

EO

108

COMMITTEE REPORT

Date: March 11, 2003

Mr. Speaker:

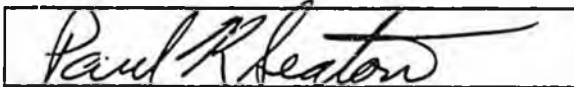
The State Affairs considered:

EXECUTIVE ORDER NO. 108

Transferring functions as set out in the Order to the Department of Health and Social Services.

and recommends

- Approval
- Disapproval
- Attach a House Special Concurrent Resolution



Representative Seaton



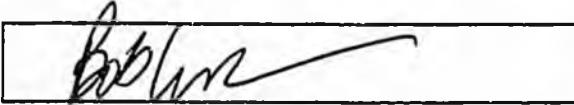
Representative Gruenberg



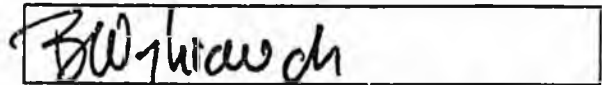
Representative Dahlstrom



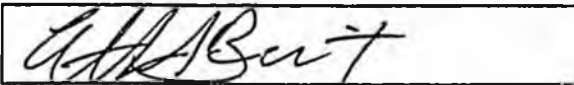
Representative Holm, Vice Chair



Representative Lynn



Representative Weyhrauch, Chair



Representative Berkowitz

*and possible referral to
H&SS committee?*



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol, Room 216
Juneau, AK 99801-1182
Phone: (907) 465-3725
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March 5, 2003

MEMORANDUM

TO: State Affairs Committee

FROM: Suzi Lowell, Chief Clerk *sl*

SUBJECT: Executive Order No.108

The Speaker has referred Executive Order No. 108 to the State Affairs Committee. The legislature has 60 days to disapprove the Executive Order (May 3, 2003). If the Order is not disapproved, it becomes effective on the date designated by the Governor.

Please return all pertinent information to the Chief Clerk's Office on or before the 60th day.

Introduced in the House: 3/5/03
 Referred: State Affairs

Introduced in the Senate: 3/6/03
 Referred: State Affairs

EXECUTIVE ORDER NO. 108

1 Under the authority of art III, sec. 23, of the Alaska Constitution, I order the
 2 following:

3 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
 4 to read:

5 FINDINGS. As governor, I find that the transfer of functions as set out in this Order
 6 to the Department of Health and Social Services is necessary for efficient administration and
 7 will result in closer coordination of program planning, implementation, and delivery for each
 8 affected program.

9 * Sec. 2. AS 28.35.030(h) is amended to read:

10 (h) The court shall order a person convicted under this section to satisfy the
 11 screening, evaluation, referral, and program requirements of an alcohol safety action
 12 program if such a program is available in the community where the person resides, or
 13 a private or public treatment facility approved by the [DIVISION OF ALCOHOLISM
 14 AND DRUG ABUSE, OF THE] Department of Health and Social Services, under
 15 AS 47.37 to make referrals for rehabilitative treatment or to provide rehabilitative
 16 treatment. If a person is convicted under (n) of this section, the court shall order the
 17 person to be evaluated as required by this subsection before the court imposes
 18 sentence for the offense.

19 * Sec. 3. AS 36.30.850(b)(11) is amended to read:

20 (11) agreements with providers of services under AS 47.25.007 -
 21 47.25.009 [AS 14.38.100]; AS 47.07; AS 47.08; AS 47.10; AS 47.12; AS 47.14;
 22 AS 47.17; AS 47.24; and AS 47.27, including contractors under AS 47.27.050;

23 * Sec. 4. AS 44.29.020(a) is amended by adding new paragraphs to read:

1 (16) the Alaska Pioneers' Homes;

2 (17) state veterans' home facilities; in carrying out its duties under this
3 paragraph, the department shall consult with the Department of Military and Veterans'
4 Affairs; and

5 (18) licensure and regulation of child care facilities.

6 * Sec. 5. AS 44.29.110 is amended to read:

7 **Sec. 44.29.110. Composition.** The board consists of 15 members, 14 of
8 whom are public members appointed by the governor, and the 15th who is the
9 commissioner of health and social services [DIRECTOR OF THE DIVISION OF
10 ALCOHOLISM AND DRUG ABUSE] ex officio.

11 * Sec. 6. AS 44.29 is amended by adding new sections to read:

12 **Article 6. State Veterans' Home Facilities.**

13 **Sec. 44.29.400. State veterans' home facilities.** (a) The Department of
14 Health and Social Services shall apply for federal assistance to establish and operate
15 state veterans' home facilities that provide domiciliary care and nursing home care
16 with related medical services. The department, within available funds, shall establish
17 and operate veterans' homes at sites selected by the commissioner of health and social
18 services after consultation with the adjutant general and veterans' organizations.

19 (b) A person who resides in a veterans' home operated under this section shall
20 pay the Department of Health and Social Services a monthly charge established by the
21 department by regulation in payment of the cost of the care. The charges shall be
22 designed so that, when combined with federal or other nonstate assistance that may be
23 received on behalf of the residents, all costs of care are paid by residents. The
24 regulations may provide for exemptions or reductions based upon hardship.

25 (c) In this section, "care" means care given in a state home for veterans, as that
26 term is defined in 38 U.S.C. 101(19), that meets the standards required under 38
27 U.S.C. 8134.

28 **Article 7. Pioneers' Homes Advisory Board.**

29 **Sec. 44.29.500. Alaska Pioneers' Homes Advisory Board.** There is created
30 the Alaska Pioneers' Homes Advisory Board in the Department of Health and Social
31 Services.

1 **Sec. 44.29.510. Purpose of the board.** The board shall conduct annual
 2 inspections of the property and procedures of the Alaska Pioneers' Homes and
 3 recommend to the governor changes and improvements. The board shall meet on an
 4 annual basis to review admissions procedures and to consider complaints.

5 **Sec. 44.29.520. Composition of the board.** (a) The Alaska Pioneers' Homes
 6 Advisory Board consists of

7 (1) seven members appointed by the governor from among citizens of
 8 the state; and

9 (2) one member who is the chair of the Alaska Commission on Aging
 10 established in AS 47.44.200.

11 (b) The term of office of a member of the board appointed under (a)(1) of this
 12 section is four years. A member of the board may not serve more than eight
 13 consecutive years. A chair shall be elected by the voting members of the board. The
 14 members of the board appointed under (a)(1) of this section serve at the pleasure of the
 15 governor.

16 **Sec. 44.29.530. Compensation, per diem, or expenses.** Members of the
 17 advisory board receive no salary, but are entitled to per diem and travel expenses
 18 authorized by law for other boards.

19 * **Sec. 7.** AS 44.62.330(a)(24) is amended to read:

20 (24) Department of Health and Social Services [AND DEPARTMENT
 21 OF EDUCATION AND EARLY DEVELOPMENT], relating to denial, involuntary
 22 conditioning, or revocation of a license issued under [AS 14.37 OR] AS 47.35, or
 23 suspension of operations or admissions or assessment of an administrative fine under
 24 [AS 14.37 OR] AS 47.35;

25 * **Sec. 8.** AS 44.62.330(a)(59) is amended to read:

26 (59) the Department of Health and Social Services [AND THE
 27 DEPARTMENT OF ADMINISTRATION] as to the licensing and regulation of
 28 assisted living homes under AS 47.33.

29 * **Sec. 9.** AS 47.05.030(a) is amended to read:

30 (a) Except as provided in (b) of this section and for purposes directly
 31 connected with the administration of general assistance, adult public assistance, the

1 day care assistance program authorized under AS 47.25.001 - 47.25.009
 2 [AS 14.38.100 - 14.38.199], or the Alaska temporary assistance program, and in
 3 accordance with the regulations of the department, a person may not solicit, disclose,
 4 receive, make use of, or authorize, knowingly permit, participate in, or acquiesce in
 5 the use of, a list of or names of, or information concerning, persons applying for or
 6 receiving the assistance directly or indirectly derived from the records, papers, files, or
 7 communications of the department or subdivisions or agencies of the department, or
 8 acquired in the course of the performance of official duties.

9 * Sec. 10. AS 47.24.013(a) is amended to read:

10 (a) If a report received under AS 47.24.010 regards the abandonment,
 11 exploitation, abuse, neglect, or self-neglect of a vulnerable adult who is 60 years of
 12 age or older that is alleged to have been committed by or to have resulted from the
 13 negligence of the staff or a volunteer of an out-of-home care facility, including a
 14 facility licensed under AS 18.20, in which the vulnerable adult resides, [AND IF THE
 15 DEPARTMENT OF HEALTH AND SOCIAL SERVICES LICENSES THAT TYPE
 16 OF FACILITY,] the department [DEPARTMENT OF ADMINISTRATION] shall
 17 transfer the report for investigation to the long term care ombudsman under
 18 AS 47.62.015 [AND THE DEPARTMENT OF HEALTH AND SOCIAL
 19 SERVICES].

20 * Sec. 11. AS 47.24.013(b) is amended to read:

21 (b) The department shall investigate [TRANSFER TO THE DEPARTMENT
 22 OF HEALTH AND SOCIAL SERVICES, FOR INVESTIGATION,] a report received
 23 under AS 47.24.010 regarding the abandonment, exploitation, abuse, neglect, or self-
 24 neglect of a vulnerable adult who is less than 60 years of age that is alleged to have
 25 been committed by or to have resulted from the negligence of the staff or a volunteer
 26 of an out-of-home care facility in which the vulnerable adult resides [, IF THE
 27 DEPARTMENT OF HEALTH AND SOCIAL SERVICES LICENSES THAT TYPE
 28 OF FACILITY].

29 * Sec. 12. AS 47.24.013(c) is amended to read:

30 (c) Upon receipt of a report [FROM THE DEPARTMENT] under (a) or (b) of
 31 this section, the long term care ombudsman and the department [DEPARTMENT OF

1 HEALTH AND SOCIAL SERVICES] shall

2 (1) conduct an investigation as appropriate under AS 47.62.015 or this
3 title, respectively;

4 (2) coordinate and cooperate in their responses to and investigations of
5 the report if their jurisdictions overlap;

6 (3) provide the results of their actions or investigations to the central
7 information and referral service of the department within 60 days after the receipt of
8 the report.

9 * Sec. 13. AS 47.24.013(d) is amended to read:

10 (d) If the long term care ombudsman [OR THE DEPARTMENT OF
11 HEALTH AND SOCIAL SERVICES] receives directly a report regarding the
12 abandonment, exploitation, abuse, neglect, or self-neglect of a vulnerable adult in an
13 out-of-home care facility, the ombudsman [OR THE DEPARTMENT OF HEALTH
14 AND SOCIAL SERVICES] shall provide the report, and the results of the
15 ombudsman's [THEIR] actions or investigations regarding the report, to the central
16 information and referral service of the department [DEPARTMENT OF
17 ADMINISTRATION]. The department [DEPARTMENT OF ADMINISTRATION]
18 may investigate the report as described in AS 47.24.015 if the department determines
19 that action is appropriate.

20 * Sec. 14. AS 47.24.013(e) is amended to read:

21 (e) After [IF] the results of an investigation by the long term care ombudsman
22 [OR THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES] are provided to
23 the department [DEPARTMENT OF ADMINISTRATION] under (c) or (d) of this
24 section, the department [DEPARTMENT OF ADMINISTRATION] may make a
25 final determination as described in AS 47.24.015(b), based on the investigation results
26 provided, regarding services to be offered to the vulnerable adult.

27 * Sec. 15. AS 47.24.900(5) is amended to read:

28 (5) "department" means the Department of Health and Social
29 Services [ADMINISTRATION];

30 * Sec. 16. AS 47 is amended by adding new sections to read:

31 Article 1. Day Care Assistance.

1 **Sec. 47.25.001. Powers and duties.** (a) The department shall

2 (1) implement and administer a program to assist in providing day care
3 for the children of low and moderate income families according to the requirements of
4 AS 47.25.001 - 47.25.009;

5 (2) establish standards of eligibility for day care benefits;

6 (3) contract for the care of children of eligible families;

7 (4) establish procedures to periodically review the needs of families
8 receiving day care benefits;

9 (5) provide notification to the local government body of the request for
10 a contract with a day care facility.

11 (b) The department may

12 (1) adopt regulations necessary for the performance of its duties under
13 AS 47.25.001 - 47.25.009;

14 (2) contract with other entities to perform duties of the department
15 under AS 47.25.001 - 47.25.009 within an area specified by the department; within an
16 area, the department shall give higher priority to contracting with municipalities than
17 with other organizations.

18 **Sec 47.25.002. Administrative costs of program contractors.** To defray
19 administrative expenses, a contractor under AS 47.25.001(b) may only retain \$1,000
20 or 12 percent, whichever is greater, of the day care assistance program funds it
21 receives from the department under the contract.

22 **Sec. 47.25.003. Conditions of receipt of benefits.** Benefits may be paid for
23 the care of children of a low or moderate income family only if a parent or guardian,
24 because of the day care, is freed to work or to seek work or to attend school. Benefits
25 may not be paid for the care of children of a family where one parent or guardian is
26 not working, actively seeking work, or attending school and is physically and mentally
27 capable of caring for the children.

28 **Sec. 47.25.004. Eligibility of families for benefits.** The department shall
29 determine the eligibility of families for day care benefits on the basis of the following
30 factors:

31 (1) income of the family including salary, alimony, child support,

1 retirement benefits, social security, and any other source of income;

2 (2) number of children in the family,

3 (3) whether there is one parent or guardian solely responsible for the
4 care of the family.

5 **Sec. 47.25.005. Contributions by parent or guardian.** The department shall
6 develop a sliding fee scale based on the factors listed in AS 47.25.004 for purposes of
7 determining the amount to be contributed by the parent or guardian for child care. The
8 contribution of the parent or guardian shall be paid to the day care facility.

