

LEG. FINANCE - BILLS 1977 - 1978 985

CSSB 544am cont., thru SB 556am 783



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

April 17, 1978

Mr. Don Ryder  
Executive Director  
Alaska Labor & Management  
Employee Affairs, Inc.  
503 W. Northern Lights Blvd.,  
Suite 205  
Anchorage, Alaska 99503

Dear Don:

Please accept my apologies for being so late in getting back to you; however, I determined it was best to wait until something more definitive was in sight. You are correct in your assumption that nothing positive has been done about adopting the troubled employees' program; however, this has been under active discussion and consideration, and I believe that while things seem to be very slow in materializing, this will eventually become reality in state government. I personally believe that the troubled employees' program has a tremendous amount of merit and will give my own advocacy to it.

As to your question about what is happening with the Governor's alcohol package, there has been a great deal of work and interaction between the Department of Health and Social Services and the legislative branch on this issue. Senator Colletta has recently introduced a series of bills, and we have been working with him to determine where accommodation might be reached between the Governor's package and Senator Colletta's. Additionally, we are making progress with the alcohol tax bill that was passed by the Senate last year and is now awaiting action in House Rules. There are some very positive things happening, but regretfully until these actions are finalized by the Legislature, it's very difficult to be positive. In my view, this issue is receiving more than its fair share of attention here. The Governor is very concerned about seeing a substantial amount of progress in alcohol-related activity, and I believe that we will have favorable action on the part of the legislative branch.

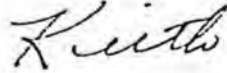
Mr. Don Ryder  
April 17, 1978

Page 2

Don, I hope this isn't too vague, but I would like for it to be in the form of reassurance that your efforts are not being disregarded as they are a very important part of the advocacy for state government to do something positive on this issue.

Don, I do look forward to a get-together one of these days and hope that we will see more of each other in the future than we have for the past year or two.

Highest personal regards,



Keith W. Specking  
Legislative Assistant  
to the Governor

# Alaska Labor & Management Employee Affairs, Inc.

A NON-PROFIT ORGANIZATION

503 W. No. Lights Blvd. Suite 205  
Anchorage, Alaska 99503  
Phone (907) 272-5656

## Board of Directors

President -- George "Ed" Smith;  
*Alaska Chapter, Associated General Contractors*

Vice Pres. -- Jesse Carr;  
*Sec. Treas. Trustee Local No. 979*

Sec. Treas. -- J. J. "Pat" O'Malley;  
*Area Representative  
Human Resources Development Institute AFL-CIO*

Trustee -- B. Gil Johnson;  
*Attorney-at-Law*

Trustee -- Judge C. J. Occhipinti

G. H. Lundell, Alyeska Pipeline Service Co.  
Paul B. Jones, Attorney-at-Law  
Rev. Norman Elliott  
Les Gunderson, Contractor  
Dr. A. H. Parker  
Leo Walsh, Contractor

ALMEA - Board of Directors Meeting

Ramada Inn - Shinook Room

April 18, 1978

Members Present:

Ed Smith  
Pat O'Malley  
Paul Jones  
Rev. Elliott  
E. Webb  
Glenn Lundell  
Don Ryder, Director

Motion was made by Pat O'Malley - seconded by Paul Jones and passed unanimously to seat Ernie Webb as a member of the Board.

Ernie Webb is going to contact Mr. Ivy of the Alaska Native Hospital; Rev. Elliott is going to contact a staff member of the Air Force Hospital; Pat O'Malley is going to contact a staff member of Providence Hospital; Paul Jones is going to contact Judge Kalarmides, for new members for the Board to replace Dr. Parker; L. Gunderson; and, Judge C. J. Occhipinti.

It was requested by the Board that part of ALMEA's funding be put into a savings account to accumulate interest.

Don Ryder explained the funding situation from the State and Federal levels.

The next board meeting will be June 13th.

The Board congratulated Senator Colletta on the Senate Bills on alcoholism and offered there support.

Original sponsor: Rules Committee  
by Request

Offered: 4/18/78  
Referred: Finance

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2

CS FOR SENATE BILL NO. 545

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to health insurance."

7

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

8

\* Section 1. AS 21.89 is amended by adding a new section to read:

9

Sec. 21.89.050. ALCOHOLISM UNDER HEALTH INSURANCE. All policies,

10

contracts or prepaid plans for individual or group health insurance with

11

the exception of Medicare Supplement issued or delivered in the state on

12

or after the effective date of this Act shall contain provisions pro-

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viding benefits for the treatment of alcoholism. This coverage may be

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waived in writing by a group policyholder on or before the effective

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date of the policy.

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# Alaska State Legislature

POUCH Y, STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465-3800

JOHN SACKETT

To: Senator ~~Glenn Hackney~~, Chairman  
Senate ~~Hess~~ Committee  
FINANCE

*Glenn Hackney*

From: Senator George Hohman *GH*

Date: 4/26/78

Re: Proposed changes to SB 543, 551

Per the attached letter, request that the following proposed changes be considered.

*Forwarded for your consideration*

*Glenn H.*

# YUKON-KUSKOKWIM HEALTH CORPORATION

P. O. Box 528  
Bethel, Alaska 99559  
(907) 543-2506  
(907) 543-2503

March 22, 1978

Senator George Hohman  
Pouch WF - State Capital  
Juneau, Alaska 99801

Dear George:

Thank you for forwarding Colletta's bill so promptly. I was pleasantly surprised after reading the bill - it seems to be a good first step. There are, however, certain areas of weakness which might be strengthened by amendments. They are as follows:

No. 542, Sec. 47, 37, 045

A loan of 10,000 to foster temperate social activities will not go far in meeting recreational needs of the villages, especially if they decide to build a community building. You could amend this section so that if funds were requested for construction in a rural area, the amount available would reflect construction costs per square foot in the bush.

Alternatively you might include a section which states that the State of Alaska would lease village built space to provide supervised temperate social activities. This would encourage Native Corporations to invest in the construction of the building and guarantee them a lease when it was completed. This is what the HHS does with village based clinics. The supervisor's salary and real monies could come out of the appropriation for programs.

No. 543, Sec. 47, 30, 475b

Both the department of Alcoholism and the Governor's Advisory Board on Alcoholism have been non supportive to our attempts to get village based programs funded. Last year we requested funding for Napaskiak, Akiak, Akiachuk and Hooper Bay but only received half the requested amount for Napaskiak. This year we have nine village program proposals to submit but the outlook as far as the state goes for funding is bleak.

Therefore I would recommend several possible amendments to this section:

1. Amend by stating that community need shall be determined by the local access to Alcoholism prevention, treatment and rehabilitation programs or
2. Amend by reorganizing the Governor's Advisory Board so that one half its members come from bush areas.

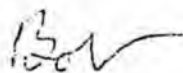
3. Amend by stating that money under this section shall only be used to start new programs where access to such programs has been nil in the past.

There are strengths in the bill which should be underlined and defended in case of attack. Especially noteworthy are the following sections:

- No. 541 - Health education in public schools
- No. 544 - Recognizing different alcohol treatment facilities, urban VS rural standards.
- No. 551 - Rehabilitation of criminals whose offences are alcohol related.

I believe this bill is a good start and would hope that in future years funding levels would increase in increments as the provision of service is distributed to all Alaskans. Thank you for the opportunity to comment.

