

LEGISLATIVE FINANCE-HOUSE/SENATE FINANCE COMM. FILES 8879

HB 19 cont. - 23 428 19

HB

19

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/27/90

DATE TURNED INTO OFFICE: 5/5/90

The Finance Committee considered

CSHB 19 (Finance)

"An Act relating to citizen review panels for certain children in state custody; court review of cases relating to children; establishing the Citizens' Review Panel for Permanency Planning; and providing for an effective date."

and recommended:

replace with \_\_\_\_\_ CS \_\_\_\_\_  
 or adopt \_\_\_\_\_ CS \_\_\_\_\_  
 attached amendment(s)  
 \_\_\_\_\_ letter of intent adopted

same title  
 new title  
 technical title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) DOA 570.2 5/1/90

\_\_\_\_\_  
\_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SIGNING DO PASS:

\_\_\_\_\_

\_\_\_\_\_

OTHER RECOMMENDATIONS:

\_\_\_\_\_

\_\_\_\_\_

1. DO PASS 2. (NO PASS)  
Co-Chairs, Signatures and Recommendations

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Dept. of Administration  
 Title: "An Act relating to citizen review panels for certain children in state custody . . ." BRU: Citizens Review Panel  
 Sponsor: Collins Components: \_\_\_\_\_  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	304.3	359.4	369.8	369.8	369.8	369.8
TRAVEL	32.5	46.4	45.8	45.8	45.8	45.8
CONTRACTUAL	132.7	130.6	130.6	130.6	130.6	130.6
SUPPLIES	11.1	11.1	11.1	11.1	11.1	11.1
EQUIPMENT	90.2	1.5	1.5	1.5	1.5	1.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	570.8	549.0	558.8	558.8	558.8	558.8

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	570.8	549.0	558.8	558.8	558.8	558.8
FEDERAL FUNDS						
OTHER						
TOTAL	570.8	549.0	558.8	558.8	558.8	558.8

POSITIONS:

FULL-TIME	8	8	8	8	8	8
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS : (Attach a separate page if necessary)

Any FY90 costs to be absorbed by Department of Administration and Department of Health and Social Services.

Prepared by: James J. Fox Deputy Commissioner Phone: 465-2200  
 Division: Commissioner's Office Date: 5/1/90  
 Approved by Commissioner: Frank S. Baxter Date: 5/1/90  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

Adopted

The function of the agency established under this bill is to provide for an additional, non-departmental, review of longer term out-of-home placements for children and youth in the custody of the Department of Health and Social Services. The individual review is to result in specific recommendations for services to the child. The overall process is to result in periodic summary reports of the placement activities of the division and recommendations for improvement of services to children in out-of-home placement.

In scope, this program will provide about 1,500 local, individual reviews effecting about 1,000 children each year. The geographic area covered is equal to about 15% of the United States.

This fiscal note is revised from the one prepared on March 20 of this year. It does not reflect any change in the kind or degree of work required under this bill.

It does reflect a request to reduce support staffing levels for the local review panels and some minor changes in equipment costs. Also the employer PERS rate has been increased for FY91 and that increase is reflected. Since the clerical support to the Juneau staff was deleted contractual services are increased to provide limited clerical support.

It is my belief that the staffing level reflected in this fiscal note is not sufficient to adequately support the functions expected of this agency. The original analysis was based on FY 89 numbers of children in placement for 6 months or longer. Very recent verbal information from DFYS indicates the actual number of reviews may well exceed those predicted in the prior note.

With 23 local citizen review panels and one state wide panel the staff will need to support, inform and train more than 150 lay individuals in a complex and subjective field. Recruitment and training will be a constant process. Aside from the substantial time spent in reviewing and synthesizing voluminous case files the support staff must conduct reviews throughout the state and summarize and prepare the panel's recommendations.

This fiscal note is based on several assumptions.

1. The service provided is to supplement, and enhance, services provided by the Division of Family and Youth Services.
2. To the extent possible DFYS social work staff should not have to assume additional administrative burdens.

3. If possible, the process should lessen current administrative activities of DFYS social work staff, permitting more time for direct service.
4. The review process should involve local individuals who receive some training in child welfare issues and who are knowledgeable of local social and cultural customs.
5. Local review panels are volunteers and receive no recompense.
6. The state panel reviews the service of the local panel, hires the agency director, and sets agency policy and procedure for carrying out statutory obligations including reports and recommendations.
7. The success of the panels will be contingent on maintaining credibility in recommendations and fostering a positive working relationship with the division. The subjective measure will be public acceptance of the process. The objective measure will be the implementation of recommendations and improvements in permanent placements for children.
8. Because the review process will require synthesis and summary from case files as preparation for panel review it was felt that panel professional staff should have knowledge of, and background in, social work. Hence the use of the Social Worker III classification for professional staff.
9. Staffing patterns were developed from an analysis of where the children were in placement, estimates from current staff as to the time required for different parts of the process and the level of support staff needed in similar activities.
10. As the panel members will be volunteers an assumption was made that an effort would be made to appoint sufficient local panels to permit timely reviews to be provided without asking individual panel members to contribute more than one, or at most two full days per month.
11. The fiscal note provides for establishing 3 offices, with the largest office, and agency headquarters, in Anchorage and smaller offices in Fairbanks and Juneau.
12. As many as 11 local review panels are contemplated for areas remote from the 3 field offices. Some will meet monthly and some will meet only quarterly. The staff travel budget is predicated on providing on-site support for the panel meetings.
13. Local panel training assumes the participation of DFYS (at their expense). The delivery is at the local level and provided

by agency staff (review panel staff and DFYS staff). Extra on-site days for staff are included in the travel budget for this training. \$2,500 per year is included in the budget for the purchase and/or development of training material. Initial training (orientation) is covered in the first two years and after that it is assumed about 1/2 the panels would receive further training each year.

14. Space needs are DOA standards for staff. Space needs include a large conference/meeting room for Anchorage. Local panels there would be meeting 1 to 3 days per week. If reliable donated space can be found for this purpose the space costs could be reduced accordingly.

15. Teleconference equipment is included for each office. This equipment is portable so as to be usable by local review panels in field location.

16. Recording equipment is included for use by the review panels in both office and field locations.

17. Equipment is included for a local area network in the Anchorage office and modems are included for each office location for transfer of data and reports. Each modem will require a dedicated phone line.

Other one time equipment purchases include the ordinary office equipment needs -- desks, tables, chairs, bookshelves, storage cabinets, files, telephones, etc. A PC and dot matrix printer is included for all positions. One good letter quality printer per office is substituted for one of the dot matrix printers.

18. \$20,000 is included for programming of off the shelf software for a data collection/information management system.

19. Prior experience indicates this agency will process a lot of paper. Very heavy duty copiers were budgeted for both Anchorage and Fairbanks. A lighter duty model was budgeted for in Juneau.

20. Budgeted amounts for postage, toll charges and supplies are a best guess based on prior experience and a review of other agency budgets.

21. The potential for donated, surplus or transferred equipment and furniture is unknown at this point. As with possible donated space -- receipt would lessen the fiscal requirements.

22. No ancillary costs are budgeted for local panel expenses. It is assumed space would be provided locally at no cost to the

agency. No parking expenses, child care expenses or other possible out of pocket expenses for local panel members are budgeted.

23. Space requirements are figured at \$2.00 a square foot and occupancy is assumed by 10/1/90. Operation until that time will be from borrowed space (presumably DOA and/or DFYS).

24. It is assumed that nominations for the State Panel will be made early (upon passage of this bill) and that they will be able to meet in July and make the selection of an Executive Director who will be able to quickly select an assistant and begin hiring other agency staff. While the start time is ambitious, a considerable body of procedure and material has already been developed through existing internal review panels conducted by DFYS and through the Ketchikan pilot project.

(Worksheets are attached.)

Assumes office locations of Anchorage, Juneau and Fairbanks.

Professional Services

1st Year	\$22,500 (\$20,000 for Information System Development)
2nd Year	\$2,500 Trainer/Training Material

Communication

Telephone	\$25,140
Postage (750/mo)	\$9,000
Teleconferences (6)	\$2,700
Advertising, Printing for recruitment, rept	\$3,925
Minor Repair/Maint.	\$3,600 (\$0 1st year, \$300/Mo. 2nd yr.)
Copiers (2 @ 1,050/mo)	\$25,200
Occassional Clerical (Juneau @ \$8/hr)	\$4,160 (Only 10 months shown in 1st year)
Space (Annual Cost)	\$54,330 (Only 9 months shown in 1st year)
Total 1st Year	\$132,679
Total 2nd Year	\$130,555

First Year Classification	Location	BU	Range	Step	FTE	Annual Cost	Space Ft.2	One Time Equipment Costs
Executive Director	Anchorage	X	21	A	.92	\$58,163	175	\$7,320
Administrative Assistant II	Anchorage	S	14	A	.92	\$37,863	98	\$6,316
Social Worker III	Anchorage	G	16	A	.83	\$38,958	94	\$6,146
Social Worker III	Anchorage	G	16	A	.83	\$38,958	94	\$6,146
Clerk III	Anchorage	G	8	A	.83	\$25,355	64	\$8,361
Social Worker III	Fairbanks	G	16	A	.83	\$40,039	94	\$6,146
Clerk III	Fairbanks	G	8	A	.83	\$26,008	64	\$8,361
Social Worker III	Juneau	G	16	A	.83	\$38,958	94	\$7,341
Ancillary Space Needs					6.83	\$304,304	777	\$56,137
Photocopier	2	170						
File Storage	6	54						
Storage Cabinets	4	60						
Reception/Meeting Area		750						
Base Space Requirements		1,811.00						
25% access		452.75						
		2263.75						
Cost Estimate /ft2	\$2.00	\$54,330						

Second Year Classification	Location	BU	Range	Step	FTE	Annual Cost
Executive Director	Anchorage	X	21	B	1	\$65,209
Administrative Assistant II	Anchorage	S	14	B	1	\$42,118
Social Worker III	Anchorage	G	16	B	1	\$47,376
Social Worker III	Anchorage	G	16	B	1	\$47,376
Clerk III	Anchorage	G	8	B	1	\$30,215
Social Worker III	Fairbanks	G	16	B	1	\$48,722
Clerk III	Fairbanks	G	8	B	1	\$31,020
Social Worker III	Juneau	G	16	B	1	\$47,376
					8	\$359,414

Third Year Classification	Location	BU	Range	Step	FTE	Annual Cost
Executive Director	Anchorage	X	21	C	1	\$67,053
Administrative Assistant II	Anchorage	S	14	C	1	\$43,429
Social Worker III	Anchorage	G	16	C	1	\$48,763
Social Worker III	Anchorage	G	16	C	1	\$48,763
Clerk III	Anchorage	G	8	C	1	\$31,023
Social Worker III	Fairbanks	G	16	C	1	\$50,153
Clerk III	Fairbanks	G	9	C	1	\$31,854
Social Worker III	Juneau	G	16	C	1	\$48,763
					8	\$359,801

Supplies and Materials

Office & Library Supplies, \$900/Month	\$10,800
Data Processing Sup.	\$300
<b>Total</b>	<b>\$11,100</b>

One Time Special Equipment Needs

Fax Machine	3	\$0
File Server (Anc)	1	\$13,000
LAN Network (Anc)	1	\$1,895
Modems	3	\$0
Storage Cabinets	3	\$1,275
Misc. Furniture	1	\$3,000
Recording Equip.	6	\$2,850
Teleconf. Equip. Portable	3	\$12,000
<b>Total</b>		<b>\$34,020</b>

One Time Needs For Individual Staff \$56,137

Total One Time Equipment \$90,157

2nd and Subsequent Years  
Replacement of Small  
Equipment - recorders, etc. \$1,500

Five Member State Panel

To Anchorage -- State Wide Panel

5 Panel Members

1st Year	Persons		
\$400 Transportation	3	\$2,400	2 Trips
\$15 Transportation	2	\$60	2 Trips
\$80 Per Diem for	5	\$3,200	8 Days/Year
\$80 Per Diem for	3	\$960	4 Days Travel Time
		\$6,620	
2nd (& Subsequent) Years			
\$400 Transportation	3	\$2,400	2 Trips
\$15 Transportation	2	\$60	2 Trips
\$80 Per Diem for	5	\$2,400	6 Days/Year
\$80 Per Diem for	3	\$960	4 Days Travel Time
		\$5,820	

