

LEG. FINANCE - BILLS 1981 - 1982 1724

SSSB 817 - SB 823

1724

COMMITTEE REPORT

HOUSE

FURTHER:

(11)

5/13/82

Date: 5-15-82

Mr. Speaker:

The Committee on Finance has had CSSE 817(Fin)

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

under consideration and reports it back as follows:

- [] do pass [] do not pass
- [] do pass with attached amendments(s)
- [X] replace with ^HCS for CS 3B 817 (Finance) [X] same title
[] new title
- and recommends do pass
- [] AND attaches a "Letter of Intent" [X] New Fiscal Note
9135.2
- [] reports it back without recommendation
- [] referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CS for Senate Bill 817 (Finance)
 Title An Act Relating to Medical Assistance for Needy Persons
 Requested by House HESS Committee Date _____

II. FISCAL DETAIL
 Agency Affected Health & Social Services
 Program Category Affected Health
 BRU, Program, Or Subprogram(s) Affected Medical Assistance
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		210.2	231.2	254.3	279.8	307.7
200 TRAVEL		7.7	8.5	9.3	10.3	11.3
300 CONTRACTUAL		79.5	87.4	96.1	105.8	116.3
400 COMMODITIES		3.9	4.3	4.7	5.2	5.7
500 EQUIPMENT		7.9				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		8876.0	10231.6	11783.0	13568.4	15623.9
TOTAL		9185.2	10563.0	12147.4	13969.5	16064.9

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND						
FEDERAL FUNDS		9185.2	10563.0	12147.4	13969.5	16064.9
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		6	6	6	6	6
PART TIME						
TEMPORARY						

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

*The Medical Assistance BRU would be created by combining the present Medicaid and General Relief Medical BRUs. This and the passage of CSSB 817 would permit the Department of Health and Social Services to claim additional federal funds for Medicaid without using any additional state funds.

IV. DATE May 15, 1982 PREPARED BY RB Rod Betit, Director
 AGENCY HSS DIVISION of Public Assistance
 Original: Legislative Finance PHONE 465-3355
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 817 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH 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 47.07.020(b) is amended by adding new paragraphs to read:

10 (8) persons under 21 years of age who would be eligible for
11 benefits under the federal aid to families with dependent children pro-
12 gram, but who do not qualify because they are not dependent children;

13 (9) women who are pregnant.

14 * Sec. 2. AS 47.07.030 is amended to read:

15 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services
16 to be offered to eligible persons include inpatient hospital, outpatient
17 hospital, rural health clinic, outpatient surgical care centers, labora-
18 tory and X-ray, refractions and eye examinations by ophthalmologists or
19 optometrists, eyeglasses prescribed by a physician, skilled in diseases
20 of the eye or by an optometrist, inpatient psychiatric hospital for per-
21 sons age 65 or older and persons under age 21, skilled and intermediate
22 nursing home, physician, nurse midwife, home health care services, early
23 periodic screening diagnosis and treatment of persons under 21 years of
24 age, clinic services, treatment of speech, hearing and language disor-
25 ders, physical therapy, occupational therapy, prosthetic devices and
26 medical supplies, long-term care noninstitutional services, and reason-
27 able transportation to and from the point of medical care. No addition-
28 al services may be provided unless approved by the legislature.

29 * Sec. 3. AS 47.07 is amended by adding a new section to read:

1 Sec. 47.07.035. PRIORITY OF SERVICES. If the funding in a fiscal
2 year is inadequate to finance the total medical assistance program under
3 AS 47.07, the department shall, to the extent that federal law and fund-
4 ing permits, provide medical assistance in the following order:

5 (1) aged, blind, or disable persons who

6 (A) do not receive supplemental security income under
7 Title XVI of the Social Security Act because they do not meet
8 income and resources requirements; and

9 (B) are eligible to receive an optional state supple-
10 mentary payment;

11 (2) persons in a medical or intermediate care facility

12 (A) whose income while in the facility does not exceed
13 300 percent of the supplemental security income benefit rate under
14 Title XVI of the Social Security Act; and

15 (B) who would not be eligible for an optional state
16 supplementary payment if they left the facility;

17 (3) persons under 21 year of age

18 (A) who are under the supervision of the department;

19 (B) whose maintenance is paid in whole or in part from
20 public funds; and

21 (C) who are in foster homes or private child-care insti-
22 tutions;

23 (4) persons under 21 years of age who

24 (A) receive treatment in a psychiatric hospital; and

25 (B) are financially eligible as determined by the stan-
26 dards of Part A of Title IV of the Social Security Act;

27 (5) persons under 21 years of age who are

28 (A) in an institution designated by the department as an
29 intermediate care facility for the mentally retarded; and

1 (B) financially eligible as determined by the standards
2 of the federal aid to families with dependent children program;

3 (6) women who are pregnant;

4 (7) persons under 21 years of age who do not qualify for
5 benefits under the federal aid to families with dependent children pro-
6 gram because they are not dependent children;

7 (8) intermediate nursing home services;

8 (9) eye examinations by an ophthalmologist or optometrist; or
9 eyeglasses prescribed by a physician skilled in the diseases of the eye
10 or by an optometrist;

11 (10) treatment of speech, hearing, or language disorders;

12 (11) physical or occupational therapy;

13 (12) care at an intermediate care facility for the mentally
14 retarded;

15 (13) care at an inpatient psychiatric facility;

16 (14) community mental health clinic services;

17 (15) surgical care center services;

18 (16) nurse midwife services;

19 (17) medical supplies and equipment;

20 (18) long-term care noninstitutional services.

21 * Sec. 4. AS 47.05 is amended by adding a new section to read:

22 Sec. 47.05.015. CONTRACTS. (A) Unless otherwise provided by law,
23 the department may contract with a person or local government for the
24 delivery of services to be provided by the department under AS 44.29.-
25 020 and AS 47.05.010.

26 (b) Services that may be provided by contract under this section
27 include accepting applications for assistance, conducting interviews,
28 making eligibility determinations, and issuing benefits, but do not
29 include adoption of program standards or other matters involving the
X

1 exercise of agency discretion.

2 (c) A contract authorized under this section is exempt from the
3 competitive bid requirements of AS 37.05.230. In awarding a contract
4 under this section the department shall publish a request for proposals
5 in accordance with regulations of the department.

6 * Sec. 5. AS 47.07.080(4) is repealed and reenacted to read:

7 (4) "clinic services" means services provided by state-
8 approved outpatient community mental health clinics that receive grants
9 under AS 47.30.520 - 47.30.620, state-operated community mental health
10 clinics, and physician clinics.

11 * Sec. 6. This Act takes effect immediately in accordance with AS 01.10-
12 070(c).

MEDICAID/GENERAL RELIEF MEDICAL
FISCAL AND PROGRAM ADJUSTMENTS--FY 83

AL MEDICAID	STATE FUNDS	FEDERAL FUNDS	DESCRIPTION OF PROGRAM CHANGE	GEN RELIEF MEDICAL	NEW PERSONS COVERED
50559.4	\$23154.0	\$27405.4	FY 83 Budget Request after reductions	\$11603.0	
			Deduction for Catastrophic Illness	(2158.4)	
50559.4	23154.0	27405.4		9444.6	
3102.6	1613.4	1489.2	Transfer of services from GRM to Medicaid (increase GRM amount by 50% for potential crossover)	(1613.4)	
53662.0	24767.4	28894.6		7831.2	
467.6	243.2	224.4	Addition of coverage for pregnant women	(243.2)	191
54129.6	25010.6	29119.0		7588.0	
1500.0		1500.0	Addition of IHS clinic services		
55629.6	25010.6	30619.0		7588.0	
6520.5	3390.7	3129.8	Addition of matchable children	(3390.7)	700
62150.1	28401.3	33748.8		4197.3	
3346.6		3346.6	Addition of 100% federal match children		3300
65496.7	28401.3	37095.4		4197.3	
220.2	111.5	108.7	GRM savings from Alaska participation in Medicare Part B buy-in	(111.5)	
55716.9	28512.8	37204.1		4085.8	
1355.2	1007.7	347.5	Elimination of Medicaid penalty caused by change in rate of federal funding	(1007.7)	
67072.1	29520.5	37551.6		3078.1	
1000.0	520.0	480.0	Medicaid trans due to IHS funding cuts	(520.0)	
68072.1	30040.5	38031.6		2558.1	
309.2	160.7	148.5	Admin costs of adding children	(160.7)	
68381.3	30201.2	38180.1	Balance after adjustments	2397.4	