9 **Sec. 47.25.006. Placement; payment by state.** (a) Parents or guardians shall
10 select the day care facility for the care of their children.

11 (b) Benefits shall be paid by the department directly to the municipality or
12 organization contracting with the day care facility.

13 **Article 2. Child Care Grants.**

14 **Sec. 47.25.007. Child care grant program.** (a) A child care grant program
15 is established in the department to provide state assistance in the operation of child
16 care facilities. The department shall provide grants for the operation of child care
17 facilities, including private nonprofit child care facilities. Participation in the program
18 is optional.

19 (b) To qualify for a grant under (a) or (d) of this section, the child care facility
20 must

21 (1) be currently licensed under AS 47.35 and applicable municipal
22 licensing requirements;

23 (2) participate in the day care assistance program under AS 47.25.001 -
24 47.25.009; and

25 (3) provide care under a payment system as provided in (g) of this
26 section.

27 (c) A grant under (a) of this section may not exceed \$50 per month for each
28 child the child care facility cares for, or for each full-time equivalent, as determined by
29 the department. The grant shall be adjusted on a geographic basis by the same factor
30 as funding for a school district is adjusted in AS 14.17.460.

31 (d) In addition to the grants provided in (a) of this section, the department

1 may, subject to appropriations for that purpose, provide by grant or contract for the
2 education and training of child care employees or administrators. To receive a grant
3 or contract under this subsection or to participate in a training program under this
4 subsection, the child care facility must meet all the requirements of (b) of this section.

5 (e) An application for a grant under this section shall be made in the form
6 established by the department.

7 (f) A grant under (a) of this section shall be made monthly or quarterly and
8 shall be based on the monthly average daily full-time equivalent enrollment in the
9 child care facility. If the method of payment for the grant is other than monthly, it
10 shall be at the request of the child care facility with the approval of the department.
11 Based on criteria established by the department, the department may make quarterly
12 advance payments.

13 (g) Each child care facility receiving a grant under (a) or (d) of this section
14 shall assure that at least 15 percent or one of its child care spaces receiving subsidy
15 under this section, whichever is greater, will be made available, if requested, to
16 children eligible for day care assistance under AS 47.25.001 - 47.25.009, whose
17 parents or guardians wish to pay for care based on attendance only.

18 (h) The department shall, in consultation with interested child care providers
19 and parents, adopt regulations to carry out the purposes of this section.

20 **Sec. 47.25.009. Definitions.** In AS 47.25.001 - 47.25.009,

21 (1) "child" means a person below 13 years of age, or a minor who has
22 a developmental disability;

23 (2) "child care facility" means an establishment licensed under
24 AS 47.35, including day care centers, family day care homes, and schools for
25 preschool age children, that provides care for children not related by blood, marriage,
26 or legal adoption to the owner, operator, or manager of the facility;

27 (3) "day care" means the care, supervision, and guidance of a child or
28 children unaccompanied by a parent or legal guardian on a regular basis for periods of
29 less than 24 hours a day;

30 (4) "day care facility" means a center or home licensed in accordance
31 with the provisions of AS 47.35 or recognized by the federal government for the care

1 of children;

2 (5) "department" means the Department of Health and Social Services;

3 (6) "developmental disability" means a disability under which a person
4 is incapable of self-care, as verified by a physician or licensed or certified
5 psychologist who has examined the person.

6 * Sec. 17. AS 47.33.410(b) is amended to read:

7 (b) The Department of Health and Social Services [ADMINISTRATION] is
8 the licensing agency responsible for licensing assisted living homes that will be
9 providing care primarily to persons who have a physical disability, who are elderly, or
10 who suffer from dementia, but who are not diagnosed as chronically mentally ill.

11 * Sec. 18. AS 47.33.410(d) is amended to read:

12 (d) The department [A LICENSING AGENCY] shall

13 (1) establish, by regulation, requirements and standards for licensure
14 and renewal of a license under this chapter;

15 (2) license assisted living homes in accordance with this chapter and
16 regulations adopted under this chapter;

17 (3) investigate license applicants and licensees for compliance with
18 this chapter; and

19 (4) enforce the standards established by this chapter and regulations
20 adopted under this chapter.

21 * Sec. 19. AS 47.33.420 is amended to read:

22 **Sec. 47.33.420. Standard forms.** The Department of Health and Social
23 Services [AND THE DEPARTMENT OF ADMINISTRATION] shall
24 [COOPERATIVELY] develop standard forms that assisted living homes may use to
25 comply with the requirements of this chapter.

26 * Sec. 20. AS 47.35.005(a) is amended to read:

27 (a) The purpose of this chapter is to establish and maintain standard levels for
28 services offered to children in child care facilities, foster homes, and residential child
29 care facilities; services offered by child placement agencies; and services offered to
30 pregnant individuals in maternity homes. The child care and community care
31 licensing procedures in this chapter are intended to reduce predictable risk of harm to

1 children and to provide support services to those providing child care or services. The
 2 legislature recognizes the responsibility of parents to select and monitor
 3 caregivers for their children in order to ensure a reasonably safe and
 4 developmentally appropriate child care environment.

5 * Sec. 21. AS 47.35.010(a) is amended to read:

6 (a) The department may

7 (1) license and supervise child care facilities, foster homes, residential
 8 child care facilities, semi-secure residential child care facilities, secure residential
 9 psychiatric treatment centers, child placement agencies, and maternity homes;

10 (2) investigate applicants, licensees, and persons that the department
 11 reasonably believes are operating a facility without a license in violation of this
 12 chapter;

13 (3) adopt regulations to implement the provisions of this chapter,
 14 including regulations establishing licensure and renewal procedures, standards, and
 15 fees; establishing requirements for operation of facilities or agencies licensed under
 16 this chapter; and distinguishing between types of facilities;

17 (4) enter into agreements with private entities, municipalities, or
 18 individuals to investigate and make recommendations to the department for the
 19 licensing and supervision of child care facilities, foster homes, residential child care
 20 facilities, semi-secure residential child care facilities, secure residential psychiatric
 21 treatment centers, child placement agencies, and maternity homes under procedures
 22 and standards of operation established by the department;

23 (5) accept licenses issued by other organizations or state agencies that
 24 have licensing authority under federal or state law for the facilities listed in (1) of this
 25 subsection.

26 * Sec. 22. AS 47.35.010 is amended by adding a new subsection to read:

27 (c) The department shall, within 90 days after receiving a written request that
 28 it do so, delegate its powers relating to child care facilities under this chapter to a
 29 municipality that has adopted an ordinance providing for child care licensing under
 30 home rule powers under AS 29.10.010 or as authorized under AS 29.35.200 -
 31 29.35.210. A municipality to which these powers have been delegated may adopt, by

1 ordinance, additional requirements for child care facilities operating within its
 2 boundaries if the requirements meet or exceed the requirements adopted by the
 3 department.

4 * **Sec. 23.** AS 47.35.015 is amended by adding a new subsection to read:

5 (i) A person may not operate a child care facility without a license issued
 6 under this chapter unless that facility is exempt from licensure. The following
 7 facilities are exempt:

8 (1) a facility in which child care is regularly provided and each child's
 9 parent is on the premises within reasonable proximity and accessibility to the child;

10 (2) a facility located on a United States Department of Defense or
 11 United States Coast Guard installation that is located on federal property;

12 (3) a recreational program that children are allowed to attend and in
 13 which the program assumes no responsibility for care of the children;

14 (4) a daytime therapeutic program of supervised, educational, and
 15 rehabilitative services for children with special needs or behavioral problems;

16 (5) a program that is primarily educational and that

17 (A) is certified as a pre-elementary school under Department of
 18 Education and Early Development regulations adopted under AS 14.07.020;

19 (B) serves children three years of age or older and is exempt
 20 from the Department of Education and Early Development pre-elementary
 21 school regulations; or

22 (C) is operated as a headstart preschool that is required to meet
 23 the standards established under 42 U.S.C. 9836a;

24 (6) a temporary facility providing care for less than five continuous
 25 weeks;

26 (7) a facility regularly providing child care to four or fewer children
 27 unrelated to the caregiver;

28 (8) a facility in which the caregiver is a relative of all the children.

29 * **Sec. 24.** AS 47.35.017 is amended to read:

30 **Sec. 47.35.017. Application for license.** (a) Application for a license to
 31 operate a child care facility, foster home, residential child care facility, semi-secure

1 residential child care facility, secure residential psychiatric treatment center, child
2 placement agency, or maternity home shall be made to the department on a form
3 provided by the department and shall be accompanied by any applicable fees
4 established by the department under AS 47.35.010(a)(3).

5 (b) An application submitted under this section must contain at least the
6 following information:

7 (1) the name and address of the applicant and, if the applicant is an
8 agency, corporation, partnership, association, or any other form of organization, the
9 name, address, and title of each individual who has an ownership or management
10 interest in the facility; if the applicant is an individual, the application must include the
11 name, age, and driver's license number, if any, of each member of the individual's
12 household;

13 (2) the name, physical location, and mailing address of the facility or
14 agency for which the license is sought;

15 (3) the name and address of the administrator of the facility or agency,
16 if any;

17 (4) evidence that the administrator or foster parent is an adult with
18 sufficient experience, training, or education to fulfill the duties of an administrator or
19 foster parent;

20 (5) a release for the administrator or foster parent and for each other
21 person who is 16 years of age or older, as specified by the department by regulation,
22 who will have contact with individuals served by the facility or agency, authorizing
23 the department to review all federal, state, and municipal criminal justice information,
24 whether of this state, of a municipality of this state, or of another jurisdiction, medical
25 records, licensing records, and protective services records, identified in regulations
26 adopted under this chapter, that are relevant to the person who is the subject of the
27 release and to the type of license for which the application has been submitted;

28 (6) for a facility or agency

29 (A) other than a child care facility, two sets of fingerprints
30 and the social security number of each person required to provide a release
31 under (5) of this subsection in order for the department to submit the

1 fingerprints to the Department of Public Safety for the purpose of conducting
 2 state and national criminal background checks from criminal justice
 3 information received under AS 12.62 and regulations adopted under AS 12.62;
 4 the department may not approve an application under this section until the
 5 results of the criminal background check have been submitted to the
 6 department; or

7 (B) that is a child care facility, if required by regulations
 8 adopted by the department, two sets of fingerprints and the social security
 9 number of each person required to provide a release under (5) of this
 10 subsection in order for the department to submit the fingerprints to the
 11 Department of Public Safety for the purpose of conducting state and
 12 national criminal background checks from criminal justice information
 13 received under AS 12.62 and regulations adopted under AS 12.62;

14 (7) for a facility, the number of individuals that will be served in the
 15 facility;

16 (8) the type of facility or agency for which the license is sought;

17 (9) copies of all inspection reports and approvals required by state fire
 18 prevention and environmental health and safety authorities for operation of the facility
 19 or agency, including any variances granted by these authorities;

20 (10) a plan of operation, as required by the department by regulation;

21 (11) a staffing plan that describes the number of people who will work
 22 at the facility or agency, staff qualifications, a description of each person's
 23 responsibilities, and, for a facility other than a maternity home, a supervision schedule
 24 for the children in care that meets the requirements established by the department by
 25 regulation;

26 (12) evidence that the applicant is capable of meeting the minimum
 27 standards of care established by the department under AS 47.14.120;

28 (13) evidence that the applicant has completed orientation or training
 29 required by the department, by regulation, for holders of the type of license for which
 30 the application was submitted; and

31 (14) other information required by the department, by regulation, in

1 order to monitor compliance with this chapter and regulations adopted under this
2 chapter.

3 * Sec. 25. AS 47.35.019 is amended by adding a new subsection to read:

4 (d) This section does not apply to the issuance of an initial license to a child
5 care facility.

6 * Sec. 26. AS 47.35.023(d) is amended to read:

7 (d) Before expiration of a provisional license, the department shall issue a
8 biennial license for the facility or agency if (1) after inspection and investigation under
9 (c) of this section, the department finds that the facility or agency is operating in
10 compliance with, and meets the licensure requirements of, this chapter and regulations
11 adopted under this chapter; (2) a ground for revocation (A) or suspension set out in
12 AS 47.35.130(a) or (b) does not exist for a facility or agency other than a child care
13 facility; or (B) set out in AS 47.35.132(a)(2) does not exist for a child care facility;
14 and (3) all applicable fees have been paid. The department shall prepare a summary
15 report of its findings and recommendations for issuance of a biennial license.

16 * Sec. 27. AS 47.35.027(f) is amended to read:

17 (f) Notwithstanding (a) - (e) of this section, the department may not grant a
18 variance if the criminal record review indicates that the licensee or a person required
19 to provide a release under AS 47.35.017(b)(5) has a conviction for an offense listed in
20 AS 47.35.019(a) or (b). This subsection does not apply if the applicant or licensee
21 requesting a variance is a child care facility.

22 * Sec. 28. AS 47.35.043 is amended by adding a new subsection to read:

23 (d) To encourage parents of children in child care facilities to become
24 involved in day-to-day monitoring of the care provided by the facilities, the
25 department shall require licensees to give to parents of children in child care in the
26 licensee's facility a summary of the regulatory requirements that apply to the facility
27 and the department's or department representative's telephone contact number for
28 reporting a concern regarding child care. The department also may provide notice of
29 the telephone contact numbers for reporting child care concerns.

30 * Sec. 29. AS 47.35.045(c) is amended to read:

31 (c) The department shall renew a biennial license if the department finds that

1 (1) the licensee

2 (A) either is in compliance with this chapter and regulations
3 adopted under this chapter or is substantially in compliance and has
4 implemented a plan of correction, approved by the department, that is designed
5 to bring the facility or agency into full compliance; and

6 (B) has maintained the facility or agency in good repair and is
7 in compliance with all state fire safety and environmental health and safety
8 code requirements;

9 (2) a ground for revocation

10 (A) or suspension set out in AS 47.35.130(a) or (b) does not
11 exist for a facility or agency other than a child care facility; or

12 (B) set out in AS 47.35.132(a)(2) does not exist for a child
13 care facility; and

14 (3) all applicable fees have been paid.