Staff

1st Year				Trip/Days
<u>Executive Director</u>				
\$400 Transportation	1	\$385		1 Trip For Departmental Orientation
\$80 Per Diem for	1	\$240		3 Days For Departmental Orientation
\$500 Transportation	1	\$500		1 Trip Ketchikan Office
\$80 Per Diem for	1	\$320		4 Days/Trip Ketchikan Office
\$385 Transportation	1	\$770		2 Juneau Trip For Administrative Functions
\$80 Per Diem for	1	\$320		4 Days in Juneau For Administrative Functions
\$212 Transportation	1	\$424		2 Trips to Fairbanks Office
\$80 Per Diem for	1	\$320		4 For Trips to Fairbanks Office
Total		\$3,279		
2nd (& Subsequent) Years				
<u>Executive Director</u>				
\$385 Transportation	1	\$2,310		6 Juneau Trip For Administrative Functions
\$80 Per Diem for	1	\$960		12 Days in Juneau For Administrative Functions
\$212 Transportation	1	\$848		4 Trips to Fairbanks Office
\$80 Per Diem for	1	\$480		6 For Trips to Fairbanks Office
Total		\$4,598		

## 1st Year

Line Staff

\$421 Transportation	1	\$2,946
\$80 Per Diem for	1	\$1,120
\$421 Transportation	1	\$13,045
\$80 Per Diem for	1	\$4,900
\$385 Transportation	1	\$385
\$80 Per Diem for	1	\$160

Trip/Days

7 Local Panel Training
14 Days For Local Pannel Training
31 Local Panel Reviews
62 Days For Local Panel Reviews
1 Departmental Orientation for Adm. Assiscant
2 Days for Departmental Orientation for Adm. A

Total		\$22,615
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## 2nd Year

Line Staff

\$421 Transportation	1	\$1,262
\$80 Per Diem for	1	\$480
\$421 Transportation	1	\$23,986
\$80 Per Diem for	1	\$9,120
\$385 Transportation	1	\$770
\$80 Per Diem for	1	\$320

Trip/Days

3 Local Panel Training
6 Days For Local Pannel Training
57 Local Panel Reviews
114 Days For Local Panel Reviews
2 Departmental Administrative Trainingfor Adm.
4 Days ForDepartmental Administrative Training

Total		\$35,938
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## 3rd (&amp; Subsequent) Years

Line Staff

\$421 Transportation	1	\$1,683
\$80 Per Diem for	1	\$640
\$421 Transportation	1	\$23,144
\$80 Per Diem for	1	\$8,800
\$385 Transportation	1	\$770
\$80 Per Diem for	1	\$320

Trip/Days

4 Local Panel Development/Training
8 Days For Local Pannel Training
55 Local Panel Reviews
110 Days For Local Panel Reviews
2 Departmental Training For Adm. Assistant
4 Days For Departmental Training For Adm. Assi

Total		\$35,357
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Administrative Totals

1st Year	\$32,514
2nd Year	\$46,356
3rd Year	\$45,775

Monthly Panels	Panels	Hearing Days Per Month	Trips	\$/Trip	\$/Yr	Days Per Trip	Per diem Per Trip \$80.00	Per diem Per Trip Per Year
Bethel	2	2.50	12	\$450	\$5,400	4	320	\$3,840
Dillingham	1	.33	4	\$372	\$1,488	3	240	\$960
Kenai	1	1	12	\$132	\$1,584	2	160	\$1,920
Kodiak	1	.33	2	\$418	\$836	3	240	\$480
Unalaska	1	.33	1	\$876	\$876	3	240	\$240
Delta	1	.33	4	\$50	\$200	1	80	\$320
Barrow	1	.33	4	\$778	\$3,112	2	160	\$640
Galena	1	.33	4	\$170	\$680	1	80	\$320
Nome	1	.33	4	\$684	\$2,736	2	160	\$640
Ketchikan	2	2.50	12	\$278	\$3,336	2	160	\$1,920
Total	12	8.33	59	\$4,208	\$2,025		\$184	\$1,128
Locations	10				12		12	12
Average \$/Trip				\$421	\$24,298		\$2,208	\$13,536

Summary of Costs

First Year

\$304,304	100	--	Personnel Services
\$32,514	200	--	Travel
\$132,679	300	--	Contractual
\$11,100	400	--	Supplies
\$90,157	500	--	Equipment

\$570,755 Total

Second Year

\$359,414	100	--	Personnel Services
\$46,356	200	--	Travel
\$130,555	300	--	Contractual
\$11,100	400	--	Supplies
\$1,500	500	--	Equipment

\$548,925 Total

Third Year

\$369,801	100	--	Personnel Services
\$45,775	200	--	Travel
\$130,555	300	--	Contractual
\$11,100	400	--	Supplies
\$1,500	500	--	Equipment

\$558,732 Total

Original sponsor(s): REP. COLLINS, Gruenberg, Ulmer, Furnace, Hanley,  
Ellis, Goll

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 19 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to citizen review panels for certain  
7 children in state custody; court review of cases  
8 relating to children; establishing the Citizens'  
9 Review Panel for Permanency Planning; and providing  
10 for an effective date."

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

12 \* Section 1. FINDINGS AND PURPOSE. The legislature finds that there is  
13 a need in the state for a citizen review process for the cases of children  
14 in state custody who are in either foster care or other out-of-home place-  
15 ment. The purpose of this Act is to establish a citizen review process in  
16 order to ensure that children do not linger unnecessarily in out-of-home  
17 placements, but rather that they receive the support and benefits of a  
18 permanent home. The goal of this Act is to reunite the children with their  
19 families by ensuring that services are available and appropriate for re-  
20 unification, and if reunification is not in the best interests of the  
21 child, to expeditiously place the child in a secure, permanent home.

22 \* Sec. 2. AS 47.10 is amended by adding new sections to read:

23 ARTICLE 6. CITIZENS' REVIEW PANEL FOR PERMANENCY PLANNING.

24 Sec. 47.10.400. CITIZENS' REVIEW PANEL FOR PERMANENCY PLANNING.

25 (a) There is created in the Department of Administration the Citi-  
26 zens' Review Panel for Permanency Planning. The state panel consists  
27 of five voting members appointed by the governor from among present  
28 members of local citizen review panels established under AS 47.10.420.  
29 The governor shall appoint at least one voting state panel member from

1 each judicial district. The governor may not appoint a person who has  
2 committed a felony or violated AS 11.51.130 or a law with substantial-  
3 ly similar elements. The panel also includes the following five  
4 nonvoting members who serve ex officio or their designees: the com-  
5 missioner of health and social services, the director of the office of  
6 public advocacy, the attorney general, the public defender appointed  
7 under AS 18.85.030, and the chief justice of the Alaska Supreme Court.

8 (b) Appointed members of the state panel serve at the pleasure  
9 of the governor for staggered terms of three years or until their  
10 successors are appointed.

11 (c) The voting members of the state panel shall elect from among  
12 the voting members a chair who shall serve for one year. Three voting  
13 members of the state panel constitute a quorum for the transaction of  
14 business. The panel may not take official action without the affirma-  
15 tive vote of at least three of its members.

16 (d) Members of the state panel are entitled to reimbursement for  
17 actual expenses necessary to perform their duties as state panel  
18 members. The reimbursement may not exceed the amount of per diem and  
19 expenses authorized for boards and commissions under AS 39.20.180.

20 (e) The state panel shall meet twice annually. Meetings may  
21 take place telephonically.

22 (f) The state panel may employ a program coordinator who shall  
23 serve at the pleasure of the state panel. The program coordinator  
24 shall employ staff as necessary to carry out the program coordinator's  
25 duties under state panel directives and to provide clerical assistance  
26 to local panels.

27 Sec. 47.10.410. DUTIES OF THE STATE PANEL. The state panel  
28 shall

29 (1) by regulation adopt policies and procedures to carry

1 out its duties and to govern the performance of the duties of the  
2 local panels established under AS 47.10.420;

3 (2) ensure that local panel members receive the minimum  
4 level of training necessary to effectively carry out their duties;

5 (3) coordinate and review the activities of the local  
6 panels and make recommendations to the governor on appointments to the  
7 local panels;

8 (4) report annually to the legislature by the 10th day of  
9 each regular session, concerning the activities of the state and local  
10 panels during the previous fiscal year; the report must include the  
11 number of cases reviewed by each local panel, a description of the  
12 characteristics of the children whose cases were reviewed by the  
13 panels, the number of children reunited with their families, the  
14 number of children placed in other permanent homes, and recommenda-  
15 tions and justifications for program improvement, including recommen-  
16 dations relating to state agencies and to the panel review system; the  
17 report may contain other information on the experience of the local  
18 panels.

19 Sec. 47.10.420. APPOINTMENT OF LOCAL PANELS. (a) The governor  
20 shall appoint for each judicial district a local citizen out-of-home  
21 care review panel composed of five members and two alternates who are  
22 residents of the judicial district. Members shall serve three-year  
23 terms except that when a local panel is initially appointed, two  
24 members shall be appointed for three-year terms, two members for  
25 two-year terms, and one member for a one-year term. Alternates shall  
26 be appointed to three-year terms.

27 (b) The governor shall appoint to a local panel persons who have  
28 training, experience, special knowledge, or a demonstrated interest in  
29 the welfare of children. An out-of-home care provider or a person

1 employed by the court system, the department, the office of public  
2 advocacy, the Public Defender Agency, or the Department of Law may not  
3 serve as a member or alternate member of a local panel. The governor  
4 may not appoint a person who has committed a felony or violated  
5 AS 11.51.130 or a law with substantially similar elements.

6 (c) The composition of a local panel must be reasonably repre-  
7 sentative of the various social, economic, racial, ethnic, and cul-  
8 tural groups of the district from which the members are appointed.

9 (d) If the state panel determines that additional local panels  
10 are necessary in a judicial district because of excessively large or  
11 complex caseloads for review or because of the demographics of cases,  
12 or determines that a local panel is not necessary because of a reduced  
13 caseload, the governor may create or dissolve a local panel. The  
14 governor may not reduce the number of panels in a judicial district to  
15 fewer than one. Appointments to a panel established under this sub-  
16 section are governed by (a) - (c) of this section.

17 (e) When a person is appointed to serve on a local panel, the  
18 person shall swear or affirm to keep confidential all information that  
19 comes before the local panel except for nonidentifying case informa-  
20 tion included in a report to the state panel, information for reports  
21 required under AS 47.17, or as required by court order for good cause  
22 shown. A local panel member may also share confidential information  
23 with other members of the local panel and staff who serve the local  
24 panel.

25 Sec. 47.10.430. MEETINGS; EXPENSES. (a) A local panel shall  
26 conduct its meetings in the judicial district in which its members  
27 reside.

28 (b) The local panel shall elect one of its members to serve as  
29 chair for a term of one year.

1 (c) A majority of the members of a local panel constitutes a  
2 quorum. A panel may not take official action without the affirmative  
3 vote of at least three of its members.

4 (d) A local panel member is not eligible for travel expenses,  
5 per diem, or other expenses for service on the local panel unless the  
6 state panel requires a local panel member to travel to attend a meet-  
7 ing. If the state panel requires a local panel member to travel to  
8 attend a meeting, the local panel member is entitled to reimbursement  
9 for actual expenses incurred by the member in attending the meeting,  
10 except that the reimbursement may not exceed the amount of per diem  
11 and expenses authorized for boards and commissions under AS 39.20.180.

12 Sec. 47.10.440. DUTIES OF LOCAL PANEL. (a) A local panel shall  
13 review the case plan of each child in the custody of the department  
14 who is in a placement other than the child's own home under AS 47.-  
15 10.080(b)(3), (c)(1), or (c)(3), 47.10.142, or 47.10.230(c) if the  
16 case is under the jurisdiction of a court in the judicial district  
17 served by the panel. A local panel may request a local panel in  
18 another judicial district to conduct a review and make a report if  
19 that local panel is more convenient for the child and other persons  
20 involved.

21 (b) The local panel shall review a case as required under 42  
22 U.S.C. 671 - 675 (P.L. 96-272) within 180 days after the day the child  
23 is initially removed from the child's home and every six months there-  
24 after. A court review may be substituted for a review required under  
25 this subsection if the court review meets the requirements of this  
26 subsection.