ATTACHMENT B

MEDICAID/GRM EVALUATION WORKSHEET

MEDICAID

GENERAL RELIEF MEDICAL

Eligibility Groups	Service Categories	Rate Schemes
AGRICALLY NEEDY	FED MANDATORY	¢ Raise/lower APA
Cash household	\$ Hospital	¢ Raise/lower AFDC
Cash household	\$ Physician	Hospital rates
Cash household	\$ Skilled nursing	LTC rates
Institutional	\$ Lab and X-ray	Raise/lower phys pymt
Foster children	\$ Medical trans	Raise/lower others
Under 21 class	\$ Home health care	Limit access to svcs
Over 21 class	\$ EPSDT/incl dental	Prior auth of IP svcs
Pregnant women	\$ Family planning	Prior auth of OP svcs
AFDC children	\$ Rural hlth clinic	Limit IP svcs to emgcy
Institutional 300%		Limit OP svcs to emgcy
IC-IP household	FED OPTIONAL	Copymt on opt svcs
Relative relatives	1 Intermed nursing	Copymt on mand svcs
	2 Prescribed drugs	
AGRICALLY NEEDY	3 Eye care/glasses	
AFDC children	4 Speech, hearing	
Pregnant women	5 PT/OT	
Foster children	6 ICF/MR	
IC-type adults	7 Psych facility	
IC-type household	Clinic services:	
IC-IP-type household	8 Mental health	
Relative relatives	* Birthing ctrs	
	* Physician (IHS)	
	9 Surgical care ctrs	
	10 Nurse midwife	
	11 Med supplies & eqpt	
	* Noninstl LTC	
	* Personal care	
	* Podiatrist	
	* Dentures	
	* Dental	
	* Chiropractic	
	* Diag, rehab, etc	
	* Pvt duty nursing	
	* Physician assts	
	* Pvt psychologists	
	* Nurse practitioners	

Eligibility Groups	Service Categories	Rate Schemes
1 AFDC-UP children	1 Hospital	Raise/lower standards
2 Single employables	2 Physician	Raise/lower resources
3 Employable couples	3 Prescribed drugs	Hospital rates
	4 Lab and X-ray	LTC rates
	5 PT/OT	Raise/lower phys pymt
	6 Medical trans	Raise/lower pymt--other
	7 Emergency dental	Limit access to svcs
	8 Med supplies & eqpt	Prior auth of IP svcs
	9 Eye care/glasses	Prior auth of OP svcs
	10 Family planning	Limit IP svcs to emgcy
	11 Abortions	Limit OP svcs to emgcy
	12 Surgical care ctrs	
	13 Speech, hearing	
	14 Skilled nursing	
	15 Intermed nursing	

covered under Alaska Medicaid program
 Federally-mandated groups of eligibles--not ranked
 Services with numbers are ranked from most important to least important--no

\$--Federally-mandated categories of service--not ranked
 ¢--Payment rates established by Alaska Legislature
 Rankings are indicated for changes in rate schemes

ATTACHMENT C

POSITION PAPER

SENATE BILL NO. 817

*Loene
Send to
Jim*

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

I. BACKGROUND

The Alaska Medicaid program was created by the Legislature in 1972 and sections in the statutes were created to list all categories of service and groups of eligibles. The original legislation created a program providing basic medical coverage for individuals eligible for cash payments under the Aid to Families with Dependent Children (AFDC) and the Adult Public Assistance (APA) programs, individuals in long term care facilities, and children under supervision of the Department in foster homes and private child-caring facilities. Since 1972, the Legislature has amend the statutes several times to add new groups of eligibles or categories of service.

The new groups of eligibles added to AS 47.07.020 since 1972 have been institutionalized individuals for whom the state had previously paid all of their cost of care. By adding them to the Medicaid program, the state was able to receive federal funds to partially offset state funds.

The new categories of service added to AS 47.07.030 since 1972 have been fairly low cost services when compared to the total Medicaid program. Several of the new categories of service had the effect of permitting the state to receive federal funds to partially offset state funds being used to provide services.

II. NEED FOR CHANGES IN MEDICAID AND GRM

At this time the Department is anticipating having to make reductions in the Medicaid and General Relief Medical (GRM) programs during FY 83 as the funds requested will not cover expenditures based on historical usage. Since the Medicaid categories of service and groups of eligible are set out in statute, the only flexibility available to the Department is to limit access to services or reduce payment to providers. Since GRM categories of service and eligibility requirements are not in statute, the Department has more flexibility to make program changes. Attachment C breaks down the Medicaid and GRM programs to allow identification of the areas in each program where the Department can make changes to remain within expected FY 83 program budgets without passage of SB 817.

For Medicaid, the Department has proposed: (1) limiting access to providers in an attempt to reduce the amount of services individuals receive; and (2) reducing the rates of payment to hospitals and long term care facilities so that in many cases, payment will be below the amount that would be paid if the Department was paying for the full cost of providing care to Medicaid eligibles.

For GRM, the Department has proposed: (1) limiting GRM eligibility to one two-month period of coverage during any 12 months except for

emergency medical needs; and (2) reducing the rates of payment to hospitals and long term care facilities as proposed under Medicaid. It should also be added that the income and resource limits under the GRM program have not been increased since 1977 and are far below the limits for Medicaid.

SB 817 could be used to permit the Department to make adjustments in the Medicaid and GRM programs if the changes discussed below are made in the bill and in the FY 83 appropriation for the Medicaid and GRM programs. These proposed changes are based on the assumption that one primary goal of the Medicaid and GRM programs should be to provide financial assistance to those persons least able to provide for their own needs.

The present Medicaid program provides coverage for financially needy aged, blind, and disabled individuals through their eligibility for APA. Coverage is also available for financially needy children in AFDC households where there is only one parent. However, because the Alaska AFDC program does not provide financial assistance to families with two employable adults regardless of their financial need, many needy children are not receiving the full range of health care services available under Medicaid. While a limited range of health care services are available under GRM to children in families without other medical resources, few truly needy children are covered by GRM because income and resource standards under GRM are considerably lower than they are for Medicaid.

By passage of SB 817, Medicaid coverage for needy children not in AFDC households would be established. This new Medicaid coverage could be provided without new funds if changes are made in the FY 83 appropriation. The GRM budget request unit should be incorporated in the Medicaid budget request unit and specific intent included giving the Department authority to move funds between components in order to comply with the changes made in the Medicaid program as a result of changes made by SB 817. This change in budgeting would permit the Department to use GRM as the state matching funds needed to earn federal Medicaid funds. Attachment A contains a draft summary sheet for a Medical Assistance BRU to replace the Medicaid and GRM BRUs, with proposed intent language to accomplish this change.

The remaining GRM funds would be used for three things: (1) to eliminate the Medicaid penalty in the FY 83 budget and continue providing Medicaid services at present levels without limiting access to health care services and without reducing the rates of payment to hospitals and long term care facilities; and (2) to absorb Medicaid transportation costs associated with reduction in IHS funding; and (3) to continue the GRM program as an emergency medical assistance program for single employable individuals and employable couples with or without children, to the extent permitted by available funding.

The theory behind the second proposal is based on the Department's experience administering the Catastrophic Illness program. Except in cases of extremely costly medical care, individuals usually have the ability to work out some type of payment agreement with health care providers, often over an extended period of time if there is some reasonable expectation of payment. While it may be desirable for the state to provide that payment on behalf of needy employable individuals, funding limitations often force priorities to be assigned. In the case of state funding for health care services, individuals least able to

provide for themselves should receive a higher priority rating than employable individuals.

III. PROPOSED AMENDMENTS TO SB 817

Section 1 should be amended to eliminate proposed subsection (9). Subsection (9) would add employable adults and, given the present state funding limitations, it would be a better use of scarce resources to provide a full range of health care services, including preventive screening services and dental care, to a maximum number of needy children.

Section 2 would create a Medicaid medically needy program. While this would provide some financial assistance for individuals with income above the level presently covered by Medicaid, it should not be included in SB 817 because it represents new costs. Instead, Section 2 should be limited to adding pregnant women under Medicaid, coverage which is presently provided under GRM for a limited number of individuals could be expanded with funds from the GRM program.

Sections 4 and 5 contain a drafting error which causes the definition of clinic services to be moved from AS 47.07.080, the definitions section, to AS 47.07.030, the section listing services covered under Medicaid. The amended definition of clinic services should remain in the definitions section.

IV. EFFECT OF SENATE BILL NO. 817

Section 1 of the bill amends AS 47.07.020 by adding all children with income below the need standards for payment under the AFDC program, but who are not eligible because they do not meet the definition of dependent children under the AFDC program as discussed above.

Section 3 would transfer from GRM to Medicaid the cost of providing the following categories of service to Medicaid eligible individuals: physical and occupational therapy, prescribed drugs, and prosthetic devices and medical supplies. In addition, SB 817 would give the Department increased flexibility in the area of long term care services.

The Department has projected some cost savings resulting from this amendment. Since the Medicaid program permits eligible individuals free choice of medical providers, individuals eligible for Medicaid and the Indian Health Service can choose between private providers and IHS facilities when they seek medical treatment. While experience has shown that the "crossover" to private health care providers under Medicaid is a small percentage of total Medicaid-IHS dual eligibles, changes in IHS funding or policies could result in increased crossover.