15 * Sec. 30. AS 47.35.047 is amended to read:

16 Sec. 47.35.047. Notice of changes from a licensee other than a child care
17 facility. (a) A licensee other than a child care facility shall provide the department
18 with written notice of a change of mailing address at least 14 days before the effective
19 date of the change.

20 (b) A licensee other than a child care facility shall notify the department
21 within 24 hours after having knowledge that an administrator, foster parent, member
22 of the licensee's household, regular volunteer, or staff person has been

23 (1) convicted of, has been charged by information or complaint with,
24 or is under indictment or presentment for, any offense listed in AS 47.35.019,
25 47.35.021, or a law or ordinance of this or another jurisdiction with similar elements;
26 or

27 (2) found to have neglected or abused a child as described in
28 AS 47.35.019(c)(1).

29 (c) A licensee other than a child care facility shall notify the department at
30 least 20 days before the effective date of a decision to relinquish the license.

31 (d) A licensee other than a child care facility shall notify the department at

1 least 20 days before the date on which the licensee wishes to change the number of
2 children in care or hours of operation.

3 (e) A licensee other than a child care facility shall notify the department no
4 later than one day after signing a contract for sale of the licensed facility or agency.

5 (f) A licensee other than a child care facility shall notify the department at
6 least 30 days before the licensee wishes to change the location of the facility or
7 agency.

8 * Sec. 31. AS 47.35 is amended by adding a new section to read:

9 **Sec. 47.35.048. Notice of changes from a licensee that is a child care**
10 **facility.** (a) A licensee that is a child care facility shall provide the department with
11 written notice of a change of mailing address at least 14 days before the effective date
12 of the change.

13 (b) A licensee that is a child care facility shall notify the department within 24
14 hours after having knowledge of a conviction or indictment, presentment, or charging
15 by information or complaint of an administrator, regular volunteer, staff person, or
16 member of the licensee's household for a violation of the following laws or the laws of
17 another jurisdiction with similar elements:

18 (1) offenses against the family and vulnerable adults under AS 11.51;

19 (2) perjury under AS 11.56.200;

20 (3) offenses included in the definition of "serious offense" under
21 AS 12.62.900.

22 (c) A licensee that is a child care facility shall notify the department at least 20
23 days before the effective date of a decision to relinquish the license.

24 (d) A licensee that is a child care facility shall notify the department at least 20
25 days before the date on which the licensee wishes to change the number of children in
26 care or hours of operation.

27 (e) A licensee that is a child care facility shall notify the department no later
28 than one day after signing a contract for sale of the licensed facility.

29 (f) A licensee that is a child care facility shall notify the department at least 30
30 days before the licensee wishes to change the location of the facility.

31 * Sec. 32. AS 47.35.120(b) is amended to read:

1 (b) If, after an investigation under this chapter, the department has determined
 2 that a violation of this chapter or a regulation adopted under this chapter has occurred
 3 or a ground for revocation or nonrenewal set out in AS 47.35.130 or 47.35.132 exists,
 4 has issued a report of investigation under AS 47.35.105(c) or 47.35.110(b), and has
 5 determined that voluntary compliance or a plan of correction is not appropriate, the
 6 department may take one or more of the following enforcement actions, as the
 7 department considers appropriate:

8 (1) delivery of a warning notice to the licensee or other person who is
 9 the subject of the investigation;

10 (2) modification of the term of an existing license or reduction of the
 11 number of children for whom care can be provided;

12 (3) suspension of operations of the facility or agency for a period of
 13 time set by the department;

14 (4) suspension of either admissions to or new enrollment in the
 15 facility for a period of time set by the department;

16 (5) nonrenewal of the license;

17 (6) revocation of the license;

18 (7) issuance of an order requiring immediate closure of the facility or
 19 agency;

20 (8) assessment of an administrative fine of up to \$500 for each day a
 21 violation continues, not to exceed a total of \$5,000 for a violation.

22 * Sec. 33. AS 47.35.130 is amended to read:

23 **Sec. 47.35.130. Grounds for a license suspension, revocation, or**
 24 **nonrenewal for a licensee other than a child care facility.** (a) Except as provided
 25 in AS 47.35.140, **and except if the licensee is a child care facility,** the department
 26 shall revoke or decline to renew a license issued under this chapter if the criminal
 27 record review of the licensee who is a natural person or a person who is required to
 28 submit a release under AS 47.35.017(b)(5) reveals a conviction for an offense listed in
 29 AS 47.35.019(a) or (b).

30 (b) **Except if the licensee is a child care facility, the** [THE] department shall
 31 suspend a license issued under this chapter during any period of time that the licensee

1 who is a natural person or a person who is required to submit a release under
 2 AS 47.35.017(b)(5) in connection with the license is charged by information or
 3 complaint with, or under indictment or presentment for, a crime listed in
 4 AS 47.35.019(a) or (b) or is the respondent in a civil proceeding related to the neglect
 5 or abuse of a child, unless the department finds that not suspending the license does
 6 not pose a threat to the department's ability to ensure the health, safety, or welfare of
 7 the children receiving care under this chapter.

8 (c) The department may revoke, or decline to renew, a license issued under
 9 this chapter to a facility or agency other than a child care facility on one or more of
 10 the following grounds:

11 (1) failure to submit a timely and complete renewal application;

12 (2) obtaining or attempting to obtain or retain a license under this
 13 chapter by fraudulent means, by misrepresentation, or by submitting false information;

14 (3) failure to correct a violation noted in a report of investigation
 15 provided under AS 47.35.105(c) or 47.35.110(b);

16 (4) failure to comply with a final administrative order issued by the
 17 department under AS 47.35.120; [.]

18 (5) if the licensee who is a natural person or a person required to
 19 submit a release under AS 47.35.017(b)(5) is the respondent in a civil proceeding
 20 regarding the abuse or neglect of a child;

21 (6) violation of this chapter or a regulation adopted under this chapter.

22 (d) A licensee may voluntarily relinquish the license or withdraw an
 23 application for renewal.

24 * Sec. 34. AS 47.35 is amended by adding a new section to read:

25 **Sec. 47.35.132. Grounds for license revocation or nonrenewal for a**
 26 **licensee that is a child care facility.** (a) In addition to the ground of violation of this
 27 chapter or a regulation adopted under this chapter, and if the licensee is a child care
 28 facility, the department may revoke or decline to renew a license issued under this
 29 chapter on one or more of the following grounds:

30 (1) failure to submit a timely and complete renewal application;

31 (2) the indictment or charging by information or complaint, or a

1 criminal conviction within the last 10 years, of the licensee or administrator, member
 2 of the licensee's household who is present in the facility at any time the facility is in
 3 operation, regular volunteer, or staff person for

4 (A) a felony;

5 (B) a misdemeanor crime of assault, reckless endangerment,
 6 contributing to the delinquency of a minor, or misconduct involving a
 7 controlled substance; or

8 (C) the crime of perjury, as defined in AS 11 or the laws of
 9 another jurisdiction;

10 (3) the conviction, indictment, presentment, or charging of the licensee
 11 or an administrator, member of the licensee's household who is present in the facility
 12 at any time the facility is in operation, regular volunteer, or staff person at any time for
 13 a violation or attempted violation of an offense included in the definition of "serious
 14 offense" under AS 12.62.900;

15 (4) obtaining or attempting to obtain or retain a license under this
 16 chapter by fraudulent means, misrepresentation, or by submitting false information;

17 (5) failure to correct a violation noted in a report of investigation
 18 provided under AS 47.35.105(c) or 47.35.110(b);

19 (6) failure to comply with a final administrative order issued by the
 20 department under AS 47.35.120.

21 (b) A licensee may voluntarily relinquish the license or withdraw an
 22 application for renewal.

23 * Sec. 35. AS 47.35.900(10) is amended to read:

24 (10) "facility" means the administration, program, and physical plant
 25 of a foster home, child care facility, residential child care facility, or maternity home;

26 * Sec. 36. AS 47.35.900 is amended by adding new paragraphs to read:

27 (26) "child care" means care, supervision, and provision of
 28 developmental opportunities, with or without compensation, to a child who does not
 29 have a parent present;

30 (27) "child care facility" means a place where child care is regularly
 31 provided for children under 12 years of age for periods of time that are less than 24

1 hours in duration unless nighttime care is authorized by the department.

2 * Sec. 37. AS 47.37.030 is amended to read:

3 Sec. 47.37.030. Powers of department [DIVISION]. The department
4 [DIVISION] may

5 (1) plan, establish, and maintain programs for the prevention and
6 treatment of alcoholism, drug abuse, and misuse of hazardous volatile materials and
7 substances by inhalant abusers;

8 (2) make contracts and award grants necessary or incidental to the
9 performance of its duties and the execution of its powers, including contracts with the
10 grants to public and private agencies, organizations, and individuals, to pay them for
11 services rendered or furnished to alcoholics, intoxicated persons, drug abusers, or
12 inhalant abusers; to the maximum extent possible, contracts and grants must be for a
13 period of two years; contracts under this paragraph are governed by AS 36.30 (State
14 Procurement Code);

15 (3) solicit and accept for use a gift of money or property or a grant of
16 money, services, or property from the federal government, the state, or a political
17 subdivision of it or a private source, and do all things necessary to cooperate with the
18 federal government or any of its agencies in making an application for a grant;

19 (4) administer or supervise the administration of the provisions relating
20 to alcoholics, intoxicated persons, drug abusers, and inhalant abusers of state plans
21 submitted for federal funding under federal health, welfare, or treatment legislation;

22 (5) coordinate its activities and cooperate with alcoholism, drug abuse,
23 and inhalant abuse programs in this and other states, and make contracts and other
24 joint or cooperative arrangements with state, local, or private agencies for the
25 treatment of alcoholics, intoxicated persons, drugs abusers, and inhalant abusers, and
26 for the common advancement of alcoholism, drug abuse, and inhalant abuse programs
27 in this and other states;

28 (6) keep records and engage in research and the gathering of relevant
29 statistics;

30 (7) do other acts necessary to implement the authority expressly
31 granted to it;

1 (8) acquire, hold, or dispose of real property or any interest in it, and
2 construct, lease, or otherwise provide treatment facilities for alcoholics, intoxicated
3 persons, drug abusers, and inhalant abusers; however, the department [DIVISION]
4 shall encourage local initiative, involvement, and financial participation under grants-
5 in-aid whenever possible in preference to the construction or operation of facilities
6 directly by the department [DIVISION]; contracting and construction under this
7 paragraph are governed by AS 36.30 (State Procurement Code).

8 * Sec. 38. AS 47.37.040 is amended to read:

9 **Sec. 47.37.040. Duties of department [DIVISION].** The department
10 [DIVISION] shall

11 (1) develop, encourage, and foster statewide, regional, and local plans
12 and programs for the prevention of alcoholism and drug abuse and treatment of
13 alcoholics, intoxicated persons, drug abusers, and inhalant abusers in cooperation with
14 public and private agencies, organizations, and individuals, and provide technical
15 assistance and consultation services for these purposes;

16 (2) coordinate the efforts and enlist the assistance of all public and
17 private agencies, organizations, and individuals interested in prevention of alcoholism,
18 drug abuse, and inhalant abuse, and treatment of alcoholics, intoxicated persons, drug
19 abusers, and inhalant abusers;

20 (3) cooperate with the Department of Corrections in establishing and
21 conducting programs to provide treatment for alcoholics, intoxicated persons, drug
22 abusers, and inhalant abusers in or on parole from penal institutions;

23 (4) cooperate with the Department of Education and Early
24 Development, school boards, schools, police departments, courts, and other public and
25 private agencies, organizations, and individuals in establishing programs for the
26 prevention of alcoholism, drug abuse, and inhalant abuse, and treatment of alcoholics,
27 intoxicated persons, drug abusers, and inhalant abusers, and preparing curriculum
28 materials for use at all levels of school education;

29 (5) prepare, publish, evaluate, and disseminate educational material
30 dealing with the nature and effects of alcohol and drugs, and the misuse of hazardous
31 volatile substances;

1 (6) develop and implement, as an integral part of treatment programs,
2 an educational program for use in the treatment of alcoholics, intoxicated persons,
3 drug abusers, and inhalant abusers that includes the dissemination of information
4 concerning the nature and effects of alcohol, drugs, and hazardous volatile substances;

5 (7) organize and foster training programs for all persons engaged in
6 treatment of alcoholics, intoxicated persons, drug abusers, and inhalant abusers, and
7 establish standards for training paraprofessional alcoholism, drug abuse, and inhalant
8 abuse workers;

9 (8) sponsor and encourage research into the causes and nature of
10 alcoholism, drug abuse, and inhalant abuse, and the treatment of alcoholics,
11 intoxicated persons, drug abusers, and inhalant abusers, and serve as a clearinghouse
12 for information relating to alcoholism, drug abuse, and inhalant abuse;

13 (9) specify uniform methods for keeping statistical information by
14 public and private agencies, organizations, and individuals, and collect and make
15 available relevant statistical information, including number of persons treated,
16 frequency of admission and readmission, and frequency and duration of treatment;

17 (10) conduct program planning activities approved by the Advisory
18 Board on Alcoholism and Drug Abuse;

19 (11) review all state health, welfare, and treatment plans to be
20 submitted for federal funding, and advise the commissioner on provisions to be
21 included relating to alcoholics, intoxicated persons, drug abusers, and inhalant
22 abusers;

23 (12) assist in the development of, and cooperate with, alcohol, drug
24 abuse, and inhalant abuse education and treatment programs for employees of state
25 and local governments and businesses and industries in the state;