27 (c) At least 30 days before it begins a review, the local panel  
28 shall provide written notice to the following persons that a review  
29 will be conducted and that each person notified may participate in the

1 review:

- 2 (1) the department;  
3 (2) the child or the child's legal representative;  
4 (3) the child's parents;  
5 (4) the child's guardian;  
6 (5) the child's guardian ad litem;  
7 (6) the child's out-of-home care provider; and  
8 (7) if the case is governed by 25 U.S.C. 1901 - 1963

9 (Indian Child Welfare Act),

10 (A) the child's Indian custodian; and

11 (B) the designated representative of the child's  
12 Indian tribe if the tribe has intervened in the case.

13 (d) In reviewing a case, the local panel shall consider the case  
14 plan and any progress report of the department or the child's guardian  
15 ad litem, court records, and other relevant information about the  
16 child and the child's family. The local panel shall also provide to  
17 the following persons an opportunity to be interviewed by the panel in  
18 person or by telephone or to provide written material to the panel:

19 (1) the child whose case is being reviewed if the child is  
20 10 years of age or older;

21 (2) the parents, custodians, or other relatives of the  
22 child;

23 (3) the child's out-of-home care provider;

24 (4) the child's guardian;

25 (5) the child's guardian ad litem;

26 (6) the case worker or social worker assigned to the case;

27 (7) if the case is governed by 25 U.S.C. 1901 - 1963

28 (Indian Child Welfare Act),

29 (A) the child's Indian custodian; and

1 (B) the designated representative of the child's  
2 Indian tribe if the tribe has intervened in the case; and

3 (8) other persons with a close personal knowledge of the  
4 case.

5 (e) At the discretion of the child's guardian ad litem, if the  
6 child whose case is being reviewed is under 10 years of age, the child  
7 may be present at interviews conducted under (d) of this section and  
8 during review by the panel, or may be interviewed. At the child's  
9 request, a child who is 10 years of age or older shall be allowed to  
10 be present at interviews or a review of the local panel that concerns  
11 the child's case unless the panel determines that for good cause the  
12 child's presence would be contrary to the best interests of the child  
13 or there is other good cause for denying the child's request.

14 (f) During a review under (a) of this section, a local panel  
15 shall

16 (1) determine whether the child has a case plan designed to  
17 achieve placement in the least restrictive, most family-like setting  
18 available in close proximity to the home of the child's parents that  
19 is consistent with the best interests of and special needs and circum-  
20 stances of the child;

21 (2) evaluate the continuing necessity and appropriateness  
22 of the child's placement, the extent of the compliance with the  
23 child's case plan, and the extent of progress that has been made  
24 toward mitigating the causes that necessitated placement away from the  
25 child's parents;

26 (3) ascertain the date by which it is likely the child may  
27 be returned to the home or placed for adoption or legal guardianship;

28 (4) determine whether there has been compliance with appli-  
29 cable provisions of 25 U.S.C. 1901 - 1963 (Indian Child Welfare Act)

1 and other applicable state and federal laws; and

2 (5) determine whether there has been compliance with court  
3 review requirements of AS 47.10.080(f) and (l) and 47.10.142(h).

4 (g) The local panel shall within 30 days after reviewing the  
5 case submit a written report to the persons listed in (c) of this  
6 section.

7 (h) The report required under (g) of this section must make  
8 advisory recommendations based on the best interests of the child in  
9 accordance with AS 47.10.082 and must include notification of the  
10 right to request court review under AS 47.10.080(f). If the court has  
11 scheduled the case for review, the local panel shall submit its report  
12 at least 20 days before the hearing.

13 (i) The local panel shall report to the state panel information  
14 needed by the state panel to prepare the report required under AS 47.-  
15 10.410.

16 Sec. 47.10.450. COOPERATION WITH STATE AND LOCAL PANELS. The  
17 department, Department of Law, public defender, office of public  
18 advocacy, and court system shall cooperate with the state panel and  
19 the local panels to facilitate timely review of plans for children  
20 whose cases are under the jurisdiction of the panels.

21 Sec. 47.10.460. RECORDS; COMMUNICATIONS. (a) Notwithstanding  
22 AS 47.10.090, at the request of a local panel, the department, the  
23 child's guardian ad litem, and the court shall furnish to the local  
24 panel relevant records concerning a child and the child's family who  
25 are the subjects of a local panel review. At the conclusion of a  
26 review, all copies of records provided to a local panel under this  
27 section shall be returned to the staff that serves the local panel or  
28 to the agency from which the original copy was obtained unless the  
29 panel members need the copies to prepare the reports required under

1 AS 47.10.440(g) - (i). Copies retained for preparation of the reports  
2 shall be returned to the staff that serves the local panel or to the  
3 originating agency upon completion of the reports. Notwithstanding  
4 AS 44.62.310, records and reports of the local panel, testimony before  
5 the local panel, and deliberations of the local panel are confidential  
6 under AS 47.10.090.

7 (b) A local panel member may not reveal to another person, other  
8 than another member of the local panel or the staff serving the local  
9 panel, a communication made to the member while performing the mem-  
10 ber's duties under AS 47.10.400 - 47.10.490 except as required under  
11 AS 47.17 or as required by court order for good cause shown. A local  
12 panel member may share with the state panel communications made during  
13 the local panel member's performance of official duties if the local  
14 panel member omits identifying information.

15 (c) A local panel proceeding is not governed by AS 44.62.310.

16 Sec. 47.10.470. COURT REVIEW OF REPORT. (a) When a report is  
17 admissible under court rules, the court may consider the report of the  
18 local panel in its review under AS 47.10.080(f) and at other disposi-  
19 tion hearings other than hearings related to delinquency proceedings.

20 (b) The court may refer to the local panel a case called for a  
21 special review under AS 47.10.080(f).

22 Sec. 47.10.480. INDEMNIFICATION OF PANEL MEMBERS. A state panel  
23 member and a local panel member shall be indemnified by the state for  
24 civil liability for a negligent act or omission of the panel member  
25 that occurs in the performance of the member's duties under AS 47.10.-  
26 400 - 47.10.490 unless the civil liability results from the panel  
27 member's violation of

28 (1) AS 47.10.460(b); or

29 (2) the oath or affirmation required under AS 47.10.420(e).

1           Sec. 47.10.490. DEFINITIONS. In AS 47.10.400 - 47.10.490

2           (1) "local panel" means a local citizen out-of-home care  
3 review panel appointed under AS 47.10.420;

4           (2) "out-of-home care provider" means an agency or a per-  
5 son, other than the child's legal parents, with whom the child is  
6 currently placed and who is in the custody of the state under AS 47.-  
7 10.080(b)(3), (c)(1), or (c)(3), 47.10.142, or 47.10.230(c), including  
8 a foster parent, a relative other than a parent, a person who has  
9 petitioned for adoption of the child, or a residential child care  
10 facility;

11           (3) "state panel" means the Citizens' Review Panel for  
12 Permanency Planning established under AS 47.10.400.

13 \* Sec. 3. AS 44.66.010(a) is amended by adding a new paragraph to read:

14           (17) Citizens' Review Panel for Permanency Planning under  
15 AS 47.10.400 -- June 30, 1994.

16 \* Sec. 4. AS 47.10.080(f) is amended to read:

17           (f) A minor found to be delinquent or a child in need of aid is  
18 a ward of the state while committed to the department or the depart-  
19 ment has the power to supervise the minor's actions. The court shall  
20 review an order made under (b) or (c)(1) or (2) of this section an-  
21 nually, and may review the order more frequently to determine if  
22 continued placement, probation, or supervision, as it is being pro-  
23 vided, is in the best interest of the minor and the public. If annual  
24 review under this subsection would arise within 90 days of the hearing  
25 required under (1) of this section, the court may postpone review  
26 under this subsection until the time set for the hearing. The depart-  
27 ment, the minor, the minor's parents, guardian, or custodian are  
28 entitled, when good cause is shown, to a review on application. If  
29 the application is granted, the court shall afford these parties and

1 their counsel reasonable notice in advance of the review and hold a  
2 hearing where these parties and their counsel shall be afforded an  
3 opportunity to be heard. The minor shall be afforded the opportunity  
4 to be present at the review.

5 \* Sec. 5. AS 47.10.080 is amended by adding new subsections to read:

6 (1) Within 18 months after the date a child is initially taken  
7 into custody by the department under AS 47.10.142(c) or committed to  
8 the custody of the department under AS 47.10.080(b)(3), (c)(1), or  
9 (c)(3), or 47.10.230(c), the court shall hold a hearing to review the  
10 placement and services provided and to determine the future status of  
11 the minor. The court shall make appropriate written findings, includ-  
12 ing findings related to the following:

13 (1) whether the child should be returned to the parent;

14 (2) whether the child should remain in out-of-home care for  
15 a specified period;

16 (3) whether the child should remain in out-of-home care on  
17 a permanent or long-term basis because of special needs or circum-  
18 stances;

19 (4) whether the child should be placed for adoption or  
20 legal guardianship.

21 (m) Within 60 days after the date a child is removed from the  
22 child's home by the department, the department shall notify the appro-  
23 priate local citizen out-of-home care review panel established under  
24 AS 47.10.420.

25 (n) Within 60 days after a court orders a child committed to the  
26 department under (c) of this section and at a review under (f) or (1)  
27 of this section, the department shall inform the parties about the  
28 local citizen out-of-home care review panel established under AS 47.-  
29 10.420.

1 \* Sec. 6. AS 47.10.142 is amended by adding new subsections to read:

2 (g) Within 60 days after a court orders a child committed to  
3 the department under this section, the department shall inform the  
4 parties about the local citizen out-of-home care review panel estab-  
5 lished under AS 47.10.420.

6 (h) Within 18 months after a minor is committed to the depart-  
7 ment under this section, the court shall review the placement plan and  
8 actual placement of the minor under AS 47.10.080(1).

9 \* Sec. 7. Notwithstanding AS 47.10.400, enacted by sec. 2 of this Ac',  
10 the governor shall appoint the initial public members of the Citizens'  
11 Review Panel for Permanency Planning so that one serves a one-year term,  
12 two serve two-year terms, and two serve three-year terms. The initial  
13 public members must be persons who have training, experience, special  
14 knowledge, or a demonstrated interest in the welfare of children.

15 \* Sec. 8. This Act takes effect July 1, 1990.

# Alaska State Legislature

P.O. Box V  
Juneau, Alaska 99811  
(907) 465-2828

Anchorage \* District 10



Member  
Alaska Legislative  
Council  
Labor & Commerce  
Committee  
Special Committee  
on Foreign Trade  
Finance Sub-Committee  
for Labor

3111 C Street, Suite 412  
Anchorage, Alaska 99503  
(907) 561-2040

## Representative Virginia Collins

### SPONSOR STATEMENT

#### CSHB 19 (FIN)

This bill would create in the Department of Administration a statewide foster care review system for certain children in state custody. It would establish a ten-member state panel composed of five voting members who are appointed by the governor and five non-voting agency members. It would also establish five-member local citizen review panels for children in state custody in each of the state's four judicial districts. Administrative staff would be provided to the panels.

Within 180 days after a child is removed from the home and every six months thereafter, the local citizen review panels would review the case to determine whether the child has a case plan in place consistent with the best interests of the child, evaluate the necessity and appropriateness of the placement, and ascertain the date by which a child may be returned to the home or placed for adoption or legal guardianship. The panel would make advisory recommendations based on the review.

The state panel would prepare an annual report to the legislature regarding the activities of the panels and make recommendations for program improvements.

There are 21 other states which have implemented similar programs and have found it to show a cost-savings. More importantly, these states have found that children are not languishing as long in foster care.

STATE OF ALASKA  
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 2, 1990

SUBJECT: Sectional Analysis  
CSHB 19 (Judiciary) *(+ FIN)\**

TO: Representative Virginia Collins

FROM: Terri Lauterbach *TL*  
Legislative Counsel

This memo contains a sectional analysis of CSHB 19 (Judiciary), a bill relating to citizen out-of-home care review panels.

Section 1 states findings and a purpose for the bill.

Section 2 establishes criteria for an out-of-home care review system and sets out its duties.

Sec. 47.10.400 describes the composition of a state panel called the Citizens' Review Panel for Permanency Planning.

Sec. 47.10.410 describes the duties of the state panel.

Sec. 47.10.420 provides for local review panels.

Sec. 47.10.430 specifies meeting requirements and expense reimbursement limitations for local panels.

Sec. 47.10.440 describes the duties of the local panels.

Sec. 47.10.450 requires various state agencies and the court system to cooperate with panels.

Sec. 47.10.460 provides for the sharing of a child's records with a panel. Requires confidentially.

Sec. 47.10.470 sets out the circumstances under which a court may consider panel recommendations.

