

EO

96

SFIN

FILE



OFFICIAL BUSINESS

Alaska State Legislature

Senate

Office of the Secretary

STATE CAPITOL
JUNEAU, ALASKA 99801-1182
(907) 465-3701
FAX 465-2832

January 8, 1996

MEMORANDUM

TO: Senator Green, Chair
Health, Education and Social Services Committee

Senator Frank, Cochair
Senator Halford, Cochair
~~Finance Committee~~

FROM: Nancy Quinto
Secretary of the Senate

RE: Executive Order No. 96

The President has referred Executive Order No. 96 (Transferring the responsibility for the administration of the Alaska children's trust to a new Alaska Children's Trust Board in the Office of the Governor) to your committee.

Section 23, Article III of the Constitution states:

The governor may make changes in the organization of the executive branch or in the assignment of functions among its units which he considers necessary for efficient administration. Where these changes require the force of law, they shall be set forth in executive orders. The legislature shall have sixty days of a regular session, or a full session if of shorter duration, to disapprove these executive orders. Unless disapproved by resolution concurred in by a majority of the members in joint session, these orders become effective at a date thereafter to be designated by the governor.

If you wish to report any recommendations to the body, please do so within the sixty day limit.

Attachment

Introduced in the House: 1/8/96

Referred: State Affairs, Health, Education and Social Services, Finance

Introduced in the Senate: 1/8/96

Referred: Health, Education and Social Services, Finance

EXECUTIVE ORDER NO. 96

1 Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with
2 AS 24.08.210, I order the following:

3 * **Section 1. FINDINGS.** As governor, I find that it would be in the best interests of
4 efficient administration to transfer the responsibility for the administration of the Alaska
5 children's trust to a new Alaska Children's Trust Board in the Office of the Governor to be
6 dedicated to that trust obligation. The new board will have a specialized purpose and duties
7 relating only to the trust, which will enable it to best carry out its trust obligations and serve
8 the needs of Alaska's families and children.

9 * **Sec. 2.** AS 18.50.225(d) is amended to read:

10 (d) The legislature may use the annual estimated balance of the account
11 maintained by the commissioner of administration under AS 37.05.142 to make an
12 appropriation to the Alaska children's trust [FUND] established under AS 37.14.200.

13 * **Sec. 3.** AS 37.14.200 is amended to read:

14 ARTICLE 3. ALASKA CHILDREN'S TRUST [FUND].

15 Sec. 37.14.200. ALASKA CHILDREN'S TRUST [FUND] ESTABLISHED.

16 (a) The Alaska children's trust [FUND] is established as a separate endowment trust
17 [FUND] of the state.

18 (b) The principal of the trust [FUND] consists of

19 (1) legislative appropriations to the trust [FUND]; and

20 (2) gifts, bequests, and contributions of cash or other assets from a
21 person.

22 (c) The net income of the trust [FUND] shall be determined by the
23 commissioner of revenue in accordance with investment accounting principles and in
24 a manner that preserves the distinction between principal and income.

1 * Sec. 4. AS 37.14.210 is amended to read:

2 Sec. 37.14.210. POWERS AND DUTIES OF THE COMMISSIONER OF
3 REVENUE. The commissioner of revenue is the treasurer of the trust [FUND] and
4 has the power and duty to[:]

5 (1) act as official custodian of the cash and investments belonging to
6 the trust [FUND] by securing adequate and safe custodial facilities;

7 (2) receive all items of cash and investments belonging to the trust
8 [FUND];

9 (3) collect the principal and income from investments owned or
10 acquired by the trust [FUND] and deposit the amounts in separate principal and
11 income accounts for the trust [FUND];

12 (4) invest and reinvest the assets of the trust [FUND] as provided in
13 this section and as provided for the investment of funds under AS 14.25.180(c) and
14 AS 37.14.170;

15 (5) exercise the powers of an owner with respect to the assets of the
16 trust [FUND];

17 (6) maintain accounting records of the trust [FUND] in accordance
18 with investment accounting principles and with distinction between the principal and
19 income accounts of the trust [FUND];

20 (7) engage an independent firm of certified public accountants to
21 annually audit the financial condition of the trust's [FUND'S] investments and
22 investment transactions;

23 (8) enter into and enforce contracts or agreements considered necessary
24 for the investment purposes of the trust [FUND];

25 (9) report to the board [COMMISSION] the condition and investment
26 performance of the trust [FUND];

27 (10) do all acts, whether or not expressly authorized, that the
28 commissioner of revenue considers necessary or proper in administering the assets of
29 the trust [FUND].