With the passage of the Omnibus Reconciliation Act of 1981, Congress provided increased flexibility to states in the management of the Medicaid program. States may now receive federal funds for certain noninstitutional services when these services are provided to keep an individual out of a long term care facility. The following home and community-based services (other than room and board) may be covered

under the long-term care noninstitutional category of service: case management, homemaker and home health aide, personal care, adult day health, habilitation, respite care, and minor physical adaptation to an individual's home.

While there will probably be no cost savings initially by the addition of this new category of services, over the next several years the rate of growth of long term care institutional services should decrease as individuals receive services at home, in residential care facilities, and other less costly living situations rather than in institutions. While the fiscal note does not reflect any increase in cost to implement this provision, it should be clearly stated that the Department be permitted the flexibility to transfer funds between BRUs and to use Medicaid program funds to provide the case management services necessary to make the program work. The Medicaid nursing home budget request for FY 83 is \$21,831,300 so even the deferral of as little as 5 percent of that total could provide over \$1 million for noninstitutional services.

Sections 4 would revise the definition of clinic services to add physician clinics. While this will not add any new private providers to the Medicaid program, it will permit clinics owned by the Indian Health Service to receive 100 percent federally-funded reimbursement under Medicaid. Without a change in statute, these clinic will continue to be barred from collecting approximately \$1,500,000 in federal Medicaid funds. Since IHS in Alaska is experiencing funding problems, these new federal Medicaid funds should permit clinics to continue operating at their historical service levels and help avoid increasing demand for services from private providers which would be covered under Medicaid using state and federal funds rather than federal funds only.

V. DEPARTMENTAL POSITION

The Department supports SB 817 with the amendments to the bill and the Medicaid and GRM FY 83 appropriations proposed by this position paper.

Recommended by: Rod Betit by 1050
Rod Betit, Director
Division of Public
Assistance

Date: 3/19/82

Approved by: Helen D. Beirne
Helen D. Beirne
Commissioner, Dept. of
Health & Social Services

Date: 3-22-82

LEGISLATIVE INTENT:

To implement changes in coverage caused by passage of SB 817, the Department has the authority to transfer funds between components as needed to cover new categories of service and groups of eligibles under the Medicaid program to reduce the scope of the General Relief Medical program, and to make up the Medicaid penalty.

LEGISLATIVE INTENT:

The Department has the authority to transfer funds from the Medical Assistance BRU to the Eligibility Determination BRU to provide funding for up to 7 new field positions when they are needed to determine eligibility for new Medicaid eligibles under SB 817.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817
Title An Act relating to medical assistance for needy persons
Requested by Senate HESS Committee Date 3/19/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
Program Category Affected Health
BRU, Program, Or Subprogram(s) Affected General Relief Medical
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		(11603.0)	(13330.9)	(15321.9)	(17610.9)	(20241.9)
TOTAL		(11603.0)	(13330.9)	(15321.9)	(17610.9)	(20241.9)

FUNDING (Thousands of Dollars)

GENERAL FUND		(11603.0)	(13330.9)	(15321.9)	(17610.9)	(20241.9)
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Entire General Relief Medical budget transferred to new budget request unit titled "Medical Assistance" and to the Eligibility Determination budget request unit to provide funding for administrative costs associated with the addition of new eligibles to the Medicaid program.

IV. DATE 3/22/82 PREPARED BY David M. Davidson
AGENCY Division of Public Assistance
PHONE 465-3347

Original: Legislative Finance

POSITION PAPER

COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 817

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

I. BACKGROUND

The Alaska Medicaid program was created by the Legislature in 1972 and sections in the statutes were created to list all categories of service and groups of eligibles. The original legislation created a program providing basic medical coverage for individuals eligible for cash payments under the Aid to Families with Dependent Children (AFDC) and the Adult Public Assistance (APA) programs, individuals in long term care facilities, and children under supervision of the Department in foster homes and private child-caring facilities. Since 1972, the Legislature has amended the statutes several times to add new groups of eligibles or categories of service.

The new groups of eligibles added to AS 47.07.020 since 1972 have been institutionalized individuals for whom the state had previously paid all of their cost of care. By adding them to the Medicaid program, the state was able to receive federal funds to partially offset state funds.

The new categories of service added to AS 47.07.030 since 1972 have been fairly low cost services when compared to the total Medicaid program. Several of the new categories of service had the effect of permitting the state to receive federal funds to partially offset state funds being used to provide services.

II. NEED FOR CHANGES IN MEDICAID AND GRM

At this time the Department is anticipating having to make reductions in the Medicaid and General Relief Medical (GRM) programs during FY 83 as the funds requested will not cover expenditures based on historical usage. Since the Medicaid categories of service and groups of eligible are set out in statute, the only flexibility available to the Department is to limit access to services or reduce payment to providers. Since GRM categories of service and eligibility requirements are not in statute, the Department has more flexibility to make program changes. Attachment C breaks down the Medicaid and GRM programs to allow identification of the areas in each program where the Department can make changes to remain within expected FY 83 program budgets without passage of CSSB 817.

For Medicaid, the Department has proposed: (1) limiting access to providers in an attempt to reduce the amount of services individuals receive; and (2) reducing the rates of payment to hospitals and long term care facilities so that in many cases, payment will be below the amount that would be paid if the Department was paying for the full cost of providing care to Medicaid eligibles.

For GRM, the Department has adopted emergency regulations limiting the GRM program to emergency medical care. The Department is also planning to reduce the rates of payment to hospitals and long term care facilities as proposed under Medicaid. It should also be added that the income and resource limits under the GRM program have not been increased since 1977 and are far below the limits for Medicaid.

CSSB 817 would permit the Department to make adjustments in the Medicaid and GRM programs. These proposed changes are based on the assumption that a primary goal of the Medicaid and GRM programs should be to provide financial assistance first to those persons least able to provide for their own needs.

The present Medicaid program provides coverage for financially needy aged, blind, and disabled individuals through their eligibility for APA. Coverage is also available for financially needy children in AFDC households where there is only one parent. However, because the Alaska AFDC program does not provide financial assistance to families with two employable adults regardless of their financial need, many needy children are not receiving the full range of health care services available under Medicaid. While a limited range of health care services are available under GRM to children in families without other medical resources, few truly needy children are covered by GRM because income and resource standards under GRM are considerably lower than they are for Medicaid.

By passage of CSSB 817, Medicaid coverage for needy children not in AFDC households would be established. This new Medicaid coverage could be provided without new funds if changes are made in the FY 83 appropriation. The GRM and Medicaid budget request units should be incorporated into a single budget request unit and specific intent included giving the Department authority to move funds between components in order to comply with the changes made in the Medicaid program as a result of changes made by CSSB 817. This change in budgeting would permit the Department to use GRM as the state matching funds needed to earn federal Medicaid funds. Attachment A contains a draft summary sheet for a Medical Assistance BRU to replace the Medicaid and GRM BRUs, with proposed intent language to accomplish this change.

The remaining GRM funds would be used for three things: (1) to eliminate the Medicaid penalty in the FY 83 budget and continue providing Medicaid services at present levels without limiting access to health care services and without reducing the rates of payment to hospitals and long term care facilities; and (2) to absorb Medicaid transportation costs associated with reduction in IHS funding; and (3) to continue the GRM program as an emergency medical assistance program for single employable individuals and employable couples with or without children, to the extent permitted by available funding.

The theory behind the proposal to manage the GRM as an emergency medical program is based on the Department's experience administering the Catastrophic Illness program. Except in cases of extremely costly medical care, individuals usually have the ability to work out some type of payment agreement with health care providers, often over an extended period of time if there is some reasonable expectation of payment. While it may be desirable for the state to provide medical payment on behalf of needy employable individuals, funding limitations often force

priorities to be assigned. In the case of state funding for health care services, individuals least able to provide for themselves should receive a higher priority rating than employable individuals.

III. EFFECT OF SENATE BILL NO. 817

Section 1 of the bill amends AS 47.07.020 by adding all children with income below the need standards for payment under the AFDC program, but who are not eligible because they do not meet the definition of dependent children under the AFDC program.

Section 2 would transfer from GRM to Medicaid the cost of providing the following categories of service to Medicaid eligible individuals: physical and occupational therapy, prescribed drugs, and prosthetic devices and medical supplies. In addition, SB 817 would give the Department increased flexibility in the area of long term care services.

The Department has projected some cost savings resulting from this amendment. Since the Medicaid program permits eligible individuals free choice of medical providers, individuals eligible for Medicaid and the Indian Health Service can choose between private providers and IHS facilities when they seek medical treatment. While experience has shown that the "crossover" to private health care providers under Medicaid is a small percentage of total Medicaid-IHS dual eligibles, changes in IHS funding or policies could result in increased crossover.