**\* THE ONLY CHANGE IN THE HOUSE JUDICIARY CS CONSISTED OF A WORD CHANGE WHICH DOES NOT AFFECT THIS SECTIONAL ANALYSIS.**

Representative Virginia Collins  
Page 2  
April 2, 1990

Sec. 47.10.490 provides for indemnification of panel members.

Sec. 47.10.490 defines terms.

Section 3 amends the sunset statute to include the state panel.

Section 4 allows postponement of certain court reviews of children's cases.

Section 5 requires an 18-month court review of certain cases where children are in state custody and requires notification of parties about the out-of-home care review system established in the bill.

Section 6 amends emergency placement procedures to require DHSS to notify parties about the review panels and to require court review of temporary custody arrangements within 18 months.

Section 7 is a transitional provision for setting up the first state panel.

Section 8 makes the bill effective July 1, 1990.

TL:pl  
WKP4/006

HESS Comm. Workshop

11-15-88



Alaska State Legislature  
House of Representatives  
COMMITTEE ON HEALTH, EDUCATION  
AND SOCIAL SERVICES

OFFICIAL BUSINESS

PRELIMINARY RECOMMENDATIONS  
for the  
STATE FOSTER CARE SYSTEM

POUC  
JUNEAU, AK 9  
465-3

October 1988

There are few state responsibilities greater than our obligation to care for our most vulnerable citizens: abused, neglected and abandoned children. The state has the moral and legal duty to provide the best possible care so that these children have the chance to become healthy, happy and productive citizens.

We are not doing the best job of fulfilling this mandate. Many children are inadequately served, many are not served at all. Our child protection system is understaffed, overstressed and lacks the resources necessary to provide adequate protection and care. In particular, the state's foster care system needs to do a better job of providing the nurturing environment that the child lacks in the natural home. State law may need to be changed in order to provide clearer direction for the welfare of children.

Recognizing these problems and the possibilities for positive change, the House Health, Education and Social Services Committee has been conducting a comprehensive review of the state's foster care system. The Committee has been working with the cooperation of the Division of Family and Youth Services, the Alaska Foster Parents Association, the Governor's Interim Commission on Children and Youth, plus other concerned organizations, agencies and individuals. The Committee recently completed two days of hearings on the foster care system. What follows is a preliminary list of recommendations for improvement. The Committee is open to additions and further refinement before we move forward with specific legislative action.

As an introduction, we have proposed basic mission and goal statements which will serve as a foundation for the preliminary Committee recommendations which follow. After each of the recommendations is a code which indicates the type of action(s) necessary. The codes mean: \$ = requires funding; L = requires legislation; A = requires administrative regulation, policy or procedural change; ? = action not clear.



**Mission: THE BEST INTERESTS OF THE CHILD**

The mission of the state's child protection system should be to promote the best interests of the child. Preservation of the family or reunification with a child's natural parents is often the best alternative, but these efforts should be driven by and for the best interests of the child.

- \* The state children's code should be reviewed and possibly modified to insure the promotion of the best interests of the child. L

**\* Goal One: SAFETY, STABILITY AND PERMANENCY FOR CHILDREN**

Beyond initial efforts to insure a child's safety, the state's highest priority should be the ultimate stability and permanency of the child. The best efforts must be made to keep families together, if appropriate, or to reunify, if possible. If these options are not possible, the state should consider quick action to terminate parental rights, reduce the length of time a child lingers in temporary foster care, and secure a long-term nurturing home for the child or prepare the child for emancipation.

- \* Expand intensive homebased family treatment programs to more quickly get help to families and determine the fate of the child. Funding could come from saved foster care stipends. Treatment should include an alcohol and drug abuse component. §
- \* Clarify criteria for termination of parental rights so that the best interests of the child and the child's need for a permanent plan are highest priorities. Consider different standards for different ages. L
- \* Change confidentiality statutes so that foster parents and others with a "need to know" have access to information. L
- \* Continue pilot citizen review permanency planning board projects in Anchorage and Sitka. §
- \* Create a permanent, state-wide citizen review board system. L, §
- \* Expand the role of foster parents as part of the permanency planning team. A
- \* Make greater use of subsidized adoption; beyond just hard to place kids. ?
- \* Establish use of subsidized guardianships to increase stability of certain placements. L, §
- \* Make long term foster care more viable. A, §
- \* Establish minimum standards for emancipation. L
- \* Provide more pre-emancipation services for youth. L, §
- \* Examine the impediments to adoption. A

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## OFFICE OF PUBLIC ADVOCACY

900 W 5TH AVENUE  
SUITE 525  
ANCHORAGE, ALASKA 99501  
PHONE: (907) 274-1664

March 1, 1990

Myra M. Munson  
Commissioner  
Department of Health  
and Social Services  
P.O. Box H  
Juneau, AK 99811-0601

Dear Commissioner Munson:

The Office of Public Advocacy (OPA) and the Public Defender Agency (PDA) interact on a regular basis with the Division of Family and Youth Services (DFYS) in Anchorage. Typically, OPA is appointed by the court as guardian ad litem for minors taken into custody by DFYS under child in need of aid (CINA) petitions. If parents are unable to afford legal counsel in these proceedings, the PDA is often appointed as their attorney.

Over the past few years, we have become increasingly concerned with the functioning of DFYS and its impact on our clients. Our staff have "brainstormed" a list of issues that illustrate problems in the Alaska child protection system. While we recognize that DFYS is charged with an extremely difficult task, we believe it is critical that your department consider these concerns with great care.

1. The Anchorage DFYS office is divided into several specialized "units": "Screening", "Intake", "Ongoing Services", "Permanency Planning", "Adoption", "High Risk" (cocaine babies), and "Compliance". While each of these units has varying functions, there is an incredible variance in the size of the individual social worker's caseload. For example, many "Ongoing" social workers serve 50 to 60 families, while a social worker in the "High Risk" unit may have only five to ten families on their caseload. It has been the observation of our staff that the most complex, time-consuming and high risk cases often seem to be assigned to the much overburdened "Ongoing" unit social workers. The Child Welfare League of America recommends caseloads much lower than this for child protection social workers. Common sense would indicate the impossibility of really providing social work services to 60 families in a 37.5 hour work week.

2. The Division of Family and Youth Services assigns a social worker in the "Intake" unit to investigate the allegations in a case and follow the case through the initial court hearing.

Myra M. Munson  
March 1, 1990  
Page 2

Then, the case is supposed to be transferred to a social worker in an "Ongoing" unit. The time for transferring a case from "Intake" to "Ongoing" often takes several weeks. During this time, services are generally not provided to the families, children don't visit with their parents and no one knows who is responsible for making "social work" decisions. The "case plan", which is required by federal law and DFYS policy to be completed within 60 days at the latest, is rarely completed in this time frame, in part due to the problems of transfer between the units. In the 1989 OPA Foster Care Review Board study of 86 cases, only one case had a formal written DFYS case plan within three months of the placement of the child in foster care.

3. This last year, DFYS created the "Compliance" unit to monitor social workers' compliance with various federal laws and state policies. The division also created several additional mid-management positions. While we recognize the obvious need for supervision and monitoring of job performance, we are concerned that these positions have decreased the potential number of direct service social workers to the detriment of the clients and caseload sizes.

4. Especially in the past year, the level of training and skill of new DFYS social workers seems to have deteriorated. It is our understanding that DFYS provides, at the supervisor's discretion, on-the-job training to new social workers. There also appears to be periodic training on specialized topics but no mandatory or formal preservice training. As a result, our staff have reported to us, again and again, experiences with social workers who appear very unfamiliar with the basic tenets of child protection social work, DFYS policy, and the Alaska statutes. Children have clearly been put at risk of harm by these unprepared social workers.

5. Of similar concern is the decline in the quality of foster parents. There has been an alarming number of children subjected to substantial abuse by foster parents in recent years. In several instances, the abuse committed on the children by the foster parent(s) was far more damaging than the abuse or neglect suffered by the children while in the care of their biological parents. Additionally, multiple foster home placements are the norm. In a 1989 OPA Foster Care Review Board study of cases, only 18 had one foster home placement in three months, and the upper range of placement changes in three months was 11.

We are concerned that the recruitment, screening, training and monitoring of foster parents has become ineffective. We are concerned that these incidents of abuse by foster parents are being handled internally by DFYS and are not being routinely reported to the police for criminal investigation. Our staff are, unfortunately, at the point of considering the risk of abuse

to a child while in a foster home when they are assessing removal of a child from a biological parent's home. A foster home placement may be more dangerous.

6. Every year DFYS designates certain contractual funds to pay for therapeutic services provided by local counseling agencies. We are concerned that the division does not look critically at the quality of these services or their appropriateness for specific clients. For example, in a recent deposition of a primary therapist from one of these agencies, which provides the only outpatient juvenile sex offender treatment in our community, it was learned that she had no formal education in sex offender treatment prior to joining the agency, had minimal experience working with juveniles and had extremely limited knowledge of the Alaska Native population. (Our clients were Native; the minor in question was a young teenage boy who was accused of multiple sexual assaults.) It was little wonder that after almost a year of "therapy" this youth had made no progress and was still unable to leave foster care to be reunited with his family.

7. The Division of Family and Youth Services is often ordered by the court to "discover" the contents of their case files to our offices prior to a contested trial. In recent months, numerous trials have been continued simply because DFYS clerical staff have apparently been unable to find the time to copy these records. This often means a delay of months before the trial can commence. During this time, children usually remain in "temporary" foster care.

8. The Division of Family and Youth Services is required under P.L. 96-272 to conduct periodic case reviews. This federal law requires notification of the parents of this case review so that the parents may attend the meeting. At the present time, DFYS notifies the parents without also notifying the parents' attorney(s). Currently, it is DFYS policy that parents' attorneys not be notified. We believe that, if a parent is represented by legal counsel, DFYS is obligated to notify the attorney of such an important event as these case reviews.

9. When a child is placed in a foster home, the DFYS social worker applies for Medicaid to cover the medical expenses, including psychotherapy, for the child. Presently, it is taking two to four months for the Division of Public Assistance to approve and issue Medicaid coupons. Until the Medicaid is available, the child often receives no therapy, and medical expenses are often covered "out-of-pocket" by the foster parents.

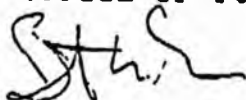
We believe that solutions exist for these concerns. Some options require increased funding, but many are possible with a change in management practices or resource allocation. We hope the

Myra M. Munson  
March 1, 1990  
Page 4

\* department will consider these concerns and develop solutions quickly. As each day passes, hundreds of Alaskan children and parents are waiting for help.

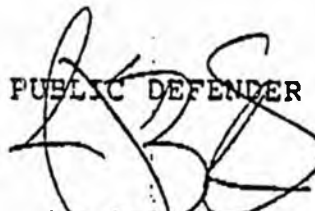
Sincerely,

OFFICE OF PUBLIC ADVOCACY



Brant McGee  
Public Advocate

PUBLIC DEFENDER AGENCY



John Salemi  
Public Defender

cc: Russell Webb, DFYS Division Director  
Linden Staciokas, DFYS Southcentral Region Manager  
The Honorable John Reese, Superior Court Judge  
The Honorable William Hitchcock, Children's Court Master

E. ADVANTAGES OF CITIZEN REVIEW

Citizen review boards have several advantages not only for the children in foster care, but for the court system, social services system and taxpayers.

By engaging in interdisciplinary cooperative efforts, citizen review systems can make tremendous advances in the delivery of foster care services including the following:

1. enabling changes in the legislature regarding foster care statutes;
2. reducing the number of children in placement, thereby saving tremendous amounts of government dollars;
3. serving an investigative function to aid in appropriate case planning;
4. encouraging and aiding in the recruitment of foster homes;
5. increasing the awareness of the community to the plight of children in care;
6. serving a "check and balance" function to assure that all aspects of the child welfare system are functioning correctly and appropriately;
7. increasing cooperation and communication between various agencies serving children;
8. freeing case workers who might otherwise be conducting reviews to do casework and actually provide services to families;
9. developing new policies, procedures and resources for children in care.

*South Carolina*

# I. OVERVIEW OF REVIEW SYSTEMS

## A. PURPOSE OF FOSTER CARE REVIEW

The purpose of foster care review is to assure that children do not linger unnecessarily in foster care, but rather that they receive the support and benefits of a permanent home. Permanence is defined as a home which holds together during crisis and provides a lasting, trusting, and nurturing environment. The return of the child to the biological family is the ideal permanent goal; however, when this is not possible, the goal becomes to place the child in another stable, permanent home.

