

LEG. FINANCE - BILLS 1979 - 1980 1239

SB 11 thru CSSB 12am 1239



RECORDS



CERTIFICATION

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James O Smith
Signature of Camera Operator

3/20/90
Date

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 3, 1979

SUBJECT: HCS for SB 11 (Purchasing by State Agencies)
TO: Representative Fred E. Brown, Chairman
House Commerce Committee
FROM: Kenneth M. Rosenstein *KMR*
Legislative Counsel

Enclosed please find HCSSB 11. The following changes have been made to SB 11 am:

1. The imposition of a penalty of one and one-half per cent of the invoiced amount for failure to take advantage of a vendor-offered discount has been deleted (see SB 11 am, p. 1, lines 27 - 29).
2. If a vendor offers no discount for prompt payment, the state is required to pay within 30 days of receipt of the goods or completion of the services, or receipt of the invoice, whichever is later. The Senate version required payment within 45 days.
3. In sec. 37.05.285(b) the state is required to pay interest on past due accounts. The Senate version permitted the vendor the charge interest and allowed the vendor and the state to agree that no interest would be charged.
4. Sec. 37.05.285(c) has been rewritten so that interest would continue to accrue on unpaid accounts until the vendor received notice of a dispute over the amount of the invoice or quality of the goods or services provided. In order to effectively toll the accrual of interest, the notice must specify the reasons for the dispute.
5. A definition of "dispute" has been added.

KMR:jdn

Enclosure

Original sponsor: Sumner

Offered: 4/5/79
Referred: Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 11

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to purchasing by state agencies; and
7 providing for an effective date."

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

9 * Section 1. AS 24.20 is amended by adding a new section to read:

10 Sec. 24.20.206. REPORT OF PUBLIC CONTRACTS. The Legislative
11 Budget and Audit Committee shall publish, by December 31 of each year, a
12 report containing

13 (1) the names of all persons who have received \$10,000 or
14 more in state funds for providing goods or services during the previous
15 fiscal year;

16 (2) the principal place of business of persons reported;

17 (3) the state agencies that received the goods or services.

18 * Sec. 2. AS 37.05 is amended by adding a new section to article 4 to
19 read:

20 Sec. 37.05.285. PAYMENT FOR STATE PURCHASES. (a) If a vendor, in
21 response to the order of goods or services for use by a state agency,
22 offers a discount of at least two per cent (1) if payment is made within
23 10 days of receipt of the goods or completion of the services, or re-
24 ceipt of the invoice for the goods or services, whichever is later, or
25 (2) if payment is made within 10 days of placing the order for goods if
26 the agency is reasonably assured that delivery will be completed, the
27 state agency responsible for payment shall make payment so as to take
28 advantage of the discount. If a discount for timely payment is not
29 offered by a vendor, payment shall be made within 30 days of receipt of

1 the goods or completion of the services, or receipt of the invoice for
2 the goods or services, whichever is later.

3 (b) If payment for goods or services purchased for use by a state
4 agency is not made within 30 days of receipt of the goods or completion
5 of the services, or receipt of the invoice covering the purchase of the
6 goods or services, whichever is later, the state shall pay interest on
7 the unpaid balance at the rate of one and one-half per cent a month.

8 (c) This section does not apply

9 (1) if the cost of the goods or services purchased exceeds
10 \$500,000; or

11 (2) after a vendor of goods or services receives notice that
12 the amount of the invoice or quality of the goods or services is in
13 dispute, including the reasons for the dispute, from the state officer
14 responsible for administering the contract.

15 (d) For purposes of this section "dispute" means a situation where
16 the state officer responsible for administering a contract for the
17 purchase of goods or services challenges the performance rendered by the
18 vendor as not in compliance with the terms of the contract as to the
19 cost or quality of the goods or services.

20 * Sec. 3. This Act does not apply to contracts entered into before its
21 effective date.

22 * Sec. 4. This Act takes effect July 1, 1979.

Introduced: 1/15/79
Referred: Finance

1 IN THE SENATE

BY SUMNER

2 SENATE BILL NO. 11 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

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6 For an Act entitled: "An Act relating to purchasing by state agencies; and
7 providing for an effective date."

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

9 * Section 1. AS 24.20 is amended by adding a new section to read:

10 Sec. 24.20.206. REPORT OF PUBLIC CONTRACTS. The Legislative
11 Budget and Audit Committee shall publish, by December 31 of each year,
12 a report containing

13 (1) the names of all persons who have received \$10,000 or
14 more in state funds for providing goods or services during the previous
15 fiscal year;

16 (2) the principal place of business of persons reported;

17 (3) the state agency that received the goods or services.

18 * Sec. 2. AS 37.05 is amended by adding a new section to read:

19 Sec. 37.05.285. PAYMENT FOR STATE PURCHASES. (a) If a vendor, in
20 response to the order of goods or services for use by a state agency,
21 offers a discount of at least two per cent (1) if payment is made within
22 10 days of receipt of the goods or completion of the services, or re-
23 ceipt of the invoice for the goods or services, whichever is later, or
24 (2) if payment is made within 10 days of placing the order for goods if
25 the agency is reasonably assured that delivery will be completed, the
26 state agency responsible for payment shall make payment so as to take
27 advantage of the discount. If payment is not made in time to take the
28 discount, one and one-half per cent of the amount of the invoice shall
29 be added to the total amount due and paid as a penalty. If a discount

1 for timely payment is not offered by a vendor, payment shall be made
2 within 45 days of receipt of the goods or completion of the services, or
3 receipt of the invoice for the goods or services, whichever is later.

4 (b) If payment for goods or services purchased for use by a state
5 agency is not made within 45 days of receipt of the goods or completion
6 of the services, or receipt of the invoice covering the purchase of the
7 goods or services, whichever is later, the vendor may charge interest on
8 the unpaid balance at the rate of one and one-half per cent a month
9 unless an agreement exists between the vendor and the state which pre-
10 cludes the charging of interest.

11 * Sec. 3. This Act does not apply to contracts entered into before its
12 effective date.

13 * Sec. 4. This Act takes effect July 1, 1979.
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Introduced: 1/15/79
Referred: Finance

1 IN THE SENATE

BY SUMNER

2 SENATE BILL NO. 11

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to purchasing by state agencies."

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

8 * Section 1. AS 37.05 is amended by adding a new section to read:

9 Sec. 37.05.295. PAYMENT FOR STATE PURCHASES. (a) If a vendor of
10 supplies, equipment, materials, or services provided to any state agency
11 offers a discount of at least two per cent if payment in full is made
12 within 10 days of the receipt of the goods, services, or invoice, which-
13 ever is later, the state agency responsible for payment of the bill
14 shall make payment so as to take advantage of the discount; otherwise
15 payment shall be made within 45 days.

16 (b) If payment for supplies, equipment, materials, or services
17 purchased by a state agency is not made within 45 days of receipt of the
18 supplies, equipment, materials, or services, or invoice covering the
19 purchase, whichever is later, the vendor may charge interest on the
20 unpaid balance at the rate of one and one-half per cent per month unless
21 an agreement exists between the vendor and the state which precludes the
22 charging of interest.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SB 11
 Title An Act Relating to Purchasing by State Agencies
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Various
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
'00 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	1,519.0					
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars)

GENERAL FUND	1,519.0					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

House Committee Substitute for Senate Bill 11 contains several areas of fiscal concern.

Section 1 speaks to the Legislative Budget and Audit Committee publishing a listing of vendors who provided \$10,000.00 or more during a fiscal year and including the vendor's principal place of business and the State agencies involved. Most of this data is not now available in the vendor payment system. In addition to an increased administrative effort to use vendor coding for all payments, certain significant program changes would have to be accomplished. Also, the vendor directory update system will have to be run five times per week instead of the current once a week.

Analysis, programming and testing - 150 hours @ \$28.50/hour
 Machine time - 8 hours at \$50/hour