26 (13) use the support and assistance of interested persons in the
27 community, particularly recovered alcoholics, drug abusers, and inhalant abusers, to
28 encourage alcoholics, drug abusers, and inhalant abusers to voluntarily undergo
29 treatment;

30 (14) cooperate with the Department of Public Safety and the
31 Department of Transportation and Public Facilities in establishing and conducting

1 programs designed to deal with the problem of persons operating motor vehicles while
2 under the influence of an alcoholic beverage, inhalant, or controlled substance, and
3 develop and approve alcohol information courses required to be taken by drivers under
4 AS 28.15 or made available to drivers to reduce points assessed for violation of traffic
5 laws;

6 (15) encourage hospitals and other appropriate health facilities to
7 admit without discrimination alcoholics, intoxicated persons, drug abusers, and
8 inhalant abusers and to provide them with adequate and appropriate treatment;

9 (16) encourage all health insurance programs to include alcoholism
10 and drug abuse as a covered illness;

11 (17) prepare an annual report covering the activities of the department
12 [DIVISION] and notify the legislature that the report is available;

13 (18) develop and implement a training program on alcoholism and
14 drug abuse for employees of state and municipal governments, and private institutions;

15 (19) develop curriculum materials on drug and alcohol abuse and the
16 misuse of hazardous volatile substances for use in grades kindergarten through 12, as
17 well as a course of instruction for teachers to be charged with presenting the
18 curriculum;

19 (20) develop and implement or designate, in cooperation with other
20 state or local agencies, a juvenile alcohol safety action program that provides alcohol
21 and substance abuse screening, referral, and monitoring of persons under 18 years of
22 age who have been referred to it by

23 (A) a court in connection with a charge or conviction of a
24 violation or misdemeanor related to the use of alcohol or a controlled
25 substance;

26 (B) the agency responsible for the administration of motor
27 vehicle laws in connection with a license action related to the use of alcohol or
28 a controlled substance; or

29 (C) [THE] department staff after a delinquency adjudication
30 that is related to the use of alcohol or a controlled substance;

31 (21) develop and implement, or designate, in cooperation with other

1 state or local agencies, an alcohol safety action program that provides alcohol and
 2 substance abuse screening, referral, and monitoring services to persons who have been
 3 referred by a court in connection with a charge or conviction of a misdemeanor
 4 involving the use of a motor vehicle, aircraft, or watercraft and alcohol or a controlled
 5 substance, or referred by an agency of the state with the responsibility for
 6 administering motor vehicle laws in connection with a driver's license action involving
 7 the use of alcohol or a controlled substance.

8 * Sec. 39. AS 47.37.045(b) is amended to read:

9 (b) A school district, municipality, nonprofit organization, local governing
 10 body of an established village, or community organization may file an application with
 11 the department [DIVISION] for a community action against substance abuse grant.
 12 The application must include a description of the purpose for which grant funds will
 13 be used, goals to be achieved by the program or project, methods of measuring
 14 achievement of goals, a proposed budget, and statements of the need for and support
 15 of the proposed program or project.

16 * Sec. 40. AS 47.37.045(c) is amended to read:

17 (c) Community action against substance abuse grant funds awarded under this
 18 section may be used for

- 19 (1) Police-In-School Liaison programs staffed by officers that are
 20 certified by the Alaska Police Standards Council;
- 21 (2) technical assistance for neighborhood based substance abuse
 22 prevention or treatment programs;
- 23 (3) coordinators for court ordered community service;
- 24 (4) preventative or educational programs for youth that involve the
 25 community, parents, youth, and local schools;
- 26 (5) programs or projects that the department [DIVISION] determines
 27 are effective in preventing or treating substance abuse at the community level;
- 28 (6) supervised youth recreation programs that focus on preventing or
 29 treating substance abuse; or
- 30 (7) youth assessment and referral programs that provide substance
 31 abuse screening services to and monitor compliance for a minor required to participate

1 in an alcoholism or drug education or rehabilitation treatment program under
 2 AS 28.15.183 or before the minor's driver's license may be reinstated under
 3 AS 28.15.211.

4 * Sec. 41. AS 47.37.050(a) is amended to read:

5 (a) An interdepartmental coordinating committee is created, composed of
 6 [THE DIRECTOR,] the commissioners of health and social services, education,
 7 transportation and public facilities, labor, and public safety, and the director of the
 8 Alcoholic Beverage Control Board. The committee shall meet at least twice annually
 9 at the call of the commissioner of health and social services who is its chairman. The
 10 committee shall provide for the coordination and exchange of information on all
 11 programs relating to alcoholism or drug abuse and act as a permanent liaison among
 12 state departments engaged in activities affecting alcoholics, intoxicated persons, and
 13 drug abusers. The committee shall assist the commissioner of health and social
 14 services [AND THE DIRECTOR] in formulating a comprehensive plan for prevention
 15 of alcoholism and drug abuse and for treatment of alcoholics, intoxicated persons, and
 16 drug abusers.

17 * Sec. 42. AS 47.37.120 is amended to read:

18 **Sec. 47.37.120. Program development and implementation [DIRECTOR].**

19 The department [DIRECTOR] shall carry out the development and implementation
 20 of a comprehensive program dealing with the prevention and treatment of, and
 21 research on, problems of alcoholism and drug abuse as they affect the state.

22 * Sec. 43. AS 47.37.130(a) is amended to read:

23 (a) The department [DIVISION] shall establish a comprehensive and
 24 coordinated program for the treatment of alcoholics, intoxicated persons, drug abusers,
 25 and inhalant abusers. The department [SUBJECT TO THE APPROVAL OF THE
 26 COMMISSIONER, THE DIRECTOR] may divide the state into appropriate regions
 27 to conduct the program and establish standards for the development of the program on
 28 the regional level. In establishing the regions, consideration shall be given to the city
 29 and borough lines and population concentrations and, when feasible, programs must
 30 be established with maximum local community involvement.

31 * Sec. 44. AS 47.37.130(b) is amended to read:

1 (b) The program of the department [DIVISION] must include

2 (1) emergency treatment provided by a facility affiliated with or part of
3 the medical service of a general hospital;

4 (2) inpatient treatment;

5 (3) intermediate treatment;

6 (4) outpatient and follow-up treatment; and

7 (5) standards for alcohol safety action programs; the standards may
8 vary in their requirements and stringency according to the population, price level,
9 remoteness, access to transportation, and availability of ancillary services of the area
10 to be served; a program must meet the applicable standards before it is approved by
11 the department [DIVISION] as an alcohol safety action program; the standards
12 required under this paragraph shall be established in a manner that provides protection
13 of the health, safety, and well-being of clients of the affected programs and protection
14 for the affected programs from exposure to malpractice and liability actions.

15 * Sec. 45. AS 47.37.130(c) is amended to read:

16 (c) The department [DIVISION] shall ensure that adequate and appropriate
17 treatment is provided to alcoholics and intoxicated persons admitted under
18 AS 47.37.160 - 47.37.190 within the limits of available state and federal funds.

19 * Sec. 46. AS 47.37.130(d) is amended to read:

20 (d) The department [DIVISION] shall maintain, supervise, and control all
21 facilities operated by it subject to the regulations of the department.

22 * Sec. 47. AS 47.37.130(e) is amended to read:

23 (e) If possible, the department [DIVISION] shall coordinate the activities of
24 the program with all appropriate public and private resources.

25 * Sec. 48. AS 47.37.130(g) is amended to read:

26 (g) The department [DIVISION] may contract for the use of any facility as
27 an approved public treatment facility if the department [DIRECTOR], subject to the
28 regulations of the department, considers this an effective and economical course to
29 follow. Contracting under this subsection is governed by AS 36.30 (State
30 Procurement Code).

31 * Sec. 49. AS 47.37.130(h) is amended to read:

1 (h) The department [DIVISION] shall

2 (1) inspect, on a regular basis, approved public and private alcohol
3 safety action programs at reasonable times and in a reasonable manner; and

4 (2) maintain a list of approved public and private alcohol safety action
5 programs.

6 * Sec. 50. AS 47.37.130(i) is amended to read:

7 (i) An approved public and private alcohol safety action program shall file
8 with the department [DIVISION] on request data, statistics, schedules, and
9 information that the department [DIVISION] reasonably requires. An approved
10 program that fails without good cause to furnish any data, statistics, schedules, or
11 information as requested, or files fraudulent returns of them, shall be removed from
12 the list of approved programs.

13 * Sec. 51. AS 47.37.130(j) is amended to read:

14 (j) The department [DIRECTOR], after holding a hearing under the
15 provisions of AS 44.62 (Administrative Procedure Act), may suspend, revoke, limit,
16 restrict, or refuse to grant an approval for an alcohol safety action program for failure
17 to meet standards established under (b) of this section.

18 * Sec. 52. AS 47.37.140 is amended to read:

19 (a) The department [DIRECTOR] shall establish standards for facilities,
20 which standards may vary in their requirements and stringency according to the
21 population, price level, remoteness, access to transportation, and availability of
22 ancillary services of the area to be served, and shall fix the fees to be charged for the
23 required inspections of those facilities. A facility shall meet the applicable standards
24 before it is approved as a public or private treatment facility. The standards shall be
25 enacted in a manner that will provide protection of the health, safety, and well-being
26 of clients of the affected programs and protection for the affected programs from
27 exposure to malpractice and liability actions.

28 (b) The department [DIVISION] shall inspect, on a regular basis, approved
29 public and private treatment facilities at reasonable times and in a reasonable manner.

30 (c) The department [DIVISION] shall maintain a list of approved public and
31 private treatment facilities.

1 (d) An approved public and private treatment facility shall file with the
 2 department, [DIVISION] on request, data, statistics, schedules, and information
 3 which the department [DIVISION] reasonably requires. An approved public or
 4 private treatment facility that without good cause fails to furnish any data, statistics,
 5 schedules, or information as requested, or files fraudulent returns of them, shall be
 6 removed from the list of approved treatment facilities.

7 (e) The department [DIRECTOR], after holding a hearing under the
 8 provisions of the Administrative Procedure Act (AS 44.62), may suspend, revoke,
 9 limit, restrict, or refuse to grant an approval for a treatment facility, for failure to meet
 10 its standards.

11 (f) Upon petition of the department [DIVISION] and after a hearing held
 12 upon reasonable notice to the facility, the district court may issue a warrant to an
 13 officer or employee of the department [DIVISION] authorizing the officer or
 14 employee to enter and inspect at reasonable times, and examine the books and
 15 accounts of an approved public or private treatment facility refusing to consent to
 16 inspection or examination by the department [DIVISION] or which the department
 17 [DIVISION] has reasonable cause to believe is operating in violation of this chapter.

18 * Sec. 53. AS 47.37.150 is amended to read:

19 **Sec. 47.37.150. Acceptance for treatment.** The department [DIRECTOR]
 20 shall adopt regulations for the admission of persons into the treatment program,
 21 considering available treatment resources and facilities, for the purpose of early and
 22 effective treatment of alcoholics, intoxicated persons, drug abusers, and inhalant
 23 abusers. In adopting the regulations the department [DIRECTOR] shall be guided by
 24 the following standards:

25 (1) if possible a patient must be treated on a voluntary rather than an
 26 involuntary basis;

27 (2) a patient must be initially assigned or transferred to outpatient or
 28 intermediate treatment, unless the patient is found to require inpatient treatment;

29 (3) a person may not be denied treatment solely because the person has
 30 withdrawn from treatment against medical advice on a prior occasion or because the
 31 person has relapsed after earlier treatment;

1 (4) an individualized treatment plan must be prepared and maintained
2 on a current basis for each patient;

3 (5) provision must be made for a continuum of coordinated treatment
4 services, so that a person who leaves a facility or a form of treatment will use other
5 appropriate treatment and facilities.

6 * Sec. 54. AS 47.37.160(b) is amended to read:

7 (b) Subject to regulations adopted by the department [DIRECTOR], the
8 administrator in charge of an approved public treatment facility may determine who
9 shall be admitted for treatment. If a person is refused admission to an approved public
10 treatment facility, the administrator shall, if possible, refer the person to another
11 approved public treatment facility.

12 * Sec. 55. AS 47.37.210(b) is amended to read:

13 (b) Notwithstanding (a) of this section, the department [DIRECTOR] may
14 make available information from patients' records for purposes of research into the
15 causes and treatment of alcoholism or drug abuse. Information may not disclose a
16 patient's name.

17 * Sec. 56. AS 47.37.230(b) is amended to read:

18 (b) The department [DIRECTOR] shall adopt regulations for the
19 establishment, training, and conduct of emergency service patrols.

20 * Sec. 57. AS 47.37.240 is amended to read:

21 **Sec. 47.37.240. Payment for treatment.** (a) A patient in an approved
22 treatment facility, or the person obligated to provide for the cost of treatment of a
23 person committed under AS 47.37.010 - 47.37.270, is liable to the public or private
24 facility for the cost of maintenance and treatment of the patient in accordance with
25 rates established by the department [DIRECTOR].

26 (b) The department [DIRECTOR] shall adopt regulations governing financial
27 ability that take into consideration the income, savings, and other personal and real
28 property of the person liable for the cost and maintenance of the patient.

29 * Sec. 58. AS 47.37.260 is amended to read:

30 **Sec. 47.37.260. Application of Administrative Procedure Act.** Except as
31 otherwise provided in this chapter, AS 44.62 (Administrative Procedure Act) applies

1 to and governs all administrative action taken by the department [DIRECTOR] under
2 this chapter.