Regards,



Bob Hurwitz  
Medical Director

EH/nk

**COMMITTEE REPORT**  
**SENATE**

FURTHER: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Mr. President:

The Committee on FINANCE has had SB 545  
health insurance

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                       recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_
  
- and \_\_\_\_\_  new title               same title
- AND attaches a Letter of Intent               New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
Chairman

COMMITTEE REPORT

SENATE

3/17/78

FURTHER: FINANCE

Date: 4-17-78

Mr. President:

The Committee on HEALTH EDUCATION & SOCIAL SERVICES has had SB 545 health insurance

under consideration and (a majority of the committee) (the committee reports it back as follows)

recommends it do pass ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

recommends it be replaced with CS for SB 545

and do pass ( ) new title  same title

( ) AND attaches a Letter of Intent  New Fiscal Note

( ) reports it back without recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Signature]  
[Signature]  
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[Signature]  
Chairman

Original sponsor: Rules Committee  
by Request

Offered: 4/18/78  
Referred: Finance

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 CS FOR SENATE BILL NO. 545

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health insurance."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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9 Sec. 21.89.050. ALCOHOLISM UNDER HEALTH INSURANCE. All policies,  
10 contracts or prepaid plans for individual or group health insurance with  
11 the exception of Medicare Supplement issued or delivered in the state on  
12 or after the effective date of this Act shall contain provisions pro-  
13 viding benefits for the treatment of alcoholism. This coverage may be  
14 waived in writing by a group policyholder on or before the effective  
15 date of the policy.

Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 545

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

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10 contracts or prepaid plans for individual or group health insurance  
11 issued or delivered in the state on or after the effective date of this  
12 Act shall provide that alcoholism is an illness and that benefits for  
13 treatment of alcoholism may not be less than for any other illness,  
14 except that this coverage may be waived in writing by the policyholder  
15 of an individual health insurance policy on or before the effective date  
16 of the policy.

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. SB 545  
 Title "An Act relating to health insurance."  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL  
 Agency Affected Commerce & Economic Development  
 Program Category Affected Public Protection  
 Budget Request Unit(s) Affected Division of Insurance

EXPENDITURES (Thousands of Dollars) NONE.

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) NONE.

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS NONE.

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

NO FISCAL IMPACT.

IV. DATE 4/6/78 PREPARED BY Richard L. Block, Director  
 AGENCY Division of Insurance  
 Original: Legislative Finance PHONE 465-2515

ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

SENATE BILL NO. 545...

By THE RULES COMMITTEE BY REQUEST

"An Act relating to health insurance."

Introduced in the Senate 3/17/78, 1978

HISTORY IN THE SENATE

19 78

3

17

Read first time and referred to Committee on

Health Education & Social Services and Finance

Reported back with *HSS* recommendation that *3 to pass w/CS to Sen*

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed  
Signed by President  
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed  
Signed by Speaker  
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

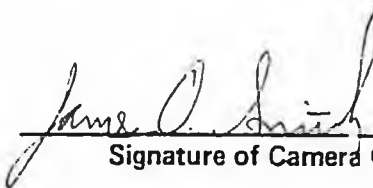
Chapter No. ....

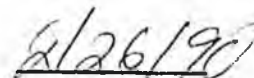


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
\_\_\_\_\_  
Signature of Camera Operator

  
\_\_\_\_\_  
Date

# COMMITTEE REPORT

## HOUSE

6/7/76

FURTHER: \_\_\_\_\_

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on FINANCE has had SB 522

"An Act establishing a tax credit for contributions to alcoholism programs; a.d."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                       recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_

and \_\_\_\_\_  new title       same title

- AND attaches a Letter of Intent                       New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
Chairman

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SENATE BILL NO. 546  
 Title An Act establishing a tax credit for contributions to alcoholism  
 Requested by Health, Education & Social Services Date 3/22/78 (programs  
 and Finance Committees

II. FISCAL DETAIL

Agency Affected Revenue  
 Program Category Affected Fiscal Services  
 Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars)

None

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

None

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memorandum dated 3/22/78 to R. D. Stevenson.

IV. DATE March 22, 1978

PREPARED BY *Ray Aulin*

AGENCY Audit Division

Original: Legislative Finance

PHONE 465-2320

cc: Budget and Management

Prime Sponsor (First Legislator Named)

STATE  
of ALASKA

## MEMORANDUM

TO:  R. D. Stevenson  
Special Assistant  
Department of Revenue

DATE: March 22, 1978

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins  
Director  
Audit Division

SUBJECT: Senate Bill No. 546

This bill would provide for an income tax credit of up to \$50.00 per person for contributions made to approved alcoholism programs.

There will be no additional costs involved in administration of the income tax program.

The only effect on the State will be a loss of revenue equal to \$50.00 times the number of individuals who make the contribution and claim the credit. Since there is no possible way of estimating the number of people who might make such a contribution, it is impossible to anticipate the total revenue loss to the State Treasury.

STATE  
of ALASKA

## MEMORANDUM

*Jenkins*TO:  R. D. Stevenson  
Special Assistant  
Department of Revenue

DATE: May 16, 1978

FILE NO:

TELEPHONE NO:

FROM: Gary I. Jenkins  
Director  
Audit Division

SUBJECT: Senate Bill No. 546

This is in response to your recent request regarding the amount of political campaign contribution credit which has been claimed in the past few years. We presently have the information for the 1974 and 1975 tax years but have not yet extracted that information from our 1976 file. For 1974, 3,052 returns were filed, claiming a total credit of \$184,034. Of the 1975 returns, 1,692 claimed the credit for a total amount of \$99,804. I would anticipate that the amount claimed on the 1976 returns was substantially higher than this amount; however, I have no way of projecting an exact amount.

## STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

March 23, 1978

*Cathy*  
JAY S. HAMMOND, GOVERNOR

The Honorable Glenn Hackney  
Chairman  
Senate Health, Education &  
Social Services Committee  
Alaska State Legislature  
Assembly Building - Room 105  
Juneau, Alaska

Re: Senate Bill No. 546

Dear Senator Hackney:

Senate Bill No. 546, an Act establishing a tax credit for contributions to alcoholism programs, was introduced in the Senate on March 17, 1978 and was referred to the Senate Health, Education & Social Services and Finance Committees.

For the consideration of the Senate Health, Education & Social Services Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. Gary L. Jenkins, Director, Audit Division, Department of Revenue concerning the proposed legislation.

Very truly yours,

R. D. Stevenson  
Special Assistant

Enclosure

cc: The Honorable John C. Sackett  
Chairman  
Senate Finance Committee  
Alaska State Legislature  
State Capitol Building  
Juneau, Alaska

John Messenger, Deputy Commissioner  
Department of Revenue

Gary L. Jenkins, Director  
Audit Division  
Department of Revenue

Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a tax credit for contributions to  
7 alcoholism programs; and providing for an effective  
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 43.20.031 is amended by adding a new subsection to read:

11 (i) An individual is entitled to a tax credit not to exceed \$50  
12 for the amount of contributions made during the tax year to a state or  
13 municipally approved alcoholism program.

14 \* Sec. 2. This Act takes effect January 1, 1979 and applies to tax years  
15 beginning on or after January 1, 1978.

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Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE SECOND SESSION

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Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 546

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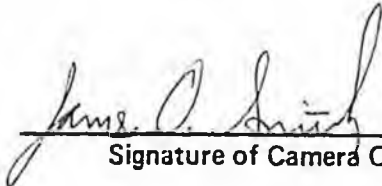
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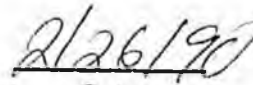


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\_\_\_\_\_  
Signature of Camera Operator

  
\_\_\_\_\_  
Date

COMMITTEE REPORT  
SENATE

FURTHER: \_\_\_\_\_

Date: \_\_\_\_\_

Mr. President:

The Committee on FINANCE has had 52

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                       recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_
- and \_\_\_\_\_  new title               same title
- AND attaches a Letter of Intent               New Fiscal Note
- reports it back without recommendation
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MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
Chairman

Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

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STATE  
of ALASKA

## MEMORANDUM

*Jenkins*TO:  R. D. Stevenson  
Special Assistant  
Department of Revenue

DATE: May 16, 1978

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins  
Director  
Audit Division

SUBJECT: Senate Bill No. 546

This is in response to your recent request regarding the amount of political campaign contribution credit which has been claimed in the past few years. We presently have the information for the 1974 and 1975 tax years but have not yet extracted that information from our 1976 file. For 1974, 3,052 returns were filed, claiming a total credit of \$184,034. Of the 1975 returns, 1,692 claimed the credit for a total amount of \$99,804. I would anticipate that the amount claimed on the 1976 returns was substantially higher than this amount; however, I have no way of projecting an exact amount.

## STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 -- JUNEAU 59811

*Cathy*  
JAY S. HAMMOND, GOVERNOR

March 23, 1978

The Honorable Glenn Hackney  
Chairman  
Senate Health, Education &  
Social Services Committee  
Alaska State Legislature  
Assembly Building - Room 105  
Juneau, Alaska

Re: Senate Bill No. 546

Dear Senator Hackney:

Senate Bill No. 546, an Act establishing a tax credit for contributions to alcoholism programs, was introduced in the Senate on March 17, 1978 and was referred to the Senate Health, Education & Social Services and Finance Committees.

For the consideration of the Senate Health, Education & Social Services Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. Gary L. Jenkins, Director, Audit Division, Department of Revenue concerning the proposed legislation.

Very truly yours,

R. D. Stevenson  
Special Assistant

Enclosure

cc: The Honorable John C. Sackett  
Chairman  
Senate Finance Committee  
Alaska State Legislature  
State Capitol Building  
Juneau, Alaska

John Messenger, Deputy Commissioner  
Department of Revenue

Gary L. Jenkins, Director  
Audit Division  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SENATE BILL NO. 546  
 Title An Act establishing a tax credit for contributions to alcoholism  
 Requested by Health, Education & Social Services Date 3/22/78 (programs  
 and Finance Committees

II. FISCAL DETAIL

Agency Affected Revenue  
 Program Category Affected Fiscal Services  
 Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars)

None

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						


POSITIONS

None

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memorandum dated 3/22/78 to R. D. Stevenson.

IV. DATE March 22, 1978 PREPARED BY   
 AGENCY Audit Division  
 Original: Legislative Finance PHONE 465-2320  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)

STATE  
of ALASKA

# MEMORANDUM

TO:  R. D. Stevenson  
Special Assistant  
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DATE: March 22, 1978

FILE NO:

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Director  
Audit Division

SUBJECT: Senate Bill No. 546

This bill would provide for an income tax credit of up to \$50.00 per person for contributions made to approved alcoholism programs.

There will be no additional costs involved in administration of the income tax program.

The only effect on the State will be a loss of revenue equal to \$50.00 times the number of individuals who make the contribution and claim the credit. Since there is no possible way of estimating the number of people who might make such a contribution, it is impossible to anticipate the total revenue loss to the State Treasury.

SB 546

A STATE DIVISION OF THE  
NATIONAL COUNCIL ON ALCOHOLISM



National  
Council  
ON  
Alcoholism - ALASKA REGION

4510 International Airport Road, Suite 1  
Anchorage, Alaska 99502  
Phone 243-4324 or 243-4305

April 13, 1978

Senator Mike Colletta  
Pouch V  
Juneau, AK 99311

Dear Mike:

Thank you for the Citizen's Legislation Senate Bills 540-552 which were forwarded to us for review. We have the following comments.

Senate Bill 540 "An Act relating to health insurance". We are supportive of mandating alcoholism treatment coverage for all policies, contracts, or prepared plans for individual or group health insurance in Alaska. However, the clause waiving the coverage by the policy holder would make the impact of this insurance negligible. It is foreseen that middle-class individuals in the early to middle stages of alcoholism would choose to waive alcoholism coverage, as having it might indicate to them that they, in fact, have a problem with alcohol. We feel very strongly that "except that this coverage may be waived in writing by the policy-holder of an individual health insurance policy on or before the effective date of that policy," must be deleted.

Senate Bill 540 "An Act making a special appropriation to the Office of Alcoholism in the Department of Health and Social Services for the prevention and treatment of alcohol abuse and alcoholism and providing for an effective date". It appears that the sum of \$8,200,000 is appropriated for administrative functions of the Office of Alcoholism. The language of the Bill appears to provide for planning, coordination, regulation, monitoring, and evaluation of programs and for training, technical assistance to programs. There appears to be no implication, intent, nor definition of providing any of that money directly to programs. We seriously question the need of \$8.2 million in administrative fees for the Office of Alcoholism without provision for a dramatic increase in grant funds.

Senator Mike Colletta  
April 13, 1973  
Page 2

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Senator Mike Colletta  
April 13, 1978  
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Senator Mike Colletta  
April 13, 1978  
Page 4

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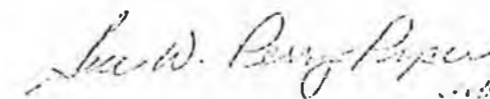
Senator Mike Colletta  
April 13, 1978  
Page 5

Senate Bill 551 "An Act relating to the rehabilitation of persons who commit criminal offenses as a result of alcohol problems in providing for an effective date". There should be mention of mandatory prompt action being taken for non-compliance of the program of alcohol education or rehabilitation by the convicted person. Without prompt action for noncompliance the law would be worthless.

Senate Bill 552 "An Act relating to alcohol". We were sorry to see that the per se law was not included in this proposed legislation. The per se law says in effect that if a person has a blood alcohol content of .10 he is assumed to be intoxicated and unable to drive. It is our understanding that Anchorage is the only community within Alaska to adopt and enforce the per se law. We were further surprised and disappointed to see that a mandatory 24-hour jail sentence was not proposed for a first offender in addition to the maximum fine of \$1,000 and imprisonment for one year. Studies which have been done nationwide have indicated that 24-hours in jail for a first offender has a maximum impact, whereas three days after a second conviction has a lesser impact.

We hope these comments are helpful to you and the committee.

Sincerely yours,



Suzanne W. Perry-Piper  
Executive Director

eab

488

STATE  
of ALASKA

# MEMORANDUM

TO:  R. D. Stevenson  
Special Assistant  
Department of Revenue

DATE March 22, 1978

FILE NO

TELEPHONE NO

FROM: Gary L. Jenkins  
Director  
Audit Division

SUBJECT Senate Bill No. 546

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Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a tax credit for contributions to  
7 alcoholism programs; and providing for an effective  
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 43.20.031 is amended by adding a new subsection to read:

11 (i) An individual is entitled to a tax credit not to exceed \$50  
12 for the amount of contributions made during the tax year to a state or  
13 municipally approved alcoholism program.

14 \* Sec. 2. This Act takes effect January 1, 1979 and applies to tax years  
15 beginning on or after January 1, 1973.

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Introduced: 3/17/78  
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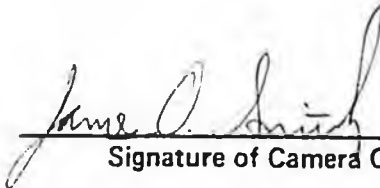
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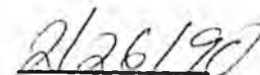


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
\_\_\_\_\_  
Signature of Camera Operator

  
\_\_\_\_\_  
Date

**COMMITTEE REPORT**  
**SENATE**

FURTHER: \_\_\_\_\_

Date: \_\_\_\_\_

Mr. President:

The Committee on FISCAL has had 300

*Special appropriation to Dept. of Revenue, increase number employed by Alcoholic Beverage Board*

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                       recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_
  
- and \_\_\_\_\_  new title               same title
- AND attaches a Letter of Intent               New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

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OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
Chairman

Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

1 IN THE SENATE BY THE RULES COMMITTEE BY REQUEST

2 SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-  
7 ment of Revenue to increase the number of enforcement  
8 personnel employed by the Alcoholic Beverage Control  
9 Board; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. The sum of \$200,000 is appropriated from the general fund to  
12 the Department of Revenue, Alcoholic Beverage Control Board, to pay expenses  
13 of employment of additional enforcement personnel.