IV. DATE 4/13/79 PREPARED BY Robin R. [Signature]
 AGENCY Administration
 PHONE 465-2260

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

III. ANALYSIS (continued)

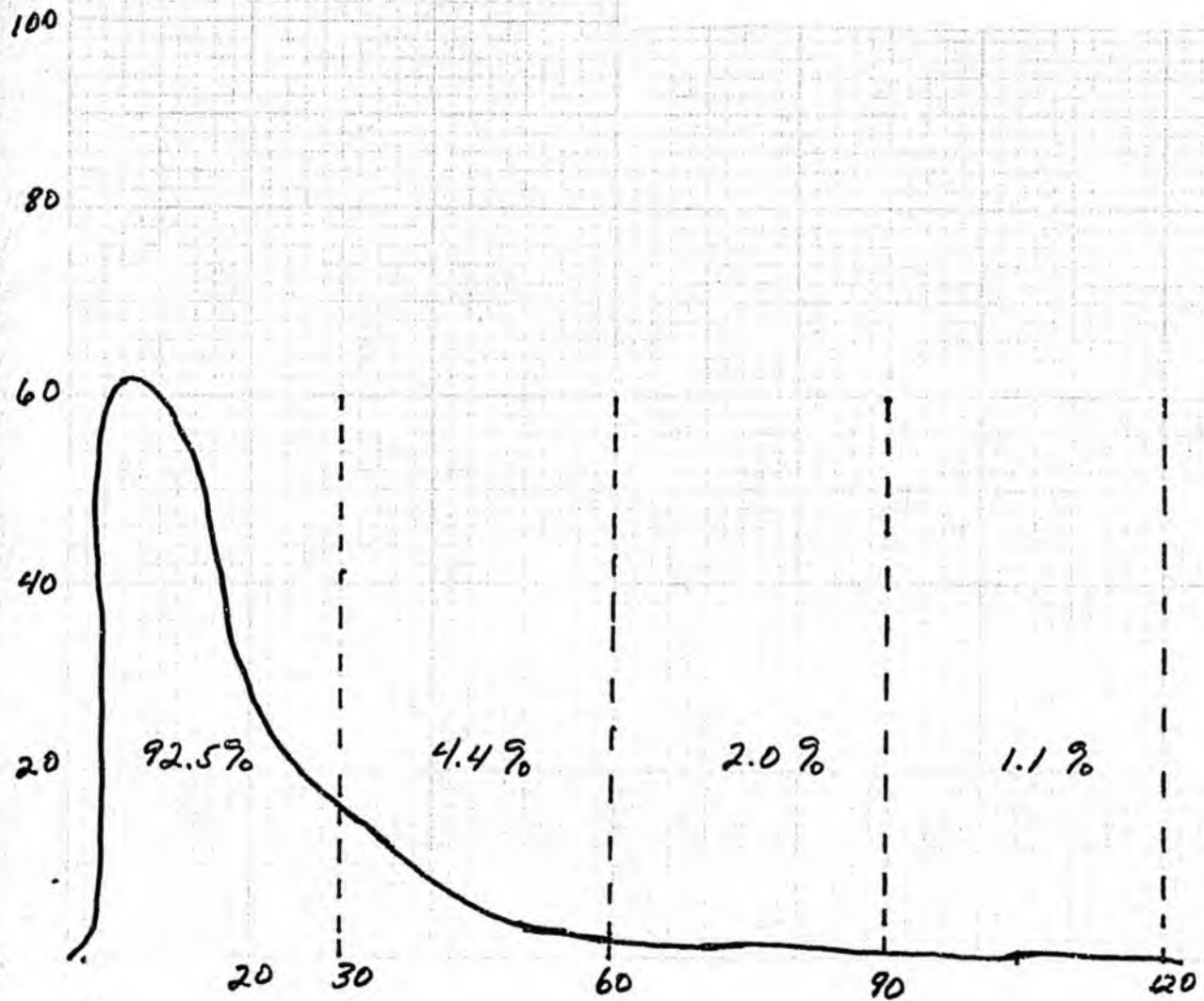
Section 2(b) provides for a 1½% per month interest penalty if payment for goods or services is not made within thirty days of receipt of same or invoice whichever is later. If the invoice total is greater than \$500,000.00 or the order is in dispute the interest penalty does not apply.

Presently, 92.5% of vendor dollars are paid within thirty days, 4.4% fall in the one month late category, 2.0% fall in the two months late category and 1.1% falls in the three months late category. It is also prudent to assume that large payments were made within the first thirty day period. The State's interest liability is \$882,000.00 for payments one month late, \$406,000.00 for payments two months late, and \$226,000.00 for payments three months late. This totals a maximum liability of \$1,514,000.00 for a single fiscal year.

% OF DOLLARS PAID TO VENDORS

vs.

PROCESS DAYS AFTER RECEIPT OF GOODS,
SERVICES OR INVOICE-WHICHEVER IS LATER



THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 11 AM
 Title An Act Relating to Purchasing by State Agencies
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Statewide
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	8,443.0					
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars)

GENERAL FUND	8,443.0					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Senate Bill 11 AM contains several areas of fiscal concern.

Section 1 speaks to the Legislative Budget and Audit Committee publishing a listing of vendors who received \$10,000.00 more during a fiscal year and including the vendor's principal place of business and the State agencies involved. Most of this data is not now available in the vendor payment system. In addition to an increased administrative effort to use vendor coding for all payments, certain significant program changes would have to be accomplished. Also, the vendor directory update system will have to be run five times per week instead of the current once a week.

Analysis, programming and testing - 150 hours @ \$28.50/hour machine time - 8 hours @ \$50.00/hour.

Section 2 (a) speaks to penalties of 1½% of the amount of an invoice if the vendor

IV. DATE 4/13/79 PREPARED BY *Robin Anderson*
 AGENCY Administration
 PHONE 465-2260

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

III. ANALYSIS (continued)

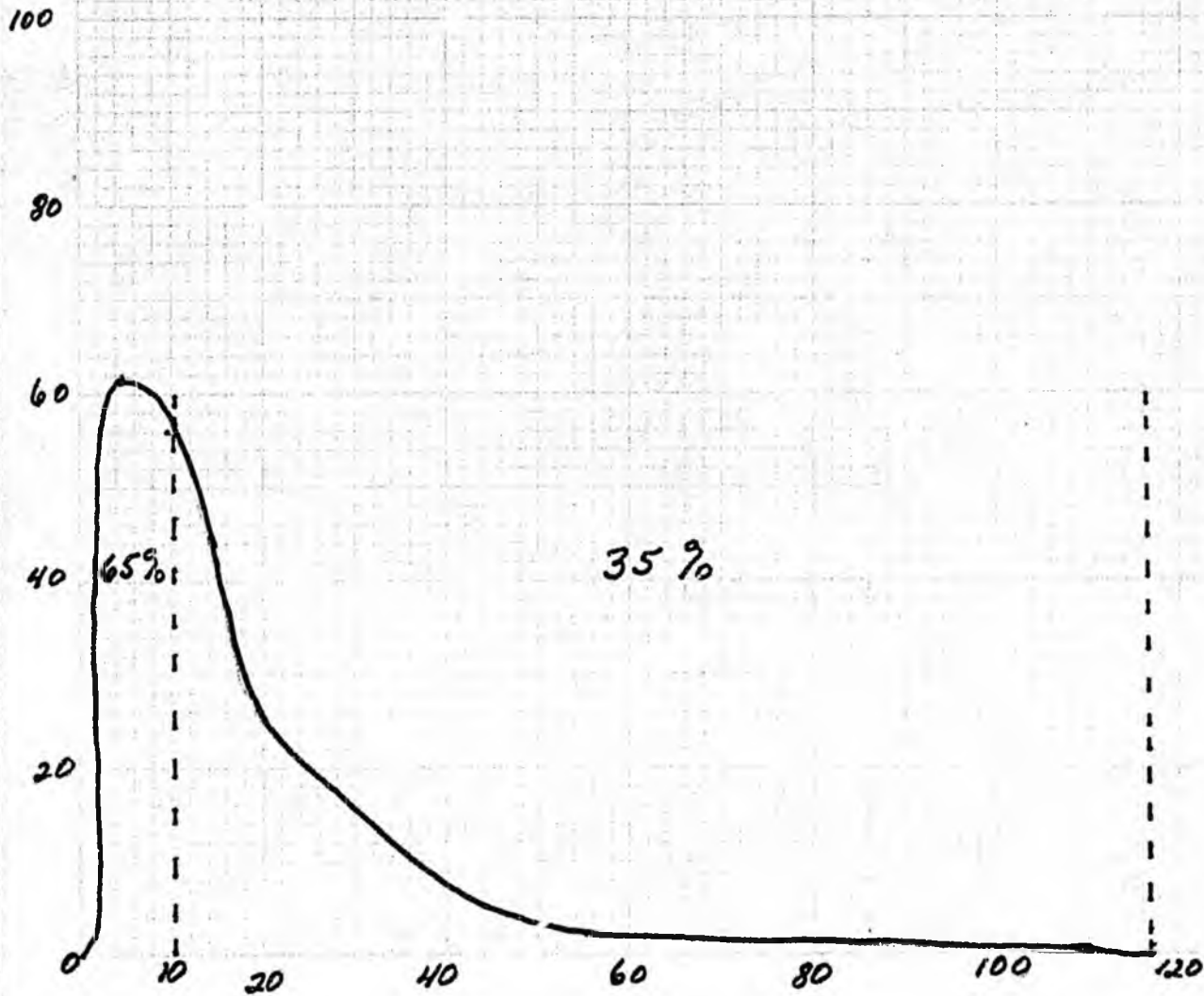
offers a discount of 2% or more for payments made within 10 days of receipt of the invoice or completion of the service, whichever is later. 35% of all vendor dollars are paid after the expressed 10 day limit. At the current level of expenditures to vendors, this amounts to \$467,089,000.00 per fiscal year. If each of these vendors offered a 2% discount the State's penalty liability would amount to \$7,006,000.00. It is true, however, that the State would experience some saving on discounts offered by vendors who were paid within the 10 day limitation. The likelihood of vendors who are currently paid "on time" offering discounts for future timely payments is, however, considered remote. Therefore, the savings would be negligible.

Section 2(b) speaks to an interest charge of $1\frac{1}{2}\%$ on all items not paid 45 days after receipt of goods, service or invoice, whichever is later. At the current time, 95.9% of all vendor dollars are paid within 45 days. 2.0% are paid 1 month late, 1.2% are paid 2 months late and .9% are paid 3 months late. The interest liabilities based on current fiscal year experience are \$400,300.00 for payments 1 month late, \$484,000.00 for payments 2 months late, and \$548,636.00 for payments 3 months late. This represents a maximum liability of \$1,432,300.00 for one fiscal year.

% OF DOLLARS PAID TO VENDORS

vs.