3 * Sec. 59. AS 47.37.270(3) is amended to read:

4 (3) "approved public treatment facility" or "public facility" means a
5 treatment agency operating under the direction and control of the department
6 [DIVISION] or providing treatment under this chapter through a contract with the
7 department [DIVISION] under AS 47.37.130(g) or through a grant awarded under
8 AS 47.30.475, and meeting the standards prescribed in AS 47.37.140(a) and approved
9 under AS 47.37.140(c);

10 * Sec. 60. AS 47 is amended by adding a new chapter to read:

11 **Chapter 44. Alaska Commission on Aging.**

12 **Sec. 47.44.200. Alaska Commission on Aging.** (a) The Alaska Commission
13 on Aging is established in the Department of Health and Social Services. The
14 members of the commission include

15 (1) the commissioner of health and social services or the
16 commissioner's designee;

17 (2) the commissioner of community and economic development or the
18 commissioner's designee;

19 (3) the commissioner of administration or the commissioner's
20 designee;

21 (4) the chair of the Alaska Pioneers' Homes Advisory Board under
22 AS 44.29.500; and

23 (5) seven persons selected on the basis of their knowledge and
24 demonstrated interest in the concerns of older Alaskans, appointed by the governor in
25 accordance with (b) of this section.

26 (b) After requesting from senior citizens' organizations the names of persons
27 who are qualified for and interested in serving on the commission, the governor shall
28 appoint the members of the commission under (a)(5) of this section. Appointments
29 shall be made by the governor to assure representation of low-income persons and
30 minorities, and representation from rural and urban areas of the state, and to secure
31 statewide geographical representation on the commission. At least six of the persons

1 appointed by the governor shall be 60 years of age or older. At least two of these
 2 persons shall be 65 years of age or older. Each member appointed by the governor
 3 shall be a resident of the state.

4 (c) The persons appointed under (a)(5) of this section serve overlapping four-
 5 year terms, and serve at the pleasure of the governor. A member may be reappointed,
 6 but a member appointed under (a)(5) of this section may not serve more than two
 7 consecutive terms or eight consecutive years, whichever is longer.

8 (d) If a person appointed under (a)(5) of this section fails to attend three
 9 consecutive meetings of the commission, a majority of the members of the
 10 commission may request the governor to terminate the membership of the member and
 11 to fill the vacancy.

12 (e) A vacancy in the membership of persons appointed under (a)(5) of this
 13 section shall be filled by appointment by the governor. The person appointed serves
 14 for the unexpired portion of the term.

15 **Sec. 47.44.210. Meetings and officers.** (a) The commission shall meet at the
 16 call of the chair, at the request of a majority of the members, or at a regularly
 17 scheduled time as determined by a majority of the members. The commission shall
 18 meet at least four times each year.

19 (b) The members of the commission listed in AS 47.44.200(a)(2) and (3) may
 20 not vote on matters before the commission. A majority of the members of the
 21 commission listed in AS 47.44.200(a)(1), (4), and (5) constitutes a quorum for
 22 conducting business and exercising the powers of the commission.

23 (c) The commission shall elect one of its members as chairperson, and may
 24 select other officers it considers necessary.

25 **Sec. 47.44.220. Compensation.** Members of the commission receive no
 26 compensation for their services, but are entitled to per diem and travel allowances
 27 authorized by law for other boards and commissions under AS 39.20.180.

28 **Sec. 47.44.225. Executive director.** The executive director of the
 29 commission shall

30 (1) formulate a comprehensive statewide plan that identifies the
 31 concerns and needs of older Alaskans and present that plan to the commission;

1 (2) administer, with the approval of the commissioner of health and
 2 social services, federal programs subject to state control as provided under 42 U.S.C.
 3 3001 - 3058ee (Older Americans Act), as amended; and

4 (3) administer, with the approval of the commissioner of health and
 5 social services, state programs as provided under AS 47.65.

6 **Sec. 47.44.230. Powers, duties, and limitations.** (a) The commission shall

7 (1) approve a comprehensive statewide plan that identifies the
 8 concerns and needs of older Alaskans and, with reference to the approved plan,
 9 prepare and submit to the governor and legislature an annual analysis and evaluation
 10 of the services that are provided to older Alaskans;

11 (2) make recommendations directly to the governor and the legislature
 12 with respect to legislation, regulations, and appropriations for programs or services
 13 that benefit older Alaskans;

14 (3) encourage the development of municipal commissions serving
 15 older Alaskans and community-oriented programs and services for the benefit of older
 16 Alaskans;

17 (4) employ an executive director who serves at the pleasure of the
 18 commission;

19 (5) help older Alaskans lead dignified, independent, and useful lives;

20 (6) request and receive reports and audits from state agencies and local
 21 institutions concerned with the conditions and needs of older Alaskans;

22 (7) with the approval of the commissioner of health and social
 23 services, set policy for the administration of federal programs subject to state control
 24 as provided under 42 U.S.C. 3001 - 3058ee (Older Americans Act), as amended, and
 25 evaluate grant applicants and make grant awards under those programs;

26 (8) with the approval of the commissioner of health and social
 27 services, set policy for the administration of state programs as provided under
 28 AS 47.65 and evaluate grant applicants and award grants under those programs;

29 (9) give assistance, on request, to the senior housing office in the
 30 Alaska Housing Finance Corporation in administration of the senior housing loan
 31 program under AS 18.56.710 - 18.56.799 and in the performance of the office's other

1 duties under AS 18.56.700; and

2 (10) provide to the Alaska Mental Health Trust Authority, for its
3 review and consideration, recommendations concerning the integrated comprehensive
4 mental health program for persons who are described in (d) of this section and the use
5 of the money in the mental health trust settlement income account in a manner
6 consistent with regulations adopted under AS 47.30.031.

7 (b) To accomplish its duties, the commission may

8 (1) review, evaluate, and comment upon state programs concerned
9 with the problems and the needs of older Alaskans;

10 (2) collect facts and statistics, and make studies of conditions and
11 problems pertaining to the employment, health, housing, financial security, social
12 welfare, and other concerns that bear upon the well-being of older Alaskans;

13 (3) provide information about public programs that would be of
14 interest or benefit to older Alaskans;

15 (4) appoint special committees, which may include persons who are
16 not members of the commission, to complete necessary studies;

17 (5) promote community education efforts regarding the problems and
18 concerns of older Alaskans;

19 (6) contract for necessary services;

20 (7) consult and cooperate with persons, organizations, and groups
21 interested in or concerned with programs of assistance to older Alaskans;

22 (8) advocate improved programs of benefit to older Alaskans;

23 (9) set standards for levels of services for older Alaskans for programs
24 administered by the commission; and

25 (10) adopt regulations necessary for the administration of
26 AS 47.44.200 - 47.44.240 and to comply with federal law.

27 (c) The commission may not investigate, review, or undertake any
28 responsibility for the longevity bonus program under AS 47.45 or the Alaska Pioneers'
29 Homes under AS 47.55.

30 (d) When the commission formulates a comprehensive statewide plan under
31 (a) of this section, it shall include within the plan specific reference to the concerns

1 and needs of older Alaskans who have a disorder described in AS 47.30.056(b)(4).

2 **Sec. 47.44.240. Definitions.** In AS 47.44.200 - 47.44.240,

3 (1) "commission" means the Alaska Commission on Aging;

4 (2) "older Alaskan" means a resident who is 60 years of age or older.

5 * **Sec. 61.** AS 47.45.010(b) is amended to read

6 (b) When the commissioner of health and social services
7 [ADMINISTRATION] determines that an applicant qualifies under this chapter the
8 commissioner shall immediately begin payment of the bonus.

9 * **Sec. 62.** AS 47.45.020 is amended to read:

10 **Sec. 47.45.020. Continuous eligibility procedures.** After qualification,
11 monthly applications for bonuses may be made in person to any office of the
12 Department of Health and Social Services [ADMINISTRATION]. Mailed monthly
13 applications shall also be considered by the department. In-person or mailed
14 applications shall be made on forms provided by the department and shall conform to
15 the conditions as provided by regulation. The commissioner of health and social
16 services [ADMINISTRATION] may make exceptions for those residents who are
17 isolated in rural areas and cannot mail a monthly application; however, they shall mail
18 an application at least once every six months.

19 * **Sec. 63.** AS 47.45.030(a) is amended to read:

20 (a) After qualification, a recipient shall notify the commissioner of health and
21 social services [ADMINISTRATION] when the recipient expects to be absent from
22 the state if the absence is for a continuous period that exceeds 60 days. After that
23 notification, the recipient may no longer receive bonuses from the Department of
24 Health and Social Services [ADMINISTRATION] after the last regularly approved
25 monthly application. Upon returning to the state, the recipient may again make
26 application for a bonus. Failure to notify the commissioner of an expected absence
27 may be grounds for disqualification.

28 * **Sec. 64.** AS 47.45.040 is amended to read:

29 **Sec. 47.45.040. Disqualification.** Disqualification under this chapter shall
30 rest solely with the commissioner of health and social services
31 [ADMINISTRATION] and shall be outlined in the regulations adopted under

1 AS 47.45.100(1).

2 * Sec. 65. AS 47.45.050 is amended to read:

3 Sec. 47.45.050. Department hearing. The Department of Health and Social
4 Services [ADMINISTRATION] may hold a departmental hearing upon the request of
5 an applicant or recipient who has been disqualified. Before this hearing the
6 department shall by certified mail notify an applicant or recipient in plain and
7 comprehensive language the exact reason for the disqualification. Form letters using
8 only referral to state statutes or department regulations, or otherwise vague in detail,
9 are not considered compliance by the department with this section.

10 * Sec. 66. AS 47.45.070(a) is amended to read:

11 (a) An unqualified person is one who

12 (1) does not meet the age or residence requirements as provided for
13 under this chapter;

14 (2) meets the age and residence requirements of this chapter but either
15 is confined in a state or federal mental health institution or facility and is certified by
16 the state as unable to manage personal affairs, or resides in a nursing home as that
17 term is defined in AS 08.70.180; however, if that person, at the time of commitment or
18 commencement of residence, provided the principal support of a spouse, the
19 commissioner of health and social services [ADMINISTRATION] may determine to
20 pay the confined person's bonus to the person's spouse until the spouse is qualified for
21 a bonus;

22 (3) is otherwise qualified but confined in a penal or correctional
23 institution or facility; upon completion of sentence or upon the conferral of a pardon,
24 parole, or probation, the person may make application; confinement outside the state
25 shall be considered as residence in the state if a person was convicted and sentenced
26 from a court in Alaska; revocation of parole or probation shall be cause for immediate
27 disqualification until release from confinement is again effected;

28 (4) is permanently disqualified under AS 47.45.030(c);

29 (5) did not apply, under AS 47.45.010(a), before January 1, 1997, for
30 qualification to receive a longevity bonus;

31 (6) was found qualified to receive a longevity bonus and was

1 subsequently permanently disqualified under former AS 47.45.030(b) or former
2 AS 47.45.045.

3 * Sec. 67. AS 47.45.080 is amended to read:

4 **Sec. 47.45.080. Accrual of bonuses.** A recipient may not for any reason,
5 receive an accrual of bonuses in excess of two monthly payments. Interest may not be
6 paid on accrued bonuses. Upon the death of a recipient the commissioner of health
7 and social services [ADMINISTRATION] shall pay to the beneficiary of the recipient
8 any accrued bonuses not to exceed two monthly payments.

9 * Sec. 68. AS 47.45.100 is amended to read:

10 **Sec. 47.45.100. Powers and duties of the administrator.** The commissioner
11 of health and social services [ADMINISTRATION] shall

12 [(1)] adopt regulations necessary to carry out the provisions of this
13 chapter[;

14 (2) REPEALED;

15 (3) REPEALED;

16 (4) REPEALED].

17 * Sec. 69. AS 47.45.130 is amended to read:

18 **Sec. 47.45.130. Death or cessation of residency.** The commissioner of
19 health and social services [ADMINISTRATION] shall establish procedures to stop a
20 bonus when a recipient under this chapter no longer qualifies. When a recipient dies
21 or discontinues residency in the state the recipient's qualification for a bonus shall stop
22 at the time of the recipient's last approved monthly application.

23 * Sec. 70. AS 47.55.010 is amended to read:

24 **Sec. 47.55.010. Maintenance of Alaska Pioneers' Home.** (a) The state shall
25 maintain institutions known collectively as the Alaska Pioneers' Home. Pioneers'
26 Homes shall be maintained at Sitka and at other sites designated by the commissioner
27 of health and social services [ADMINISTRATION].

28 (b) The Department of Health and Social Services [ADMINISTRATION]
29 shall formulate general policies, but has no administrative or executive functions other
30 than those set out in this chapter. It may hold hearings and subpoena witnesses and
31 documents and may administer oaths in connection with them.

1 (c) The Department of Health and Social Services [ADMINISTRATION]
2 shall

3 (1) cooperate with the federal government in matters pertaining to the
4 welfare of Alaska pioneers and of veterans who reside in the home operated under this
5 chapter, make the reports in the form and containing the information the federal
6 government from time to time desires, and accept funds allotted by the federal
7 government, its agencies, or its instrumentalities in establishing, extending, and
8 strengthening services for pioneers of Alaska and veterans who reside in the home
9 operated under this chapter;

10 (2) adopt regulations necessary for the conduct of the business of the
11 Pioneers' Home and for carrying out the provisions of this chapter, require bonds and
12 undertakings from persons employed by it as in its judgment are necessary, and pay
13 the premiums on them, and establish regional and local offices and the advisory
14 groups that are necessary or considered expedient to carry out or assist in carrying out
15 a duty or authority assigned to it;

16 (3) perform all executive or administrative duties necessary and
17 advisable to carry out the purpose of this chapter, including the power to make
18 contracts and to make disbursements on vouchers against funds for the purpose of this
19 chapter, within the limit of funds available;

20 (4) study the needs of Alaska's pioneers and veterans who reside in the
21 home operated under this chapter and submit recommendations for new regulations
22 and proposed legislation; and

23 (5) prepare a biennial report in even-numbered years and notify the
24 legislature that the report is available.