14 \* Sec. 2. The unexpended and unobligated portion of this appropriation  
15 lapses into the general fund June 30, 1979.

16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
17 070(c).

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DEPARTMENT OF HEALTH AND SOCIAL SERVICES

POSITION PAPER ON SENATE BILL 547

"An Act making a special appropriation to the Department of Revenue to increase the number of enforcement personnel employed by the Alcoholic Beverage Control Board; and providing for an effective date."

The Office of Alcoholism and Drug Abuse is supportive of this Bill as the result of this action would provide stricter enforcement of existing liquor laws in the State of Alaska. Abuses of current statutes in Title 04 are frequently reported to this Office particularly with regard to bootlegging and sales to minors and intoxicated persons. These reports usually are received from rural and dry areas, community health councils, nurses and doctors.

Recommended by:

Robert L. Cole 4/3/78  
Robert L. Cole, Coordinator Date  
Office of Alcoholism & Drug Abuse

Approved by:

Helen D. Beirne 4/13/78  
Helen D. Beirne Date  
Commissioner  
Health and Social Services

SB 547

A STATE DIVISION OF THE  
NATIONAL COUNCIL ON ALCOHOLISM



National  
Council  
on  
Alcoholism - ALASKA REGION

4510 International Airport Road, Suite 1  
Anchorage, Alaska 99502  
Phone 243-4324 or 243-4306

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*A Private Non Profit Corporation Dedicated to the Goal of the Abolition by Means of a Positive, Supportive and Knowledgeable Attitude Toward the Solution of the Problems of Alcoholism and Alcohol Abuse*

Senator Mike Colletta

April 13, 1978

Page 2

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April 13, 1978  
Page 5

Senate Bill 551 "An Act relating to the rehabilitation of persons who commit criminal offenses as a result of alcohol problems in providing for an effective date". There should be mention of mandatory prompt action being taken for non-compliance of the program of alcohol education or rehabilitation by the convicted person. Without prompt action for noncompliance the law would be worthless.

Senate Bill 552 "An Act relating to alcohol". We were sorry to see that the per se law was not included in this proposed legislation. The per se law says in effect that if a person has a blood alcohol content of .10 he is assumed to be intoxicated and unable to drive. It is our understanding that Anchorage is the only community within Alaska to adopt and enforce the per se law. We were further surprised and disappointed to see that a mandatory 24-hour jail sentence was not proposed for a first offender in addition to the maximum fine of \$1,000 and imprisonment for one year. Studies which have been done nationwide have indicated that 24-hours in jail for a first offender has a maximum impact, whereas three days after a second conviction has a lesser impact.

We hope these comments are helpful to you and the committee.

Sincerely yours,



Suzanne W. Perry-Piper  
Executive Director

eab

Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST

2 SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-  
7 ment of Revenue to increase the number of enforcement  
8 personnel employed by the Alcoholic Beverage Control  
9 Board; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. The sum of \$200,000 is appropriated from the general fund to  
12 the Department of Revenue, Alcoholic Beverage Control Board, to pay expenses  
13 of employment of additional enforcement personnel.

14 \* Sec. 2. The unexpended and unobligated portion of this appropriation  
15 lapses into the general fund June 30, 1979.

16 \* Sec 3. This Act takes effect immediately in accordance with AS 01.10.-  
17 070(c).

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Introduced: 3/17/78  
Referred: Health, Education &  
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17 070(c).

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Official Business

# Alaska State Legislature

## Senate

### Committee on

### Health, Education & Social Services

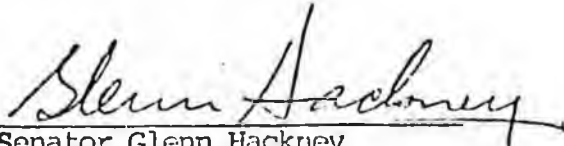
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State Capitol  
Juneau, Alaska 99811

(907) 465-3787

Glenn Hackney, Chairman  
Robert Ziegler, Vice Chairman  
W. E. "Brad" Bradley  
Edward C. Willis  
Patrick Rodey

#### LETTER OF INTENT IN CONNECTION WITH SB 547

Testimony on SB 547 has revealed that Alcoholic Beverage Control enforcement personnel are presently concentrated in Anchorage and Fairbanks. Since SB 547 proposes to increase the enforcement staff, it is the intent of the Senate Health, Education and Social Services Committee that a full time enforcement agent be assigned to Southeast Alaska.

  
\_\_\_\_\_  
Senator Glenn Hackney  
Chairman, Senate HESS

DATE: April 25, 1978



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James A. Smith  
Signature of Camera Operator

2/26/90  
Date

# COMMITTEE REPORT

## HOUSE

6/7/77

FURTHER: \_\_\_\_\_

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on Finance has had SB 117 an  
Act making a special appropriation to the Dept. of Revenue to increase  
the number of enforcement personnel employed by the Alcoholic Beverage  
Control Board; etc., etc."

under consideration and (a majority of the committee) (the committee reports it back as follows)

( ) recommends it do pass ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

( ) recommends it be replaced with CS for \_\_\_\_\_

and \_\_\_\_\_ ( ) new title ( ) same title

( ) AND attaches a Letter of Intent ( ) New Fiscal Note

( ) reports it back without recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

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POSITION PAPER ON SENATE BILL 547

"An Act making a special appropriation to the Department of Revenue to increase the number of enforcement personnel employed by the Alcoholic Beverage Control Board; and providing for an effective date."

The Office of Alcoholism and Drug Abuse is supportive of this Bill as the result of this action would provide stricter enforcement of existing liquor laws in the State of Alaska. Abuses of current statutes in Title 04 are frequently reported to this Office particularly with regard to bootlegging and sales to minors and intoxicated persons. These reports usually are received from rural and dry areas, community health councils, nurses and doctors.

Recommended by:

Robert L. Cole 4/13/78  
Robert L. Cole, Coordinator Date  
Office of Alcoholism & Drug Abuse

Approved by:

Helen D. Beirne 4/13/78  
Helen D. Beirne Date  
Commissioner  
Health and Social Services



Official Business

# Alaska State Legislature

## Senate

### Committee on

### Health, Education & Social Services

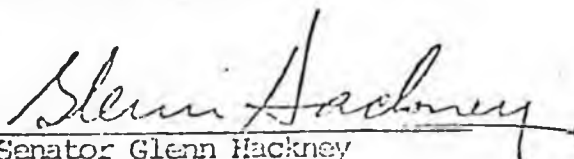
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Testimony on SB 547 has revealed that Alcoholic Beverage Control enforcement personnel are presently concentrated in Anchorage and Fairbanks. Since SB 547 proposes to increase the enforcement staff, it is the intent of the Senate Health, Education and Social Services Committee that a full time enforcement agent be assigned to Southeast Alaska.

  
\_\_\_\_\_  
Senator Glenn Hackney  
Chairman, Senate HESS

DATE: April 25, 1978

Introduced: 3/17/78  
Referred: Health, Education &  
Social Services and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST

2 SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-  
7 ment of Revenue to increase the number of enforcement  
8 personnel employed by the Alcoholic Beverage Control  
9 Board; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. The sum of \$200,000 is appropriated from the general fund to  
12 the Department of Revenue, Alcoholic Beverage Control Board, to pay expenses  
13 of employment of additional enforcement personnel.

14 \* Sec. 2. The unexpended and unobligated portion of this appropriation  
15 lapses into the general fund June 30, 1979.

16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
17 070(c).

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Introduced: 3/17/78  
Referred: Health, Education  
& Social Services and  
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST

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9 Board; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. The sum of \$200,000 is appropriated from the general fund to  
12 the Department of Revenue, Alcoholic Beverage Control Board, to pay expenses  
13 of employment of additional field enforcement personnel.

14 \* Sec. 2. The unexpended and unobligated portion of this appropriation  
15 lapses into the general fund June 30, 1979.