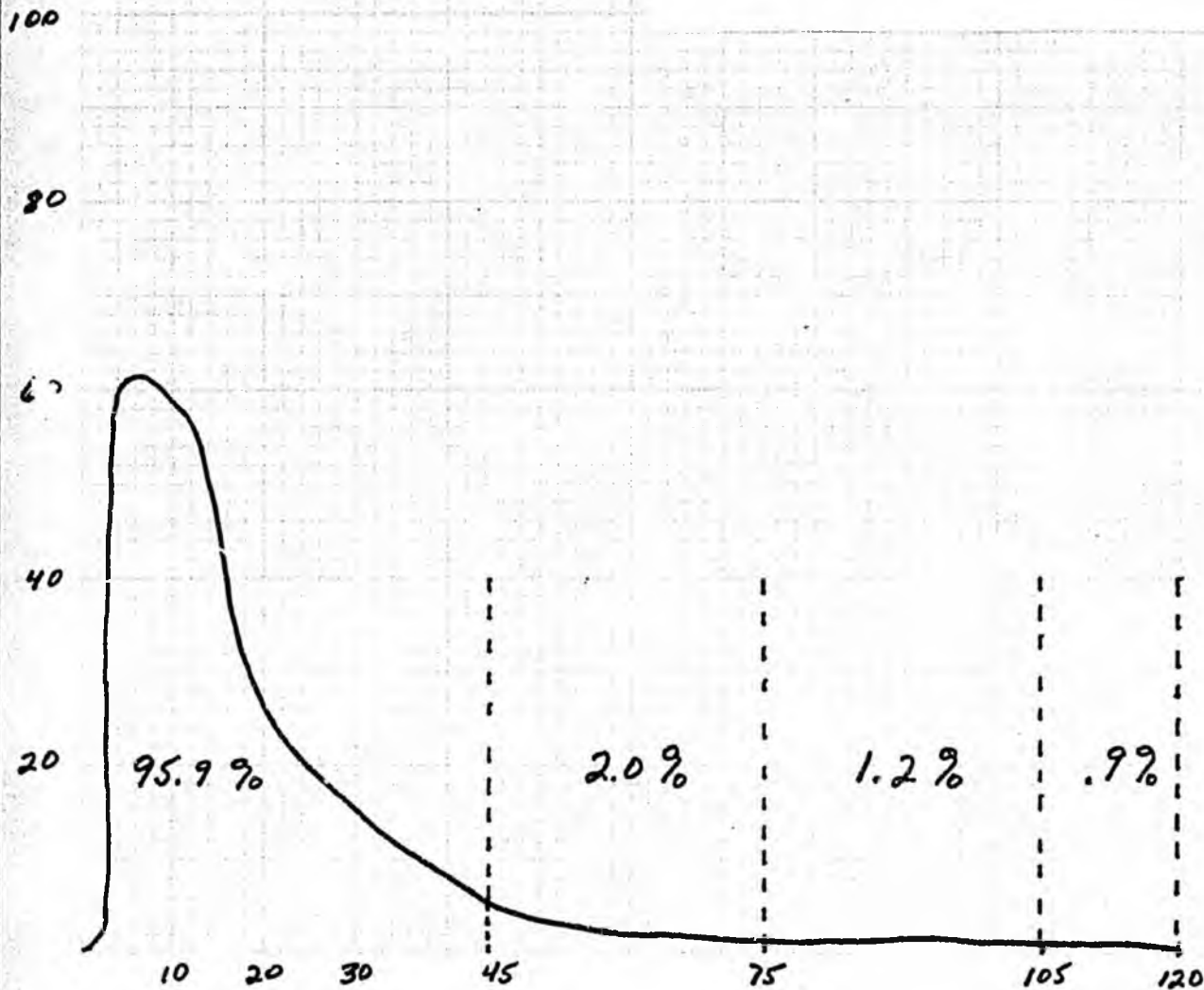
PROCESS DAYS AFTER RECEIPT OF GOODS,
SERVICES OR INVOICE-WHICHEVER IS LATER



% OF DOLLARS PAID TO VENDORS

VS.

PROCESS DAYS AFTER RECEIPT OF GOODS,
SERVICES OR INVOICE-WHICHEVER IS LATER



AMENDMENT

OFFERED IN THE SENATE:

By: _____

To: _____ SENATE BILL No. _____

HOUSE BILL No. _____

PAGE: _____

LINE: _____

Sec. 5.

AS 37.10.070(a) is amended by adding a new subparagraph (14) to read:

SI Reserve

(14) Gold Bullion of a fineness that meets marketing and delivery requirements of the trade, ~~not to exceed 10% of total invested funds.~~

AS 14.25.180(b) is amended by adding a new subparagraph (18) to read:

TRS
0

(18) Gold Bullion of a fineness that meets marketing and delivery requirements of the trade, not to exceed in aggregate 10% of total invested funds.

AS 39.35.110(a) is amended by adding a new subparagraph (18) to read:

PERS

(18) Gold Bullion of a fineness that meets marketing and delivery requirements of the trade, not to exceed in aggregate 10% of total invested funds.

Original sponsor: Sumner

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

HOUSE CS FOR SENATE BILL NO. 11 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to purchasing by state agencies; and providing for an effective date."

7

8

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

9

* Section 1. AS 24.20 is amended by adding a new section to read:

10

Sec. 24.20.206. REPORT OF PUBLIC CONTRACTS. The Legislative

11

Budget and Audit Committee shall publish, by December 31 of each year, a report containing

12

13

(1) the names of all persons who have received \$10,000 or more in state funds for providing goods or services during the previous fiscal year;

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15

16

(2) the principal place of business of persons reported;

17

(3) the state agencies that received the goods or services.

18

* Sec. 2. AS 37.05 is amended by adding a new section to article 4 to

19

read:

20

Sec. 37.05.285. PAYMENT FOR STATE PURCHASES. (a) If a vendor, in

21

response to the order of goods or services for use by a state agency,

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offers a discount of at least two per cent (1) if payment is made within

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10 days of receipt of the goods or completion of the services, or re-

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ceipt of the invoice for the goods or services, whichever is later, or

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(2) if payment is made within 10 days of placing the order for goods if

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the agency is reasonably assured that delivery will be completed, the

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state agency responsible for payment shall make payment so as to take

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advantage of the discount. If a discount for timely payment is not

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offered by a vendor, payment shall be made within 30 days of receipt of

1 the goods or completion of the services, or receipt of the invoice for
2 the goods or services, whichever is later.

3 (b) If payment for goods or services purchased for use by a state
4 agency is not made within 30 days of receipt of the goods or completion
5 of the services, or receipt of the invoice covering the purchase of the
6 goods or services, whichever is later, the state shall pay interest on
7 the unpaid balance at a rate of up to one and one-half per cent a month
8 if the state is requested to do so by the vendor at the time of issuance
9 of the original invoice. Interest payments shall be made from the
10 governor's contingency fund. If it is not the vendor's standard prac-
11 tice to charge interest, the state may recover interest paid to a vendor
12 by filing an action in the district court.

13 (c) This section does not apply

14 (1) if the cost of the goods or services purchased exceeds
15 \$500,000; or

16 (2) after a vendor of goods or services receives notice that
17 the amount of the invoice or quality of the goods or services is in
18 dispute, including the reasons for the dispute, from the state officer
19 responsible for administering the contract.

20 (d) For purposes of this section "dispute" means a situation where
21 the state officer responsible for administering a contract for the
22 purchase of goods or services challenges the performance rendered by the
23 vendor as not in compliance with the terms of the contract as to the
24 cost or quality of the goods or services.

25 * Sec. 3. AS 47.40.040(a) is amended to read:

26 (a) In this chapter, "full cost" of services shall be determined
27 by the per person, per day cost in the preceding fiscal year plus a
28 proportionate share of anticipated cost of living and staff salary
29 increment increases for the fiscal year for which the full cost of

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services, determined to be necessary by the department, is being determined. [CHILD CARE COSTS FOR FOSTER HOMES SHALL BE COMPUTED IN THE SAME MANNER AS FOR CHILD CARE AND NURSING HOME INSTITUTIONS EXCEPT THAT NO SALARY COSTS MAY BE CONSIDERED.]

* Sec. 4. This Act does not apply to contracts entered into before its effective date.

* Sec. 5. Section 2 of this Act takes effect January 1, 1980.

* Sec. 6. Sections 1, 3, and 4 of this Act take effect July 1, 1979.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CS SB 11
 Title An Act Relating to Purchasing by State Agencies
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Various
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	308.5					
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND	308.5					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

House Committee Substitute for Senate Bill 11 contains several areas of fiscal concern.

Section 1 speaks to the Legislative Budget and Audit Committee publishing a listing of vendors who provided \$10,000.00 or more during a fiscal year and including the vendor's principal place of business and the State agencies involved. Most of this data is not now available in the vendor payment system. In addition to an increased administrative effort to use vendor coding for all payments, certain significant program changes would have to be accomplished. Also, the vendor directory update system will have to be run five times per week instead of the current once a week.

Analysis, programming and testing - 150 hours @ \$28.50/hour
 Machine time - 8 hours @ \$50/hour

IV. DATE 4/25/79 PREPARED BY Robin R. Moursa
 AGENCY Administration
 PHONE 465-2260
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

need a new committee
holding report
for

CS

Hold for
cover letter re
deletion of Sec 5
see John Crandall

COMMITTEE REPORT HOUSE

FURTHER:

April 5, 1979

Date: 4/27

Mr. Speaker:

The Committee on FINANCE has had SB 11am

"An Act relating to purchasing by state agencies; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^HCS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Rogers

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Freeman No-Rec

McKinnon - No Rec

Smith - No Rec

Montgomery - not Rec.

Harshbarger - do not pass

Freeman
CHAIRMAN

COMMITTEE REPORT HOUSE

FURTHER: FINANCE

January 29, 1979

Date: _____

Mr. Speaker:

The Committee on COMMERCE has had SB 11 am

"An Act relating to purchasing by state agencies; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations: *it do*

do pass do not pass

do pass with attached amendments(s)

replaced with CS for SB 11 same title new title

and recommends it do pass

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation

referred to the _____ Committee

MEMBERS SIGN IF
DO PASS

[Handwritten signatures]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Handwritten signature]

CHAIRMAN

THIS [] BILL [] RESOLUTION [] CITATION

has been prepared by the staff of the Legislative Affairs Agency in response to the request and at the direction of the sponsoring member or committee. The staff has attempted to place the document in proper legal and clerical form, subject to any special limitations or instructions of the requestor.

If we may be of further assistance in this matter, please contact the Director of Legal Services or the Director of Research Services, as appropriate.

Delivered to requestor 4-29-79

LA-L 40

Original sponsor: Sumner

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 HOUSE CS FOR SENATE BILL NO. 11 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 ELEVENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to purchasing by state agencies; and
7 providing for an effective date."