25 (d) The Department of Health and Social Services [ADMINISTRATION]
26 may employ the necessary subordinate officers and employees, and shall prescribe
27 methods for operation of the home, standards of care and service to home residents,
28 and rules governing personnel and rewarding employees on a merit basis. The
29 methods for operation and standards of care and services to residents prescribed under
30 this subsection shall be the same as the methods for operation and standards of care
31 established by the Department of Health and Social Services [ADMINISTRATION]

1 for assisted living homes licensed under AS 47.33.

2 * Sec. 71. AS 47.55.020(a) is amended to read:

3 (a) Every person residing in the state who is 65 years of age or older, has been
4 a resident of the state continuously for more than one year immediately preceding
5 application for admission, and is in need of residence at the home because of physical
6 disability or other reason, is eligible for admission under conditions prescribed in
7 regulations of the Department of Health and Social Services [ADMINISTRATION].
8 The spouse of a person who is eligible for admission under other provisions of this
9 subsection is also eligible for admission to the home under conditions prescribed by
10 the department if the spouse is 65 years of age or older and has been a resident of the
11 state continuously for more than one year immediately preceding application for
12 admission. In this subsection, "physical disability or other reason" means inability to
13 maintain a household without regular assistance in shopping, housekeeping, meal
14 preparation, dressing, or personal hygiene because of physical or medical impairment,
15 infirmity, or disability.

16 * Sec. 72. AS 47.55.020(b) is amended to read:

17 (b) Every person admitted to the Pioncers' Home who receives income from
18 any source in excess of \$100 per month may be required by the Department of Health
19 and Social Services [ADMINISTRATION] to pay the excess to the department
20 immediately upon receipt of the money in payment, or part payment, of the cost of the
21 person's care. However, the department may not require in any month the payment of
22 an amount greater than the monthly rate set under AS 47.55.030(b) except to satisfy an
23 indebtedness incurred under AS 47.55.070. The department may not evict a person
24 from the Pioneers' Home if the income and assets of the person are insufficient to pay
25 the monthly rate set under AS 47.55.030(b) and the person is otherwise in compliance
26 with requirements under this chapter.

27 * Sec. 73. AS 47.55.020(c) is amended to read:

28 (c) At the end of each month the payments made under (b) of this section shall
29 be transmitted to the commissioner of revenue. The Department of Health and Social
30 Services [ADMINISTRATION] may pay to a resident without funds the sum of \$100
31 per month.

1 * Sec. 74. AS 47.55.020(e) is amended to read:

2 (e) Notwithstanding AS 47.55.070 and (b) of this section, a home resident
3 whose income and assets are insufficient to pay the monthly rate set under
4 AS 47.55.030(b) qualifies for payment assistance if the resident is otherwise in
5 compliance with requirements under this chapter. The amount of payment assistance
6 shall equal the amount needed, when added to other income and assets of the resident,
7 to pay the monthly rate set under AS 47.55.030(b). Payment assistance received by a
8 home resident is a debt to the state. In determining the amount of payment assistance
9 for which a home resident qualifies, the following income and assets of the resident
10 shall be disregarded:

11 (1) income from any source in an amount equal to at least \$100 per
12 month as established by regulation of the Department of Health and Social Services
13 [ADMINISTRATION];

14 (2) the following assets received under 43 U.S.C. 1601 - 1629g
15 (Alaska Native Claims Settlement Act):

16 (A) cash dividends and other income equal to at least \$2,000 as
17 established by regulation of the Department of Health and Social Services
18 [ADMINISTRATION];

19 (B) stock;

20 (C) noncash dividends from stock; and

21 (D) land;

22 (3) a permanent fund dividend issued under AS 43.23;

23 (4) veterans' benefits paid under 38 U.S.C. 1110;

24 (5) compensation to volunteers under the federal retired and senior
25 volunteers (42 U.S.C. 5001), foster grandparents (42 U.S.C. 5011), and senior
26 companion (42 U.S.C. 5013) programs made in accordance with 42 U.S.C. 5044(f);

27 (6) federal World War II restitution payments made under 50 U.S.C.
28 App. 1989b-4 and c-5;

29 (7) payments under AS 18.67 (crime victim compensation);

30 (8) an amount determined by regulation of the Department of Health
31 and Social Services [ADMINISTRATION] sufficient for burial expenses of the

1 resident, the resident's spouse, and dependents of the resident;

2 (9) real property being used as the primary residence of the resident's
3 spouse or a dependent of the resident;

4 (10) other real or personal property equal to at least a total value of
5 \$5,000 as established by regulation of the Department of Health and Social Services
6 [ADMINISTRATION].

7 * Sec. 75. AS 47.55.030(a) is amended to read:

8 (a) A person eligible for admission under AS 47.55.020 may on application be
9 admitted to the home upon the person's agreement to pay to the state each month an
10 amount the Department of Health and Social Services [ADMINISTRATION]
11 considers sufficient to compensate the state for the cost of care and support of the
12 person at the home. When this agreement is entered into the Department of Health
13 and Social Services [ADMINISTRATION] may require security for the payments.

14 * Sec. 76. AS 47.55.030(b) is amended to read:

15 (b) The Department of Health and Social Services [ADMINISTRATION]
16 shall adopt regulations establishing a monthly rate for the compensation a resident is
17 to be charged under (a) of this section. The rate charged need not fully compensate
18 the state for the cost of care and support. The commissioner of health and social
19 services [ADMINISTRATION] shall review the rate each year.

20 * Sec. 77. AS 47.55.030(c) is amended to read:

21 (c) The Department of Health and Social Services [ADMINISTRATION]
22 shall provide to all residents of the Pioneers' Home written notice of any proposed
23 change in the rate charged for care and support of persons at the home. Notice under
24 this section shall be given not less than 60 days before a change is adopted. The
25 notice must include the time, date, and place of a hearing to be held by the Department
26 of Health and Social Services [ADMINISTRATION] under (d) of this section. The
27 department may not change the rate charged more than once in a fiscal year.

28 * Sec. 78. AS 47.55.030(d) is amended to read:

29 (d) Not less than 30 days before a proposed rate change is adopted, the
30 Department of Health and Social Services [ADMINISTRATION] shall conduct a
31 hearing at which interested persons shall be given the opportunity to submit written or

1 oral testimony, statements, arguments or contentions relating to the proposed rate
 2 change. The department shall consider all relevant matter presented to it before
 3 adopting a rate change.

4 * Sec. 79. AS 47.55.035 is amended to read:

5 **Sec. 47.55.035. Exception to admission criteria.** An applicant for admission
 6 to the home who has been a resident of the state for 30 years and is otherwise qualified
 7 for admission under AS 47.55.020 may not be disqualified for admission because of
 8 absence from the state if the commissioner of health and social services
 9 [ADMINISTRATION] determines the absence was reasonable and admission is
 10 consistent with the intent of AS 47.55.010 - 47.55.100.

11 * Sec. 80. AS 47.55.050 is amended to read:

12 **Sec. 47.55.050. Maintenance funds.** The legislature shall each session
 13 appropriate the necessary funds for the maintenance of the home to be expended by
 14 the Department of Health and Social Services [ADMINISTRATION], and that
 15 department may receive funds, donations and bequests from private individuals,
 16 societies or organizations, and funds from the federal government for the support and
 17 maintenance of the home.

18 * Sec. 81. AS 47.55.060 is amended to read:

19 **Sec. 47.44.060. Trust fund.** Unless otherwise provided by the donor, money
 20 bequeathed to the Alaska Pioneers' Home constitutes a special trust fund. Unless
 21 otherwise provided by the donor, interest from the special trust fund is under the
 22 control and at the disposal of the Department of Health and Social Services
 23 [ADMINISTRATION], and expenditure from it is limited to the benefit and comfort
 24 of the residents of the home.

25 * Sec. 82. AS 47.55.070(a) is amended to read:

26 (a) The following expenses incurred for a Pioneers' Home resident under this
 27 chapter and not recoverable from a collateral source are a debt of the resident to the
 28 state and may be recovered during the life of the resident:

29 (1) costs of standard or nursing care provided in the Pioneers' Home
 30 each month to the resident not exceeding the rate established by the Department of
 31 Health and Social Services [ADMINISTRATION] under AS 47.55.030, with credit

1 given for any amounts paid by or collected from the resident;

2 (2) allowances paid under AS 47.55.020(c);

3 (3) [REPEALED

4 (4)] arrearages in fees for television and telephone services provided in
5 the Pioneers' Home; and

6 (4) [(5)] prescription medicine [; AND

7 (6) REPEALED].

8 * **Sec. 83.** AS 47.55.080 is amended to read:

9 **Sec. 47.55.080. Enforcement against estate.** If a beneficiary under this
10 chapter dies leaving an estate in the state, the attorney general or the Department of
11 Health and Social Services [ADMINISTRATION] shall file with the executor or
12 administrator, or with the probate court, the claim of the state against the estate, and
13 the attorney general shall take the steps necessary to enforce and collect the claim.
14 Money collected shall be paid into the treasury of the state.

15 * **Sec. 84.** AS 47.55.095 is amended to read:

16 **Sec. 47.55.095. Limitation on enforcement of claims against estate.**
17 Notwithstanding AS 47.55.080 and 47.55.090, upon the death of a Pioneers' Home
18 resident or of a recipient of day care or respite services, a state claim for unpaid debt
19 owed to the Pioneers' Home may be satisfied only out of the decedent's estate. The
20 state may not pursue a claim to the extent doing so would work undue hardship, as
21 determined by regulation of the Department of Health and Social Services
22 [ADMINISTRATION], on the surviving spouse or dependent of the decedent. Family
23 portraits and heirlooms of the type identified under AS 09.38.020(a)(3), without
24 regard to value, may not be taken by the state in satisfaction of a debt to the Pioneers'
25 Home.

26 * **Sec. 85.** AS 47.60.060 is amended to read:

27 **Sec. 47.60.060. Lease of property from state.** The Department of Health
28 and Social Services [ADMINISTRATION] may lease property under its jurisdiction,
29 suitable for use as a multi-purpose senior center, to a nonprofit corporation that
30 undertakes the development and operation of a multi-purpose senior center.

31 * **Sec. 86.** AS 47.65.100(b) is amended to read:

1 (b) In order to fund grants under this section, the commission and the
 2 Department of Health and Social Services [ADMINISTRATION] may seek and
 3 enter into contracts or grants with any party, including reimbursable service
 4 agreements with other state agencies.

5 * Sec. 87. AS 47.65.290(3) is amended to read:

6 (3) "commission" means the Alaska Commission on Aging established
 7 in AS 47.44.200 [AS 44.21.200];

8 * Sec. 88. AS 14.37.010, 14.37.020, 14.37.030, 14.37.040, 14.37.050, 14.37.060,
 9 14.37.070, 14.37.080, 14.37.090, 14.37.100, 14.37.110, 14.37.120, 14.37.130, 14.37.140,
 10 14.37.150, 14.37.160, 14.37.170, 14.37.180, 14.37.190, 14.37.200, 14.37.210, 14.37.299;
 11 AS 14.38.100, 14.38.110, 14.38.120, 14.38.130, 14.38.140, 14.38.150, 14.38.160, 14.38.199;
 12 AS 44.21.020(9), 44.21.020(12), 44.21.035, 44.21.100, 44.21.110, 44.21.120, 44.21.130,
 13 44.21.200, 44.21.210, 41.21.220, 44.21.225, 44.21.230, 44.21.240; AS 44.27.020(4);
 14 AS 47.33.410(c), 47.33.410(e); AS 47.37.020, 47.37.270(6), and 47.37.270(7) are repealed.

15 * Sec. 89. The uncodified law of the State of Alaska is amended by adding a new section to
 16 read:

17 REVISOR'S INSTRUCTION. The revisor of statutes is instructed to renumber the
 18 following existing articles in AS 47.25:

19 (1) "Article 1. General Relief Assistance" to "Article 3. General Relief
 20 Assistance";

21 (2) "Article 2. Aid to Families with Dependent Children Act" to "Article 4.
 22 Aid to Families with Dependent Children Act";

23 (3) "Article 3. Job Opportunity and Basic Skills Program" to "Article 5. Job
 24 Opportunity and Basic Skills Program";

25 (4) "Article 4. Adult Public Assistance" to "Article 6. Adult Public
 26 Assistance";

27 (5) "Article 5. Food Stamp Program" to "Article 7. Food Stamp Program"

28 * Sec. 90. The uncodified law of the State of Alaska is amended by adding a new section to
 29 read:

30 TRANSITION. (a) Litigation, hearings, investigations, and other proceedings
 31 pending under a law repealed by this Order, or in connection with functions transferred by

1 this Order, continue in effect and may be continued and completed notwithstanding a transfer
2 or repeal provided for in this Order.

3 (b) Regulations that were adopted under authority of statutes being amended or
4 repealed by this Order because their programs were transferred to the Department of Health
5 and Social Services under this Order, and that were in effect on June 30, 2003, remain in
6 effect and may continue to be implemented and enforced, consistent with the changes made
7 by this Order, until the Department of Health and Social Services adopts its own regulations.

8 (c) Contracts, rights, liabilities, and obligations created by or under a law repealed by
9 this Order, and in effect on June 30, 2003, remain in effect notwithstanding this Order's taking
10 effect. Records, equipment, appropriations, and other property of an agency of the state
11 whose functions are transferred under this Order shall be transferred to implement the
12 provisions of this Order.

13 (d) A member of the Alaska Pioneers' Homes Advisory Board or the Alaska
14 Commission on Aging serving on June 30, 2003, continues to serve as a member of the
15 respective body until the member's term expires under law.

16 * Sec. 91. This Order takes effect July 1, 2003.