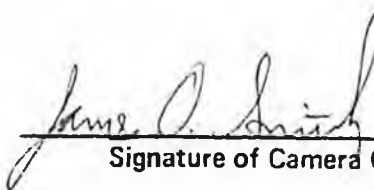
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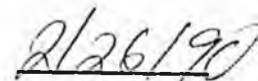


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\_\_\_\_\_  
Signature of Camera Operator

  
\_\_\_\_\_  
Date

COMMITTEE REPORT  
SENATE

5/16/77

FURTHER: \_\_\_\_\_

Date: May 27, 1977

Mr. President:

The Committee on FINANCE has had SB 552  
alcohol

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                       recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_
- and \_\_\_\_\_  new title               same title
- AND attaches a Letter of Intent               New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:  
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OTHER RECOMMENDATIONS:  
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[Signature]  
Chairman

POSITION PAPER ON SENATE BILL 551 & 552 COMBINED

"An Act relating to the rehabilitation of persons who commit criminal offenses as a result of alcohol problems; and providing for an effective date."

The office is supportive of the concept of this legislation but feels compelled to suggest some clarification and amendments to the bill.

First, the language of the bill is so broad that it would appear that courts could sentence violent felons to treatment programs outside of Correctional Institutions, either before, during after or in lieu of a prison sentence upon conviction of a violent felony.

It has never been the position of the alcoholism field to argue that being intoxicated or alcoholic, was a legitimate defense for the commission of a violent crime against persons, or for the commission of a criminal act which negligently placed other persons in physical jeopardy (i.e. OMVI). Our position on that matter would be that, upon conviction of a serious violent crime against a person or persons, the convicted offender should be remanded to a correctional facility to serve his sentence for his crime and that such sentence should be fully served prior to his referral to any outside alcoholism treatment or education agency.

An alternative for serious violent offenders would be to institute an alcoholism treatment/education program within the correctional facility, either by funding Corrections directly for that purpose, or by funding the alcoholism programs one extra position each, in every community where a correctional facility or a major court exists, for an "Offender Alcoholism Treatment Specialist", to provide treatment services, either in the correctional facility, or at the program site for less serious offenders. Either option would require additional funds.

The office supports the notion of referral to treatment/education programs, in lieu of actual jail time served, for less serious offenders. However, experience has taught us that there can be substantial logistical problems inherent in such an effort. The best example is the OMVI diversion project in Anchorage.

That program, jointly funded by the Office of Alcoholism and Drug Abuse and the Highway Safety Planning Agency of the Department of Public Safety, has been highly successful in that convicted OMVI offenders from all the Anchorage courts are typically referred to it for diagnostic screening. Serious problem drinkers are sent to treatment by the courts through the screening agency as part of their OMVI sentence. Social drinkers who inadvertently commit an OMVI offense are sent to Alcohol Education classes, in addition to their sentence. The OMVI diversion program personnel diagnose the cases, make recommendations to the courts, execute the court's treatment/education orders, monitor offender compliance with the court order, and follow up on the condition of the offender after treatment/education.

This small program, with an annual budget of 60,000 - 80,000 dollars, and two personnel, has processed some 1500 OMVI offenders in Anchorage, for the courts, for this fiscal year. The judges are greatly pleased with its performance.

POSITION PAPER ON SENATE BILL 551 & 552 COMBINED

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ALCOHOLISM TREATMENT AND EDUCATION SERVICE

The program has been plagued however, by the following problems:

- 1) under funding,
- 2) lack of administrative authority for management of misdemeanor cases after case disposition,
- 3) difficulty in getting local treatment programs to accept clients under court authority, and
- 4) the emergence of private "alcohol education schools" not controlled by public law, rule or regulation.

While these problems have not been insurmountable, they do illustrate what can happen to a good and simple idea, when actual implementation is attempted. That the program is doing well; is a function of prior planning and training.

In the present case, a statewide program of treatment/education for all persons convicted of alcohol related crimes, we suggest that at least six months should be spent in developing a plan for action, as state-wide implementation of the intent will require the cooperation of all judges, prosecutors, local police, State Troopers, the alcoholism treatment programs and the Division of Corrections.

Developing such a plan would include; System Design, identification of potential problem areas; resolution of problem areas; additional staff for coordination between courts and community treatment resources; a training program for program personnel, judges, prosecutors, police, Troopers and Corrections personnel and the design of a monitoring system to measure the efficiency and effectiveness of the program.

The office is supportive of the concept of this bill, with the caveat that attention must be paid to the issues raised herein and a suitable source of revenue, if the implementation of the intent is to be successful.

The attached fiscal note displays a cost estimate for 100% implementation for the next several years at basic minimum levels.

Recommended by:

*Robert L. Cole*

Robert L. Cole, Coordinator \_\_\_\_\_ Date  
Office of Alcoholism & Drug Abuse

Approved by:

*Helen D. Beirne*

Helen D. Beirne  
Commissioner  
Health and Social Services

Introduced: 3/17/78  
Referred: Judiciary

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 552

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to alcohol."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 \* Section 1. The legislature finds that violations of AS 28.35.030 arise  
9 from misinformation about drugs or alcohol or the chronic abuse of drugs and  
10 alcohol, and further finds that participation in alcohol and drug information  
11 and rehabilitation programs is efficacious in preventing a recurrence of vio-  
12 lations of AS 28.35.030.

13 \* Sec. 2. AS 28.35.030 is amended to read:

14 Sec. 28.35.030. DRIVING WHILE UNDER THE INFLUENCE OF INTOXICATING  
15 LIQUOR OR DRUGS. (a) A person who, while under the influence of in-  
16 toxicating liquor, depressant, hallucinogenic or stimulant drugs or  
17 narcotic drugs as defined in AS 17.10.230(13) and AS 17.12.150(3)  
18 operates or drives an automobile, motorcycle or other motor vehicle in  
19 the state, upon conviction, is punishable by a fine of not more than  
20 \$1,000, or by imprisonment for not more than one year, or by both. Upon  
21 a second conviction within five years after a first conviction under  
22 this section, the court shall impose a minimum sentence of imprisonment  
23 of not less than three days. Upon a subsequent conviction within five  
24 years after a second conviction under this section, the court shall  
25 impose a minimum sentence of imprisonment of not less than 10 days. The  
26 execution of sentence may not be suspended nor may probation or parole  
27 be granted until the minimum imprisonment provided in this section has  
28 been served, nor may imposition of sentence be suspended, except upon  
29 the condition that the defendant be imprisoned for no less than the

1 minimum period provided in this section, nor may the punishment provided  
2 for in this section be reduced under AS 11.05.150. In addition, his  
3 operator's license shall be revoked in accordance with AS 28.15.210(c).  
4 In addition, a person convicted under this statute shall undertake, for  
5 a term specified by the court, that program of alcohol education or  
6 rehabilitation which the court, after consideration of any information  
7 compiled under (b) of this section, finds appropriate.

8 \* Sec. 3. AS 28.35.030 is amended by adding a new subsection to read:

9 (b) Except as prohibited by federal law or regulation, every  
10 provider of treatment programs to which persons are ordered under (a) of  
11 this section shall supply the Alaska court system with the information  
12 regarding the condition and treatment of those persons as the supreme  
13 court may require by rule. Information compiled under this subsection  
14 is confidential and may only be used by a court in sentencing a person  
15 convicted under (a) of this section, or by an officer of the court in  
16 preparing a presentence report for the use of the court in sentencing a  
17 person convicted under (a) of this section.

18 \* Sec. 4. AS 47.37.210(a) is amended to read:

19 (a) Except as required by AS 28.35.030(b), the [THE] registration  
20 and other records of treatment facilities shall remain confidential and  
21 are privileged to the patient.  
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SB 552

A STATE DIVISION OF THE  
NATIONAL COUNCIL ON ALCOHOLISM

National  
Council  
ON  
Alcoholism - ALASKA REGION

4510 International Airport Road, Suite 1  
Anchorage, Alaska 99502  
Phone 243-4321 or 243-4306

April 13, 1978

Senator Mike Colletta  
Pouch V  
Juneau, AK 99811

Dear Mike:

Thank you for the Citizen's Legislation Senate Bills 540-552 which were forwarded to us for review. We have the following comments.