30 * Sec. 5. AS 37.14.220 is amended to read:

31 Sec. 37.14.220. ADMINISTRATION OF THE TRUST [FUND]. The trust

1 [FUND] shall be administered by the Alaska Children's Trust Board [HUMAN
2 RELATIONS COMMISSION].

3 * Sec. 6. AS 37.14 is amended by adding a new section to read:

4 Sec. 37.14.225. TRUST BOARD ESTABLISHED. The Alaska Children's
5 Trust Board is established in the Office of the Governor. The board is composed of

6 (1) the governor or a designee of the governor;

7 (2) the commissioner of health and social services or the
8 commissioner's designee;

9 (3) the commissioner of education or the commissioner's designee; and

10 (4) four public members appointed by the governor; in appointing the
11 public members, the governor shall give a preference to persons who have experience
12 and expertise in

13 (A) children's or prevention programs; or

14 (B) private sector finance.

15 * Sec. 7. AS 37.14.230 is amended to read:

16 Sec. 37.14.230. POWERS AND DUTIES OF THE BOARD
17 [COMMISSION]. When acting as administrator of the trust [FUND], the board
18 [COMMISSION] shall

19 (1) hold regular and special meetings it considers necessary; the board
20 [COMMISSION] may hold meetings by teleconference;

21 (2) award grants from the net income of the trust [FUND] to
22 community-based programs and projects that the board [COMMISSION] finds will
23 aid in the prevention of child abuse and neglect;

24 (3) monitor approved programs and projects for compliance with
25 AS 37.14.200 - 37.14.270;

26 (4) before providing assistance to a program or project, approve
27 written findings on the program or project that include a consideration of the means
28 of measuring the effectiveness of the program or project;

29 (5) apply for, and use net income from the trust [FUND] to obtain,
30 private and federal grants for the prevention of child abuse and neglect;

31 (6) solicit contributions, gifts, and bequests to the trust [FUND];

1 (7) keep audio tape recordings of each meeting of the board
2 [COMMISSION] to be made available on request; and

3 (8) submit to the governor and make available to the legislature by
4 February 1 each year a report describing

5 (A) the child abuse and neglect prevention services that were
6 provided by the programs and projects to which the board [COMMISSION]
7 awarded grants; and

8 (B) the annual level of contributions, income, and expenses of
9 the trust [FUND].

10 * Sec. 8. AS 37.14.240(a) is amended to read:

11 (a) Except as provided in (d) of this section, the principal of the trust [FUND]
12 and any capital gains or losses realized on the principal shall be retained perpetually
13 in the trust [FUND] for investment as specified in AS 37.14.210, and may not be
14 used for the awarding of grants.

15 * Sec. 9. AS 37.14.240(b) is amended to read:

16 (b) The net income of the trust [FUND] may be appropriated only for the
17 following purposes:

18 (1) the awarding of grants;

19 (2) obtaining private and federal grants for the trust [FUND];

20 (3) soliciting contributions, gifts, and bequests for the trust [FUND];

21 and

22 (4) reimbursement to the Department of Revenue for the costs of
23 establishing the trust [FUND].

24 * Sec. 10. AS 37.14.240(d) is amended to read:

25 (d) Up to \$150,000 per year may be appropriated from the principal of the
26 trust [FUND] for the administrative expenses of the board [COMMISSION] relating
27 to AS 37.14.200 - 37.14.270.

28 * Sec. 11. AS 37.14.250(a) is amended to read:

29 (a) In awarding grants from the net income of the trust [FUND], the board
30 [COMMISSION] shall consider the proposals of a qualified applicant only after the
31 applicant has submitted a detailed proposal in the form prescribed by the board

1 [COMMISSION]. The board [COMMISSION] may not award a grant unless the
2 board [COMMISSION] makes written findings that

3 (1) the proposed project, if successful, will help prevent child abuse
4 or neglect;

5 (2) the application for financial assistance contains an adequate plan
6 for project implementation, including both financial feasibility and project
7 effectiveness;

8 (3) the applicant demonstrates that sufficient technical expertise is
9 available to accomplish the objectives of the proposed program or project; and

10 (4) the applicant has identified costs associated with and ancillary to
11 the project, additional governmental costs, future obligations generated by the program
12 or project, and necessary operating, maintenance, or other support costs for the life
13 of the program or project.