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

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16 (2) the principal place of business of persons reported;

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18 * Sec. 2. AS 37.05 is amended by adding a new section to article 4 to
19 read:

20 Sec. 37.05.285. PAYMENT FOR STATE PURCHASES. (a) If a vendor, in
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27 state agency responsible for payment shall make payment so as to take
28 advantage of the discount. If a discount for timely payment is not
29 offered by a vendor, payment shall be made within 30 days of receipt of

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3 (b) If payment for goods or services purchased for use by a state
4 agency is not made within 30 days of receipt of the goods or completion
5 of the services, or receipt of the invoice covering the purchase of the
6 goods or services, whichever is later, the state shall pay interest on
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8 if the state is requested to do so by the vendor at the time of issuance
9 of the original invoice. Interest payments shall be made from the
10 governor's contingency fund. If it is not the vendor's standard prac-
11 tice to charge interest, the state may recover interest paid to a vendor
12 by filing an action in the district court.

13 (c) This section does not apply

14 (1) if the cost of the goods or services purchased exceeds
15 \$500,000; or

16 (2) after a vendor of goods or services receives notice that
17 the amount of the invoice or quality of the goods or services is in
18 dispute, including the reasons for the dispute, from the state officer
19 responsible for administering the contract.

20 (d) For purposes of this section "dispute" means a situation where
21 the state officer responsible for administering a contract for the
22 purchase of goods or services challenges the performance rendered by the
23 vendor as not in compliance with the terms of the contract as to the
24 cost or quality of the goods or services.

25 * Sec. 3. AS 47.40.040(a) is amended to read:

26 (a) In this chapter, "full cost" of services shall be determined
27 by the per person, per day cost in the preceding fiscal year plus a
28 proportionate share of anticipated cost of living and staff salary
29 increment increases for the fiscal year for which the full cost of

1 services, determined to be necessary by the department, is being deter-
2 mined. [CHILD CARE COSTS FOR FOSTER HOMES SHALL BE COMPUTED IN THE SAME
3 MANNER AS FOR CHILD CARE AND NURSING HOME INSTITUTIONS EXCEPT THAT NO
4 SALARY COSTS MAY BE CONSIDERED.]

5 * Sec. 4. This Act does not apply to contracts entered into before its
6 effective date.

7 * Sec. 5. Section 2 of this Act takes effect January 1, 1980.

8 * Sec. 6. Sections 1, 3, and 4 of this Act take effect July 1, 1979.

Original sponsor: Sumner

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 11 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to purchasing by state agencies; and
7 providing for an effective date."

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

9 * Section 1. AS 24.20 is amended by adding a new section to read:

10 Sec. 24.20.206. REPORT OF PUBLIC CONTRACTS. The Legislative
11 Budget and Audit Committee shall publish, by December 31 of each year, a
12 report containing

13 (1) the names of all persons who have received \$10,000 or
14 more in state funds for providing goods or services during the previous
15 fiscal year;

16 (2) the principal place of business of persons reported;

17 (3) the state agencies that received the goods or services.

18 * Sec. 2. AS 37.05 is amended by adding a new section to article 4 to
19 read:

20 Sec. 37.05.285. PAYMENT FOR STATE PURCHASES. (a) If a vendor, in
21 response to the order of goods or services for use by a state agency,
22 offers a discount of at least two per cent (1) if payment is made within
23 10 days of receipt of the goods or completion of the services, or re-
24 ceipt of the invoice for the goods or services, whichever is later, or
25 (2) if payment is made within 10 days of placing the order for goods if
26 the agency is reasonably assured that delivery will be completed, the
27 state agency responsible for payment shall make payment so as to take
28 advantage of the discount. If a discount for timely payment is not
29 offered by a vendor, payment shall be made within 30 days of receipt of

1 the goods or completion of the services, or receipt of the invoice for
2 the goods or services, whichever is later.

3 (b) If payment for goods or services purchased for use by a state
4 agency is not made within 30 days of receipt of the goods or completion
5 of the services, or receipt of the invoice covering the purchase of the
6 goods or services, whichever is later, the state shall pay interest on
7 the unpaid balance at a rate of up to one and one-half per cent a month
8 if the state is requested to do so by the vendor at the time of issuance
9 of the original invoice. Interest payments shall be made from the
10 governor's contingency fund. If it is not the vendor's standard prac-
11 tice to charge interest, the state may recover interest paid to a vendor
12 by filing an action in the district court.

13 (c) This section does not apply

14 (1) if the cost of the goods or services purchased exceeds
15 \$500,000; or

16 (2) after a vendor of goods or services receives notice that
17 the amount of the invoice or quality of the goods or services is in
18 dispute, including the reasons for the dispute, from the state officer
19 responsible for administering the contract.

20 (d) For purposes of this section "dispute" means a situation where
21 the state officer responsible for administering a contract for the
22 purchase of goods or services challenges the performance rendered by the
23 vendor as not in compliance with the terms of the contract as to the
24 cost or quality of the goods or services.

25 * Sec. 3. AS 47.40.040(a) is amended to read:

26 (a) In this chapter, "full cost" of services shall be determined
27 by the per person, per day cost in the preceding fiscal year plus a
28 proportionate share of anticipated cost of living and staff salary
29 increment increases for the fiscal year for which the full cost of

1 services, determined to be necessary by the department, is being deter-
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HOUSE JOURNAL

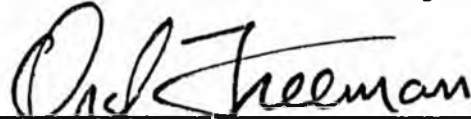
LETTER OF INTENT

HCS FOR SB 11 (FINANCE)

The Finance Committee has considered whether authority needs to be specifically granted to the Commissioner, Department of Transportation and Public Facilities, to renegotiate concession contracts at public facilities.

The Commissioner's power to do so is found in AS 02.15.090 wherein there is no requirement that competitive bidding apply to its exercise.

Alaska's competitive bid statute, AS 37.05.230, requires competitive bidding for purchase contracts, pursuant to which the State spends money. There is no requirement that contracts pursuant to which the State earns money, including concession contracts, be subject to the requirements of that section. Therefore, we do not find it necessary to grant additional power to the Commissioner. He already has the power, unrestricted by AS 37.05.230 to so negotiate.



Rep. Oral Freeman
Vice Chairman
House Finance Committee



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 O Smith
Signature of Camera Operator

3/20/90
Date

SENATE JOURNAL

ALASKA STATE LEGISLATURE

ELEVENTH LEGISLATURE - FIRST SESSION

JUNEAU, ALASKA

Friday

January 26, 1979

Twelfth Day

Pursuant to adjournment, the Senate was called to order by President Tillion at 10:03 a.m.

The roll call showed all members present except Senators Hohman, Sackett and Stimson who were excused from a call of the Senate.

The prayer was offered by the Chaplain, Pastor Milton Hunt of the Resurrection Lutheran Church.

Senator Colletta moved and asked unanimous consent that the journal for the eleventh legislative day be approved as certified. Without objection, it was so ordered.

STANDING COMMITTEE REPORTS

The Community and Regional Affairs Committee has had SENATE BILL NO. 4 (relating to worker's compensation for volunteer police) under consideration and the committee recommends it do pass. The report was signed by Senator Sturgulewski, Chairman and concurred in by Senators Rodey, Kelly, Stimson and Mulcahy.

SB
4

SENATE BILL NO. 4 was referred to the Rules Committee.

INTRODUCTION AND REFERENCE OF SENATE BILLS

SB SENATE BILL NO. 75 by the Rules Committee by request,
75 entitled:

"An Act relating to the practice of
optometry."

was read the first time and referred to the Health,
Education and Social Services Committee and the Judiciary
Committee.

SB SENATE BILL NO. 76 by Senator Fahrenkamp, entitled:
76

"An Act making a special appropriation
to the Department of Law; and providing
for an effective date."

was read the first time and referred to the Resources
Committee, the Finance Committee and the Judiciary
Committee.

SB SENATE BILL NO. 77 by the Judiciary Committee by request,
77 entitled:

"An Act relating to compensation for
criminal injuries; and providing for
an effective date."

was read the first time and referred to the Judiciary
Committee and the Finance Committee.

Senator Kerttula moved and asked unanimous consent that
the Senate recess to a call of the Chair for the purpose
of a Democratic caucus. Senator Bradley announced a
Republican caucus. Without objection, it was so ordered
and the Senate recessed at 10:08 a.m.

AFTER RECESS

The Senate reconvened at 10:51 a.m.

CONSIDERATION OF THE CALENDARSENATE BILLS IN THIRD READING

SENATE BILL NO. 11 amended (relating to purchasing by state agencies) was before the Senate for reconsideration.

SB
11
am

Senator Sumner moved and asked unanimous consent that SENATE BILL NO. 11 amended be returned to second reading for the purpose of a specific amendment. Without objection, it was so ordered.

Senators Sumner and Ray offered the following amendment No. 4:

Page 1, line 6: Delete all material and insert the following:

For an Act entitled: "An Act relating to purchasing by state agencies; and providing for an effective date."

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

* Section 1. AS 24.20 is amended by adding a new section to read:

Sec. 24.20.206. REPORT OF PUBLIC CONTRACTS. The Legislative Budget and Audit Committee shall publish, by December 31 of each year, a report containing

(1) the names of all persons who have received \$10,000 or more in state funds for providing goods or services during the previous fiscal year;

(2) the principal place of business of persons reported;

(3) the state agency that received the goods or services.

* Sec. 2. AS 37.05 is amended by adding a new section to read:

Sec. 37.05.285. PAYMENT FOR STATE PURCHASES.

(a) If a vendor, in response to the order of goods or services for use by a state agency, offers a discount of at least two per cent (1) if payment is made within 10 days of receipt of the goods or completion of the services,

SB or receipt of the invoice for the goods or services,
 11 whichever is later, or
 am

(2) if payment is made within 10 days of placing the order for goods if the agency is reasonably assured that delivery will be completed, the state agency responsible for payment shall make payment so as to take advantage of the discount. If payment is not made in time to take the discount, one and one-half per cent of the amount of the invoice shall be added to the total amount due and paid as a penalty. If a discount for timely payment is not offered by a vendor, payment shall be made within 45 days of receipt of the goods or completion of the services, or receipt of the invoice for the goods or services, whichever is later.