## B. IMPORTANCE OF REVIEW SYSTEMS

### 1. Impact of Foster Care on Children

Children need the stability and support of a permanent home and family in order to grow and flourish; they need the sense of lifelong belonging and continuity that only a permanent home can provide. Children in foster care represent a huge potential loss in both financial and human terms.

It is estimated that almost half a million children pass through state foster care systems in this country every year. In fiscal year 1985, for example, federal government figures show that an average of 108,000 children were in foster care in any given month. The foster care system places a financial burden on U.S. taxpayers that was estimated at \$2 billion. The cost in human potential was- and remains- inestimable, since research indicates a direct correlation between child abuse and neglect and later juvenile delinquency and adult criminality.

When a child is placed in foster care, it is intended to be a short-term solution to an emergency situation. In the past, however, all too often foster care placements resulted in the child being destined to obscurity within the child welfare system. The ideal of assuring a permanent home for every child fell by the wayside while the child was set adrift among different foster families and group homes. The child's vital developmental years were lost, since he was neither free to return home to his natural parents nor eligible to be adopted by a new and permanent family.

Throughout the 1970's, judges, social workers, attorneys and child advocacy groups began to recognize that the U.S. foster care system was failing to respond to the needs of many abused and neglected children and their families. Many children were "adrift" in the system without regular or timely review of their placement. Crowded court calendars and understaffed child welfare agencies were contributing to an increase in the number of children and lengths of time spent in substitute care.

Concern for children lingering unnecessarily in foster care continued to mount throughout the decade. Among solutions proposed by child advocacy organizations were the comprehensive implementation of permanency planning case work and foster care placement monitoring through regular case reviews. A new resource was also identified to help monitor foster care children and to advocate on their behalf: citizen volunteers.

# Abused foster children

## Agencies tell state of increase in cases

By SHEILA TOOMEY  
Daily News reporter

An alarming number of children placed in foster care by the state of Alaska over the past few years have been abused by their foster parents, enough to prompt a written complaint from the heads of two state agencies charged with protecting the legal rights of abused children.

The charge was made in a letter to Health and Social Services Commissioner Myra Munson from Public Defender John Salemi and Brant McGee, head of the Office of Public Advocacy.

"In several instances, the abuse committed on the children by the foster parents was far more damaging than the abuse or neglect suffered by the children while in the care of their biological parents," the March 1 letter said.

Child protection cases are confidential and no details were provided in the letter, but Munson agreed that a problem exists.

"I guess I think that's a fair characterization," she said.

Please see Back Page, ABUSED

A10 \* Anchorage Daily News Friday, March 30, 1990 \*

## THE BACK PAGE

### ABUSED FOSTER CHILDREN: Agencies say number of cases alarming

Continued from Page A-1

According to the department's own statistics, six children have died while in foster care in the past two years. Abuse was the suspected cause in one, said Russell Webb, regional manager for the Division of Family and Youth Services, which supervises foster homes and places children in them. That child died of a "non-accidental head injury."

At least two others were suicides, Webb said.

"We have many wonderful foster parents," Munson said, "but we have been seriously concerned about the number of instances (of abuse) that occur in foster cases."

She vigorously denied an assertion in the letter that her department is burying cases that should be criminally prosecuted by han-

dling them internally instead of reporting them to police.

"That's just flatly not true," Munson said. DFYS, which is responsible for checking all child abuse complaints, uses the same standard for reporting foster parents to the police as it uses to evaluate complete strangers, she said. "We do not handle foster parents differently."

Salemi could not be reached Thursday and McGee was in Juneau, away from the case files and staff complaints on which the letter was based.

The state has approximately 1,050 licensed foster homes statewide, 475 of them in Southcentral Alaska, Webb said. About 1,100 children are currently in foster homes, including 550 in Southcentral.

Last year, 98 complaints of

harm done to children in foster homes were filed; 26 of the complaints were found by the department to be valid and nine foster homes were decertified or closed, he said.

Webb could not say how many cases were reported to the police.

New regulations requiring a full background check of prospective foster parents, including checking fingerprints of all adults in the home against criminal files, are scheduled to go into effect April 1, Munson said. The new rules also will reduce the maximum number of foster children allowed in one home from six to four except in cases involving siblings, she said.

Children who end up in foster homes often have problems that make them difficult to handle and "We believe ... It goes beyond anyone's capacity to care for more

(than four)," Munson said. Too many children, or mismatching children and foster parents creates stress that triggers "inappropriate discipline" or outright abuse.

The Salemi/McGee letter identified other problems with DFYS, including too few social workers, inadequate training, children languishing in "temporary foster care for months because of delays in making decisions about what should be done with them, children being moved from home to home, high staff turnover and inadequate training.

Munson took issue with some details of the complaints, but agreed in general with much of them. Her department is working on many fronts to improve the system, she said, but she held out little hope for a fast, dramatic improvement.

The failure of the state to adequately fund child protection services is at the heart of most of the problems, she said. "We're getting in this state exactly the system we are paying for."

To cut down on foster-care problems, social workers need lower caseloads and a much larger pool of licensed homes so they can better match children's needs and foster parents' abilities, she said. For the past year, the department has been aggressively seeking foster parents through television ads, speaking to civic groups and getting private business to include brochures in employee pay envelopes.

Without enough homes to choose from, emergencies drive the system, she said. "You're plugging kids in wherever there's an extra bed."

HB 19

ALASKA FOSTER PARENTS ASSOCIATION  
P.O. BOX 231  
SKAGWAY, ALASKA 99840

April 30, 1990

APR 30 1990

Senate Finance Committee  
Alaska State Legislature  
Pouch V, (MS3100)  
Juneau, Alaska 99811

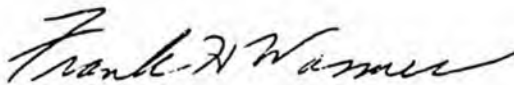
Mr. Chairman,

It is my understanding that the Division of Family and Youth Services is concerned about the fiscal note on HB 19. Their concern seems to center on full time staff positions being filled by professionals. They define professional staff as social workers. While I have no objection to some of these positions being filled with persons with a background in social work, there are a great many other professions which are equal to, or superior to social workers. Educators, medical professionals, child psychologists and administrators, to name a few.

There is no language in the bill that prohibits hiring social workers or limits hire to social workers. I would prefer to keep it that way. The only reference is in the fiscal note. The title of Clerk IV is there only to indicate a salary level, not to specify who will be hired.

Thank you.

Sincerely,



Frank H. Wasmer  
President Elect

HB 19

ALASKA FOSTER PARENT ASSOCIATION  
P.O. BOX 231  
SKAGWAY, ALASKA 99840

APR 30 1990

April 30, 1990

Senate Finance Committee  
Alaska State Legislature  
Pouch V, (MS3100)  
Juneau, Alaska 99811

Mr. Chairman,

I regret that I am unable to attend the hearing on HB 19 scheduled for May 1st. Please accept this letter in lieu of testimony.

While the fiscal note for HB 19 may seem high, there are a number of considerations which mitigate the impact on state funds. Review is required under Public Law 96-272. Currently the review is accomplished as an internal review by department personnel. These reviews have not met federal standards in the past, which resulted in failure of the audit conducted by Region X of the Social Security Administration. The state of Alaska had to return \$160,000.00 of federal funds. We have also been accepting Title 4E funding of about \$3,000,000.00 per year which is subject to audit but to date has not been audited. There is a great potential that these funds are in danger as well since the standards which apply have not been met. Not putting citizen review in place could be expensive indeed.

The total amount of the fiscal note amounts to roughly 6% of the total annual foster care stipend, the amount that the state reimburses foster parents for housing and feeding children in state custody. If the review process reduces the length of time in care by 6% the system will pay for itself. Any reduction beyond that will constitute a savings. This does not consider all the other program elements and services involved which cost substantially more. The experience in other states which have emplaced citizen review has been that numbers of children in care have been reduced by getting them out of the system sooner. Arizona, for example, reduced the average time in state custody by 50% in two years. This resulted in savings to the state.

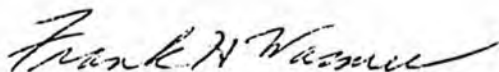
April 30, 1990

The most important consideration has no price tag. We in Alaska are not doing a good job of responding to children in distress who desperately need our best efforts to secure their future. There is a great deal of suffering that can be averted if we put the system in place that will be created under HB 19.

Please pass HB 19 out of committee with its current fiscal note.

Thank you for your continued concern for children and families.

Sincerely,

A handwritten signature in cursive script that reads "Frank H. Wasmer".

Frank H. Wasmer  
President Elect

## FISCAL NOTE

**REQUEST:** \_\_\_\_\_

Revision Date: \_\_\_\_\_ Agency Affected: Department of Administration  
 Title: "An Act relating to citizen review panels for certain children in state custody . . ." BRU: Citizens Review Panel  
 Sponsor: Collins Components: \_\_\_\_\_  
 Requestor: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	331.1	391.5	402.5	402.5	402.5	402.5
TRAVEL	32.5	46.4	45.8	45.8	45.8	45.8
CONTRACTUAL	130.6	128.3	128.3	128.3	128.3	128.3
SUPPLIES	11.1	11.1	11.1	11.1	11.1	11.1
EQUIPMENT	91.5	1.5	1.5	1.5	1.5	
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>596.9</b>	<b>578.8</b>	<b>589.2</b>	<b>589.2</b>	<b>589.2</b>	<b>589.2</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING:** (Thousands of Dollars)

GENERAL FUND	596.9	578.8	589.2	589.2	589.2	589.2
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>596.9</b>	<b>578.8</b>	<b>589.2</b>	<b>589.2</b>	<b>589.2</b>	<b>589.2</b>

**POSITIONS:**

FULL-TIME	9	9	9	9	9	9
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

**ANALYSIS :** (Attach a separate page if necessary)

Any FY90 costs to be absorbed by Department of Administration and Department of Health and Social Services.

Prepared by: James J. Fox Phone: 465-2200  
 Division: Commissioner's Office Date: 5/1/90  
 Approved by Commissioner: Frank S. Baxter Date: 5/1/90  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

CS HB 19 (Draft)

The function of the agency established under this bill is to provide for an additional, non-departmental, review of longer term out-of-home placements for children and youth in the custody of the Department of Health and Social Services. The individual review is to result in specific recommendations for services to the child. The overall process is to result in periodic summary reports of the placement activities of the division and recommendations for improvement of services to children in out-of-home placement.

In scope this program will provide about 1,500 local, individual reviews effecting about 1,000 children each year. The geographic area covered is equal to about 15% of the United States.

This fiscal note is revised from the one prepared on March 20 of this year. It does not reflect any change in the kind or degree of work required under this bill.

It does reflect a request to reduce support staffing levels for the local review panels and some minor changes in equipment costs. Also the employer PERS rate has been increased for FY91 since the March 20 analysis, and is reflected in this note.

It is my belief that the staffing level reflected in this fiscal note is not sufficient to adequately support the functions expected of this agency. The original analysis was based on FY 89 numbers of children in placement for 6 months or longer. Very recent verbal information from DFYS indicates the actual number of reviews may well exceed those predicted in the prior note.

With 23 local citizen review panels and one state wide panel the staff will need to support, inform and train more than 150 lay individuals in a complex and subjective field. Recruitment and training will be a constant process. Aside from the substantial time spent in reviewing and synthesizing voluminous case files the support staff must conduct reviews throughout the state and summarize and prepare the panel's recommendations.

This fiscal note is based on several assumptions.

1. The service provided is to supplement, and enhance, services provided by the Division of Family and Youth Services.
2. To the extent possible DFYS social work staff should not have to assume additional administrative burdens.