There has been some discussion about amending the bill to remove prescribed drugs from the services being added to Medicaid. While the Department would strongly support CSSB 817 even without prescribed drugs, it should be understood that by moving prescribed drugs to Medicaid, the Department generates nearly \$1 million in additional federal funds to provide health care services. We understand that pharmacists object to prescribed drugs being covered under Medicaid because federal regulations require payment to be made on a reasonable cost basis rather than paying the amount charged (whether reasonable or not). However, this objection does not change the fact that the Department intends to make this change in reimbursement for prescribed drugs during FY 83 even if CSSB 817 does not pass as a cost-savings method because it will reduce payment to pharmacists by approximately 15 percent.

We understand that pharmacists oppose moving prescribed drugs to Medicaid because of their perception that greater reimbursement flexibility exists under GRM than Medicaid. Reasonable cost reimbursement principles that apply to other health care providers have not been used for payment to pharmacists. While GRM does have more flexibility than Medicaid, all providers except pharmacists have received payment under GRM using the same reimbursement principles as Medicaid. Absent the adoption of CSSB 817, the funding available to the Department in FY 83 under the present Medicaid and GRM programs will not permit the status quo to be maintained with respect to reimbursement of health care providers. All providers, including pharmacists, will receive lower rates of payment for providing services to Medicaid and GRM eligibles.

Section 3 would indicate the order of priority of optional groups of eligibles and categories of service under the Alaska Medicaid program. This section would add an additional tool for management of the Medicaid

program. If it becomes necessary to reduce the Medicaid program to stay within an appropriation, in addition to reducing payment to providers and restricting client access to services, the Department would be able to eliminate the lowest priority optional categories of service.

Sections 4 would revise the definition of clinic services to add physician clinics. While this will not add any new private providers to the Medicaid program, it will permit clinics owned by the Indian Health Service to receive 100 percent federally-funded reimbursement under Medicaid. Without a change in statute, these clinics will continue to be barred from collecting approximately \$1,500,000 in federal Medicaid funds. Since IHS in Alaska is experiencing funding problems, these new federal Medicaid funds should permit clinics to continue operating at their historical service levels and help avoid increasing demand for services from private providers which would be covered under Medicaid using state and federal funds rather than federal funds only.

IV. DEPARTMENTAL POSITION

The Department supports CSSB 817 and the Medicaid and GRM FY 83 appropriations proposed by this position paper. Removing prescribed drugs from the services to be added to Medicaid does not make passage of CSSB 817 any less critical, but it will reduce by \$1 million the amount of money available to provide health care services to needy Alaskans. Passage of CSSB 817 would assure that needy children not presently eligible for Medicaid would receive full health care services. Failure to pass CSSB 817 will result in many needy children being eligible only for emergency medical services under the GRM program.

Recommended by:

Rod Betit

Rod Betit, Director
Division of Public
Assistance

Date:

April 28, 1982

Approved by:

Helen D. Beirne

Helen D. Beirne
Commissioner, Dept. of
Health & Social Services

Date:

4-28-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

SUMMARY FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for Senate Bill 817 (Finance)
 Title An Act relating to medical assistance for needy persons
 Requested by House HESS Committee Date 5/11/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health
 BRU, Program, Or Subprogram(s) Affected Medical Assistance *
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		9185.2	10563.0	12147.4	13969.5	16064.9
TOTAL		9185.2	10563.0	12147.4	13969.5	16064.9

FUNDING (Thousands of Dollars)

		0	0	0	0	0
GENERAL FUND						
FEDERAL FUNDS		9185.2	10563.0	12147.4	13969.5	16064.9
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

*The Medical Assistance BRU would be created by combining the present Medicaid and General Relief Medical BRUs. This and the passage of CSSB 817 would permit the Department of Health and Social Services to claim additional federal funds for Medicaid without using any additional state funds.

IV. DATE 5/12/82 PREPARED BY David M. Davidson
 AGENCY Division of Public Assistance
 Original: Legislative Finance PHONE 465-3347
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

David M. Davidson
ACC

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817
Title An Act relating to medical assistance for needy persons
Requested by Senate HESS Committee Date 3/19/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
Program Category Affected Social and Economic Assistance
BRU, Program, Or Subprogram(s) Affected Eligibility Determination
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		210.2	231.2	254.3	279.8	307.7
200 TRAVEL		7.7	8.5	9.3	10.3	11.3
300 CONTRACTUAL		79.5	87.4	96.1	105.8	116.3
400 COMMODITIES		3.9	4.3	4.7	5.2	5.7
500 EQUIPMENT		7.9				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		309.2	331.4	364.4	401.1	441.0

FUNDING (Thousands of Dollars)

GENERAL FUND		160.7	172.3	189.5	208.6	229.3
FEDERAL FUNDS		148.5	159.1	174.9	192.5	211.7
OTHER (Specify Source)						

POSITIONS

FULL TIME		6	6	6	6	6
PART TIME						
TEMPORARY						

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

State General Funds transferred from General Relief Medical budget request unit to Eligibility Determination to provide funding for administrative costs associated with the addition of new eligibles to the Medicaid program.

IV. DATE 5/12/82 PREPARED BY David M. Davidson
AGENCY Division of Public Assistance
Original: Legislative Finance PHONE 465-3347
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

LEGISLATIVE INTENT:

To implement changes in coverage caused by passage of SB 817, the Department has the authority to transfer funds between components as needed to cover new categories of service and groups of eligibles under the Medicaid program, to reduce the scope of the General Relief Medical program, and to make up the Medicaid penalty.

LEGISLATIVE INTENT:

The Department has the authority to transfer funds from the Medical Assistance BRU to the Eligibility Determination BRU to provide funding for up to 7 new field positions when they are needed to determine eligibility for new Medicaid eligibles under SB 817.

MEDICAID/GRM EVALUATION WORKSHEET

MEDICAID

GENERAL RELIEF MEDICAL

<u>MEDICAID</u>			<u>GENERAL RELIEF MEDICAL</u>		
<u>Eligibility Groups</u>	<u>Service Categories</u>	<u>Rate Schemes</u>	<u>Eligibility Groups</u>	<u>Service Categories</u>	<u>Rate Schemes</u>
CATEGORICALLY NEEDY	FED MANDATORY	¢ Raise/lower APA	1 AFDC-UP children	1 Hospital	Raise/lower standards
# AFDC cash household	\$ Hospital	¢ Raise/lower AFDC	2 Single employables	2 Physician	Raise/lower resources
# SSI cash household	\$ Physician	Hospital rates	3 Employable couples	3 Prescribed drugs	Hospital rates
1 APA cash household	\$ Skilled nursing	LTC rates		4 Lab and X-ray	LTC rates
2 300% institutional	\$ Lab and X-ray	Raise/lower phys pymt		5 PT/OT	Raise/lower phys pymt
3 DHSS foster children	\$ Medical trans	Raise/lower others		6 Medical trans	Raise/lower pymt--other
4 API under 21 class	\$ Home health care	Limit access to svcs		7 Emergency dental	Limit access to svcs
5 ICF/MR under 21 class	\$ EPSDT/incl dental	Prior auth of IP svcs		8 Med supplies & eqpt	Prior auth of IP svcs
* Pregnant women	\$ Family planning	Prior auth of OP svcs		9 Eye care/glasses	Prior auth of OP svcs
* Non-AFDC children	\$ Rural hlth clinic	Limit IP svcs to emgcy		10 Family planning	Limit IP svcs to emgcy
* Noninstitutional 300%		Limit OP svcs to emgcy		11 Abortions	Limit OP svcs to emgcy
* AFDC-UP household	FED OPTIONAL	Copymt on opt svcs		12 Surgical care ctrs	
* Caretaker relatives	1 Intermed nursing	Copymt on mand svcs		13 Speech, hearing	
	2 Prescribed drugs			14 Skilled nursing	
MEDICALLY NEEDY	3 Eye care/glasses			15 Intermed nursing	
* Non-AFDC children	4 Speech, hearing				
* Pregnant women	5 PT/OT				
* DHSS foster children	6 ICF/MR				
* APA-type adults	7 Psych facility				
* AFDC-type household	Clinic services:				
* AFDC-UP-type household	8 Mental health				
* Caretaker relatives	* Birthing ctrs				
	* Physician (IHS)				
	9 Surgical care ctrs				
	10 Nurse midwife				
	11 Med supplies & eqpt				
	* Noninstl LTC				
	* Personal care				
	* Podiatrist				
	* Dentures				
	* Dental				
	* Chiropractic				
	* Diag, rehab, etc				
	* Pvt duty nursing				
	* Physician assts				
	* Pvt psychologists				
	* Nurse practitioners				

*--Not covered under Alaska Medicaid program

\$--Federally-mandated categories of service--not ranked

#--Federally-mandated groups of eligibles--not ranked

¢--Payment rates established by Alaska Legislature

Columns with numbers are ranked from most important to least important--no rankings are indicated for changes in rate schemes