(b) If payment for goods or services purchased for use by a state agency is not made within 45 days of receipt of the goods or completion of the services, or receipt of the invoice covering the purchase of the goods or services, whichever is later, the vendor may charge interest on the unpaid balance at the rate of one and one-half per cent a month unless an agreement exists between the vendor and the state which precludes the charging of interest.

* Sec. 3 This Act does not apply to contracts entered into before its effective date.

* Sec. 4. This Act takes effect July 1, 1979.

Senator Ray moved for the adoption of amendment No. 4. The question being: "Shall amendment No. 4 be adopted?" On voice vote, amendment No. 4 was adopted.

Senator Colletta moved and asked unanimous consent that the Rules be suspended and SENATE BILL NO. 11 amended be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

SENATE BILL NO. 11 amended was read the third time.

The question being: "Shall SENATE BILL NO. 11 amended (relating to purchasing by state agencies) pass the Senate?" The roll was taken with the following result:

Yeas:	17	Bennett, Bradley, Colletta, Dankworth, Fahrenkamp, Ferguson, Hackney, Kelly, Kerttula, Meland, Mulcahy, Ray, Rodey, Sturpilewski, Sumner, Tillion, Ziegler
Nays:	0	
Excused:	3	Hohman, Sackett, Stimson

and so, SENATE BILL NO. 11 amended passed the Senate.

Senator Colletta moved and asked unanimous consent that the roll call on the passage of SENATE BILL NO. 11 amended be considered the roll call on the effective date clause. Without objection, it was so ordered.

SB
11
am

SENATE BILL NO. 11 amended was referred to the Secretary for engrossment.

UNFINISHED BUSINESS

Senator Kerttula requested his appointment to the Agricultural Policy Task Force be extended. President Tillion extended the appointment.

SPECIAL ORDERS

Senator Sturgulewski moved and asked unanimous consent that she be excused from a call of the Senate from 5:00 p.m., January 26 and January 27. Without objection, Senator Sturgulewski was excused.

ENGROSSMENT

SENATE BILL NO. 11 amended was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

ANNOUNCEMENTS

Resources SB 62	Butrovich Room Room 207, Capitol	1:30 p.m., 1/26
HESS SB 12, SB 33 & Dental Board	Butrovich Room Room 207, Capitol	2:30 p.m., 1/26
Governor's Meeting Alaska Lands Briefing	Gov. Conf. Room 3rd Floor, Capitol	4:00 p.m., 1/26
Finance Bill session	Room 423, Capitol	9:00 a.m., 1/29

Resources SB 53 w/U.S. Senator Gravel	Butrovich Room Room 207, Capitol	1:30 p.m., 1/29
Finance Court System	Room 423, Capitol	9:00 a.m., 1/30 9:00 a.m., 1/31
State Affairs SB 3, SB 9, SB 66	Butrovich Room Room 207, Capitol	3:30 p.m., 1/31
Finance Communications Bill Session U of A	Room 423, Capitol	9:00 a.m., 2/1 9:00 a.m., 2/2 9:00 a.m., 2/5 9:00 a.m., 2/6 9:00 a.m., 2/7

ADJOURNMENT

Senator Colletta moved and asked unanimous consent that the Senate adjourn until 10:00 a.m., January 29. Without objection, the Senate adjourned at 11:04 a.m.

Peggy Mulligan
Senate Secretary

January 1979

COMMITTEE REPORT
SENATE

R

1/15/79

FURTHER: None

Date: January 23, 1979

Mr. President:

The Committee on FINANCE has had SB 11
relating to purchasing by state agencies

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

CHAIRMAN

432

A M E N D M E N T

Offered in the SENATE

By _____

To: _____ SENATE BILL NO. _____

_____ HOUSE BILL NO. _____

AMENDMENT: Page _____ Line _____

Introduced: 1/15/79
Referred: Finance

1 IN THE SENATE

BY SUMNER

2 SENATE BILL NO. 11

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to purchasing by state agencies."

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

8 * Section 1. AS 37.05 is amended by adding a new section to read:

9 Sec. 37.05.295. PAYMENT FOR STATE PURCHASES. (a) If a vendor of
10 supplies, equipment, materials, or services provided to any state agency
11 offers a discount of at least two per cent if payment in full is made
12 within 10 days of the receipt of the goods, services, or invoice, which-
13 ever is later, the state agency responsible for payment of the bill
14 shall make payment so as to take advantage of the discount; otherwise
15 payment shall be made within 45 days.

16 (b) If payment for supplies, equipment, materials, or services
17 purchased by a state agency is not made within 45 days of receipt of the
18 supplies, equipment, materials, or services, or invoice covering the
19 purchase, whichever is later, the vendor may charge interest on the
20 unpaid balance at the rate of one and one-half per cent per month unless
21 an agreement exists between the vendor and the state which precludes the
22 charging of interest.

CONSIDERATION OF THE CALENDARSECOND READING OF SENATE BILLS

SB SENATE BILL NO. 11 (relating to purchasing by state
11 agencies) was read the second time.

SB Senator Sackett moved and asked unanimous consent for the
11 adoption of the Finance Committee amendment offered on
am page 74. Without objection, amendment No. 1 was adopted.

Senators Kerttula and Sumner offered the following amendment
No. 2:

Page 1, line 6: After "agencies"
Insert "; and providing for an
effective date."

Page 1, line 23: Add the following:
*Sec. 3. This Act takes effect
July 1, 1979.

Senator Kerttula moved and asked unanimous consent for the
adoption of amendment No. 2. Without objection, amendment
No. 2 was adopted.

Senators Kerttula and Sumner offered the following amendment
No. 3:

Page 1, line 23: Add the following:
*Sec. 2. This Act does not apply to
contracts entered into before its
effective date.

Senator Kerttula moved and asked unanimous consent for the
adoption of amendment No. 3. Without objection, amendment
No. 3 was adopted.

Representatives Branson and Parker advised the Senate that
the House was organized and ready to do business.

Senator Colletta moved and asked unanimous consent that the
Rules be suspended and SENATE BILL NO. 11 amended be con-
sidered engrossed, advanced to third reading and placed on
final passage. Without objection, it was so ordered.

SENATE BILL NO. 11 amended was read the third time.

Introduced: 1/15/79
Referred: Finance

1 IN THE SENATE

BY SUMNER

2 SENATE BILL NO. 11

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

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James O Smith
Signature of Camera Operator

3/20/90
Date

STATE OF ALASKA
THE LEGISLATURE

POUCH V, STATE CAPITOL
JUNEAU, ALASKA 99

HOUSE OF REPRESENTATIVES

TO Finance

REMARKS:

SB 104

SB 12

Please return to edith chief clerk's
office. Finance referral has been
waived.

FROM edith

DATE 5/1/79

Original sponsor: Hohman

Offered: 4/30/79
Referred: Finance

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to adult and adventure-based educa-
7 tion."

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

9 * Section 1. AS 14.07.020 is amended by adding a new paragraph to read:

10 (12) provide educational opportunities in the areas of voca-
11 tional education and training, basic education, and fire-service train-
12 ing to individuals over 16 years of age who are no longer attending
13 school.

14 * Sec. 2. AS 14 is amended by adding a new chapter to read:

15 CHAPTER 11. ADVENTURE-BASED EDUCATION.

16 Sec. 14.11.010. ADVENTURE-BASED EDUCATION PROGRAM. An adventure-
17 based education program is a program designed to bring adventure-based
18 education to high school students and appropriate juvenile offenders. A
19 program shall include provisions for the following phases:

20 (1) Phase I: Basic Skills Learning

21 (A) physical conditioning: running, hiking, swimming,
22 and other related activities;

23 (B) technical training: the use of specialized tools and
24 equipment, camping, cooking, map reading, navigation, life saving,
25 drown proofing, and solo survival;

26 (C) safety training: first aid skills, emergency care,
27 preventative medicine, nutrition, health and personal hygiene care;

28 (D) team training: rescue techniques, evacuation exer-
29 cises, and fire fighting;

1 (E) solo: solitary living for a short period with mini-
2 mal equipment;

3 (F) interpersonal skills training: coping skills, indi-
4 vidual and group problem solving, and societal communication
5 skills;

6 (G) culturally relevant activities: traditional modes of
7 subsistence living, travelling and surviving in wilderness areas
8 and communities in Alaska, and cross cultural experiences.

9 (2) Phase II: Skills Generalization

10 (A) vocational counseling and placement;

11 (B) family and interpersonal counseling;

12 (C) community systems utilization:

13 (i) transportation,

14 (ii) community services systems,

15 (iii) community problem solving.

16 * Sec. 3. AS 47 is amended by adding a new chapter to read:

17 CHAPTER 21. ADVENTURE-BASED EDUCATION.

18 Sec. 47.21.010. FINDINGS. The legislature finds that

19 (1) programs in use for dealing with juveniles who are found
20 under Alaska juvenile law and practice to require confinement or physi-
21 cal removal from their community are not providing certain juveniles
22 with the support and program content necessary to achieve a positive
23 self-image and attitudinal change which will result in acceptable social
24 behavior;

25 (2) programs have been developed and are operational which
26 have proven effective in both preventing and altering delinquent behav-
27 ior in certain types of problem juveniles;

28 (3) the programs would provide a mechanism for courts to
29 allow a positive change in juvenile offenders while matters are held in

1 abeyance under Childrens Rules 21(b)(1).

2 Sec. 47.21.020. ESTABLISHMENT. (a) The Department of Health and
3 Social Services shall establish an adventure-based education program
4 designed to bring adventure-based education to appropriate juvenile
5 offenders and others selected by referral agencies.

6 (b) Adventure-based education is a short-term, intensive training
7 program designed to remedy failure patterns and encourage development of
8 self-esteem, self-confidence, and social awareness in

9 (1) certain delinquent juveniles in the custody of the divi-
10 sion of corrections;

11 (2) certain juveniles identified by the schools, division of
12 social services, the courts, youth workers, or other community referral
13 systems, as being able to benefit from adventure-based education.