Senate Bill 545 "An Act relating to health insurance". We are supportive of mandating alcoholism treatment coverage for all policies, contracts, or prepared plans for individual or group health insurance in Alaska. However, the clause waiving the coverage by the policy holder would make the impact of this insurance negligible. It is foreseen that middle-class individuals in the early to middle stages of alcoholism would choose to waive alcoholism coverage, as having it might indicate to them that they, in fact, have a problem with alcohol. We feel very strongly that "except that this coverage may be waived in writing by the policy-holder of an individual health insurance policy on or before the effective date of that policy," must be deleted.

Senate Bill 540 "An Act making a special appropriation to the Office of Alcoholism in the Department of Health and Social Services for the prevention and treatment of alcohol abuse and alcoholism and providing for an effective date". It appears that the sum of \$3,200,000 is appropriated for administrative functions of the Office of Alcoholism. The language of the Bill appears to provide for planning, coordination, regulation, monitoring, and evaluation of programs and for training, technical assistance to programs. There appears to be no implication, intent, nor definition of providing any of that money directly to programs. We seriously question the need of \$3.2 million in administrative fees for the Office of Alcoholism without provision for a dramatic increase in grant funds.

Senator Mike Colletta  
April 13, 1973  
Page 2

Senate Bill 541 "An Act relating to health education in public schools". The physical health education provided for in this Act is not mandatory. There is no money allotted for training of teachers. There appears to be no provision for coordination or cooperation by the school districts with health education programs developed by the Office of Alcoholism or other appropriate health and social service divisions. If a Bill such as this passes, we are concerned that it too will be ignored if the provisions are not made mandatory.

Senate Bill 542 "An Act adding to the powers and duties of the Office of Alcoholism." We question the need for establishing standards for training para-professional alcoholism workers. Obviously standards and training are needed for all alcoholism workers. However, as the field becomes more sophisticated the workers will no longer be para-professionals but will be professionals. Individuals with advanced degrees may require training prior to being able to effectively work within the alcoholism field. The standards and training offered by the Office of Alcoholism must be offered to those individuals also considered "professionals". We request that "para" be deleted from section 2 (7). Section 4 (18) is nebulous and appears to be unenforceable. Developing and implementing training programs on alcoholism for employees of state municipal governments and private institutions is extremely important. But to allegedly limit it to those individuals coming in contact with alcoholics is not realistic as we are sure this will be interpreted as individuals working within treatment centers only. If the objective for this section is to assist in the implementation of the establishment of labor-management programs then it should state that the training will be available to anyone who supervises other individuals. Section 5 fund established. There is no indication of the source of money for the proposed revolving loan fund. We believe it should be stated that grant and contract funds shall not be used for this purpose.

Senate Bill 543 "An Act relating to alcoholism grants-in-aid". Section 2 (3) changes the ratio of grant funds from a set ratio 75/25 or 90/10 to a portion which the Department determines the community to be served is incapable of bearing. This portion could be changed by the Department with less than adequate information and input. While we are not totally in agreement with the current ratio of 75/25 or 90/10, we believe that this section needs to be clarified and defined further. The funds from the grant-in-aid appear to be restricted to treatment facilities with the exception of purchase of educational materials, improvements or renovation, or new construction. Stated in this manner, it would prohibit any non-treatment agency such as ourselves, the Anchorage Council on Alcoholism, the Aleiachuk Council on Alcoholism, and various other small communities from applying for and receiving state grant-in-aid funds. As the alleged area of emphasis is in prevention and education, we believe that this section must be changed.

Senator Mike Colletta  
April 13, 1978  
Page 3

Section 3 (E) (1) "No grant may be awarded under this section unless the application includes a plan which provides for the expenditure of grant money for education and other preventative measures as well as the treatment of alcoholics. This again, creates a situation where direct treatment programs are the only programs eligible for grant funds. This must be changed.

Section 3 (E) (3) "Goals expressed in terms of a percentage reduction of the number of persons needing the assistance provided by the program receiving a grant under this section". We believe the word "reduction" should be changed to "increase", as the largest percentage of alcoholics are middle class individuals who do not recognize their problem. Until alcoholism achieves an air of respectability and people are willing to admit they have a problem during the early stages, a program should not be expected to reduce the number of persons needing assistance. Programs should be expected to increase the awareness of the need for assistance, which will in turn increase the number of individuals utilizing the program.

Section 3 (G) "No grant may be awarded to a program within a municipality whose officers fail to actively enforce its ordinances, the laws of the United States, the laws of the State, and the regulations relating to..." We believe this sentence to be too broad and too general while we agree with the intent of this section. We believe it would be totally unenforceable.

Section 3 (I) We would hope that sufficient lead time would be given programs receiving grant funds to implement a uniform accounting system as many programs are multiply funded and such a change could cause severe hardships. One accounting procedure must be maintained in all programs for all grants.

Section 5 (3) "Approved public treatment facility" would appear to be any treatment facility receiving any public money. "Public facility" creates a connotation of the county general hospital, of poor condition, and of snake pit caliber which is not the intention of the definition. If a treatment facility is termed "public" could it have a screening process for client selection or would it by definition be mandated to accept anyone who applied for services? We don't believe the mere act of receiving "public money" should deem a facility to be "public".

Senate Bill 544 "An Act relating to standards for alcohol treatment facilities". Section 2 (A) We seriously question the separation of communities of less than 5,000 from those with more than 5,000 residents. From our review of the population figures for communities within the State of Alaska there appear to be three general categories: 1) those communities with 1-1,000 individuals which are mainly villages; 2) communities with 1,001-4,500 individuals, which are mainly rural in nature, larger than villages but not urban; and 3) 4,501-over which are urban. We urge you to give some consideration

Senator Mike Colletta  
April 13, 1978  
Page 4

to the village, rural, urban concept as we believe it is unrealistic to require identical standards for Nome and Egegik, which this legislation does.

Senate Bill 546 "An Act establishing a tax credit for contributions to alcoholism programs and providing for an effective date". Our questions only have to do with the difference between a credit versus a tax deduction and would this be in addition to the already approved deduction for donations?

Senate Bill 548 "An Act relating to waiter and waitress permits". While we support and applaud the intent of this bill, we have serious questions concerning Section 2 (B) "the duties of waiters and waitresses employed therein shall be confined to taking orders and serving beverages alcoholic or otherwise and food". Waiters and waitresses also clear tables, sweep floors, wash windows, do dishes, and fill in other places that are needed. Are bartenders to be considered waiters under this legislation? We do not think it appropriate that this legislation define the duties of waiters and waitresses. Furthermore, "waiters and waitresses employed under this section may not solicit or encourage the purchase of beverages, alcoholic or otherwise..." This could be seriously misconstrued by individuals who may think it fun or interesting to prosecute an establishment if the waiter or waitress asks the patron if he wants a cup of coffee. We believe the wording on this bill needs to be reviewed and revised.

Senate Bill 549 "An Act relating to the serving of intoxicating liquor". The term "intoxicating liquor" implies that it does not include beer or wine. We are fully aware that beer and wine are as intoxicating as hard liquor. However, to the general public the word liquor connotes hard liquor and not beer or wine. Perhaps "ethyl alcohol" would be an appropriate substitute for "intoxicating liquor". A single serving needs to be defined. What would happen, for example, to the pitcher of beer or the margarita grande to name but a few of the standard drinks served in bars throughout the state.

Senate Bill 547 "An Act making a special appropriation to the Department of Revenue to increase the number of enforcement personnel employed by the alcoholic beverage control board and providing for an effective date". Our only question with this bill is \$200,000 sufficient to obtain the necessary personnel obviously needed by the alcoholic beverage control board?