3. If possible, the process should lessen current administrative activities of DFYS social work staff, permitting more time for direct service.
4. The review process should involve local individuals who receive some training in child welfare issues and who are knowledgeable of local social and cultural customs.
5. Local review panels are volunteers and receive no recompense.
6. The state panel reviews the service of the local panels, hires the agency director, and sets agency policy and procedure for carrying out statutory obligations including reports and recommendations.
7. The success of the panels will be contingent on maintaining credibility in recommendations and fostering a positive working relationship with the division. The subjective measure will be public acceptance of the process. The objective measure will be the implementation of recommendations and improvements in permanent placements for children.
8. Because the review process will require synthesis and summary from case files as preparation for panel review it was felt that panel professional staff should have knowledge of, and background in, social work. Hence the use of the Social Worker III classification for professional staff.
9. Staffing patterns were developed from an analysis of where the children were in placement, estimates from current staff as to the time required for different parts of the process and the level of support staff needed in similar activities.
10. As the panel members will be volunteers an assumption was made that an effort would be made to appoint sufficient local panels to permit timely reviews to be provided without asking individual panel members to contribute more than one, or at most two full days per month.
11. The fiscal note provides for establishing 3 offices, with the largest office, and agency headquarters, in Anchorage and smaller offices in Fairbanks and Juneau.
12. As many as 11 local review panels are contemplated for areas remote from the 3 field offices. Some will meet

monthly and some will meet only quarterly. The staff travel budget is predicated on providing on-site support for the panel meetings.

13. Local panel training assumes the participation of DFYS (at their expense). The delivery is at the local level and provided by agency staff (review panel staff and DFYS staff). Extra on-site days for staff are included in the travel budget for this training. \$2,500 per year is included in the budget for the purchase and/or development of training material. Initial training (orientation) is covered in the first two years and after that it is assumed about 1/2 the panels would receive further training each year.

14. Space needs are DOA standards for staff. Space needs include a large conference/meeting room for Anchorage. Local panels there would be meeting 1 to 3 days per week. If reliable donated space can be found for this purpose the space costs could be reduced accordingly.

15. Teleconference equipment is included for each office. This equipment is portable so as to be usable by local review panels in field location.

16. Recording equipment is included for use by the review panels in both office and field locations.

17. Equipment is included for a local area network in the Anchorage office and modems are included for each office location for transfer of data and reports. Each modem will require a dedicated phone line.

Other one time equipment purchases include the ordinary office equipment needs -- desks, tables, chairs, bookshelves, storage cabinets, files, telephones, etc. A PC and dot matrix printer is included for all positions except the receptionist position in Anchorage. One good letter quality printer per office is substituted for one of the dot matrix printers.

18. \$20,000 is included for programming of off the shelf software for a data collection/information management system.

19. Prior experience indicates this agency will process a lot of paper. Very heavy duty copiers were budgeted for both Anchorage and Fairbanks. A lighter duty model was budgeted for in Juneau.

20. Budgeted amounts for postage, toll charges and supplies are a best guess based on prior experience and a review of other agency budgets.

21. The potential for donated, surplus or transferred equipment and furniture is unknown at this point. As with possible donated space -- receipt would lessen the fiscal requirements.

22. No ancillary costs are budgeted for local panel expenses. It is assumed space would be provided locally at no cost to the agency. No parking expenses, child care expenses or other possible out of pocket expenses for local panel members are budgeted.

23. Space requirements are figured at \$2.00 a square foot and occupancy is assumed by 10/1/90. Operation until that time will be from borrowed space (presumably DOA and/or DFYS).

24. It is assumed that nominations for the State Panel will be made early (upon passage of this bill) and that they will be able to meet in July and make the selection of an Executive Director who will be able to quickly select an assistant and begin hiring other agency staff. While the start time is ambitious, a considerable body of procedure and material has already been developed through existing internal review panels conducted by DFYS and through the Ketchikan pilot project.

**Assumes office locations of Anchorage, Juneau and Fairbanks.**

Professional Services

1st Year	\$22,500 (\$20,000 for Information System Development)
2nd Year	\$2,500 Trainer/Training Material

Communication

Telephone	\$25,140
Postage (750/mo)	\$9,000
Teleconferences (6)	\$2,700

Advertising, Printing For recruitment, rept	\$3,925
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Minor Repair/Maint.	\$3,600 (\$0 1st year, \$300/Mo. 2nd yr.)
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Copiers (2 @ 1,050/mo)	\$25,200
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Space (9 Mo. 1st Yr.)	\$42,188
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<b>Total 1st Year</b>	<b>\$130,653</b>
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<b>Total 2ond Year</b>	<b>\$128,315</b>
------------------------	------------------

First Year Classification	Location	BU	Range	Step	FTE	Annual Base	Space Ft.2	One Time Equipment Costs
Executive Director	Anchorage	X	21	A	.92	\$42,141	175	\$7,320
Administrative Assistant II	Anchorage	S	14	A	.92	\$26,158	98	\$6,316
Clerk II/Receptionist	Anchorage	G	7	A	.83	\$15,450	64	\$1,316
Social Worker III	Anchorage	G	16	A	.83	\$27,020	94	\$6,146
Social Worker III	Anchorage	G	16	A	.83	\$27,020	94	\$6,146
Clerk III	Anchorage	G	9	A	.83	\$17,310	64	\$8,361
Social Worker III	Fairbanks	G	16	A	.83	\$27,020	94	\$6,146
Clerk III	Fairbanks	G	9	A	.83	\$17,310	64	\$8,361
Social Worker III	Juneau	G	16	A	.83	\$27,020	94	\$7,341
Ancillary Space Needs					7.67		841	\$57,453
Photocopier	2		170					
File Storage	6		54					
Storage Cabinets	4		60					
Reception/Meeting Area			750					
Base Space Requirements			1,875.00					
25% access			468.75					
			2343.75					
Cost Estimate /ft2	\$2.00		\$56,250					

Second Year Classification	Location	BU	Range	Step	FTE	Annual Base
Executive Director	Anchorage	X	21	B	1	\$47,688
Administrative Assistant II	Anchorage	S	14	B	1	\$29,508
Clerk II/Receptionist	Anchorage	G	7	B	1	\$19,032
Social Worker III	Anchorage	G	16	B	1	\$33,648
Social Worker III	Anchorage	G	16	B	1	\$33,648
Clerk III	Anchorage	G	9	B	1	\$21,420
Social Worker III	Fairbanks	G	16	B	1	\$33,648
Clerk III	Fairbanks	G	9	B	1	\$21,420
Social Worker III	Juneau	G	16	B	1	\$33,648
					9	

Third Year Classification	Location	BU	Range	Step	FTE	Annual Base
Executive Director	Anchorage	X	21	C	1	\$49,140
Administrative Assistant II	Anchorage	S	14	C	1	\$30,540
Clerk II/Receptionist	Anchorage	G	7	C	1	\$19,572
Social Worker III	Anchorage	G	16	C	1	\$34,740
Social Worker III	Anchorage	G	16	C	1	\$34,740
Clerk III	Anchorage	G	9	C	1	\$22,020
Social Worker III	Fairbanks	G	16	C	1	\$34,740
Clerk III	Fairbanks	G	9	C	1	\$22,020
Social Worker III	Juneau	G	16	C	1	\$34,740

9

Supplies and Materials

Office & Library Supplies, \$900/Month	\$10,800
Data Processing Sup.	\$300
Total	\$11,100

One Time Special Equipment Needs

Fax Machine	3	\$0
File Server (Anc)	1	\$13,000
LAN Network (Anc)	1	\$1,895
Modems	3	\$0
Storage Cabinets	3	\$1,275
Miscl. Furniture	1	\$3,000
Recording Equip.	6	\$2,850
Teleconf. Equip. Portable	3	\$12,000
Total		\$34,020

One Time Needs For Individual Staff \$57,453

Total One Time Equipment \$91,473

2nd and Subsequent Years \$1,500  
Replacement of Small  
Equipment - recorders, ect.

Five Member State Panel

To Anchorage -- State Wide Panel

5 Panel Members

1st Year	Persons		
\$400 Transportation	3	\$2,400	2 Trips
\$15 Transportation	2	\$60	2 Trips
\$80 Per Diem for	5	\$3,200	8 Days/Year
\$80 Per Diem for	3	\$960	4 Days Travel Time
		\$6,620	
2nd (& Subsequent) Years			
\$400 Transportation	3	\$2,400	2 Trips
\$15 Transportation	2	\$60	2 Trips
\$80 Per Diem for	5	\$2,400	6 Days/Year
\$80 Per Diem for	3	\$960	4 Days Travel Time
		\$5,820	

**Staff**

<b>1st Year</b>				<b>Trip/Days</b>
<b><u>Executive Director</u></b>				
\$400 Transportation	1	\$385		1 Trip For Departmental Orientation
\$80 Per Diem for	1	\$240		3 Days For Departmental Orientation
\$500 Transportation	1	\$500		1 Trip Ketchikan Office
\$80 Per Diem for	1	\$320		4 Days/Trip Ketchikan Office
\$385 Transportation	1	\$770		2 Juneau Trip/Administrative Functions
\$80 Per Diem for	1	\$320		4 Days in Juneau/Administrative Functions
\$212 Transportation	1	\$424		2 Trips to Fairbanks Office
\$80 Per Diem for	1	\$320		4 For Trips to Fairbanks Office
<b>Total</b>		<b>\$3,279</b>		
<b>2nd (&amp; Subsequent) Years</b>				
<b><u>Executive Director</u></b>				
\$385 Transportation	1	\$2,310		6 Juneau Trip For Administrative Functions
\$80 Per Diem for	1	\$960		12 Days in Juneau For Administrative Functions
\$212 Transportation	1	\$848		4 Trips to Fairbanks Office
\$80 Per Diem for	1	\$480		6 For Trips to Fairbanks Office
<b>Total</b>		<b>\$4,598</b>		

1st Year				
<u>Line Staff</u>			<u>Trip/Days</u>	
\$421 Transportation	1	\$2,946	7	Local Panel Training
\$80 Per Diem for	1	\$1,120	14	Days For Local Pannel Training
\$421 Transportation	1	\$13,045	31	Local Panel Reviews
\$80 Per Diem for	1	\$4,960	62	Days For Local Panel Reviews
\$385 Transportation	1	\$385	1	Departmental Orientation for Adm. Assistant
\$80 Per Diem for	1	\$160	2	Days for Departmental Orientation for Adm. A
Total		\$22,615		

2nd Year				
<u>Line Staff</u>			<u>Trip/Days</u>	
\$421 Transportation	1	\$1,262	3	Local Panel Training
\$80 Per Diem for	1	\$480	6	Days For Local Pannel Training
\$421 Transportation	1	\$23,986	57	Local Panel Reviews
\$80 Per Diem for	1	\$9,120	114	Days For Local Panel Reviews
\$385 Transportation	1	\$770	2	Departmental Administrative Trainingfor Adm.
\$80 Per Diem for	1	\$320	4	Days ForDepartmental Administrative Training
Total		\$35,938		

3rd (& Subsequent) Years				
<u>Line Staff</u>			<u>Trip/Days</u>	
\$421 Transportation	1	\$1,683	4	Local Panel Development/Training
\$80 Per Diem for	1	\$640	8	Days For Local Pannel Training
\$421 Transportation	1	\$23,144	55	Local Panel Reviews
\$80 Per Diem for	1	\$8,800	110	Days For Local Panel Reviews
\$385 Transportation	1	\$770	2	Departmental Training For Adm. Assistant
\$80 Per Diem for	1	\$320	4	Days For Departmental Training For Adm. Assi
Total		\$35,357		

**Administrative Totals**

1st Year \$32,514

2nd Year \$46,356  
 3rd Year \$45,775

Monthly Pannels	Pannels	Hearing Days Per Month	Trips	\$/Trip	\$/Yr	Days Per Trip	Per diem Per Trip \$80.00	Per diem Per Trip Per Year
Bethel	2	2.50	12	\$450	\$5,400	4	320	\$3,840
Dillingham	1	.33	4	\$372	\$1,488	3	240	\$960
Kenai	1	1	12	\$132	\$1,584	2	160	\$1,920
Kodiak	1	.33	2	\$418	\$836	3	240	\$480
Unalaska	1	.33	1	\$876	\$876	3	240	\$240
Delta	1	.33	4	\$50	\$200	1	80	\$320
Barrow	1	.33	4	\$778	\$3,112	2	160	\$640
Galena	1	.33	4	\$170	\$680	1	80	\$320
Nome	1	.33	4	\$684	\$2,736	2	160	\$640
Ketchikan	2	2.50	12	\$278	\$3,336	2	160	\$1,920
Total	12	8.33	59	\$4,208	\$2,025		\$184	\$1,128
Locations	10				12		12	12
Average \$/Trip				\$421	\$24,298		\$2,208	\$13,536

### Summary of Costs

#### First Year

\$331,148	100	-- Personnel Services
\$32,514	200	-- Travel
\$130,653	300	-- Contractual
\$11,100	400	-- Supplies
\$91,473	500	-- Equipment