14 Sec. 47.21.030. PROGRAM. (a) An adventure-based education pro-
15 gram shall include provisions for the following phases:

16 (1) Phase I: Basic Skills Learning

17 (A) physical conditioning: running, hiking, swimming,
18 and other related activities;

19 (B) technical training: the use of specialized tools and
20 equipment, camping, cooking, map reading, navigation, life saving,
21 drown proofing, and solo survival;

22 (C) safety training: first aid skills, emergency care,
23 preventative medicine, nutrition, health and personal hygiene care;

24 (D) team training: rescue techniques, evacuation exer-
25 cises, and fire fighting;

26 (E) solo: solitary living for a short period with mini-
27 mal equipment;

28 (F) interpersonal skills training: coping skills, 'ndi-
29 vidual and group problem solving, and societal communication

1 skills;

2 (G) culturally relevant activities: traditional modes of
3 subsistence living, travelling and surviving in wilderness areas
4 and communities in Alaska, and cross cultural experiences.

5 (2) Phase II: Skills Generalization

6 (A) vocational counseling and placement;

7 (B) family and interpersonal counseling;

8 (C) community systems utilization:

9 (i) transportation,

10 (ii) community services systems,

11 (iii) community problem solving.

12 (b) Criteria for adventure-based education programs shall be
13 established by the Department of Health and Social Services and shall
14 include provisions for

15 (1) staff members with background experience in Outward
16 Bound, NOLS, Alaska Wilderness Experience, Inc., or other similar wilder-
17 ness skills programs or indigenous cultural experience;

18 (2) minimum program standards.

19 * Sec. 4. AS 44.27.020(1) is amended to read:

20 (1) administer the state's program of education at the ele-
21 mentary, [AND] secondary, and adult levels, including, but not limited
22 to, programs of vocational education and training, vocational rehabi-
23 litation, library services, [AND] correspondence courses, adult basic
24 education, and fire-service training, but not including degree pro-
25 grams of postsecondary education;

26 * Sec. 5. AS 47.10.080(b) is amended by adding a new paragraph to read:

27 (5) order the minor committed to the Department of Health and
28 Social Services for placement in an adventure-based education program
29 established under AS 47.21.020 with conditions the court considers

appropriate concerning release upon satisfactory completion of the
program or commitment under (1) of this subsection if the program is not
satisfactorily completed.

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Original sponsor: Hohman

Offered: 4/12/79

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 12 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to an adventure-based education pro-
7 gram."

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

9 * Section 1. AS 47 is amended by adding a new chapter to read:

10 CHAPTER 21. ADVENTURE-BASED EDUCATION.

11 Sec. 47.21.010. FINDINGS. The legislature finds that

12 (1) programs in use for dealing with juveniles who are found
13 under Alaska juvenile law and practice to require confinement or physi-
14 cal removal from their community are not providing certain juveniles
15 with the support and program content necessary to achieve a positive
16 self-image and attitudinal change which will result in acceptable social
17 behavior;

18 (2) programs have been developed and are operational which
19 have proven effective in both preventing and altering delinquent behav-
20 ior in certain types of problem juveniles.

21 Sec. 47.21.020. ESTABLISHMENT. (a) The Department of Health and
22 Social Services shall establish an adventure-based education program
23 designed to bring adventure-based education to appropriate juvenile
24 offenders and others selected by referral agencies.

25 (b) Adventure-based education is a short-term, intensive training
26 program designed to remedy failure patterns and encourage development of
27 self-esteem, self-confidence, and social awareness in

28 (1) certain delinquent juveniles in the custody of the
29 division of corrections;

1 (2) certain juveniles identified by the schools, division of
2 social services, the courts, youth workers, or other community referral
3 systems, as being able to benefit from adventure-based education.

4 Sec. 47.21.030. PROGRAM. (a) An adventure-based education pro-
5 gram shall include provisions for the following phases:

6 (1) Phase I: Basic Skills Learning

7 (A) physical conditioning: running, hiking, swimming,
8 and other related activities;

9 (B) technical training: the use of specialized tools and
10 equipment, camping, cooking, map reading, navigation, life saving,
11 drown proofing, and solo survival;

12 (C) safety training: first aid skills, emergency care,
13 preventative medicine, nutrition, health and personal hygiene care;

14 (D) team training: rescue techniques, evacuation exer-
15 cises, and fire fighting;

16 (E) solo: solitary living for a short period with mini-
17 mal equipment;

18 (F) interpersonal skills training: coping skills, indi-
19 vidual and group problem solving, and societal communication
20 skills;

21 (G) culturally relevant activities: traditional modes of
22 subsistence living, travelling and surviving in wilderness areas
23 and communities in Alaska, and cross cultural experiences.

24 (2) Phase II: Skills Generalization

25 (A) vocational counseling and placement;

26 (B) family and interpersonal counseling;

27 (C) community systems utilization:

28 (i) transportation,

29 (ii) community services systems,

1 (iii) community problem solving.

2 (b) Criteria for adventure-based education programs shall be
3 established by the Department of Health and Social Services and shall
4 include provisions for

5 (1) staff members with background experience in Outward
6 Bound, NOLS, Alaska Wilderness Experience, Inc., or other similar
7 wilderness skills programs or indigenous cultural experience;

8 (2) minimum program standards.

9 * Sec. 2. AS 14 is amended by adding a new chapter to read:

10 CHAPTER 11. ADVENTURE-BASED EDUCATION.

11 Sec. 14.11.010. ADVENTURE-BASED EDUCATION PROGRAM. An adventure-
12 based education program is a program designed to bring adventure-based
13 education to high school students and appropriate juvenile offenders. A
14 program shall include provisions for the following phases:

15 (1) Phase I: Basic Skills Learning

16 (A) physical conditioning: running, hiking, swimming,
17 and other related activities;

18 (B) technical training: the use of specialized tools and
19 equipment, camping, cooking, map reading, navigation, life saving,
20 drown proofing, and solo survival;

21 (C) safety training: first aid skills, emergency care,
22 preventative medicine, nutrition, health and personal hygiene care;

23 (D) team training: rescue techniques, evacuation exer-
24 cises, and fire fighting;

25 (E) solo: solitary living for a short period with mini-
26 mal equipment;

27 (F) interpersonal skills training: coping skills, indi-
28 vidual and group problem solving, and societal communication
29 skills;

1 (G) culturally relevant activities: traditional modes of
2 subsistence living, travelling and surviving in wilderness areas
3 and communities in Alaska, and cross cultural experiences.

4 (2) Phase II: Skills Generalization

5 (A) vocational counseling and placement;

6 (B) family and interpersonal counseling;

7 (C) community systems utilization:

8 (i) transportation,

9 (ii) community services systems,

10 (iii) community problem solving.

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Original sponsor: Hohman

Offered: 4/12/79

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to an adventure-based education pro-
7 gram."

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

9 * Section 1. AS 47 is amended by adding a new chapter to read:

10 CHAPTER 21. ADVENTURE-BASED EDUCATION.

11 Sec. 47.21.010. FINDINGS. The legislature finds that

12 (1) programs in use for dealing with juveniles who are found
13 under Alaska juvenile law and practice to require confinement or physi-
14 cal removal from their community appear to be ineffective in that they
15 do not provide juveniles with the support and program content necessary
16 to achieve a positive self-image and attitudinal change which will
17 result in acceptable social behavior;

18 (2) present systems are not deterring identified problem
19 juveniles from continued delinquent attitudes;

20 (3) programs have been developed and are operational which
21 have proven effective in both preventing and altering delinquent behav-
22 ior in certain types of problem juveniles.

23 Sec. 47.21.020. ESTABLISHMENT. (a) The Department of Health and
24 Social Services shall establish an adventure-based education program
25 designed to bring adventure-based education to appropriate juvenile
26 offenders and others selected by referral agencies.

27 (b) Adventure-based education is a short-term, intensive training
28 program designed to break failure patterns and encourage development of
29 self-esteem, self-confidence, and social awareness in

1 (1) adjudicated delinquent juveniles in the custody of the
2 division of corrections;

3 (2) juveniles identified by the schools, division of social
4 services, the courts, youth workers, or other community referral
5 systems, as exhibiting pre-delinquent behavior;

6 (3) youth identified by the school systems as being able to
7 contribute to the effectiveness of or benefit from adventure-based
8 education.

9 Sec. 47.21.030. PROGRAM. (a) An adventure-based education pro-
10 gram shall include provisions for the following phases:

11 (1) Phase I: Basic Skills Learning

12 (A) physical conditioning: running, hiking, swimming,
13 and other related activities;

14 (B) technical training: the use of specialized tools and
15 equipment, camping cooking, map reading, navigation, life saving,
16 drown proofing, and solo survival;

17 (C) safety training: first aid skills, emergency care,
18 preventative medicine, nutrition, health and personal hygiene care;

19 (D) team training: rescue techniques, evacuation exer-
20 cises, and fire fighting;

21 (E) solo: solitary living for a short period with mini-
22 mal equipment;

23 (F) interpersonal skills training: coping skills, indi-
24 vidual and group problem solving, and communication skills;

25 (G) culturally relevant activities: traditional modes of
26 subsistence living, travelling and surviving in wilderness areas
27 and communities in Alaska, and cross cultural experiences.

28 (2) Phase II: Skills Generalization

29 (A) vocational counseling and placement;

- 1 (B) family and interpersonal counseling;
2 (C) community systems utilization:
3 (i) transportation,
4 (ii) community services systems,
5 (iii) community problem solving.

6 (b) Criteria for adventure-based education programs shall be
7 established by the Department of Health and Social Services and shall
8 include provisions for

- 9 (1) staff members with background experience in Outward
10 Bound, NOLS, Alaska Wilderness Experience, Inc., or other similar
11 wilderness skills or therapeutic wilderness programs; or others with
12 wilderness living skills or indigenous cultural experience;
13 (2) minimum program standards.