Senate Bill 550 "An Act relating to administration and enforcement of alcoholic beverage control statutes in regulations". We support the proposed changes of two miles to five miles and the change of village to "protest area". We also believe the re-issuance is a positive added aspect of the legislation. The proposed suspensions and revocations appear to be adequate if the alcoholic beverage control board obtains sufficient employees to enforce the laws.

Senator Mike Colletta  
April 13, 1978  
Page 5

Senate Bill 551 "An Act relating to the rehabilitation of persons who commit criminal offenses as a result of alcohol problems in providing for an effective date". There should be mention of mandatory prompt action being taken for non-compliance of the program of alcohol education or rehabilitation by the convicted person. Without prompt action for noncompliance the law would be worthless.

Senate Bill 552 "An Act relating to alcohol". We were sorry to see that the per se law was not included in this proposed legislation. The per se law says in effect that if a person has a blood alcohol content of .10 he is assumed to be intoxicated and unable to drive. It is our understanding that Anchorage is the only community within Alaska to adopt and enforce the per se law. We were further surprised and disappointed to see that a mandatory 24-hour jail sentence was not proposed for a first offender in addition to the maximum fine of \$1,000 and imprisonment for one year. Studies which have been done nationwide have indicated that 24-hours in jail for a first offender has a maximum impact, whereas three days after a second conviction has a lesser impact.

We hope these comments are helpful to you and the committee.

Sincerely yours



Suzanne W. Perry-Piper  
Executive Director

eab

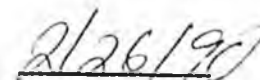


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
\_\_\_\_\_  
Signature of Camera Operator

  
\_\_\_\_\_  
Date

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. SR 556  
 Title "An Act relating to medical assistance for needy persons"  
 Requested by Department of Health and Social Services Date May 16, 1978

II. FISCAL DETAIL  
 Agency Affected Division of Public Assistance  
 Program Category Affected Medicaid  
 Budget Request Unit(s) Affected Physician Services

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	45.8	93.7			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	45.8	93.7			

FUNDING (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
GENERAL FUND	0	21.9	46.8			
FEDERAL FUNDS	0	21.9	46.9			
OTHER (Specify)						

POSITIONS

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
FULL TIME	0	0	0			
PART TIME	0	0	0			
TEMPORARY	0	0	0			

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

FY 1979 is based on average charge per visit of \$35.00, 250-day year, one chargeable call per day at 5 facilities.

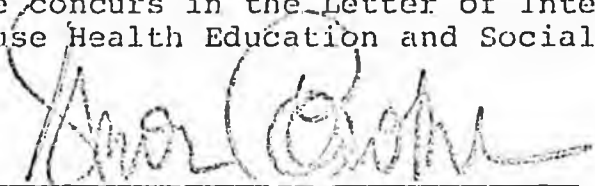
FY 1980 is based on average charge per visit of \$37.50, 250-day year, one chargeable call per day at 10 facilities.

IV. DATE May 18, 1978 PREPARED BY Richard Rowland  
 AGENCY Division of Public Assistance  
 PHONE 465-5355  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

HOUSE

HOUSE FINANCE COMMITTEE  
LETTER OF INTENT  
FOR  
SB 556 am

The House Finance Committee concurs in the Letter of Intent for SB 556 am adopted by the House Health Education and Social Services Committee.



---

Steve Cowper, Chairman  
House Finance Committee

# COMMITTEE REPORT

5/19/78

## HOUSE

FURTHER: \_\_\_\_\_

Date: 5/19/78

Mr. Speaker:

The Committee on FINANCE has had SB 556 am

"An Act relating to medical assistance for needy persons; e.d."

under consideration and (a majority of the committee) (the committee reports it back as follows)

recommends it do pass                      ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

( ) recommends it be replaced with CS for \_\_\_\_\_

and \_\_\_\_\_ ( ) new title                      ( ) same title

AND attaches a Letter of Intent                      ( ) New Fiscal Note

( ) reports it back without recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

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[Handwritten signature]  
\_\_\_\_\_  
Chairman

# COMMITTEE REPORT

## HOUSE

5/19/78

FURTHER: \_\_\_\_\_

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on FINANCE has had SB 356 am

"An Act relating to medical assistance for needy persons; e.d."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                       recommends it do not pass  
 recommends it do pass with attached amendment(s)  
 recommends it be replaced with CS for \_\_\_\_\_

and \_\_\_\_\_  new title               same title

- AND attaches a Letter of Intent               New Fiscal Note  
 reports it back without recommendation  
 and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
Chairman

Introduced: 3/20/78  
Referred: Health, Education &  
Social Services and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 556 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical assistance for needy per-  
7 sons; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 47.07.030 is amended to read:

10 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services  
11 to be offered to eligible persons include inpatient hospital, outpatient  
12 hospital, rural health clinic, outpatient surgical care centers, labora-  
13 tory and x-ray, refractions and eye examinations by ophthalmologists or  
14 optometrists, eyeglasses prescribed by a physician skilled in diseases  
15 of the eye or by an optometrist, inpatient psychiatric hospital for  
16 persons age 65 or older and persons under age 21, skilled and inter-  
17 mediate nursing home, physician, home health care services, early  
18 periodic screening diagnosis and treatment of persons under 21 years of  
19 age, clinic services, treatment of speech, hearing and language dis-  
20 orders, and reasonable transportation to and from the point of medical  
21 care. No additional services may be provided unless approved by the  
22 legislature.

23 \* Sec. 2. This Act takes effect July 1, 1978.  
24  
25  
26  
27  
28  
29

POSITION PAPER

ON

SENATE BILL NO. 556

"An Act relating to medical assistance for needy persons; and providing for an effective date."

I. HISTORICAL PERSPECTIVE

On December 13, 1977, President Carter signed H.R. S422 into law. The bill, now Public Law 95-210, authorizes Medicare and Medicaid coverage of rural health clinic services. Services to be covered include services and supplies that would be covered incident to physician services as well as additional services provided by physician assistants and nurse practitioners. While clinics may be covered under current federal statutory provisions, P.L. 95-210 specifically authorizes Medicare and Medicaid to pay for services not rendered directly, i.e., in the presence of a supervisory physician. The law is designed to meet a continuing and chronic problem--the lack of adequate health resources in rural areas.

Many states have already implemented coverage for rural health clinics. Before creation of a special category for rural health clinics, the Medicaid option was available to cover these clinics as well as many other types of clinic services. However, under the Medicaid program in Alaska, the clinic services option was limited to community mental health clinics. Rural health clinics, ambulatory surgical centers and other non-hospital outpatient services are not covered.

Reimbursement for services provided by rural health clinics will be determined by the federal Medicare program based on reasonable cost reimbursement. Medicaid payment will be made at the same reasonable cost level determined by Medicare for each separate clinic. No reduction in payment may be made by the state below the established Medicare rate.

Rural health care clinics must have some physician supervision and participation. However, that participation need only be periodic and not at the time that the services are provided. That is, physician supervision may be indirect rather than direct. A physician must be available to prepare necessary medical orders, refer patients and assist in medical emergencies.

This amendment has potential far-reaching effect on rural health care in Alaska. Services provided in rural areas come under four basic types:

- (1) Services provided by urban providers while visiting bush areas;

- (2) Services provided by Public Health Service (Indian Health Service);
- (3) Services provided by Regional Native Corporation Health Care organizations and other non-profit rural health clinics; and
- (4) Services provided by Alaska state public health nurses.

At the present time federal guidelines have not been published defining this program and without State regulations to define "physician assistant" and "nurse practitioner", it is impossible to predict the full impact of this program. It is certain that some state general funds currently being expended for health care in rural areas will be supplanted by federal funds especially for state public health nurses. It is also certain that some routine health care will be more readily available and probably at a savings in cost to the state because of a decreased need to refer many Medicaid patients to the urban centers for treatment. It is also certain that Medicaid billings will increase simply because health care will be available locally to many persons who either could not afford it on their own or did not seek health care because of its lack of availability.