DATED: _____

Frank H. Murkowski
Governor

FISCAL NOTE

**STATE OF ALASKA
2003 LEGISLATIVE SESSION**

Fiscal Note Number: 1
 Bill Version: EO 108
 (H) Publish Date: 3/5/03
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction):
 Title TRANSFER CERTAIN FUNCTIONS TO THE
DEPARTMENT OF HEALTH AND SOCIAL
SERVICES

BRU Administrative Services
 Component Commissioner's Office

Sponsor GOVERNOR
 Requester _____

Component No. 317

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 The Department of Health and Social Services is undergoing a significant restructuring. Reorganization is guided by the following principles:
 Health and social services are being integrated and streamlined in a manner that makes sense to the people the department serves;
 Finances are being reorganized so that the department can restructure Medicaid funding, maximize federal funds and ensure that funds are invested to get the best services for Alaskans; and
 A structure is being put in place to better empower managers to find ways to continue to deliver quality services in an era of fiscal discipline.

Prepared by: Elmer A. Lindstrom, Special Assistant Phone 465-1613
 Division Office of the Commissioner Date/Time 03/01/2003
 Approved by: Joel S. Gilbertson, Commissioner Date 03/05/2003
 Agency Department of Health and Social Services

ANALYSIS CONTINUATION

Consolidation of programs for senior citizens in the Department of Health and Social Services:

The Executive Order will transfer the Division of Longevity Programs, Alaska Commission on Aging, and functions of the Division of Senior Services from the Department of Administration to the Department of Health and Social Services. Consolidation of these programs will:

- Create access to the continuum of services needed by seniors in one location;
- Provide efficient management of home and community-based and institutional care for seniors;
- Maximize customer satisfaction and cost management of these expensive services vital to the well being of Alaska's seniors; and
- Allow the Department of Administration to concentrate on its core functions of supporting state government.

Once the initial consolidation is implemented, the department will proceed to combine the functions currently performed by the existing Division of Senior Services with the developmental disabilities program located within the existing Division of Mental Health and Developmental Disabilities. The new Division of Senior and Disabilities Services will have both programmatic and budgetary responsibility for community-based and institutionally-based long-term care.

Transfer of child care licensing and child care assistance from the Department of Education and Early Development to the Department of Health and Social Services:

Placement of childcare assistance in the Division of Public Assistance will:

- Consolidate programs and funding that assist families enter or remain in the workforce; and
- Improve customer service by reducing the number of applications and offices clients must visit.

Childcare licensing will be located within the Office of Children's Services (formerly the Division of Family and Youth Services). The Office will benefit from additional economies of scale by consolidating childcare licensing with its existing residential care and foster care licensing functions.

Over the longer term, the department will seek to further consolidate these licensing functions with licensing for acute care, long-term care, assisted living, and other licensing activities. A centralized licensing unit will provide the department with greater depth and flexibility to meet all of the department's licensing responsibilities.

Place responsibility for substance abuse prevention, treatment and related functions under the general authority of the Department of Health and Social Services:

Substance abuse prevention, treatment and related functions from the former Division of Alcoholism and Drug Abuse and the Office of Fetal Alcohol Syndrome will be combined with the mental health functions currently performed by the Division of Mental Health and Developmental Disabilities to create a new Division of Behavioral Health. This will:

- Ensure that individuals experiencing mental illness, chronic alcoholism or co-occurring disorders and the providers assisting these individuals will be offered an inclusive administrative infrastructure and a seamless continuum of care; and
- Increase partnerships at the state and local levels and encourage a 'no wrong door' access and treatment philosophy.

ANALYSIS CONTINUATION

Integration of Medicaid programmatic and financial responsibility for mental health treatment and mental health and substance abuse rehabilitation services will:

- Reduce acute inpatient care, residential psychiatric treatment and lengthy placements away from families;
- Enhance collaboration and linkages between institutional care and community-based care; and
- Provide a seamless comprehensive array of services with better treatment outcomes.

The Executive Order requires numerous budget realignments within the Department of Health and Social Services. These changes have been included in the Governor's amended FY 04 budget. Detailed information on these budget transactions will be provided to the legislature in a separate document(s).

FRANK H. MURKOWSKI
GOVERNOR
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March 5, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under authority of article III, section 23, of the Alaska Constitution, I am transmitting an Executive Order transferring functions from the Department of Administration and the Department of Education and Early Development to the Department of Health and Social Services. The Executive Order also removes statutory references to the Division of Alcoholism and Drug Abuse in the Department of Health and Social Services as the first step toward creating a new Division of Behavioral Health.

This Executive Order will cause the consolidation of programs for senior Alaskans in the Department of Health and Social Services. The Division of Alaska Longevity Programs (including the Alaska Pioneers Homes and state veterans' homes), the Commission on Aging, and programs administered by the Division of Senior Services will be transferred from the Department of Administration to the Department of Health and Social Services. This will allow seniors to access the full continuum of services they need at one location and provide for more efficient management of home and community-based and institutional care. The result will be improved customer satisfaction and greater ability to manage program costs. The administration of state veterans' home facilities within the Division of Alaska Longevity Programs is included in this transfer.

The Honorable Pete Kott
March 5, 2003
Page 2

Similarly, the transfer of childcare licensing and childcare assistance from the Department of Education and Early Development to the Department of Health and Social Services will provide opportunities to improve customer service and efficiency. The Division of Public Assistance will have enhanced capacity to help families to remain in or enter the workforce by providing childcare assistance. Likewise, the Office of Children's Services (formerly the Division of Family and Youth Services) will benefit from additional economies of scale by consolidating child-care licensing with its existing residential and foster care licensing functions.


Finally, upon the effective date of this executive order, the Department of Health and Social Services will begin the process of consolidating the existing functions of the Division of Alcoholism and Drug Abuse with the mental health program currently located in the Division of Mental Health and Developmental Disabilities. The new Division of Behavioral Health will provide an inclusive administrative infrastructure and a seamless continuum of care to support providers of services for individuals experiencing mental illness, chronic alcoholism or co-occurring disorders. Increasing partnerships at the state and local levels between the substance abuse and mental health communities will encourage a "no wrong door" treatment philosophy.


I believe that these steps will improve administrative efficiency, provide for more cost-effective management and result in improved services to all Alaskans.

The effective date of this Order is July 1, 2003.

I urge your prompt and favorable action on this measure.

Sincerely,


Frank H. Murkowski
Governor



Reorganizing Alaska's Dept. of Health & Social Services for Better Customer Service



3/10/2003

DHSS reorganization

1




*"We are integrating the health & social services
provided to Alaskans, and combining programs in
ways that make sense to the people DHSS serves."*

-- Joel Gilbertson, Commissioner

3/10/2003

DHSS reorganization

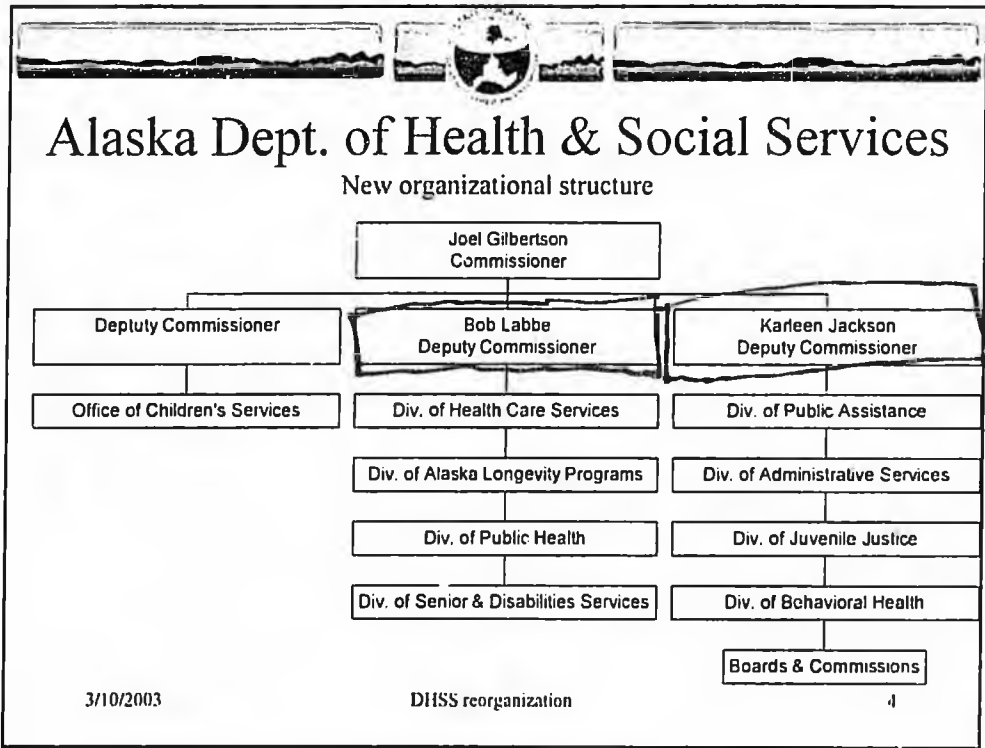
2



Goals

- ❖ Enhanced quality of life for the people DHSS serves
- ❖ Efficient coordination & management of multiple health & human services programs
- ❖ Maximum benefit from existing resources & reduce burdensome regulations
- ❖ Innovation, flexibility & accountability at all levels

3/10/2003
DHSS reorganization
3



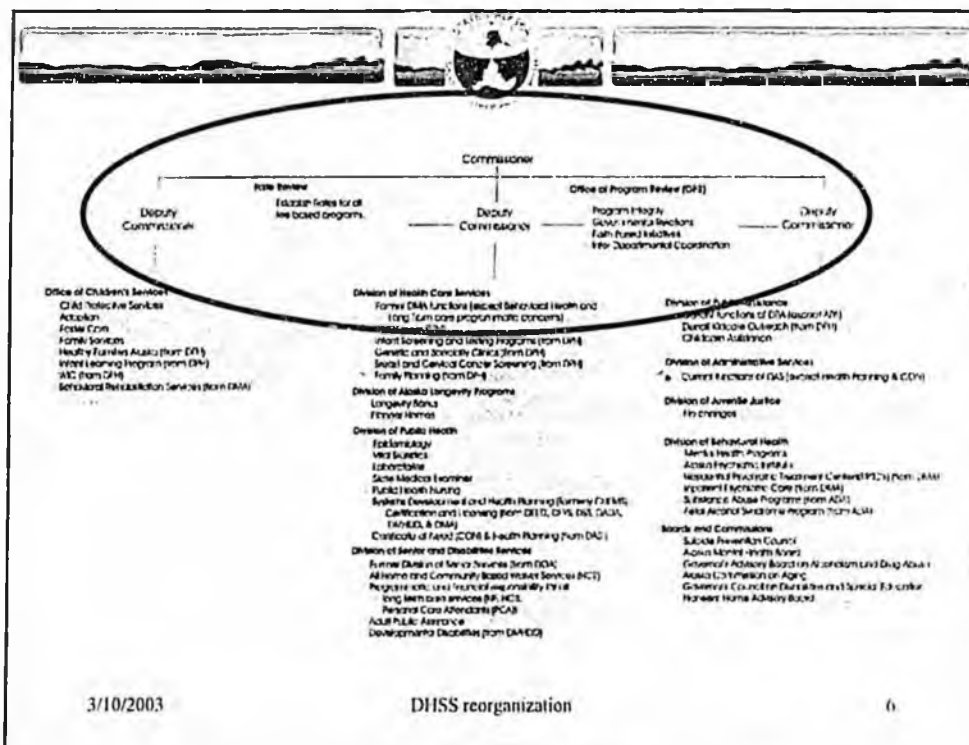
Highlights

- ❖ Internal consolidations – name, function changes for 4 Divisions
- ❖ Create department-wide program review function
- ❖ 5 programs move from Depts. of Administration, Education & Early Development to Dept. of Health & Social Services
- ❖ Administration of Medicaid Program decentralized – functions moved to other appropriate Divisions

3/10/2003

DHSS reorganization


5



3/10/2003

DHSS reorganization


6



Office of the Commissioner

- ❖ 3 Deputy Commissioners
- ❖ 2 new offices, using existing positions
- ❖ Rate Review
 - ❖ Centralize setting of rates paid for all services including Medicaid facilities, foster care, child care facilities
- ❖ Office of Program Review (OPR)
 - ❖ Ensure DHSS programs accomplish goals, help Divisions find ways to refinance programs, reduce General Fund expenditures, continue services

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Office of Program Review

key functions

- ❖ Reduce General Fund expenditures
- ❖ Maximize federal funding for programs
- ❖ Enhance program integrity
- ❖ Promote government relations
- ❖ Integrate Faith-Based & community initiatives
- ❖ Interdepartmental coordination
- ❖ Customer service

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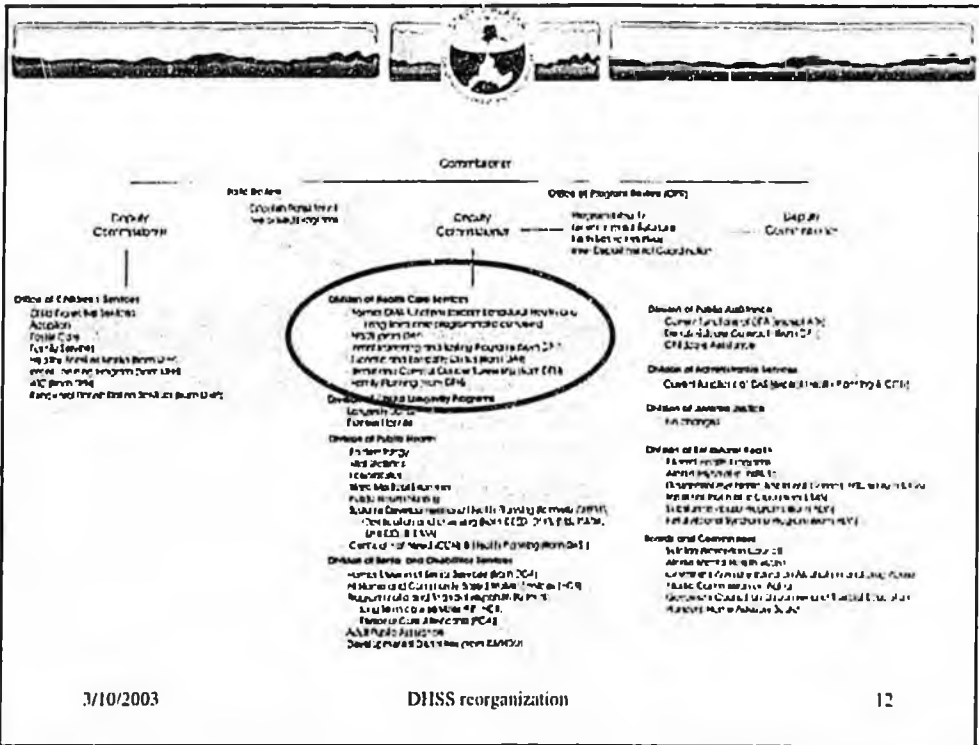



