sisters, Greater Fbks	Provide activities for children while they are on the wait list for big brothers/sisters, train volunteers, improve program service.
Bread Line	\$48,402.00	Feeding Hungry People a Hot Meal	Provide hot meals, sack lunches & clothing to those in the poverty/economic needs assessment categories.
Breast Cancer Detection Center	\$65,000.00	Once a Year for a Lifetime	Decrease the mortality rate from breast cancer in the FNSB and Alaska through education, screening, and examination for early detection, and appropriate referral or additional treatment or follow-up, and to provide this regardless of a client's ability to pay.
Crisis Line	\$50,000.00	Crisis Line	Provide 24-hour prevention & intervention services to the Fairbanks community and the northern region of Alaska.
Deaf Community Services	\$17,399.00	Interpreter Referral Line	Create better community wide access for deaf individuals through the increased use of qualified sign language interpreters.
Deaf Community Services	\$7,600.00	Independent Living Program	Provide independent living, vocational rehabilitation and advocacy services to deaf & hard of hearing individuals.
Fairbanks Community Food Bank	\$50,000.00	Food Bank	Salvage local surplus food and give it to people (through agencies) who need it. Collect, store, distribute food.
Fairbanks Native Association	\$18,996.00	Project Outreach	Reduce drug and alcohol abuse for runaway and/or homeless youth, through prevention and intervention services
Fairbanks Youth Center	\$55,308.00	Interim Prevention Project, Year 2	Provide young people in grades 6 - 12 with safe environments for recreation and social development, through youth center & outreach programs.
Hospice of the Tanana Valley	\$20,500.00	Hospice of the Tanana Valley	Provide support to the dying person, their family and loved ones. Provide bereavement support to those who have lost a loved one through death.
National Senior Volunteer Corps	\$25,000.00	Fairbanks Region Project, NSVC	Increase number of active senior volunteers in programs such as foster grandparents & senior companions. Provide the volunteers with training and program benefits.
Salvation Army	\$34,650.00	Medical/Dental Svs for Working Poor	Provide health & dental care services to people who meet the eligibility criteria and who are in need of such care.
Salvation Army	\$34,650.00	Men's Transitional Shelter Program	Provide transitional housing for homeless men, and case mgt. & counseling to return them to productive lives.

History Human Services Community Matching Grant

	State Funds	Local Funds	Combined	Notes
FY 1993				no local requirement
Anchorage	\$ 1,658,600	\$ -	\$ 1,656,600	appropriated individually
Fairbanks	300,700	0	300,700	
Total	\$ 1,957,300	\$ -	\$ 1,957,300	
FY 1994				10% match
Anchorage	\$ 1,467,975	\$ 146,798	\$ 1,614,773	proportioned by population
Fairbanks	489,325	48,932	538,257	(per statute)
Total	\$ 1,957,300	\$ 195,730	\$ 2,153,030	
FY 1995				30% match
Anchorage	\$ 1,348,400	\$ 404,520	\$ 1,752,920	appropriated individually: not
Fairbanks	421,200	127,260	548,460	by population
Total	\$ 1,769,600	\$ 531,780	\$ 2,301,380	
FY 1996 - Hickel				50%
Anchorage	not separated by community			would be proportioned
Fairbanks				by population (per statute)
Total	\$ 1,150,200	\$ 1,150,200	\$ 2,300,400	
FY 1996 - Knowles				50%
Anchorage	not yet announced - rumored to be higher			the rumor is that two individual
Fairbanks	than Hickel request			figures will be proposed, not relying
Total				on proportioning after budget passage

The Human Services Community Matching Grants program became effective with FY 1994. It requires allocation of funds as follows:

AS29.60.620 (a): If the amount of money is not adequate, the money shall be allocated proportionately based on the relationship the population of each municipality bears to the total population of the qualified municipalities.

(b) population shall be determined by the Dept. of Community & Regional Affairs.

Local match was not required prior to FY 94. Here is the definition of local match:

AS29.60.600 (b)(1): other sources may include federal or municipal money or money from other private or public sources. In this paragraph "municipal money" includes money derived from appropriations, allocations, entitlements, grants or other payments from the state other than the state grant under this section but does not include locally contributed staff hours, material, equipment or other in-kind contributions.

In FY94, the local match was satisfied by using a United Way grant to one of the sub-grantees.