**\$596,887 Total**

#### Second Year

\$391,540	100	-- Personnel Services
\$46,356	200	-- Travel
\$128,315	300	-- Contractual
\$11,100	400	-- Supplies
\$1,500	500	-- Equipment

**\$578,811 Total**

#### Third Year

\$402,520	100	-- Personnel Services
\$45,775	200	-- Travel
\$128,315	300	-- Contractual
\$11,100	400	-- Supplies
\$1,500	500	-- Equipment

**\$589,210 Total**

HB

B

2

3

# HOUSE COMMITTEE REPORT

(11)

Date Referred: March 3, 1989

FURTHER REFERRALS:

Date of Committee Action: 3/23/89

The FINANCE Committee considered:

HB 23

HOUSE BILL NO. 23

[PERS & TRS CREDIT FOR PART-TIME SERVICE]

"An Act relating to credit for part-time service in the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

**RECOMMENDATIONS:**

- be replaced with CS HB 23 (Fin)  the same title
- have attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(S):  
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact \_\_\_\_\_
- zero fiscal note \_\_\_\_\_
- zero with analysis W. Adm.
- fiscal note(s) \_\_\_\_\_
- zero fiscal note(s) \_\_\_\_\_
- zero fn/analysis \_\_\_\_\_

**SIGNING DO PASS:**

**SIGNING:**

(Check approp. column)

		Do Not Pass	No Rec	Amend
<u>Richard J. Larson</u> LARSON	<u>Koy Kallio</u> WALLIS		✓	
<u>Cliff Swackhammer</u> SWACKHAMMER	<u>John Koponen</u> KOPONEN		✓	
<u>John Limer</u> LIMER	<u>Debbie Shultz</u> SHULTZ		✓	
<u>James Barnes</u> BARNES	<u>Reed E. Phillips</u> PHILLIPS		✓	
	<u>Steve Rieger</u> RIEGER		✓	
	<u>Jay Brown</u> BROWN		✓	

Richard J. Larson

Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Administration  
 Title: Part-Time Service in Both the  
Public Employees' Retirement System  
and Teachers' Retirement System  
 BRU: Retirement and Benefits  
 Sponsor: Ulmer Components: Retirement and Benefits  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary) This will not result in additional operations cost for the Division of Retirement and Benefits.

THIS BILL WILL NOT RESULT IN INCREASED FY 90 PERSONAL SERVICES COSTS TO STATE AGENCIES, SCHOOL DISTRICTS OR OTHER PARTICIPATING POLITICAL SUBDIVISIONS.

Prepared By: Sally Smith, Director *Sally Smith* Phone: 465-4470  
 Division: Retirement and Benefits Date: Mar. 24, 1989

Approved by Commissioner: John M. Andrews *JM Andrews* Date: 3/28/89  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

Adopted

Committee Substitute for House Bill 23 (Finance)  
Analysis of Fiscal Implications to the Retirement Funds  
Prepared by Division of Retirement & Benefits  
Department of Administration  
March 23, 1989

Analysis: This bill will allow members to receive service credit in both the Teachers' (TRS) and Public Employees' Retirement System (PERS) concurrently, if they work at least 1/2 day in each. Under no circumstances can a member earning concurrent service under this bill earn more than one year of combined service during a school year. This bill will also provide a means for full-time teachers to receive PERS recognition for service as a municipal elected officer.

There would not be an adverse impact on the actuarial soundness of either the PERS or the TRS funds. The increase in the unfunded liability and the decrease in the funding ratio in each would be negligible.

Original sponsors: Ulmer and Koponen

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 23 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to credit for service as an elected  
7 officer of a municipality or political subdivision  
8 for certain members of the teachers' retirement  
9 system, and to credit for part-time service in the  
10 public employees' retirement system and the teachers'  
11 retirement system; and providing for an effective  
12 date."

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

14 \* Section 1. AS 14.25.040 is amended by adding a new subsection to  
15 read:

16 (d) A person who is employed at least half-time in the system  
17 during the same period that the person is employed at least half-time  
18 in a position in the public employees' retirement system under AS 39.-  
19 35 shall receive credited service under each system for half-time  
20 employment. However, the amount of credited service a person receives  
21 under the public employees' retirement system during a school year may  
22 not exceed the amount necessary, when added to the amount of credited  
23 service earned during the school year under the system, to equal one  
24 year of credited service. A person who was employed at least half-  
25 time in a position in the public employees' retirement system under  
26 AS 39.35 in the same period that the person was employed at least  
27 half-time in a position in this system may claim credited service in  
28 both systems for employment before the effective date of this Act. To  
29 obtain this credited service, the person shall claim the service and

1 verify the period of half-time employment. When eligibility for  
2 half-time service credit has been established, an indebtedness shall  
3 be determined to the retirement system in which the person did not  
4 participate. The amount of the indebtedness is the full actuarial  
5 cost of providing benefits for the credited service claimed. Interest  
6 as prescribed by regulation accrues on that indebtedness beginning on  
7 the later of July 1, 1989, or the date on which the member is first  
8 eligible to claim the service. Any outstanding indebtedness existing  
9 at the time the person retires will require an actuarial adjustment to  
10 the benefits payable based on that service.

11 \* Sec. 2. AS 39.35 is amended by adding a new section to read:

12 Sec. 39.35.131. MEMBERSHIP IN TEACHERS' AND PUBLIC EMPLOYEES'  
13 RETIREMENT SYSTEMS. (a) A person who is employed at least half-time  
14 in the system during the same period that the person is employed at  
15 least half-time in a position in the teachers' retirement system under  
16 AS 14.25 shall receive credited service under each system for half-  
17 time employment. However, the amount of credited service a person  
18 receives under the system during a school year may not exceed the  
19 amount necessary, when added to the amount of credited service earned  
20 during the school year under the teachers' retirement system, to equal  
21 one year of credited service.

22 (b) A person who was employed at least half-time in a position  
23 in the teachers' retirement system under AS 14.25 in the same period  
24 that the person was employed at least half-time in a position in this  
25 system may claim credited service in both systems for employment  
26 before the effective date of this Act. To obtain this credited ser-  
27 vice, the person shall claim the service and verify the period of  
28 half-time employment. When eligibility for half-time service credit  
29 has been established, an indebtedness shall be determined to the

1 retirement system in which the person did not participate. The amount  
2 of the indebtedness is the full actuarial cost of providing benefits  
3 for the credited service claimed. Interest as prescribed by regu-  
4 lation accrues on that indebtedness beginning on the later of July 1,  
5 1989, or the date on which the member is first eligible to claim the  
6 service. Any outstanding indebtedness existing at the time the person  
7 retires will require an actuarial adjustment to the benefits payable  
8 based on that service.

9 \* Sec. 3. AS 39.35 is amended by adding a new section to read:

10 Sec. 39.35.381. ALTERNATE BENEFIT FOR ELECTED PUBLIC OFFICERS.

11 (a) An elected public officer is eligible for a public officer bene-  
12 fit if the officer is retired under AS 14.25 (teachers' retirement  
13 system). Only fully paid credited service as an elected public offi-  
14 cer of a municipality or other political subdivision, earned while the  
15 municipality or political subdivision was an employer under this  
16 system and while the person was employed full-time under AS 14.25, may  
17 be counted under this section.

18 (b) Credited service for which contributions were refunded is  
19 not creditable under this section unless the refunded contributions  
20 have been repaid. For purposes of (a) of this section, a member or  
21 former member does not have to be reemployed under this system in  
22 order to pay refunded contributions. Compound interest at the rate  
23 prescribed by regulation must be added to the reinstatement indebted-  
24 ness from the date of the refund to the date of repayment.

25 (c) The amount of the monthly elected public officer benefit is  
26 two percent of the average monthly compensation for service eligible  
27 under this section times those years of service.

28 (d) When an elected public officer eligible to receive credited  
29 service under this section dies, the officer's designated beneficiary

1 is entitled to the balance in the officer's employee contribution  
2 account.

3 (e) A person who retires under this section is not entitled to  
4 disability or death benefits under AS 39.35.400 - 39.35.440, a minimum  
5 benefit under AS 39.35.485, or to medical benefits under AS 39.35.535.  
6 Service earned under this section may not be used for vesting under  
7 this chapter.

8 (f) Benefits payable under this section accrue from the first  
9 day of the month after which all of the following requirements are  
10 met: (1) the elected public officer meets the eligibility require-  
11 ments of this section; (2) the officer terminates employment under  
12 this chapter; and (3) the officer applies for retirement. The bene-  
13 fits are payable the last day of the month. If payment is delayed, a  
14 retroactive payment shall be made to cover the period of the delay.

15 (g) An elected public officer may claim credit under this sec-  
16 tion for service performed as an elected public officer before the  
17 effective date of this Act. To claim the service, the elected public  
18 officer must have been an elected public officer of a municipality or  
19 political subdivision that was an employer under this system during  
20 the elected service and must have been employed full-time under  
21 AS 14.25 during that time. When the elected public officer claims  
22 that service, an indebtedness to the system is established. The  
23 amount of the indebtedness is the full actuarial cost of providing  
24 benefits for the service claimed. Interest as prescribed by regu-  
25 lation accrues on that indebtedness beginning on July 1, 1989. Any  
26 outstanding indebtedness existing at the time the person retires will  
27 require an actuarial adjustment to the benefits payable based on that  
28 service.

29 \* Sec. 4. AS 39.35.680(21) is amended to read:

1 (21) "member" or "employee"

2 (A) means a person eligible to participate in the  
3 system and who is covered by the system;

4 (B) includes

5 (i) active member;

6 (ii) inactive member;

7 (iii) vested member;

8 (iv) deferred vested member;

9 (v) non-vested member;

10 (vi) disabled member;

11 (vii) retired member;

12 (viii) an elected public officer under AS 39.35.381;

13 (C) does not include

14 (i) former members;

15 (ii) persons compensated on a contractual or fee  
16 basis;

17 (iii) casual or emergency workers or nonpermanent  
18 employees as defined in AS 39.25.200;

19 (iv) persons covered by the Alaska Teachers'  
20 Retirement System except as provided under AS 39.35.131 and  
21 39.35.381;

22 (v) employees of the division of marine transpor-  
23 tation engaged in operating the state ferry system who are  
24 covered by a union or group retirement system to which the  
25 state makes contributions;

26 (vi) justices of the supreme court or judges of  
27 the court of appeals or of the superior or district courts  
28 of Alaska;

29 (vii) the administrative director of courts

1 appointed under art. IV, sec. 16 of the state constitution  
2 unless the director becomes a member under AS 39.35.158; and

3 (viii) members of the elected public officers'  
4 retirement system (former AS 39.37);

5 (D) may include employees of the division of marine  
6 transportation excluded under (C)(v) of this paragraph provided  
7 that

8 (i) the State of Alaska formally agrees to their  
9 inclusion through the process of collective bargaining; and

10 (ii) no collective bargaining agreement has the  
11 effect of obligating contributions made by the state under  
12 AS 39.30.150 in the event the state resumes participation in  
13 the federal social security system;

14 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

# Alaska State Legislature

Representative Fran Ulmer



P.O. Box V  
Juneau, Alaska 99811  
(907) 465-4947

## HOUSE OF REPRESENTATIVES

### MEMORANDUM

TO: Rep. Ron Larson, Co-chair  
Rep. Lyman Hoffman, Co-Chair  
Members, House Finance Committee

FROM: Rep. Fran Ulmer

DATE: March 14, 1989

RE: HB 23-credit for part-time service in TRS and PERS

---

HB 23 would allow persons who are employed part-time for the State of Alaska and part-time as teachers concurrently, to receive credited service in the public employees retirement system (PERS) and the teachers retirement system (TRS) at the same time.

Alaska statutes currently prohibit employees accruing retirement credit in both systems at the same time. A person who is working part-time as a state employee and part-time as a teacher is required to choose which retirement system they wish to participate in.

This legislation would allow them to accrue credited service in both systems at the same time after January 15, 1988.

One change was made to this bill in State Affairs. The Division of Retirement and Benefits proposed an amendment which would limit the total amount of credited service, when added together from both PERS and TRS, to no more than one year of credited service per each year worked. This amendment was adopted by the committee. No changes were made in the House HESS Committee

Item 4



# NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

### ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE  
ANCHORAGE, ALASKA 99503  
(907) 274-0536

### JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302  
JUNEAU, ALASKA 99801  
(907) 586-3090

### FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET  
FAIRBANKS, ALASKA 99701  
(907) 456-4435

January 23, 1989

To: Rep. Red Boucher, Chair  
Members, House State Affairs Committee

Re: House Bill No. 23; "An Act relating to credit  
in the public employees' retirement system  
and the teachers' retirement system; and  
providing for an effective date."

