

**SB**

**124**

**HOUSE CS FOR SENATE BILL NO. 124(HES)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-THIRD LEGISLATURE - FIRST SESSION**

**BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to grants for alcoholism and drug abuse programs; and providing for**  
2 **an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 47.30.475(c) is amended to read:

5 (c) Grants shall be awarded in a ratio of 75 [90] percent state money to 25 [10]  
6 percent community money for the costs of providing staff and limited improvement,  
7 renovation, or new construction of facilities for alcohol or drug detoxification,  
8 rehabilitation, or "half-way house" care. The department may waive all or part of the  
9 requirement that state money be matched by community money if the department  
10 finds that community money is unavailable and waiver of the requirement is in the  
11 best interests of the state. A grant for improving, renovating, or constructing may not  
12 exceed \$50,000 except when there is a lack of applicants for available money and then  
13 only with the approval of the Advisory Board on Alcoholism and Drug Abuse. The  
14 department is not required to award all money available under this program, or the full

1 percentages specified in this subsection, when another source of money is available or  
2 could reasonably be made available to the applicant.

3 \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5 **TRANSITION.** Notwithstanding AS 47.30.475(c), as amended by sec. 1 of this Act,  
6 before July 1, 2004, the grants awarded under AS 47.30.475 shall be awarded in a ratio of 82  
7 and one-half percent state money to 17 and one-half percent community money.

8 \* **Sec. 3.** This Act takes effect July 1, 2003.

Governor's transmittal letter dated March 5:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would change the grant in aid ratio required for grantees of alcohol and drug abuse grants from 10 percent to 25 percent.

The Department of Health and Social Services requires a local match for most grants it issues in support of community-based programs. In most instances the local match requirement is twenty-five percent. Grants issued by the department in support of local substance abuse treatment programs are an anomaly in that only a ten percent local match is required. Local match requirements are designed to foster collaboration and support for health and social services at the community level.

My Administration's commitment to substance abuse treatment is reflected in my amended fiscal year 2004 budget which makes significant new investments in treatment programs using some of the proceeds from the recently enacted increase in the alcohol excise tax. Given the widespread recognition throughout Alaska of the need to address the problem of alcohol and substance abuse, I am confident that Alaska's communities too will rise to the challenge of providing a modest increase in local support for substance abuse treatment services.

The Department will retain the ability to waive all or part of the local match if the Department finds that community funding is unavailable and the waiver is in the best interest of the state.

Enactment of this legislation will result in a reduction \$1,611,700 in the state budget. Services at the community level should be unaffected, however, as local communities step forward to increase their local contributions.

I urge your prompt consideration of this legislation.

Sincerely,

/s/

Frank H. Murkowski

Governor

# STATE OF ALASKA

## DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

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April 4, 2003

Honorable Peggy Wilson  
Chairperson  
House Health, Education and Social Services Committee  
Alaska State Capitol, Rm. 104  
Juneau, AK 99801

Dear Representative Wilson,

The Department of Health and Social Services respectfully requests that Senate Bill 124, "An Act relating to grants for alcoholism and drug abuse programs; and providing for an effective date," be scheduled for a hearing in your committee.

This bill would change the local match requirement for alcohol and drug abuse grants from 10 percent to 25 percent.

The Department of Health and Social Services requires a local match for most grants it issues in support of community-based programs. In most instances the local match requirement is twenty-five percent. Grants issued by the department in support of local substance abuse treatment programs are an anomaly in that only a ten percent local match is required. Local match requirements are designed to foster collaboration and support for health and social services at the community level.

The Department will retain the ability to waive all or part of the local match if the Department finds that community funding is unavailable and the waiver is in the best interest of the state.

Enactment of this legislation will result in a reduction of \$1,611,700 in the state budget. Services at the community level should be unaffected, however, as local communities step forward to increase their local contributions.

For your reference, a copy of the fiscal note and a copy of the Governor's transmittal letter are attached. This bill has a further referral to the House Finance Committee.

Your favorable consideration of this request would be appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Robert Buttane". The signature is written in dark ink and is positioned above the printed name.

Robert Buttane  
Acting Assistant to the Commissioner

Cc: Honorable Pete Kott  
Speaker of the House

Mike Tibbles, Legislative Director  
Office of the Governor

Karen Pearson, Acting Director  
Division of Alcoholism and Drug Abuse