CSSB 817--
 MEDICAID/GENERAL RELIEF MEDICAL
 FISCAL AND PROGRAM ADJUSTMENTS--FY 83

PROGRAM IMPACT	TOTAL MEDICAID	MEDICAID IMPACT STATE FUNDS	FEDERAL FUNDS	GENERAL RELIEF MEDICAL IMPACT GRM PROGRAM	GENERAL RELIEF MEDICAL IMPACT GRM REDUCTIONS	CASELOAD IMPACT NEW PERSONS COVERED
FY 83 Budget Request	\$51914.6	\$24461.8	\$27452.8	\$12178.3		
Less Budget Deductions	(1355.2)	(1307.8)	(47.4)	(575.3)		
	50559.4	23154.0	27405.4	11603.0		
Cat Illness Reduction	0	0	0	(2158.4)		
	50559.4	23154.0	27405.4	9444.6		
Transfer of services from GRM to Medicaid	101.0	52.8	48.2	(52.8)		
	50660.4	23206.8	27453.6	9391.8		
Coverage for pregnant women	467.6	243.2	224.4	(243.2)		191
	51128.0	23450.0	27678.0	9148.6		
IHS clinic services	1500.0	0	1500.0			
	52628.0	23450.0	29178.0	9148.6		
GRM children to Medicaid	6520.5	3390.7	3129.8	(3390.7)		700
	59148.5	26840.7	32307.8	5757.9		
New children/100% FFP	3346.6	0	3346.6			3300
	62495.1	26840.7	35654.4	5757.9		
Admin costs for new children	309.2	160.7	148.5	(160.7)		
	62804.3	27001.4	35802.9	5597.2		
Prescribed drugs	0	0	0	(1560.6)		
Totals--CSSB 817(Fin) changes	62804.3	27001.4	35802.9	4036.6		

5/11/82

ADDITIONAL CHANGES NEEDED BETWEEN
MEDICAID AND GRM BRUS

PROGRAM IMPACT	MEDICAID IMPACT			GENERAL RELIEF MEDICAL IMPACT		CASELOAD IMPACT
	TOTAL MEDICAID	STATE FUNDS	FEDERAL FUNDS	GRM PROGRAM	GRM REDUCTIONS	NEW PERSONS COVERED
	62804.3	27001.4	35802.9	4036.6		
GRM savings from participation in Medicare Part B buy-in	220.2	111.5	108.7	(111.5)		
	63024.5	27112.9	35911.6	3925.1		
Elimination of Medicaid penalty	1355.2	1007.7	347.5	(1007.7)		
	64379.7	28120.6	36259.1	2917.4		
IHS Medicaid transportation	1000.0	520.0	480.0	(520.0)		
Total--CSSB 817 and additional changes	65379.7	28640.6	36739.1	2397.4		

5/11/82

Original sponsor: Health, Education
and Social Services
Committee

Offered: 5/6/82
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

CS FOR SENATE BILL NO. 817 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

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

7

8

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

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* Section 1. AS 47.07.020(b) is amended by adding new paragraphs to read:

10

(8) persons under 21 years of age who would be eligible for

11

benefits under the federal aid to families with dependent children

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program, but who do not qualify because they are not dependent children;

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(9) women who are pregnant.

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* Sec. 2. AS 47.07.030 is amended to read:

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Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services

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to be offered to eligible persons include inpatient hospital, outpatient

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hospital, rural health clinic, outpatient surgical care centers, labora-

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tory and X-ray, refractions and eye examinations by ophthalmologists or

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optometrists, eyeglasses prescribed by a physician skilled in diseases

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of the eye or by an optometrist, inpatient psychiatric hospital for

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persons age 65 or older and persons under age 21, skilled and intermedi-

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ate nursing home, physician, nurse midwife, home health care services,

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early periodic screening diagnosis and treatment of persons under 21

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years of age, clinic services, treatment of speech, hearing and language

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disorders, physical therapy, occupational therapy, prosthetic devices

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and medical supplies, long-term care noninstitutional services, and rea-

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sonable transportation to and from the point of medical care. No addi-

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tional services may be provided unless approved by the legislature.

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* Sec. 3. AS 47.07 is amended by adding a new section to read:

1 Sec. 47.07.035. PRIORITY OF SERVICES. If the funding in a fiscal
2 year is inadequate to finance the total medical assistance program under
3 AS 47.07, the department shall, to the extent that federal law and
4 funding permits, provide medical assistance in the following order:

5 (1) aged, blind, or disabled persons who

6 (A) do not receive supplemental security income under
7 Title XVI of the Social Security Act because they do not meet
8 income and resources requirements; and

9 (B) are eligible to receive an optional state supple-
10 mentary payment;

11 (2) persons in a medical or intermediate care facility

12 (A) whose income while in the facility does not exceed
13 300 percent of the supplemental security income benefit rate under
14 Title XVI of the Social Security Act; and

15 (B) who would not be eligible for an optional state
16 supplementary payment if they left the facility;

17 (3) persons under 21 years of age

18 (A) who are under the supervision of the department;

19 (B) whose maintenance is paid in whole or in part from
20 public funds; and

21 (C) who are in foster homes or private child-care insti-
22 tutions;

23 (4) persons under 21 years of age who

24 (A) receive treatment in a psychiatric hospital; and

25 (B) are financially eligible as determined by the stan-
26 dards of Part A of Title IV of the Social Security Act;

27 (5) persons under 21 years of age who are

28 (A) in an institution designated by the department as an
29 intermediate care facility for the mentally retarded; and

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(B) financially eligible as determined by the standards of the federal aid to families with dependent children program;

- (6) women who are pregnant;
- (7) persons under 21 years of age who do not qualify for benefits under the federal aid to families with dependent children program because they are not dependent children;
- (8) intermediate nursing home services;
- (9) eye examinations by an ophthalmologist or optometrist; or eyeglasses prescribed by a physician skilled in the diseases of the eye or by an optometrist;
- (10) treatment of speech, hearing, or language disorders;
- (11) physical or occupational therapy;
- (12) care at an intermediate care facility for the mentally retarded;
- (13) care at an inpatient psychiatric facility;
- (14) community mental health clinic services;
- (15) surgical care center services;
- (16) nurse midwife services;
- (17) medical supplies and equipment;
- (18) long-term care non-institutional services.

* Sec. 4. AS 47.07.080(4) is repealed and reenacted to read:

(4) "clinic services" means services provided by state-approved outpatient community mental health clinics that receive grants under AS 47.30.520 - 47.30.620, state-operated community mental health clinics, and physician clinics.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-070(c).

Introduced: 2/23/82
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 818

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act increasing the longevity bonus; and providing
7 for an effective date."

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

9 * Section 1. AS 47.45.010(a) is amended to read:

10 (a) A person who is 55 years of age or over, who was domiciled in
11 the territory on or before January 3, 1959 and who has maintained a
12 continuous domicile in the territory or state for 25 years may apply to
13 the commissioner of administration for qualification to receive a
14 monthly bonus of \$300 [\$250].

15 * Sec. 2. This Act takes effect July 1, 1982.
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ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND Session

SENATE ... BILL..... NO. 818..
By THE STATE AFFAIRS COMMITTEE

"An Act increasing the longevity bonus; and providing for an effective date."

Introduced in the Senate ... 2/23/19.82

HISTORY IN THE SENATE

19	82	Read first time and referred to Committee on																						
2	23	State Affairs and Finance																						
2	25	<i>St Affairs waived -</i> Reported back with recommendation that																						
		Read second time and																						
		Read third time and																						
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		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																						
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		Reported correctly engrossed Signed by Speaker Returned to Senate																						
CHIEF CLERK OF THE HOUSE																								

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 818
 Title An Act Increasing the Longevity Bonus
 Requested by Senate State Affairs Date 3/3/82

II. FISCAL DETAIL

Agency Affected Administration
 Program Category Affected Social & Economic Assistance for the Aged.
 BRU, Program, Or Subprogram(s) Affected Longevity Bonus Program.
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	0	5,788.8	6,220.8	6,652.8	7,084.8	7,516.8
TOTAL	0	5,788.8	6,220.8	6,652.8	7,084.8	7,516.8

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	5,788.8	6,220.8	6,652.8	7,084.8	7,516.8
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

The number of qualified Longevity Bonus recipients for January, 1982 was 8,922. For the past year the number has increased at the rate of 60 per month, and it is believed that the program will continue to grow at approximately the same rate.

Assuming that the rate of increase will remain constant, the number of qualified recipients will be 9,648 in January of 1983. Since January is midway in the fiscal year, the January number can be used for the fiscal year average.