14 * Sec. 12. AS 37.14.250(b) is amended to read:

15 (b) The board [COMMISSION] may establish other requirements for the
16 award of grants under this section if necessary to carry out the purpose of the trust
17 [FUND].

18 * Sec. 13. AS 37.14.250(c) is amended to read:

19 (c) The board [COMMISSION] shall award grants in amounts that

20 (1) are appropriate to the conditions of the applicant and the proposed
21 program or project; and

22 (2) will make the most effective use of the money available.

23 * Sec. 14. AS 37.14.250(d) is amended to read:

24 (d) The amount of all grants awarded by the board [COMMISSION] during
25 a 12-month period to a single project or program may not exceed \$50,000. The
26 board [COMMISSION] may not finance more than 75 percent of the cost of a
27 program or project during each of the first two years for which the program or project
28 receives a grant, 50 percent during each of the third and fourth years, and 25 percent
29 during each year thereafter.

30 * Sec. 15. AS 37.14.250(f) is amended to read:

31 (f) To the extent consistent with the terms or conditions of the grant, a private

1 or federal grant awarded to the board [COMMISSION] shall be distributed in the
2 same manner as provided for grants under this section and AS 37.14.260.

3 * **Sec. 16.** AS 37.14.260 is amended to read:

4 Sec. 37.14.260. ELIGIBILITY FOR GRANTS. The board [COMMISSION]
5 may award a grant to an applicant if

6 (1) the applicant has submitted a proposal that is acceptable to the
7 board [COMMISSION]; and

8 (2) programs and projects, if any, of the applicant that have previously
9 received a grant from the board [COMMISSION] have complied with all
10 requirements of that assistance and have performed with sufficient success or promise
11 to warrant further financial assistance.

12 * **Sec. 17.** AS 37.14.270 is amended by adding new paragraphs to read:

13 (6) "board" means the Alaska Children's Trust Board;

14 (7) "trust" means the Alaska children's trust established in
15 AS 37.14.200.

16 * **Sec. 18.** AS 37.14.270(3) and 37.14.270(4) are repealed.

17 * **Sec. 19.** TRANSITION. (a) Litigation, hearings, investigations, and other proceedings
18 pending under a law amended or repealed by this Order, or in connection with functions
19 transferred by this Order, continue in effect and may be continued and completed
20 notwithstanding a transfer or amendment or repeal provided for in this Order.

21 (b) Contracts, rights, liabilities, and obligations created by or under a law amended
22 or repealed by this Order, and in effect on March 8, 1996, remain in effect notwithstanding
23 this Order's taking effect. Records, equipment, appropriations, and other property of agencies
24 of the state whose functions are transferred under this Order shall be transferred to implement
25 the provisions of the Order.

26 * **Sec. 20.** This Order takes effect March 9, 1996.

DATED:

Tony Knowles
Governor

FISCAL NOTE

No. 1
 Bill Version: EO 96
 (S) Publish Date: 1/8/96

STATE OF ALASKA
 1996 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Office of the Governor
 Title: E.O. - Children's Trust Board BRU: Commissions and Special Offices
 Component: Alaska Children's Trust Board
 Sponsor: Rules Committee
 Requester: Governor COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	0.0	68.0	70.4	72.4	74.9	77.1
TRAVEL	22.6	22.6	22.6	22.6	22.6	22.6
CONTRACTUAL	8.1	11.1	11.1	11.1	11.1	11.1
SUPPLIES	1.4	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	0.0	4.3	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	32.1	108.0	106.1	108.1	110.6	112.8

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	32.1	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other Children's Trust Fund		108.0	106.1	108.1	110.6	112.9
TOTAL	32.1	108.0	106.1	108.1	110.6	112.8

Estimate of any current year (FY96) cost: \$ 16.9 GF

POSITIONS

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note analysis attached - funding source assumes GF requirement through FY97 only. Funding for FY98 - FY02 administrative expenses of the Board will be appropriated from the principal of the Children's Trust Fund. The level of Board activity and related administrative expenses will be driven by the available net income of the trust and any private/federal grants received.

Prepared by: Michael Nizich, Director
 Division: Division of Administrative Services
 Approved by Commissioner: Jim Avers, Chief of Staff
 Agency: Office of the Governor

Phone: 465-3876
 Date: 1/3/96
 Date: 1/3/96

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Fiscal Note analysis for Executive Order establishing Alaska Children's Trust Board:

Fiscal note assumptions:

FY96 GF request for expenses related to two organizational meetings of new Board (travel 12.0, contractual 3.8, supplies .6, equip. .5) 16.9

FY97 GF request for expenses relating to four face-to-face meetings of Board and assumes staffing needs will be met by existing staff in Executive Branch agencies.