14 * Sec. 2. AS 14 is amended by adding a new chapter to read:

15 CHAPTER 11. ADVENTURE-BASED EDUCATION.

16 Sec. 14.11.010. ADVENTURE-BASED EDUCATION PROGRAM. An adventure-
17 based education program is a program designed to bring adventure-based
18 education to high school students and appropriate juvenile offenders. A
19 program shall include provisions for the following phases:

- 20 (1) Phase I: Basic Skills Learning
21 (A) physical conditioning: running, hiking, swimming,
22 and other related activities;
23 (B) technical training: the use of specialized tools and
24 equipment, camping cooking, map reading, navigation, life saving,
25 drown proofing, and solo survival;
26 (C) safety training: first aid skills, emergency care,
27 preventative medicine, nutrition, health and personal hygiene care;
28 (D) team training: rescue techniques, evacuation exer-
29 cises, and fire fighting;

1 (E) solo: solitary living for a short period with mini-
2 mal equipment;

3 (F) interpersonal skills training: coping skills, indi-
4 vidual and group problem solving, and communication skills;

5 (G) culturally relevant activities: traditional modes of
6 subsistence living, travelling and surviving in wilderness areas
7 and communities in Alaska, and cross cultural experiences.

8 (2) Phase II: Skills Generalization

9 (A) vocational counseling and placement;

10 (B) family and interpersonal counseling;

11 (C) community systems utilization:

12 (i) transportation,

13 (ii) community services systems,

14 (iii) community problem solving.

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Introduced: 1/15/79
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY HOHMAN

2 SENATE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing social services policy councils in
7 the Department of Health and Social Services and pro-
8 viding for an adventure-based education program."

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

10 * Section 1. AS 47 is amended by adding a new chapter to read:

11 CHAPTER 47. SOCIAL SERVICES POLICY COUNCILS.

12 ARTICLE 1. REGIONAL POLICY COUNCILS.

13 Sec. 47.47.010. REGIONS. For the purposes of this chapter six
14 regional areas are established. The geographic boundaries of each
15 region consist of the combined operating area of the named regional
16 corporations as follows:

- 17 (1) Arctic Slope Regional Corporation, Nana Regional Corpor-
18 ation, and Bering Straits Native Corporation;
- 19 (2) Doyon, Ltd., and Ahtna Inc.;
- 20 (3) Calista Corporation and Bristol Bay Native Corporation;
- 21 (4) Koniag, Inc. and Aleut Corporation;
- 22 (5) Cook Inlet Region, Inc.;
- 23 (6) Sealaska Corporation and Chugach Natives Inc.

24 Sec. 47.47.020. ESTABLISHMENT OF REGIONAL COUNCILS. There is
25 established in the Department of Health and Social Services a social
26 services regional policy council for each region established in AS 47.
27 47.010.

28 Sec. 47.47.030. COMPOSITION OF REGIONAL COUNCILS. Each regional
29 council consists of 15 members appointed by the governor and confirmed

1 by a majority of the members of the legislature in joint session. The
2 members of each council shall be residents of the region in which that
3 council functions. Each council consists of

4 (1) two members who are shareholders of a regional corpo-
5 ration established under sec. 7 of the Alaska Native Claims Settlement
6 Act;

7 (2) two members who are probation officers employed by the
8 division of corrections;

9 (3) two members who are members of district school boards or
10 regional educational attendance area school boards;

11 (4) two members who are social workers employed by the divi-
12 sion of social services;

13 (5) two members who are judicial officers or employees of the
14 Alaska Court System;

15 (6) five public members.

16 Sec. 47.47.040. TERMS OF OFFICE. (a) Members of each regional
17 council shall be appointed for overlapping terms of three years.

18 (b) The governor shall appoint the initial members of each region-
19 al council within 30 days of the effective date of this Act. Of the
20 initial appointees to each regional council, one-third shall be ap-
21 pointed for three-year terms, one-third for two-year terms, and one-
22 third for one-year terms.

23 (c) Subsequent terms for all board members are three years.

24 (d) A vacancy in the membership of the board shall be filled by
25 appointment of the governor for the unexpired portion of the vacated
26 term.

27 (e) Board members serve at the pleasure of the governor.

28 Sec. 47.47.050. COMPENSATION, PER DIEM, AND EXPENSES. Members of
29 each regional council receive no salary, but are entitled to per diem,

1 reimbursement for travel and costs of child care consequent to service
2 on the commission, and other expenses authorized by law.

3 Sec. 47.47.060. MEETINGS. The council shall meet at the call of
4 the chairman at least once a month. A majority of the members consti-
5 tutes a quorum.

6 Sec. 47.47.070. DUTIES. (a) Each regional council shall

7 (1) undertake and maintain a continuing review of the pro-
8 grams, in its region, of the divisions of social services, corrections,
9 and public assistance in the department to determine whether

10 (A) the services which those divisions are authorized to
11 provide are being effectively delivered;

12 (B) the services of those divisions are being provided
13 in sufficient quantity to meet the needs of the people of the
14 region;

15 (C) the programs of those divisions are being operated
16 in coordination with other programs of the department and those of
17 other service agencies;

18 (2) evaluate the juvenile justice system in its region and
19 recommend changes it considers desirable;

20 (3) review program proposals for establishment of adventure-
21 based education programs on the basis of compliance with the criteria
22 established in AS 14.11.010;

23 (4) annually review adventure-based education programs esta-
24 blished under AS 14.11.020;

25 (5) acting in an advisory capacity, annually transmit the
26 findings of the reviews and evaluations authorized by this section to
27 the executive council established in AS 47.47.080;

28 (6) elect members to serve on the executive council estab-
29 lished by AS 47.47.080.

1 (b) A regional council may hold public hearings if necessary to
2 carry out its duties under this chapter.

3 Sec. 47.47.075. EMPLOYMENT OF PERSONNEL. Each regional council
4 shall employ and determine the compensation of one full-time employee to
5 coordinate the efforts of the council and perform other duties the
6 council may prescribe. Each council may select, employ, and determine
7 the compensation of other personnel as necessary. No employee may be a
8 member of the council.

9 ARTICLE 2. EXECUTIVE POLICY COUNCIL.

10 Sec. 47.47.080. ESTABLISHMENT OF EXECUTIVE COUNCIL. There is
11 established in the Department of Health and Social Services a Social
12 Services Executive Policy Council. The executive council consists of 12
13 members, two of whom are appointed by each of the regional policy coun-
14 cils established by AS 47.47.030.

15 Sec. 47.47.090. TERM OF OFFICE. (a) Members of the executive
16 council serve for a term of one year and may be reappointed.

17 (b) Each regional council shall appoint the initial two members to
18 the executive council within 45 days of the first meeting of the region-
19 al council. The initial terms expire March 31, 1981.

20 (c) Subsequent terms for all members are one year.

21 (d) A vacancy in the membership of the executive council shall be
22 filled by appointment of the regional council from whose representation
23 the vacancy occurred for the unexpired portion of the vacated term.

24 (e) Members serve at the pleasure of the appointing regional
25 council.

26 Sec. 47.47.100. COMPENSATION, PER DIEM, AND EXPENSES. Members of
27 the executive council receive no salary, but are entitled to per diem,
28 reimbursement for travel and costs of child care consequent to service
29 on the executive council, and other expenses authorized by law.

1 Sec. 47.47.110. MEETINGS. The executive council shall meet at the
2 call of the chairman at least once each quarter. A majority of the
3 members constitutes a quorum.

4 Sec. 47.47.120. DUTIES. (a) The executive council shall

5 (1) undertake and maintain a continuing review and evaluation
6 of the programs of the divisions of social services, corrections, and
7 public assistance in the department and the findings of the regional
8 councils to determine whether

9 (A) the services which those divisions are authorized to
10 provide are being effectively delivered;

11 (B) the services of those divisions are being provided
12 in sufficient quantity to meet the needs of the people of the
13 state;

14 (C) the programs of those divisions are being operated
15 in coordination with other programs of the department and those of
16 other service agencies;

17 (2) evaluate the juvenile justice system in the state and
18 recommend changes and improvements it considers desirable;

19 (3) prepare a statewide plan for establishment of an adven-
20 ture-based education program to effect diversion of appropriate juvenile
21 offenders from institutional placements and to prevent potentially
22 delinquent juveniles from entering the juvenile justice system; this
23 plan shall insure that both the wilderness' adventure component and the
24 follow-up component are adequately provided for in accordance with
25 principles and practices established by recognized professionals in the
26 field;

27 (4) acting in an advisory capacity, annually transmit the
28 findings of the review and evaluation authorized by this section to the
29 commissioner and to the directors of the divisions of social services,

1 corrections, and public assistance in the department, together with any
2 recommendations for administrative or legislative changes it considers
3 appropriate;

4 (5) review the budgets of the divisions of public assistance,
5 corrections, and social services in the department for the succeeding
6 fiscal year, and review any transfers or changes between objects of
7 expenditure, allocations, and appropriations for the current fiscal
8 year, to determine if expenditures will effectively implement the goals
9 and objectives of those divisions.

10 (b) The executive council may hold public hearings if necessary to
11 carry out its duties under this chapter.

12 Sec. 47.47.130. EMPLOYMENT OF PERSONNEL. The executive council
13 shall employ and determine the salary of an executive director. The
14 executive director may, with the approval of the board, select and
15 employ additional staff as necessary. The executive director may not be
16 a member of the council.

17 ARTICLE 3. GENERAL PROVISIONS.

18 Sec. 47.47.140. SUPPORT BY THE DEPARTMENT. The department shall

19 (1) provide the regional councils and the executive council
20 with technical and other assistance, including secretarial and clerical
21 services;

22 (2) submit to each regional council and the executive coun-
23 cil, simultaneously with transmittal to the division of budget and
24 management in the Office of the Governor,

25 (A) the budgets of the divisions of public assistance,
26 corrections, and social services in the department for the succeed-
27 ing fiscal year; and

28 (B) any transfers or changes in the budgets of those
29 divisions between objects of expenditure, allocations, and appro-

1 priations for the current fiscal year;

2 (3) send representatives to public hearings held by the
3 executive council or any regional council when a council so requests.