There is also the opportunity to save Medicaid money in the most expensive area of the program--nursing home care. Currently there is little "rural" nursing care available. With the exception of small nursing facilities connected to hospitals in some rural areas (notably Nome, Cordova, Petersburg and Wrangell), the bulk of the nursing care provided in Alaska is in urban areas or towns connected by road to urban areas. Rural Alaskans who need nursing care are forced into the urban areas for that care at tremendous expense to the state (the average daily rate for Intermediate Care is about \$75.00 per day). Through rural health clinics it would be possible to provide some nursing care to persons as outpatients in their own homes. This type of service, home health care, is currently covered under Medicaid but is only being provided on limited scale in Anchorage.

"Rural", as defined by the Bureau of Census, potentially includes all areas of the State outside of Anchorage. Thus, many small communities normally thought of as "cities" in Alaska could be included in this program if clinics are certified for Medicare participation.

The earliest date that a rural health clinic could apply for Medicaid reimbursement would be July 1, 1978, if all of the certification is taken care of ahead of that date and a reimbursement rate is established by Medicare.

IV. ALTERNATES

There are three alternatives available to the State of Alaska concerning this Medicaid covered service:

- (1) Amend the Alaska Statutes to eliminate licensing of nurse practitioners and physician assistants which would prevent participation by rural health clinics in the Alaska Medicaid program.
- (2) Opt out of the Medicaid program entirely.
- (3) Establish rural health clinics as a covered service and implement regulations or amend Alaska Statutes to allow participation by nurse practitioners and physician assistants in the Alaska Medicaid program.

Rural health clinics will be certified for participation by Division of Public Health, Office of Certification and Licensing. That office is the contractor for Medicare certification in Alaska. The following is the initial list of potentially eligible rural health clinics. Other providers are likely to make applications as they become more aware of potential coverage and licensing of nurse practitioners and physician assistants by the State Division of Occupational Licensing becomes a reality (see discussion in the following paragraph).

POTENTIAL RURAL HEALTH CARE CLINIC PROVIDERS

FACILITY	LOCATION	PUBLIC ASSISTANCE DISTRICT	MARCH 1978 MEDICAID CASELOAD
Copper River Native Association Inc	Copper Center	Valdez	104
Cook Inlet Native Association	Wasilla	Palmer	198
North Slope Borough Health Projects	Barrow	Barrow	117
Iliuliuk Family and Health Services	Unalaska	Aleutian Chain	88
Bristol Bay Area Health Corporation	Dillingham	Dillingham	239
Bristol Bay Area Health Corporation	King Salmon	Dillingham	239
Galena Native Health Service Corporation	Galena	Galena	170
Public Health Service-Alaska Native Health Clinic	Fort Yukon	Fort Yukon	143
Yakutat Health Center	Yakutat	Juneau	331
Craig Health Center	Craig	Ketchikan	339
Pelican Health Center	Pelican	Juneau	331
Metlakatla Health Center	Metlakatla	Ketchikan	339
Tanana Medical and Surgical Group, Inc	Tok Junction	Tok	110
Tanana Medical and Surgical Group, Inc.	Usibelli	Minto	126
Fairbanks Medical and Surgical Clinic	Healy	Minto	126
Fairbanks Medical and Surgical Clinic	Delta Junction	Minto	126
Norton Sound Health Corporation	Nome	Nome	335
Public Health Service-Alaska Native Health Clinic	St. George Island	Aleutian Chain	88
Public Health Service-Alaska Native Health Clinic	St. Paul Island	Aleutian Chain	88

Under the rural health clinic program, licensing of the facility and establishment of reimbursement rates is done by Medicare. However, in order to cover services provided in these facilities; each state is responsible for licensing physician assistants and nurse practitioners. In Alaska, the Division of Occupational Licensing is charged with licensing these occupations. Both are currently provided for in the Alaska Statutes (AS 08.14.107 and AS 08.64.170 for physician assistants and AS 08.68.410 for nurse practitioners).

As yet no administrative regulations have been promulgated for physician assistants. The administrative regulations for nurse practitioners are currently limited to midwifery. Without implementing regulations or amendment of the above statutory provisions, rural health clinics will be unable to bill for services provided without direct supervision of a physician. This would, in effect, defeat the purpose of the rural health clinic amendment proposed here.

Recommended By: Richard R. Wilson 4-3-78  
Richard R. Wilson, Director Date  
Division of Public Assistance

Approved By: Helen D. Beirne 4-3-7978  
Helen D. Beirne, Commissioner Date  
Department of Health & Social Services



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
REGION X  
ARCADE PLAZA BUILDING MS/605  
1321 SECOND AVENUE  
SEATTLE, WASHINGTON 98101

SB 556

OFFICE OF THE REGIONAL DIRECTOR

MAR 8 1978

The Honorable Steve Cowper  
Chairman, House Finance Committee  
State of Alaska  
413 Capitol Building  
Juneau, Alaska 99811

Dear Mr. Cowper:

On December 13, 1977, President Carter signed into law (Public Law 95-210) a bill which provides for Medicare and Medicaid reimbursement to rural health clinics.

Many isolated rural communities have not been able to attract or retain a physician and have come to rely on clinics which do not follow the traditional model of physician delivery of medical services. These clinics are, in many instances, staffed only by specially trained nurse practitioners and physician assistants who are trained to provide medical care traditionally performed by physicians. Although there is physician supervision, it is generally indirect rather than "over the shoulder".

Unlike clinics where there is a physician present full-time, these rural health clinics had not been eligible prior to this legislation for any Medicare reimbursement. Services provided by nonphysicians to Medicare beneficiaries have either been paid for out-of-pocket by the beneficiary, picked up under a grant, or written off by the clinic as bad debts.

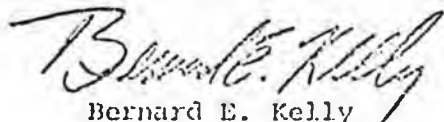
Reimbursement for rural health clinic services has been available under the Medicaid program, but only as an optional service. Section 2 of P.L. 95-210 amends Title XIX to require the addition of rural health clinic services as a mandatory Medicaid service if "consistent with State law permitting such services". The enclosed summary outlines the major features of the Act.

We have researched your question on the need for action by the Alaska Legislature in order to comply with the requirements of P.L. 95-210. It appears that the provision of rural health clinic services is consistent with Alaska State law. Section 2(f)(2) of P.L. 95-210 provides that where the Secretary of the Department of Health, Education and Welfare determines that State legislation is required in order to amend the State's Medicaid plan, the provisions of P.L. 95-210 will become effective at the beginning of the first quarter following the close of the first regular session of the State Legislature convening after December 13, 1977, the effective date of P.L. 95-210. AS 47.07.030 lists the medical services available under the Alaska Medicaid program and states that no additional services may be provided without approval of the Legislature. Thus it appears that state legislation would be required prior to amending the State's plan to allow for rural health clinic services.

Section 8 of Article II of the Alaska Constitution requires that the State Legislature meet annually for "regular" sessions. AS 24.05.090 provides that first "regular" sessions will be held in odd numbered years and second "regular" sessions be held in even numbered years. We understand that the Legislature convened in January 1978, for the second regular session. Therefore, the current legislative session appears to be the first session to convene after the effective date of P.L. 95-210. If the State has not implemented the new requirements of P.L. 95-210 by the first day of the first quarter after adjournment of this legislative session, it may be found out of compliance with the requirements of Title XIX of the Social Security Act, as amended by P.L. 95-210. Should the State determine that new legislation is not required, the provisions of P.L. 95-210 would apply on July 1, 1978.

I hope this information helps answer the questions you raised. Please feel free to contact me if we can be of further assistance.

Sincerely,



Bernard E. Kelly  
Principal Regional Official

Enclosure