FY98 request reflects one new staff member for Board activities and associated expenses and assumes funding source change to principal available in Children's Trust Fund. FY98 and subsequent years fiscal impact is difficult to predict. Board activities and administrative expenses will be directly related to and driven by the principal amount and net income of the trust, and the receipt of private and/or federal grants.

Personal Services: -0-

FY97 staffing needs will be fulfilled by existing Executive Branch personnel

FY98 1 PFT requested - program coordinator, 68.0 (Rg 21, step A)
FY99 and subsequent years reflects scheduled merit increases

Travel: 22.6

(Travel cost for 7 board members and 1 staff)

FY97	four annual meetings		
	2 Anchorage meetings:	airfare	\$3580.00 x 2
	7 people	per diem/trans.	\$2426.00 x 2
	1 Juneau meeting:	airfare	\$2162.00
	4 people	per diem/trans.	\$1546.00
	1 Fairbanks meeting:	airfare	\$4266.00
	7 people	per diem/trans.	\$2581.00

Contractual: 8.1

Advertising - public notice for meetings @ \$1109	= \$4436
Meeting room rental for four 2-day meetings @ \$800	= \$3200
Postage	= \$ 500

Contractual continued:

Contractual increase in FY98 reflects additional costs associated with one staff member and increased board activity.

Supplies:

1.4

Office supplies - stationary, etc. = \$1250
Cassette tapes for meetings = \$ 150

Supplies increase in FY98 reflects additional costs associated with one staff member and increased board activity

Equipment:

-0-

FY96 costs include tape recorder/transcriber for meetings per Sec. 7, AS 37.14.230(7)

FY98 equipment reflects minimal equipment for staff member:

PC, Monitor, software = \$2000
Printer = \$1700
Telephone (installed) = \$ 600

Revision Date _____ Dept. Affected: Revenue
 Title: Alaska Children's Trust Executive Order BRU: Revenue Operations
 Component: Treasury Division
 Sponsor: Rules
 Requestor: Governor COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	17.5	17.5	17.5	17.5	17.5	17.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS/CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	17.5	17.5	17.5	17.5	17.5	17.5
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF	-10.5	-10.5	-10.5	-10.5	-10.5	-10.5
1005 GF/Program Receipts						
1007 GF/Mental Health						
2000 Alaska Children's Trust	28.0	28.0	28.0	28.0	28.0	28.0
TOTAL	17.5	17.5	17.5	17.5	17.5	17.5

Estimate of any current year (FY96) cost \$ 0

POSITIONS:

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL TIME						
PART TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)
 Contractual costs include fixed costs of \$130 for the establishment of two custodial accounts, with State Street Bank, plus audit fees. Also includes .5 basis points variable custody fee on actual balances (assumed \$50 million in trust).
 While accounting for and managing the funds of the Children's Trust will not require the addition of new personnel, the time involved by existing personnel will be allocated proportionally to the trust. This allocation will result in a reduction in charges to the general fund.
 There is new legislation proposed as a companion to this Executive Order. DOR prepared a \$0 fiscal note for the legislation.

Prepared by: Betty Martin, Comptroller Phone: 465-2350
 Division: Treasury Date: 1/3/96
 Approved by: Commissioner [Signature] Date: 1/3/96
 Agency: Department of Revenue

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FISCAL NOTE

No. 3

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO: _____ **II Version:** EO 96
(S) Publish Date: 1/8/96

Revision Date: _____
 Title: Executive Order Children's Trust **BRU:** Community & Regional Affairs
 Sponsor: Rules Committee **Component:** _____
 Requestor: Governor **COMPONENT SERIAL NO.** _____

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 95	FY 00	FY 01	FY 02
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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CHANGE IN REVENUES () Revenue Code						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY 95) impact: \$ None

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Administrative Services Date: 1/4/96
 Approved by Commissioner: Mike Irwin *Mike Irwin* Date: 1/4/96
 Agency: Mike Irwin, Dept. of Community & Reg. Affairs

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STATE OF ALASKA

FISCAL NOTE

BILL NO:

Bill Version: ED 96
 (S) Publish Date: 1/8/96

No. 4

1996 LEGISLATIVE SESSION

Revision Date _____
 Title Executive Order Children's Trust
 Sponsor Rules Committee
 Requestor Governor

Dept. Affected: Public Safety
 Component: DPS Statewide Support
Commissioner's Office
 COMPONENT SERIAL NO. 0523

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ()	-0-	-0-	-0-	-0-	-0-	-0-
Code Revenue						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 96) impact \$ _____

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)
 No fiscal impact is anticipated to the Department of Public Safety

Prepared By Sandy Perry-Provost, Special Assistant to the Commissioner Phone: 465-4322
 Division Commissioner's Office Date: 1/3/96
 Approved by Commissioner Ronald L. Otte Date: 1/3/96
 Agency Ronald L. Otte, Dept. of Public Safety

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FISCAL NOTE

bill Version: EO 96

(S) Publish Date: 1/8/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Corrections
 Title: Executive Order Regarding the Alaska BRU: All
 Children's Trust _____ Component: _____
 Sponsor: Rules Committee
 Requester: Governor COMPONENT SERIAL NO. #0694

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

No Fiscal Impact to the Department of Corrections.

Prepared by: KAC for Cheryl Shriver
 Division: Office of the Commissioner
 Approved by Commissioner: Margaret M. Pugh
 Agency: Department of Corrections

Phone: 465-4652
 Date: 1/3/96
 Date: 1/3/96

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FISCAL NOTE

No. 6

Bill Version: EO 96

(S) Publish Date: 1/8/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____

Title: Executive Order for the Alaska children's trust

Department Affected: Education

BRU: Executive Administration

Component: Commissioner's Office

Sponsor: Rules Committee by Request

Requester: Governor Knowles

COMPONENT SERIAL NO. _____ 185

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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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CHANGE IN REVENUES						
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FUND SOURCE

(Thousands of Dollars)

1(X)2 Federal Receipts						
1(X)3 GF Match						
1(X)4 GF						
1(X)5 GF/Program Receipts						
1(X)6 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS. (Attach a separate page if necessary.)

Prepared by: Kimberly Homme, Special Assistant

Phone: 465-2803

Division: Commissioner's Office

Date: December 20, 1995

Approved by Commissioner: _____

Shirley Holloway, Ph. D.

Agency: Education

Date: December 20, 1995

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TONY KNOWLES
GOVERNOR



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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 8, 1996

2094

The Honorable Drue Pearce
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

Under the authority of art. III, sec. 23, of the Alaska Constitution, I am transmitting an Executive Order designed to help promote community-based initiatives to strengthen Alaska's families and children. This is a first step in this administration's goal of breaking the cycle of child neglect, abuse, exploitation, and delinquency.

The Executive Order transfers certain functions now assigned to the Alaska Human Relations Commission for the Alaska Children's Trust Fund to a new trust board within the Office of the Governor. Under the direction of the new board, the children's trust will supplement services the state already provides to families and children.

Because Alaska leads the nation in per capita cases of child abuse and neglect, this is a vital reorganization. The Children's Trust was created by the legislature in 1988 to help combat child abuse and neglect, but has never been funded. It's time to change that. I believe there must be a reliable source of money to fund community projects that focus on prevention, early intervention and related services.

This reorganization will give these services a higher priority than they have under existing law. The Children's Trust, as designed by the legislature, will be funded through gifts, bequests and contributions of cash or other assets from individuals, corporate entities, legislative appropriations and federal matching funds. It will act as a permanent fund; only the earnings of the trust account will be spent. Grants from the

The Honorable Drue Pearce

January 8, 1996

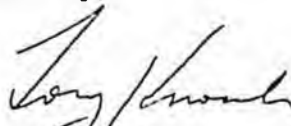
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trust will fund creative, community-based initiatives that otherwise might not find a funding source. The trust grant awards are not intended to replace or supplant regular funding for state programs.

It is appropriate to transfer oversight of the children's trust from the Alaska Human Relations Commission to the new trust board. The board's mission is to help finance community programs that address the problems of families and children. Under current statute, the Alaska Human Relations Commission has so many diverse responsibilities that its ability to focus on the problems of child abuse and neglect may be diluted. What we need instead is a focused, well-financed effort to change the child abuse and neglect statistics in Alaska. The transfer of responsibilities set out in this Executive Order will help us do just that.

I request your support in this effort that will mean so much for Alaska families.

Sincerely,



Tony Knowles
Governor