Sources: DCRA through Cheryl Keepers, CC Administrator, FNSB

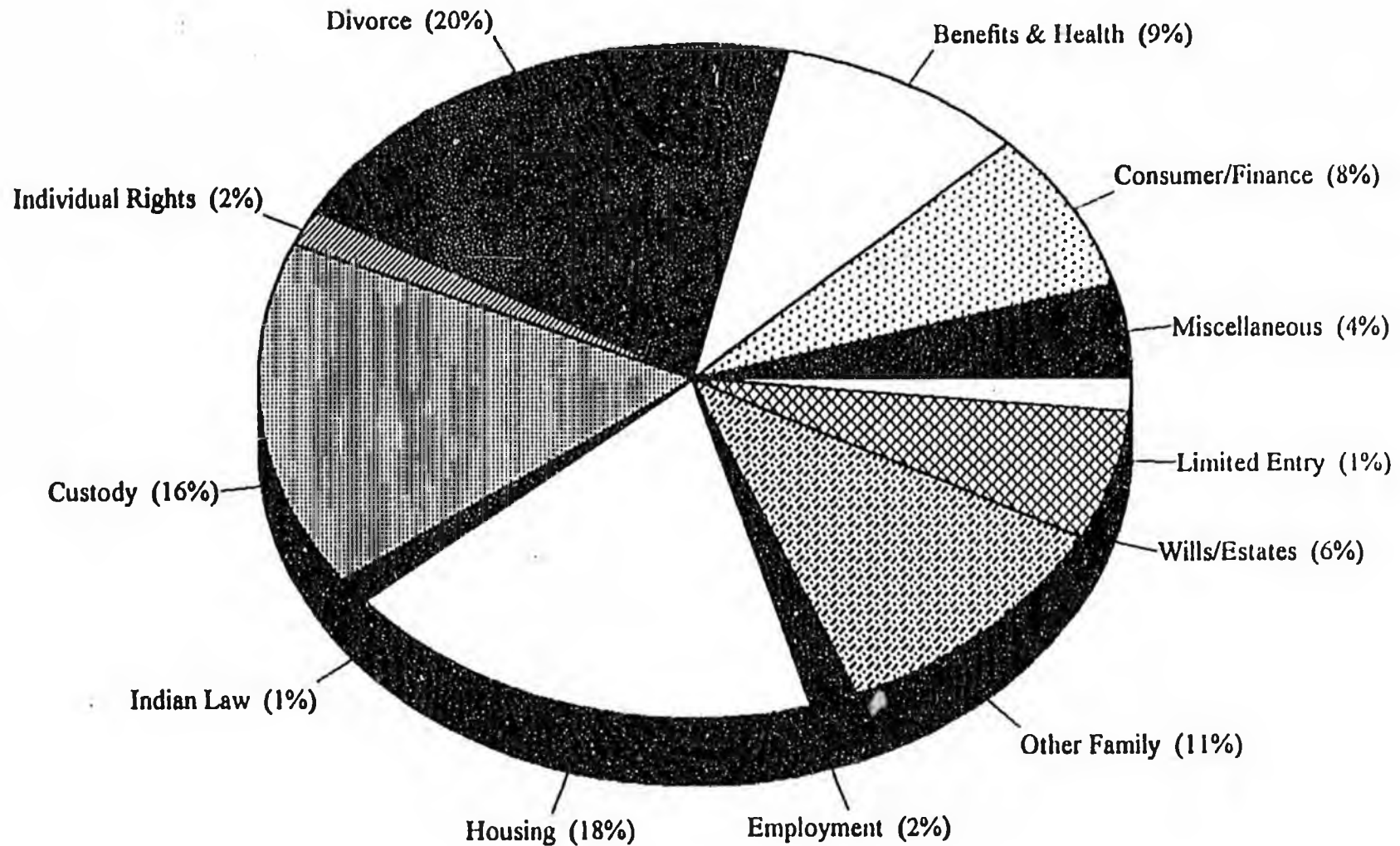
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**FY 95 CDBG AND HSMG
PROPOSED FUNDING**

AGENCY	CDBG		HSMG	
AK Women's Resource Ctr	18,000	Employment	42,540	New Dawn
AK AIDS Asst Assoc	70,000	Shelter		
Alzheimer's Assoc	26,436	Respite		
Big Bros/Big Sisters	22,988	Client Matches	9,450	Client Matches
Camp Fire	43,350	Drop-in, Fairview	137,020	After school care
			21,990	Summer
			45,340	Drop-in
Hope Cottages	35,476	Employment		
Lutheran Social Services	33,750	Transition housing	32,200	Direct asst
Salvation Army-Older Alaskans	50,000	Meals	52,760	Meals, 60+
Booth Newborn			12,350	Nursery
Mc Kinneel			179,390	Shelter
AWAIC			72,640	Shelter
American Red Cross			44,600	Direct Asst
Anch Center for Families			190,810	Intermission
Anch Literacy Project			10,200	Literacy
Anch Neighborhood Health			225,160	Medical & dental
Bean's Cafe			7,000	Meals, shelter
Boys & Girls Club			9,380	Summer
			31,980	School year
CSS-St Francis			24,990	Direct Asst
-Clare House			197,550	Shelter
-Brother Francis			50,000	Shelter
Chugiak Seniors			24,860	Meals
Food Bank			29,770	Food
STAR			34,000	Ed Specialist
TOTAL	300,000		1,550,980	