Office of Children Services

Key functions formerly in DFYS

- ❖ Child protection services
- ❖ Adoption
- ❖ Foster Care
- ❖ Family services

3/10/2003
DHSS reorganization
11






Div. of Public Health

- ❖ This Division protects & promotes public health
- ❖ Focus on
 - ❖ disease prevention & control,
 - ❖ homeland security related to public health,
 - ❖ Systems planning & development for a quality health care system

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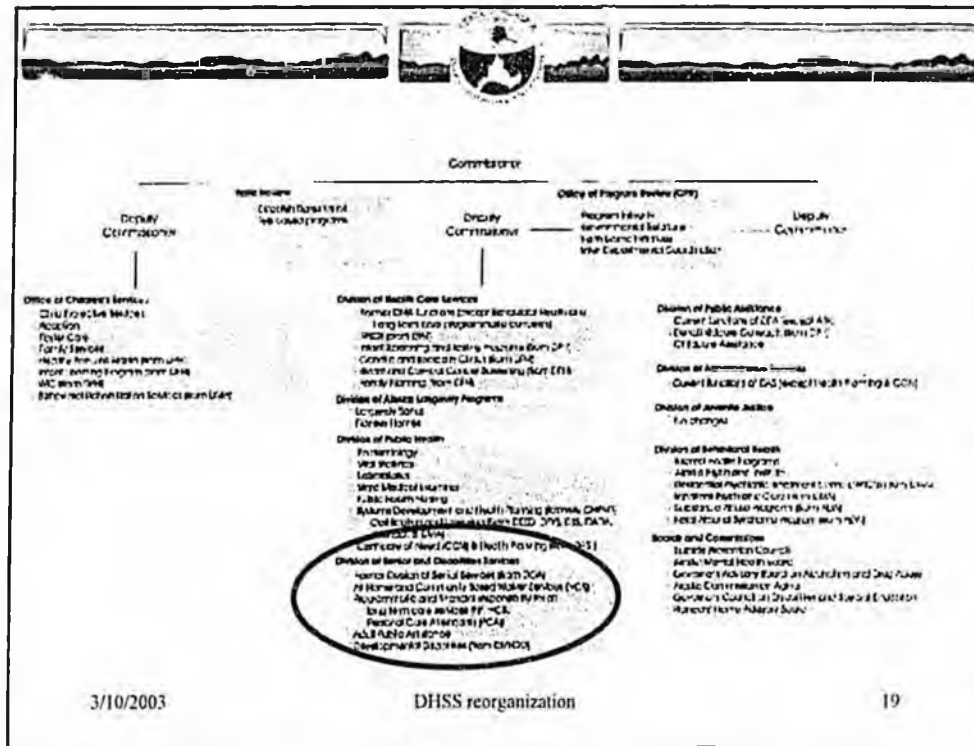


Div. of Public Health

Key functions continue in this division

- ❖ Epidemiology
- ❖ Vital Statistics
- ❖ Laboratories
- ❖ State Medical Examiner
- ❖ Public Health Nursing

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Div. Of Senior & Disabilities Services

- ❖ This Division provides a full range of care for Alaska seniors and disabled Alaskans in one agency
- ❖ Improved access for people DHSS serves to a continuum of services – all the services seniors and disabled people need
- ❖ All Developmental Disabilities programs formerly in Div. of Mental Health & Developmental Disabilities

3/10/2003

DHSS reorganization

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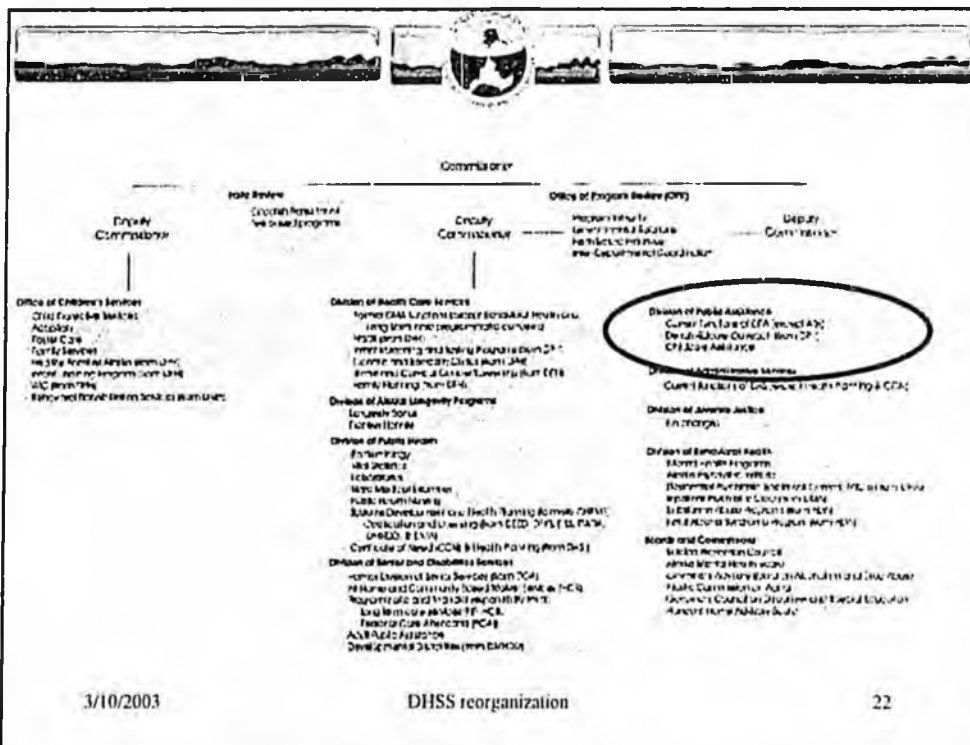
Div. Of Senior & Disabilities Services

- ❖ Program & financial responsibility for Medicaid funded programs [Home & Community-Based Waivers] for seniors & disabled persons moved from Div. of Medical Assistance to improve services for both groups
- ❖ Div. of Senior Services moved by Executive Order to DHSS from Dept. of Administration
- ❖ Adult Public Assistance moved to this Division from Div. of Public Assistance – next fiscal year

3/10/2003

DHSS reorganization


21



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DHSS reorganization


22



Div. Of Public Assistance

- ❖ This Division continues its mission of supporting families and individuals to become self-sufficient
- ❖ Serves families better by consolidating programs and funding sources that help families enter or stay in the work force
- ❖ Reduces number of applications a person has to fill out, offices they need to visit to get help

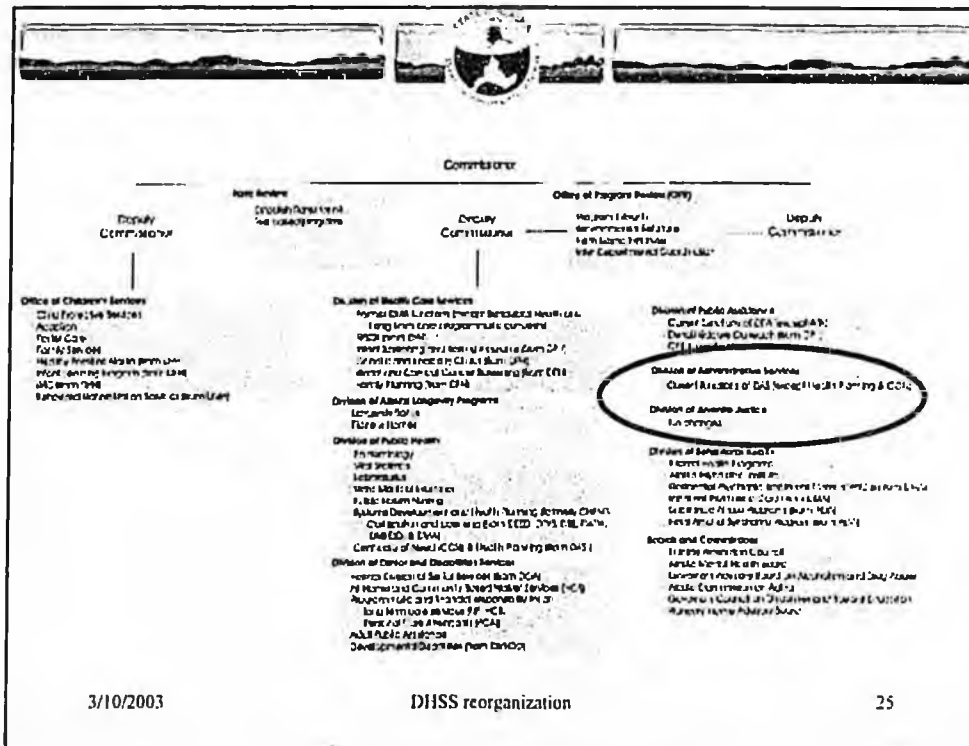
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Div. Of Public Assistance

- ❖ Outreach for Denali KidCare moved from Div. of Public Health
- ❖ Child Care Assistance moved by Executive Order from Dept. of Education & Early Development

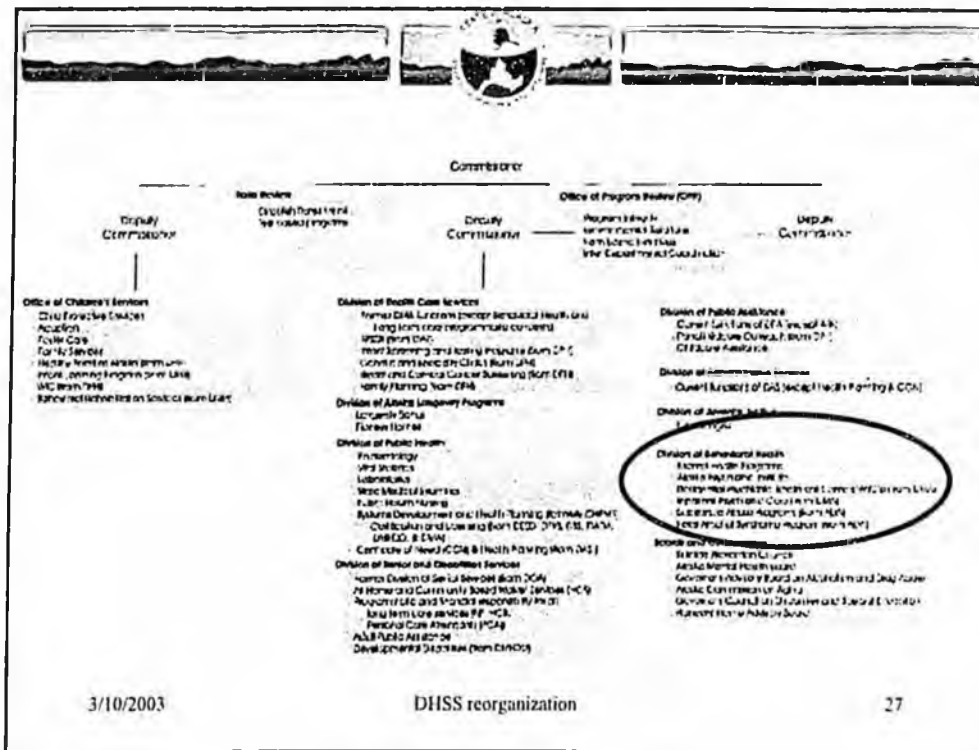
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Minimally affected by Reorganization

- ❖ Div. of Juvenile Justice is specialized and discrete unit focused on better outcomes for youth in trouble
- ❖ Div. of Administrative Services continue to focus on providing support services to DHSS agencies
 - ❖ Health Planning & Certificate of Need transferred to Div. of Public Health


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Div. Of Behavioral Health

- ❖ This Division provides a comprehensive array of mental health and substance abuse services
- ❖ Better customer service for clients – service delivery is more efficient, treatment is integrated
- ❖ Functions formerly in Div. of Alcoholism & Drug Abuse and Div. of Mental Health & Developmental Disabilities
- ❖ Program, financial responsibility for Medicaid-funded programs [residential psychiatric treatment, inpatient treatment, mental health, substance abuse rehab services] moved from Div. of Medical Assistance for better service to clients


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Boards & Commissions

- ❖ Suicide Prevention Council
- ❖ Alaska Mental Health Board
- ❖ Governor's Advisory Council on Alcoholism & Drug Abuse
- ❖ Governor's Council on Disabilities & Special Education
- ❖ Moving to DHSS from Dept. of Administration
 - ❖ Alaska Commission on Aging
 - ❖ Pioneer's Home Advisory Board

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Current Status

- ❖ Reorganization plan announced March 4, 2003
- ❖ Governor Murkowski introduced FY 04 Budget March 6, 2003
- ❖ Executive Order #108 before Alaska Legislature affects certain elements of Reorganization Plan
- ❖ Executive Order takes effect July 1, 2003
- ❖ Most of reorganization elements begin implementation on July 1, 2003
- ❖ Several elements not scheduled until following year

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