NEA-Alaska supports and encourages passage of HB 23.

This legislation addresses an equity question and we  
encourage your favorable consideration of it.

Thank you for your consideration of our position

Respectfully submitted,

Bob Manners  
Executive Secretary

cc: Rep. Fran Ulmer

FISCAL NOTE

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_ Agency Affected: Administration  
 Title: Part-Time Service in Both the BRU: Retirement and Benefits  
Public Employees' Retirement System  
and Teachers' Retirement System  
 Sponsor: Ulmer Components: Retirement and Benefits  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary) This will not result in additional operations cost for the Division of Retirement and Benefits.

THIS BILL IS ESTIMATED TO COST ALL STATE AGENCIES \$63.1 IN INCREASED FY 90 PERSONAL SERVICES COSTS.

THIS BILL IS ESTIMATED TO COST SCHOOL DISTRICTS AND OTHER PARTICIPATING POLITICAL SUBDIVISIONS \$103.3 IN INCREASED PERSONAL SERVICES COSTS IN FY 90.

See pages 2 and 3 for a detailed analysis.

Prepared By: Sally Smith, Director *R. L. Staluska* Phone: 465-4470  
 Division: Retirement and Benefits Date: 1/25/89

Approved by Commissioner: John M. Andrews *[Signature]* Date: 1/25/89  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

**received**  
 1-26-89

House Bill 23  
 Analysis of Fiscal Implications to the Retirement Funds  
 Prepared by Division of Retirement & Benefits  
 Department of Administration  
 January 19, 1989

Analysis: This bill will allow members to receive service credit in both the Teachers' (TRS) and Public Employees' Retirement System (PERS) concurrently, if they work at least 1/2 day in each.

The estimated increase to the FY90 TRS rate is .02% and the estimated increase in the FY90 PERS rate is .01%. The estimated FY90 state TRS payroll is \$55,085,786 - University of Alaska (U of A), \$50,060,086; and Department of Education (DOE), \$5,025,700. The estimated FY90 state PERS payroll is \$521,208,708. The State payroll is anticipated to remain stable for each year thereafter.

The estimated cost to the state in FY90 of \$63,138 is calculated as follows:

Fy90 DOE estimated salaries	\$ 5,025,700
Increase in the FY90 TRS rate	<u>X .02%</u>
Total DOE TRS cost...	\$ 1,005
FY90 U of A estimated salaries	\$ 50,060,086
Increase in FY90 TRS rate	<u>X .02%</u>
Total U of A TRS cost	\$ 10,012
FY90 estimated PERS salaries	\$ 521,208,708
Increase in FY90 PERS rate	<u>X .01%</u>
Total state PERS cost	\$ 52,121

In addition to the state cost, there would also be an increase in the political subdivisions' contribution rate of .02% in the TRS and .01% in the PERS. The estimated FY90 school district TRS payroll is \$339,201,043 and the total estimated political subdivision FY90 PERS payroll is \$354,521,366. The political subdivision/school district payroll is estimated to remain stable for each year thereafter.

The estimated FY90 cost for political subdivisions of \$103,292 is calculated as follows:

Fy90 School District estimated salaries	\$ 339,201,043
Increase in FY90 TRS rate	X <u>          .02%</u>
Total TRS cost	\$ 67,840

FY90 Political Subdivision estimated salaries	\$ 354,521,366
Increase in FY90 PERS rate	X <u>          .01%</u>
Total PERS cost	\$ 35,452

There would not be an adverse impact on the actuarial soundness of either the PERS or the TRS funds. The increase in the unfunded liability and the decrease in the funding ratio in each would be negligible.

ИВ

ВВ

2

3

SENATE COMMITTEE REPORT

FURTHER

5/5/89

DATE TURNED INTO OFFICE 5/7/89

Mr. President:

FINANCE

Committee considered CSHB 23(FIN)

credit for service as an elected officer of a municipality or political subdivision for certain members of the teacher's retirement system and to credit for part-time service in the public employees' retirement system & the teachers retirement system; efd.  
and recommended

- replace with \_\_\_\_\_ CS \_\_\_\_\_ )  same title
- or adopt \_\_\_\_\_ CS \_\_\_\_\_ )  new title
- attached amendment(s) and \_\_\_\_\_ )  technical title change (HB only)
- \_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

FISCAL NOTE(S)  zero  fiscal impact  appropriation no FN  
 new  updated  previous  
 same as previous fiscal note(s) published \_\_\_\_\_

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]  
Carl Fink  
[Signature]  
[Signature]

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Chair's signature and recommendation

Committee Backup attached

[Signature] CO-CHAIR  
 DO PASS

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Administration  
 Title: Part-Time Service in Both the BRU: Retirement and Benefits  
Public Employees' Retirement System  
and Teachers' Retirement System  
 Sponsor: Ulmer Components: Retirement and Benefits  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary) This will not result in additional operations cost for the Division of Retirement and Benefits.

THIS BILL WILL NOT RESULT IN INCREASED FY 90 PERSONAL SERVICES COSTS TO STATE AGENCIES, SCHOOL DISTRICTS OR OTHER PARTICIPATING POLITICAL SUBDIVISIONS.

Prepared By: Sally Smith, Director *Sally Smith* Phone: 465-4470  
 Division: Retirement and Benefits Date: Mar 24, 1989

Approved by Commissioner: John M. Andrews *John M. Andrews* Date: 3/28/89  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

Committee Substitute for House Bill 23 (Finance)  
Analysis of Fiscal Implications to the Retirement Funds  
Prepared by Division of Retirement & Benefits  
Department of Administration  
March 23, 1989

Analysis: This bill will allow members to receive service credit in both the Teachers' (TRS) and Public Employees' Retirement System (PERS) concurrently, if they work at least 1/2 day in each. Under no circumstances can a member earning concurrent service under this bill earn more than one year of combined service during a school year. This bill will also provide a means for full-time teachers to receive PERS recognition for service as a municipal elected officer.

There would not be an adverse impact on the actuarial soundness of either the PERS or the TRS funds. The increase in the unfunded liability and the decrease in the funding ratio in each would be negligible.

Original sponsors: Ulmer and Koponen

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 23 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to credit for service as an elected  
7 officer of a municipality or political subdivision  
8 for certain members of the teachers' retirement  
9 system, and to credit for part-time service in the  
10 public employees' retirement system and the teachers'  
11 retirement system; and providing for an effective  
12 date."

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

14 \* Section 1. AS 14.25.040 is amended by adding a new subsection to  
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19 35 shall receive credited service under each system for half-time  
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21 under the public employees' retirement system during a school year may  
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24 year of credited service. A person who was employed at least half-  
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26 AS 39.35 in the same period that the person was employed at least  
27 half-time in a position in this system may claim credited service in  
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29 obtain this credited service, the person shall claim the service and

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12 Sec. 39.35.131. MEMBERSHIP IN TEACHERS' AND PUBLIC EMPLOYEES'  
13 RETIREMENT SYSTEMS. (a) A person who is employed at least half-time  
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16 AS 14.25 shall receive credited service under each system for half-  
17 time employment. However, the amount of credited service a person  
18 receives under the system during a school year may not exceed the  
19 amount necessary, when added to the amount of credited service earned  
20 during the school year under the teachers' retirement system, to equal  
21 one year of credited service.

22 (b) A person who was employed at least half-time in a position  
23 in the teachers' retirement system under AS 14.25 in the same period  
24 that the person was employed at least half-time in a position in this  
25 system may claim credited service in both systems for employment  
26 before the effective date of this Act. To obtain this credited ser-  
27 vice, the person shall claim the service and verify the period of  
28 half-time employment. When eligibility for half-time service credit  
29 has been established, an indebtedness shall be determined to the

1 retirement system in which the person did not participate. The amount  
2 of the indebtedness is the full actuarial cost of providing benefits  
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7 retires will require an actuarial adjustment to the benefits payable  
8 based on that service.

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10 Sec. 39.35.381. ALTERNATE BENEFIT FOR ELECTED PUBLIC OFFICERS.

11 (a) An elected public officer is eligible for a public officer bene-  
12 fit if the officer is retired under AS 14.25 (teachers' retirement  
13 system). Only fully paid credited service as an elected public offi-  
14 cer of a municipality or other political subdivision, earned while the  
15 municipality or political subdivision was an employer under this  
16 system and while the person was employed full-time under AS 14.25, may  
17 be counted under this section.

18 (b) Credited service for which contributions were refunded is  
19 not creditable under this section unless the refunded contributions  
20 have been repaid. For purposes of (a) of this section, a memb. or  
21 former member does not have to be reemployed under this system in  
22 order to pay refunded contributions. Compound interest at the rate  
23 prescribed by regulation must be added to the reinstatement indebted-  
24 ness from the date of the refund to the date of repayment.

25 (c) The amount of the monthly elected public officer benefit is  
26 two percent of the average monthly compensation for service eligible  
27 under this section times those years of service.

28 (d) When an elected public officer eligible to receive credited  
29 service under this section dies, the officer's designated beneficiary

1 is entitled to the balance in the officer's employee contribution  
2 account.

3 (e) A person who retires under this section is not entitled to  
4 disability or death benefits under AS 39.35.400 - 39.35.440, a minimum  
5 benefit under AS 39.35.485, or to medical benefits under AS 39.35.535.  
6 Service earned under this section may not be used for vesting under  
7 this chapter.

8 (f) Benefits payable under this section accrue from the first  
9 day of the month after which all of the following requirements are  
10 met: (1) the elected public officer meets the eligibility require-  
11 ments of this section; (2) the officer terminates employment under  
12 this chapter; and (3) the officer applies for retirement. The bene-  
13 fits are payable the last day of the month. If payment is delayed, a  
14 retroactive payment shall be made to cover the period of the delay.

15 (g) An elected public officer may claim credit under this sec-  
16 tion for service performed as an elected public officer before the  
17 effective date of this Act. To claim the service, the elected public  
18 officer must have been an elected public officer of a municipality or  
19 political subdivision that was an employer under this system during  
20 the elected service and must have been employed full-time under  
21 AS 14.25 during that time. When the elected public officer claims  
22 that service, an indebtedness to the system is established. The  
23 amount of the indebtedness is the full actuarial cost of providing  
24 benefits for the service claimed. Interest as prescribed by regu-  
25 lation accrues on that indebtedness beginning on July 1, 1989. Any  
26 outstanding indebtedness existing at the time the person retires will  
27 require an actuarial adjustment to the benefits payable based on that  
28 service.

29 \* Sec. 4. AS 39.35.680(21) is amended to read:

- 1                   (21) "member" or "employee"
- 2                   (A) means a person eligible to participate in the
- 3 system and who is covered by the system;
- 4                   (B) includes
- 5                   (i) active member;
- 6                   (ii) inactive member;
- 7                   (iii) vested member;
- 8                   (iv) deferred vested member;
- 9                   (v) non-vested member;
- 10                  (vi) disabled member;
- 11                  (vii) retired member;
- 12                  (viii) an elected public officer under AS 39.35.381;
- 13                  (C) does not include
- 14                  (i) former members;
- 15                  (ii) persons compensated on a contractual or fee
- 16 basis;
- 17                  (iii) casual or emergency workers or nonpermanent
- 18 employees as defined in AS 39.25.200;
- 19                  (iv) persons covered by the Alaska Teachers'
- 20 Retirement System except as provided under AS 39.35.131 and
- 21 39.35.381;
- 22                  (v) employees of the division of marine transpor-
- 23 tation engaged in operating the state ferry system who are
- 24 covered by a union or group retirement system to which the
- 25 state makes contributions;
- 26                  (vi) justices of the supreme court or judges of
- 27 the court of appeals or of the superior or district courts
- 28 of Alaska;
- 29                  (vii) the administrative director of courts

1 appointed under art. IV, sec. 16 of the state constitution  
2 unless the director becomes a member under AS 39.35.158; and  
3 (viii) members of the elected public officers'  
4 retirement system (former AS 39.37);

5 (D) may include employees of the division of marine  
6 transportation excluded under (C)(v) of this paragraph provided  
7 that

8 (i) the State of Alaska formally agrees to their  
9 inclusion through the process of collective bargaining; and

10 (ii) no collective bargaining agreement has the  
11 effect of obligating contributions made by the state under  
12 AS 39.30.150 in the event the state resumes participation in  
13 the federal social security system;

14 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).