S.B. 818 would increase the Longevity Bonus from \$250 per month to \$300 per month. This increase would affect needed funding as follows:

IV. DATE 3/1/82

PREPARED BY George A. Michael
 AGENCY Administration OFFICER

Original: Legislative Finance
 cc: Budget and Management

PHONE 465-4401

Prime Sponsor (First Legislator Named) Senate State Affairs
 33-001 (Revised 8/81) of the Governor: Keith Specking

<u>Fiscal Year</u>	<u>No. Eligible</u>		<u>Amount of Increase</u>		<u>Month</u>		<u>Total Increase</u>
1983	9,648	x	\$50	x	12	x	\$5,788,800
1984	10,368	x	\$50	x	12	x	6,220,800
1985	11,088	x	\$50	x	12	x	6,652,800
1986	11,808	x	\$50	x	12	x	7,084,800
1987	12,528	x	\$50	x	12	x	7,516,800

Introduced: 2/23/82
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2

SENATE BILL NO. 818

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act increasing the longevity bonus; and providing
7 for an effective date."

8

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

9

* Section 1. AS 47.45.010(a) is amended to read:

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(a) A person who is 65 years of age or over, who was domiciled in
the territory on or before January 3, 1959 and who has maintained a
continuous domicile in the territory or state for 25 years may apply to
the commissioner of administration for qualification to receive a
monthly bonus of \$300 [\$250].

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* Sec. 2. This Act takes effect July 1, 1982.

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Introduced: 2/24/82
Referred: Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 820

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to payment for the registration of
7 voters; and providing for an effective date."

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

9 * Section 1. AS 15.07.110 is amended to read:

10 Sec. 15.07.110. PAYMENT FOR REGISTRATION. The director shall pay
11 each registration official serving between elections [A SUM SET BY
12 REGULATION ADOPTED BY THE DIRECTOR WHICH MAY NOT EXCEED] \$1 for each
13 registration or change of registration personally made by the registra-
14 tion official. The director may not pay a registration official for
15 voter registration forms postmarked later than five days following
16 completion by the voter.

17 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
18 070(c).

29 SB 820

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND. Session

SENATE .. BILL..... NO. ..820..

By THE STATE AFFAIRS COMMITTEE

"An Act relating to payment for the registration of voters; and providing for an effective date."

Introduced in the Senate 2/24/19... 82

HISTORY IN THE SENATE

19	82	Read first time and referred to Committee on										
2	24	Finance										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
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HISTORY IN THE HOUSE

19		Read first time and referred to Committee on										
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		Returned to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

Introduced: 2/24/82
Referred: Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 820

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to payment for the registration of
7 voters; and providing for an effective date."

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11 each registration official serving between elections [A SUM SET BY
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13 registration or change of registration personally made by the registra-
14 tion official. The director may not pay a registration official for
15 voter registration forms postmarked later than five days following
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18 070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. Senate Bill No. 820 - "An Act relating to payment
Title for the registration of voters; and providing for an effective date."
Requested by Senate State Affairs Date 2-26-82

II. FISCAL DETAIL
Agency Affected Office of the Governor
Program Category Affected Division of Elections
BFA, Program, Or Subprogram(s) Affected Division of Elections
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	35.1	43.1	35.4	45.2		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	35.1	43.1	35.4	45.2		

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	35.1	43.1	35.4	45.2		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

No additional positions required.

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

ASSUME:

1. Registrars are responsible for 75% of all registration activity.
2. Registration activity increases on a two-year election cycle.
3. There are approximately 40,000 new registrations processed in a general election year; 15,000 new registrations processed in an off-election year.
4. Approximately 25% of registered voters change their address yearly.
5. Approximately 5% of registered voters change either their name or party affiliation yearly.

No additional funds are required beyond the Contractual Services Area.

IV. DATE 3-2-82 PREPARED BY Dana C. Coffman *Dana C. Coffman*
AGENCY Division of Elections
Original: Legislative Finance PHONE 586-6181
cc: Budget and Management
Prime Sponsor (First Legislator Named)

JAY S. HAMMOND
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 2, 1982

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to preliminary work on the Susitna River hydroelectric project. The bill authorizes the Alaska Power Authority to enter into contracts for preliminary work on the project without waiting for approval of the project under AS 44.83.325. The provisions of AS 44.83.325 currently authorize the Alaska Power Authority to enter into contracts for feasibility studies, preliminary reports, and the Anchorage to Fairbanks intertie. However, it is not clear that the authority would be authorized to continue to enter into these contracts should the authority be unable to present its report to the legislature by April 30, 1982 (as required by AS 44.83.-320(b)) or should the legislature be unable to approve the report by that date. This bill would simply allow the Alaska Power Authority to enter into contracts to conduct the work which must be done before actual construction on the Susitna River hydroelectric project may begin and will make it clear that those contracts are authorized even in the absence of approval of the project under AS 44.83.325.

Sincerely,

Jay S. Hammond
Governor

Introduced: 3/2/82
Referred: Resources and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 826

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to preliminary work on the Susitna
7 River hydroelectric project."

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

9 *Section 1. Notwithstanding the provisions of AS 44.83.325, the Alaska
10 Power Authority may enter into contracts under AS 44.83.300 -- 44.83.360 for
11 preliminary work without the approval required by AS 44.83.325. In this
12 section, "preliminary work" means the preparation of plans, studies, and
13 license applications, as well as other types of work, which must be completed
14 before actual construction of the Susitna River hydroelectric project, des-
15 cribed in AS 44.83.300, may begin. This section does not authorize the
16 Alaska Power authority to enter into contracts for the actual construction of
17 the Susitna River hydroelectric project or for the preparation of the site of
18 the Susitna River hydroelectric project without the approval required by
19 AS 44.83.325.

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COMMITTEE REPORT
SENATE

3/2/82

FURTHER: Finance

Date: 3/10/82

Mr. President:

The Committee on RESOURCES has had SB 825

transferring among various appropriations to the Alaska Power Authority for power projects

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 SB 825 (R) 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

2 Dan Gilman (only if all appropriation show up in SB 608)

1 [Signature]
1 Bob Mulcahy

MEMBERS HAVING
OTHER RECOMMENDATIONS:

3 [Signature] (no rec.)
3 Brad Good (no rec.)
3 [Signature] (no rec.)

1 [Signature] Do Pass
CHAIRMAN

Original sponsor: Rules/Governor

Offered: 3/12/82
Referred: Finance

Funding Information

General Fund	\$5,499,000
Other Funds	-0-
	<u>\$5,499,000</u>

1 IN THE SENATE BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 825 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act transferring among various appropriations to
7 the Alaska Power Authority for power projects and
8 making special appropriations to the Alaska Power
9 Authority for power projects; and providing for an
10 effective date."

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

12 * Section 1. The appropriations and portions of appropriations made to
13 the Alaska Power Authority and listed in this section are transferred to the
14 power projects listed in sec. 2 of this Act:

15 (1) the sum of \$250,000 appropriated for the Angoon tidal power
16 project in sec. 1, ch. 54, SLA 1980, as amended by sec. 49, ch. 120, SLA
17 1980;

18 (2) the sum of \$974,000 of the \$1,100,000 appropriated for the
19 Akutan project in sec. 1, ch. 54, SLA 1980, as amended by sec. 49, ch. 120,
20 SLA 1980;

21 (3) the sum of \$2,000,000 appropriated for a loan to the City of
22 Bethel to purchase the Bethel Utilities Corporation in sec. 3, ch. 54, SLA
23 1980;

24 (4) the sum of \$8,000,000 of the \$60,000,000 appropriated to the
25 power development fund for the Green Lake project in sec. 1(2), ch. 90, SLA
26 1981, as repealed and reenacted by sec. 69, ch. 92, SLA 1981;

27 (5) the sum of \$5,000,000 of the \$68,000,000 appropriated for the
28 Solomon Gulch project in sec. 1(4), ch. 90, SLA 1981, as repealed and re-
29 enacted by sec. 69, ch. 92, SLA 1981; and the sum of \$10,000,000 of the

1 \$10,000,000 of that appropriation deferred in sec. 69, ch. 92, SLA 1981;

2 (6) the sum of \$4,450,000 of the \$4,500,000 appropriated for the
3 Lake Elva project in sec. 11, ch. 90, SLA 1981;

4 (7) the sum of \$1,500,000 appropriated for a loan to the City of
5 Petersburg for transmission and distribution lines in sec. 20, ch. 90, SLA
6 1981;

7 (8) the sum of \$1,500,000 appropriated for a loan to the City of
8 Wrangell for transmission and distribution lines in sec. 21, ch. 90, SLA
9 1981;

10 (9) the sum of \$127,000 appropriated for a loan to the City of
11 Akutan for electrification in sec. 34, ch. 90, SLA 1981;

12 (10) the sum of \$450,000 of the \$700,000 appropriated for the
13 Cuzinkie waste heat project in sec. 46, ch. 90, SLA 1981.

14 * Sec. 2. The appropriation transfers listed in this section are the
15 amounts transferred in sec. 1 of this Act to the following power projects of
16 the Alaska Power Authority:

17 (1) The sum of \$20,000,000 is transferred for the Terror Lake
18 project (sec. 1(a)(6), 1(b)(5), ch. 90, SLA 1981, as repealed and reenacted
19 by sec. 69, ch. 92, SLA 1981).