4 Sec. 47.47.150. DEFINITIONS. In this chapter

5 (1) "adventure-based education" means an educational program
6 which includes:

7 (A) physical conditioning: running, hiking, swimming,
8 weight training and the like;

9 (B) technical training: the use of specialized tools
10 and equipment, camping, cooking, map reading, navigation, life
11 saving, drown-proofing and solo survival;

12 (C) safety training; since some of the program activi-
13 ties can be hazardous, safety training is basic and continually
14 stressed in all activities;

15 (D) team training: rescue techniques, evacuation
16 exercises and fire fighting; and

17 (E) solitary living for a short period with minimal
18 equipment;

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

21 (3) "executive council" means the Social Services Executive
22 Policy Council;

23 (4) "regional council" means a social services regional
24 policy council.

25 * Sec. 2. AS 14 is amended by adding a new chapter to read:

26 CHAPTER 11. ADVENTURE-BASED EDUCATION.

27 Sec. 14.11.010. ADVENTURE-BASED EDUCATION PROGRAM. An adventure-
28 based education program is a program designed to bring adventure-based
29 education to high school students and appropriate juvenile offenders.

1 Criteria for the adventure-based education program shall be established
2 by the Social Services Executive Policy Council. The criteria shall
3 include provisions for

- 4 (1) adequate physical facilities for a program;
- 5 (2) adequately trained staff members who need not be certi-
6 ficated as teachers or administrators;
- 7 (3) minimum program standards;
- 8 (4) compliance with the statewide plan established by the
9 Social Services Executive Policy Council;
- 10 (5) approval by the social services regional policy council
11 within whose region the physical facilities for the program are located;
- 12 (6) at least annual review of the program by the social
13 services regional policy council within whose region the physical facil-
14 ities for the program are located;
- 15 (7) selection by local schools throughout the state of out-
16 standing students to participate in the program;
- 17 (8) selection by the courts of appropriate juvenile offenders
18 to participate in the program.

19 Sec. 14.11.015. FUNDING. (a) The department shall provide for
20 the establishment of adventure-based education programs based upon
21 requests for funding by the Social Services Executive Policy Council and
22 in order to accomplish that purpose may

- 23 (1) enter into a contract with a school district or other
24 contractor for the administration, supervision, operation or subcon-
25 tracting of the adventure-based education program within its service
26 area;
- 27 (2) require all school district contractors and other recipi-
28 ents of state adventure-based education funds to submit to the depart-
29 ment an annual report, which includes a financial statement and other

1 operational data required by the department.

2 (b) Each school district or contractor is entitled to receive
3 reimbursement from the state for the operation of the adventure-based
4 education program on a unit cost or reimbursement cost basis determined
5 by the department.

6 Sec. 14.11.020. DEFINITIONS. In this chapter

7 (1) "adventure-based education" means an educational program
8 which includes:

9 (A) physical conditioning: running, hiking, swimming,
10 weight training and the like;

11 (B) technical training: the use of specialized tools
12 and equipment, camping, cooking, map reading, navigation, life
13 saving, drown-proofing and solo survival;

14 (C) safety training; since some of the program activi-
15 ties can be hazardous, safety training is basic and continually
16 stressed in all activities;

17 (D) team training: rescue techniques, evacuation
18 exercises and fire fighting; and

19 (E) solitary living for a short period with minimal
20 equipment;

21 (2) "Social Services Executive Policy Council" means the
22 council established in AS 47.47.080;

23 (3) "social services regional policy council" means those
24 councils established in AS 47.47.020.

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POSITION PAPER

SENATE BILL NO. 12

"An act relating to the establishment of social services policy councils in the Department of Health and Social Services and providing for an adventure-based education program."

The Department supports the concept of a social services council inasmuch as it would enhance not only cooperative efforts among the various Divisions in the field, but would facilitate cooperation and understanding between the Department and the public, as well as among the several regions of the state.

As the bill stands, however, there appear to be a number of difficulties which would hinder effective implementation.

Sec. 47.47.010. REGIONS. As outlined, the proposed regions do not correspond to any of the regional boundaries of the Department's divisions in the field. Coordination between council regions and the regional offices of the divisions might prove difficult.

Sec. 47.47.030. COMPOSITION OF REGIONAL COUNCILS. Although Sec. 47.47.120 addresses duties of the executive council, including review of programs and the budget of Public Assistance, no Public Assistance representative is on the Regional Council (and, as it follows, on the executive council).

Sec. 47.47.060. MEETINGS. Four professional staff members of the Department, who provide direct services, would be required to attend meetings monthly, possibly involving extensive travel time. As current caseloads are extremely high, their absences may reduce the level of services being provided.

Sec. 47.47.140. SUPPORT BY THE DEPARTMENT. Paragraph (1) directs the Department to provide for secretarial and clerical services to the regional and executive councils. As the services of these support staff are now fully employed, it is difficult to see how they might meet this additional responsibility.

With regard to the establishment of a state-wide adventure-based education program, the Department cannot make a recommendation as to the effectiveness of such a program in diverting juvenile offenders from institutional placements as there is not sufficient supporting evidence available to the Department. The Department would recommend that prior to full state-wide implementation, further pilot studies be made.

Recommended By: Arthur C. Holmberg Date 1/29/79
Art Holmberg, Acting Director
Division of Social Services

Recommended By: Charles Sothun Date 1/29/79
Charles Sothun, Acting Director
Division of Corrections

Approved By: Helen D. Beirne Date 2/16/79
Helen D. Beirne, Commissioner
Department of Health and Social Services

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. 12 TITLE: "An Act establishing social services policy councils in the Dept. of Health & Social Services & providing for an Adventure-Based Ed. Program."
Requested by Hohman Date 1/15/79

II. FISCAL DETAIL

Agency Affected Division of Corrections/Social Services
Program Category Affected Probation/Parole Field Services
BRU, Program, or Subprogram(s) Affected _____
(Note: If more than one budget component is affected, separate line item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		190.8	206.1	222.6	210.4	
200 TRAVEL		174.3	188.2	203.3	219.6	
300 CONTRACTUAL		42.0	45.4	49.0	52.9	
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		407.1	439.7	474.9	512.9	

FUNDING (Thousands of Dollars)

GENERAL FUND		407.1	439.7	474.9	512.9	
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		8.0	8.0	8.0	8.0	
PART TIME		1.0	1.0	1.0	1.0	
TEMPORARY						

*Including Administrative Staffing only. Program Contracted.

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

(SEE ATTACHED ANALYSIS)

IV. DATE 1/29/79

PREPARED BY L.T. Dalby Administrative Officer

AGENCY Division of Corrections

PHONE 465-3376

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/78)

III. Analysis

The following fiscal notes pertain to the Department of Health and Social Services reference individual sections and subsections of SB12:

Sec: 47.47.030 (2) and (4)

The equivalent time of 1.25 permanent full time Probation Officer II (PO II) plus 1.25 permanent full time Social Worker III (SW III) positions per year would be consumed for participation in council meetings.

Regional Council - 2 PO II and 2 SW III members on each of 6 regional councils.

2 PO II x 6 councils x 12 meetings per year x 2 days = 288 days

2 SW III x 6 councils x 12 meetings per year x 2 days = 288 days

Executive Council - Assume 2 PO II and 2 SW III are members.

2 PO II x 1 council x 4 meetings per year x 3 days = 24 days

2 SW III x 1 council x 4 meetings per year x 3 days = 24 days.

State employees work 249 days per year.

PO II - 288 days + 24 days ÷ 249 days = 1.25 PO II

SW III - 288 days + 24 days ÷ 249 days = 1.25 SW III

Average earnings including benefits of PO II's and SW III's
= \$36,500 year

Annual unrecoverable cost (not included in Fiscal Note Amounts)

\$36,500 x 1.25 x 2 = \$91,200

Sec: 47.47.050 Compensation, Per Diem and Expenses

Assume that at least 1/6 of all meetings of regional councils and all executive council meetings require travel and that the average round trip plane fare is \$200 per member and any other participants.

Air Fares

6 Regional Councils x 15 members x (12 meetings ÷ 6) x \$200 = \$ 36,000

Per Diem

6 Regional Councils x 15 members x 12 meetings x \$55 x 2 days = 118,800

Air Fares

1 Executive Council x 12 members x 4 meetings x \$200 = 9,600

Per Diem

1 Executive Council x 12 members x 4 meetings x \$55 x 3 days = 7,920

Estimated other expense - child care = 2,000

Total Travel, Per Diem, and other costs \$174,320

Sec: 47.47.075 Employment of Personnel

Each Regional Council will employ one full time employee for administrative work.

6 x Admin. Asst. Range 12A \$21,500 including benefits = \$129,000

Other part time employees estimate = 4,000

Total annual Regional Council Personal Services Costs \$133,000

NOTE: All other administrative operating and office equipment costs are excluded.

Sec: 47.47.130 Employment of Personnel

The Executive Council will employ an executive director who in turn, with council approval, employ additional staff as necessary.

Executive Director - Range 21A =	\$ 41,100
Other employee costs - estimate 1 Clerk Typist III =	<u>16,700</u>
Total Annual Executive Council Personal Services Cost	<u>\$ 57,800</u>

NOTE: All other administrative, operating and office equipment costs are excluded.

Sec: 14.11.015 Funding

The Department shall provide for the establishment of adventure - based education programs etc. Assume,

1. One half of juvenile participants are selected from high schools.
2. One half of juvenile participants are selected by the courts.
3. Each Regional Council will have one adventure-based education program per year with a total of 14 juveniles in each program.
4. Contractual cost per juvenile is \$1000.

The juveniles selected by the courts will be diverted from private institutional placements. The equivalent funds in the Division of Corrections and/or Division of Social Services budgets for purchased care costs of these juveniles should be available to the adventure based program. If the program costs exceed the private institutional costs of care for the number of juveniles involved a supplemental appropriation will be requested.

6 Regions x 7 juveniles (High school selectees) x \$1,000 = \$42,000.

NOTE: The \$1000 estimate per participant excludes any one time purchase costs for specialized tools and equipment.

An inflation factor of 8% is used.