Closed Cases by Type

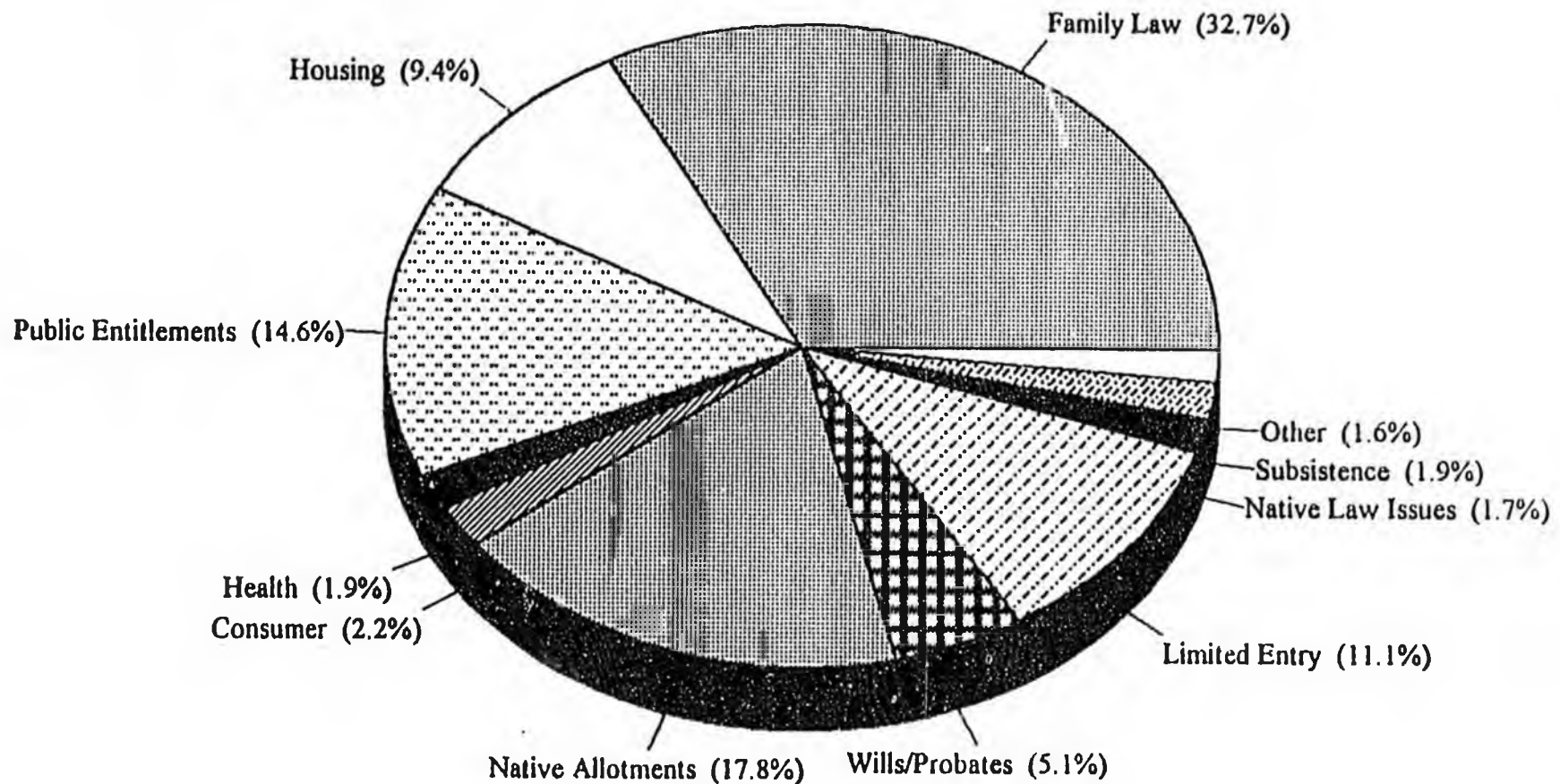
Calendar Year 1994 Case Closures



4,629 Cases Closed During 1994

Current Open Caseload

Alaska Legal Services Corporation



801 Open Cases Handled by Program Staff on 01/15/95