20 (2) The sum of \$3,000,000 is transferred for the Black Bear Lake
21 project (sec. 6(1), ch. 90, SLA 1981).

22 (3) The sum of \$2,500,000 is transferred for the Kotzebue district
23 heating project.

24 (4) The sum of \$5,000,000 is transferred for rural small hydro-
25 electric projects construction.

26 (5) The sum of \$2,000,000 is transferred for the West Creek hydro-
27 electric project.

28 (6) The sum of \$1,751,000 is transferred for the Grant Lake
29 project.

1 * Sec. 3. The sum of \$249,000 is appropriated from the general fund to
2 the Alaska Power Authority for the Grant Lake project.

3 * Sec. 4. The sum of \$4,000,000 is appropriated from the general fund to
4 the Alaska Power Authority for the Bristol Bay power project.

5 * Sec. 5. The sum of \$500,000 is appropriated from the general fund to
6 the Alaska Power Authority for the emergency maintenance fund.

7 * Sec. 5. The sum of \$750,000 is appropriated from the general fund to
8 the Alaska Power Authority for the renewal and replacement fund.

9 * Sec. 7. The sum of \$50,000,000 of the \$60,000,000 appropriated to the
10 power development fund for the Green Lake project in sec. 1(2), ch. 90, SLA
11 1981, as repealed and reenacted by sec. 69, ch. 92, SLA 1981, is transferred
12 to the power project fund (AS 44.83.170) for the Green Lake hydroelectric
13 project.

14 * Sec. 8. The appropriations made by this Act are for capital projects
15 and are subject to AS 37.25.020.

16 * Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

Introduced: 3/2/82
Referred: Resources and
Finance

IN THE SENATE

BY THE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

SENATE BILL NO. 825

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act transferring among various appropriations to the Alaska Power Authority for power projects and making special appropriations to the Alaska Power Authority for power projects; and providing for an effective date."

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

* Section 1. The sum of \$10,000,000 of the \$60,000,000 appropriated to the power development fund for the Green Lake project in section 1(2), ch. 90, SLA 1981, is transferred to the appropriation for the Tye Lake project in section 1(7), ch. 90, SLA 1981.

* Sec. 2. The sum of \$50,000,000 of the \$60,000,000 appropriated to the power development fund for the Green Lake project in section 1(2), ch. 90, SLA 1981, is transferred to the power project fund (AS 44.83.170) for the Green Lake hydroelectric project.

* Sec. 3. Section 11, ch. 90, SLA 1981, is amended to read:

The sum of \$4,500,000 is appropriated from the general fund to the Alaska Power Authority for a comprehensive analysis of Bristol Bay power needs and supply options [FOR DESIGN AND ENGINEERING FOR THE LAKE ELVA HYDROELECTRIC PROJECT].

* Sec. 4. The sum of \$48,000,000 is appropriated from the general fund to the power development fund of the Alaska Power Authority for the following projects in the amount specified after each:

Railbelt Intertie	\$38,000,000
Swan Lake	10,000,000

1 * Sec. 5. The sum of \$5,000,000 is appropriated from the general fund to
2 the power project emergency maintenance fund (AS 44.83.399) for the purposes
3 described in AS 44.83.399.

4 * Sec. 6. Section 5 of this Act takes effect on the effective date of a
5 version of an Act entitled "An Act relating to the energy program for
6 Alaska." Sections 1 -- 4 of this Act take effect immediately in accordance
7 with AS 01.10.070(c).

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JAY S. HAMMOND
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 2, 1982

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. President:

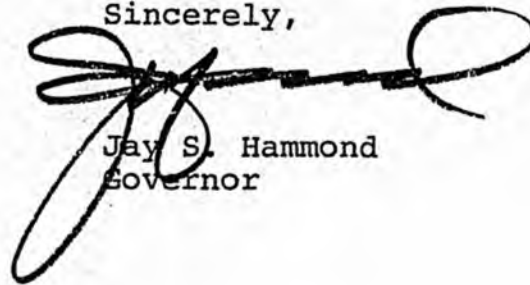
Under the authority of art III, sec. 18, of the Alaska Constitution, I am transmitting a bill making transfers among various appropriations to the Alaska Power Authority for power projects and making special appropriations to the Alaska Power Authority for power projects.

Last year, in section 1(2), ch. 90, SLA 1981, the sum of \$60,000,000 was appropriated to the power development fund for the Green Lake power project. However, the City of Sitka, which has previously provided financing for the project, prefers to retain ownership of the project. Since the use of money in the power development fund requires that the project for which the money is used be owned by the state, \$50,000,000 of the \$60,000,000 appropriated last year is being transferred to the power project fund, from which the power authority may make loans without obtaining an ownership interest in the project. The remaining \$10,000,000 is not necessary for the completion of the Green Lake project, and therefore, is being transferred to the Tye Lake power project so that the Tye Lake project can be completed.

The bill also amends last year's appropriation in section 11, ch. 90, SLA 1981, of \$4,500,000 for design and engineering for the Lake Elva project conducted under AS 44.83.181 did not demonstrate the project to be economically feasible. Consequently, the appropriation for the Lake Elva project is being amended so that a comprehensive feasibility study of other power generation alternatives for the Bristol Bay region can be completed.

The bill makes special appropriations necessary to complete the Swan Lake power project and the Railbelt Intertie. If a version of HB 655 or SB 646, which create a power project emergency maintenance fund, are enacted, this bill will also make a special appropriation of \$5,000,000 for the purposes of that fund.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay S. Hammond". The signature is stylized with large loops and a horizontal line extending to the right.

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND Session

SENATE ..BILL..... NO. 825...

By THE RULES COMMITTEE BY...
REQUEST OF THE GOVERNOR

"An Act transferring among various appropriations to the Alaska Power Authority for power projects and making special appropriations to the Alaska Power Authority for power projects; and providing for an effective date."

Introduced in the Senate ... 3/2/, 19.. 82

HISTORY IN THE SENATE

19	82	Read first time and referred to Committee on										
3	2	Resources & Finance										
3	12	Reported back with recommendation that <i>Assumed CS bill add, 3 do pass, 3 no res, 1 do pass in all approp. chair up in the bill 6/11</i>										
		Read second time and										
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CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

JAY S. HAMMOND
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 2, 1982

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. President:

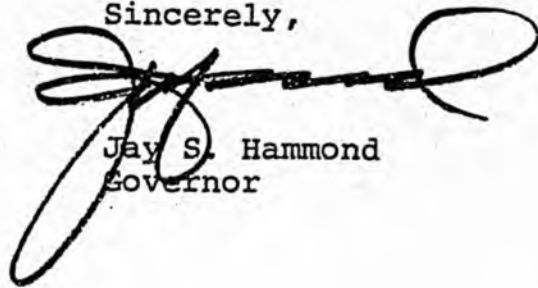
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The bill also amends last year's appropriation in section 11, ch. 90, SLA 1981, of \$4,500,000 for design and engineering for the Lake Elva project conducted under AS 44.83.181 did not demonstrate the project to be economically feasible. Consequently, the appropriation for the Lake Elva project is being amended so that a comprehensive feasibility study of other power generation alternatives for the Bristol Bay region can be completed.

The bill makes special appropriations necessary to complete the Swan Lake power project and the Railbelt Intertie. If a version of HB 655 or SB 646, which create a power project emergency maintenance fund, are enacted, this bill will also make a special appropriation of \$5,000,000 for the purposes of that fund.

Sincerely,

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Jay S. Hammond
Governor

Original sponsor: Rules/Governor

Offered: 3/12/82
Referred: Finance

Funding Information

General Fund	\$5,499,000
Other Funds	-0-
	<u>\$5,499,000</u>

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 825 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act transferring among various appropriations to
7 the Alaska Power Authority for power projects and
8 making special appropriations to the Alaska Power
9 Authority for power projects; and providing for an
10 effective date."

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

12 * Section 1. The appropriations and portions of appropriations made to
13 the Alaska Power Authority and listed in this section are transferred to the
14 power projects listed in sec. 2 of this Act:

15 (1) the sum of \$250,000 appropriated for the Angoon tidal power
16 project in sec. 1, ch. 54, SLA 1980, as amended by sec. 49, ch. 120, SLA
17 1980;

18 (2) the sum of \$974,000 of the \$1,100,000 appropriated for the
19 Akutan project in sec. 1, ch. 54, SLA 1980, as amended by sec. 49, ch. 120,
20 SLA 1980;

21 (3) the sum of \$2,000,000 appropriated for a loan to the City of
22 Bethel to purchase the Bethel Utilities Corporation in sec. 3, ch. 54, SLA
23 1980;

24 (4) the sum of \$8,000,000 of the \$60,000,000 appropriated to the
25 power development fund for the Green Lake project in sec. 1(2), ch. 90, SLA
26 1981, as repealed and reenacted by sec. 69, ch. 92, SLA 1981;

27 (5) the sum of \$5,000,000 of the \$68,000,000 appropriated for the
28 Solomon Gulch project in sec. 1(4), ch. 90, SLA 1981, as repealed and re-
29 enacted by sec. 69, ch. 92, SLA 1981; and the sum of \$10,000,000 of the

1 \$10,000,000 of that appropriation deferred in sec. 69, ch. 92, SLA 1981;

2 (6) the sum of \$4,450,000 of the \$4,500,000 appropriated for the
3 Lake Elva project in sec. 11, ch. 90, SLA 1981;

4 (7) the sum of \$1,500,000 appropriated for a loan to the City of
5 Petersburg for transmission and distribution lines in sec. 20, ch. 90, SLA
6 1981;

7 (8) the sum of \$1,500,000 appropriated for a loan to the City of
8 Wrangell for transmission and distribution lines in sec. 21, ch. 90, SLA
9 1981;

10 (9) the sum of \$127,000 appropriated for a loan to the City of
11 Akutan for electrification in sec. 34, ch. 90, SLA 1981;

12 (10) the sum of \$450,000 of the \$700,000 appropriated for the
13 Ouzinkie waste heat project in sec. 46, ch. 90, SLA 1981.

14 * Sec. 2. The appropriation transfers listed in this section are the
15 amounts transferred in sec. 1 of this Act to the following power projects of
16 the Alaska Power Authority:

17 (1) The sum of \$20,000,000 is transferred for the Tei/or Lake
18 project (sec. 1(a)(6), 1(b)(5), ch. 90, SLA 1981, as repealed and reenacted
19 by sec. 69, ch. 92, SLA 1981).

20 (2) The sum of \$3,000,000 is transferred for the Black Bear Lake
21 project (sec. 6(1), ch. 90, SLA 1981).

22 (3) The sum of \$2,500,000 is transferred for the Kotzebue district
23 heating project.

24 (4) The sum of \$5,000,000 is transferred for rural small hydro-
25 electric projects construction.

26 (5) The sum of \$2,000,000 is transferred for the West Creek hydro-
27 electric project.

28 (6) The sum of \$1,751,000 is transferred for the Grant Lake
29 project.

1 * Sec. 3. The sum of \$249,000 is appropriated from the general fund to
2 the Alaska Power Authority for the Grant Lake project.

3 * Sec. 4. The sum of \$4,000,000 is appropriated from the general fund to
4 the Alaska Power Authority for the Bristol Bay power project.

5 * Sec. 5. The sum of \$500,000 is appropriated from the general fund to
6 the Alaska Power Authority for the emergency maintenance fund.

7 * Sec. 6. The sum of \$750,000 is appropriated from the general fund to
8 the Alaska Power Authority for the renewal and replacement fund.

9 * Sec. 7. The sum of \$50,000,000 of the \$60,000,000 appropriated to the
10 power development fund for the Green Lake project in sec. 1(2), ch. 90, SLA
11 1981, as repealed and reenacted by sec. 69, ch. 92, SLA 1981, is transferred
12 to the power project fund (AS 44.83.170) for the Green Lake hydroelectric
13 project.

14 * Sec. 8. The appropriations made by this Act are for capital projects
15 and are subject to AS 37.25.020.

16 * Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

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Introduced: 3/2/82
Referred: Resources and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 825

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act transferring among various appropriations to
7 the Alaska Power Authority for power projects and
8 making special appropriations to the Alaska Power
9 Authority for power projects; and providing for an
10 effective date."

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

12 * Section 1. The sum of \$10,000,000 of the \$60,000,000 appropriated to
13 the power development fund for the Green Lake project in section 1(2), ch.
14 90, SLA 1981, is transferred to the appropriation for the Tye Lake project
15 in section 1(7), ch. 90, SLA 1981.

16 * Sec. 2. The sum of \$50,000,000 of the \$60,000,000 appropriated to
17 the power development fund for the Green Lake project in section 1(2),
18 ch. 90, SLA 1981, is transferred to the power project fund (AS 44.83.170)
19 for the Green Lake hydroelectric project.

20 * Sec. 3. Section 11, ch. 90, SLA 1981, is amended to read:

21 The sum of \$4,500,000 is appropriated from the general fund to
22 the Alaska Power Authority for a comprehensive analysis of Bristol Bay
23 power needs and supply options [FOR DESIGN AND ENGINEERING FOR THE LAKE
24 ELVA HYDROELECTRIC PROJECT].

25 * Sec. 4. The sum of \$48,000,000 is appropriated from the general
26 fund to the power development fund of the Alaska Power Authority for the
27 following projects in the amount specified after each:

28 Railbelt Intertie \$38,000,000
29 Swan Lake 10,000,000

1 * Sec. 5. The sum of \$5,000,000 is appropriated from the general fund to
2 the power project emergency maintenance fund (AS 44.83.399) for the purposes
3 described in AS 44.83.399.

4 * Sec. 6. Section 5 of this Act takes effect on the effective date of a
5 version of an Act entitled "An Act relating to the energy program for
6 Alaska." Sections 1 -- 4 of this Act take effect immediately in accordance
7 with AS 01.10.070(c).

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Introduced: 3/2/82
Referred: Resources and
Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 828

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the responsibilities of the Alaska
7 Power Authority; and providing for an effective date."

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

9 * Section 1. AS 44.83.394 is amended to read:

10 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use
11 money in the fund for a power project except in compliance with AS 44.-
12 83.177 - 44.83.187, and unless the authority determines that the power
13 project is economically feasible [AND THAT, AFTER CONSTRUCTION, OPERA-
14 TION OF THE POWER PROJECT WILL BE ABLE TO PROVIDE REVENUE SUFFICIENT TO
15 RETURN ANNUALLY TO THE STATE FIVE PERCENT OF THE AMOUNT THAT THE AUTHOR-
16 ITY HAS SPENT FROM THE FUND FOR THE POWER PROJECT].

17 * Sec. 2. AS 44.83.398(c) is amended to read:

18 (c) The authority shall transmit all the money that it receives
19 under (a) [(b)] of this section to the commissioner of revenue for
20 deposit in the state general fund except for [THE] money it has pledged
21 to secure bonds in accordance with contracts with bondholders [RECEIVES
22 UNDER (b)(1)(A) AND (B) AND (b)(2)(B)(i) AND (ii), OR THE MONEY IT WOULD
23 HAVE RECEIVED UNDER (b)(1)(A) AND (B) AND (b)(2)(B)(i) AND (ii) OF THIS
24 SECTION IF THOSE ITEMS HAD BEEN USED IN PART TO ESTABLISH THE WHOLESALE
25 POWER RATE IN EFFECT AT THE TIME THE MONEY IS RECEIVED BY THE AUTHORITY].

26 * Sec. 3. AS 44.83.398(e) is amended to read:

27 (e) The legislature may, by law, annul or change the wholesale
28 power rate for sales of power that the authority adopts under (b) of
29 this section, except to the extent the authority makes an agreement with

1 bondholders to maintain or increase the wholesale power rate.

2 * Sec. 4. Section 14, ch. 118, SLA 1981 is amended to read:

3 Sec. 14. LOCATION OF TRANSMISSION SYSTEM IN DENALI STATE PARK.

4 The Alaska Power Authority may design, acquire a right-of-way for, and
5 construct a 345 KV high voltage electrical transmission system connect-
6 ing Anchorage and Fairbanks. The transmission line authorized by this
7 section shall be considered a use that is compatible with the purposes
8 of the Denali State Park within the boundaries of the Denali State Park.
9 The route of the transmission system authorized by this section may
10 [SHALL] be located within the Denali State Park in consultation with the
11 division of parks, Department of Natural Resources.

12 * Sec. 5. AS 44.83.388(b) is repealed.

13 * Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
14 070(c).

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND... Session

SENATE BILL..... NO. 828...

By THE FINANCE COMMITTEE.....

"An Act relating to the responsibilities of the Alaska Power Authority; and providing for an effective date."

Introduced in the Senate 3/2/....., 19... 82

HISTORY IN THE SENATE

1982		Read first time and referred to Committee on										
3	2	Resources and Finance										
3	11	Reported back with <i>Res-5 do</i> recommendation that <i>pass, 1 no</i> <i>rel - to Finance</i>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
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Yeas	Yeas											
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		Reconsideration										
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PASS	Effective Date											
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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										
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Excused	Excused											
		Reported correctly engrossed										
		Signed by Speaker										
		Returned to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

Introduced: 3/2/82
Referred: Resources and
Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 828

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

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8 of the Denali State Park within the boundaries of the Denali State Park.
9 The route of the transmission system authorized by this section may
10 [SHALL] be located within the Denali State Park in consultation with the
11 division of parks, Department of Natural Resources.

12 * Sec. 5. AS 44.83.38 is repealed.

13 * Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
14 070(c).