

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 825

S B 27
POSITION PAPER
DEPARTMENT OF REVENUE
February 26, 1991

See Dept.
of Commerce
reports
for positive
benefits.

The Department has no information from past experience tending to suggest that these tax credits produce a positive benefit in relation to the \$68,000,000 cost. An Alaska Department of Labor report of "Nonresidents Working in Alaska 1988" found that seafood processing has traditionally had difficulty attracting resident workers and therefore employed high numbers of non-resident workers and 1988 was no exception. During the first two years of the current fisheries tax credit program, when \$86,000,000 of qualified expenditures were made, Appendix A, the number of non-resident workers in the processing industry increased by 2,689 workers from 1987 to 1988 while resident workers increased by only 48. Appendix B. Therefore, the report indicates the credit program did not provide any benefit in the form of new jobs for residents.

All expenditures
are made
in state.

It would also appear that the processing industry is dominated by out of state businesses. The top ten fisheries businesses in 1989 are not resident firms to Alaska, employ on the average 57.4% nonresident workers, and account for 58.5% of the total fisheries business tax and 63.4% of the tax credits. Of the top twenty fisheries businesses, 11 are foreign owned and 6 others are headquartered out of the state. These twenty firms on the average employ 53.4% non-residents and account for 75% of the fisheries tax liability and 83.1% of the tax credits. Table III. If we can assume that the capital expenditures that increase product diversity or production efficiency and capacity, or improve product quality, are for the most part made in states other than Alaska and then imported into the state, then the benefit to the state in the form of increased Alaska investment may be significantly reduced.

Processors will
not be able to
take all credits
claimed

(\$68 million)
due to (1) three
year restriction
and (2) credits
limited to 50%
of actual tax
liability.

Absent increased jobs for Alaska residents or increased Alaska investment providing other tangible benefits to the state and communities, it would be difficult to find a favorable cost/benefit analysis. The cost of the current program is known. That cost is \$68,000,000. Unless the benefits exceed that \$68,000,000, the state is needlessly foregoing revenues.

The Department would oppose any legislation of this nature that would have a negative cost in relation to the benefit. The effectiveness of tax expenditures in the form of tax credits is questionable. See Appendix E. However, the department leaves the cost/benefit question for others to address and defers expressing a position on this particular legislation at this time.

Proposed Technical Amendments

1. Under AS 43.75.290, a fisheries business means a person who processes fisheries resources for sale. AS 43.75.020 requires that the person obtain a license for each processing plant. AS 43.75.015 imposes a fisheries business tax on that person based on the value of the resources processed. AS 43.75.030 requires each person to file a return and pay the tax. Therefore, since the maximum amount of the credit in a tax year is to be determined by reference to 50% of the business tax liability of the taxpayer, a taxpayer with multiple processing plants can aggregate the overall liability to maximize the credit generated from but one processing plant. In this manner,

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*Policy
question.
Not adopted.*

shore-based credits have been applied against liabilities generated from floating processors which are unrelated to the capital expenditure. If that is not an intended result, language starting at page 1, line 8 could be added to read:

For purposes of this section, a credit for capital expenditures made at one processing plant may not be applied against business tax liabilities attributable to other processing plants.

Adopted

2. The legislation suggests that a fisheries business is vested with a credit after it is approved by the department. In practice, companies have requested pre-approval of amounts to be expended and identified the specific items at a later date. Companies have also substituted items for those approved based on changed circumstances. The department on occasion has later determined, after granting approval, that other items do not qualify for the credit. In order to clearly allow the department to correct errors following pre-approval, language starting after the additional language in 1. could be added to read:

Pre-approval of the application for credit is subject to later revocation or correction by the department.

Adopted

3. The legislation provides that a fisheries business may claim a credit for two years if "activity for which the claim of the credit is made occurs during the two-year period". The department is unclear as to what constitutes sufficient "activity". We would instead suggest the following language at page 1, line 8:

A fisheries business may claim a credit under this subsection for a maximum period of two consecutive years and may claim the credit for capital expenditures for equipment and improvements to depreciable property that are placed in service no later than the last day of the first tax year for which the credit is claimed.

A placed in service rule would be easier to administer and simply means that the property is in a condition or state of readiness and availability and is subject to depreciation for federal income tax purposes.

*Current language
addresses problem
of same piece of
property being
used for
multiple credits.*

4. AS 43.75.037(e)(2) of the legislation denies a tax credit for property sold or transferred between fisheries businesses having substantial common ownership. This provision applies to both new and used property. The legislation would not, however, deny a credit to a fisheries business that buys used property from other than a related company. The department would suggest that the following language be substituted for (e)(2) at page 2, line 22 to allow the credit for all new property and to deny it for all used property:

(2) the original or first use of the property for which the capital expenditure was made was not by the taxpayer.

Adopted
5. AS 43.75.037(e)(3) of the legislation denies a tax credit to fisheries businesses in arrears under AS 43.75.015. Essentially, this means that a taxpayer in arrears under the fisheries business tax is not entitled to the credit while a taxpayer in arrears of salmon enhancement taxes, seafood marketing taxes, corporation net income taxes, or any other of the Alaska taxes other than fisheries business tax would be entitled to the credit. The department would suggest that the following language be substituted for (e)(3) at page 2, line 25 to deny the credit if any tax, penalty, or interest amount is in arrears:

(3) the fisheries business claiming the credit is in arrears in the payment of any liability under AS 43 and AS 16.51; for purposes of this paragraph, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

Adopted
6. AS 43.75.037(f) provides that the department shall prepare an application form for the credit. To make the meaning somewhat more clear, the department would suggest the following language at page 2, line 27:

(f) A fisheries business shall submit an application for a credit under this section on a form required by the department.

Adopted
7. The department's suggestions in 2, 5 and 6 above would also apply to Sec. 2.

TABLE I

FISHERIES BUSINESS TAX CREDITS BY YEAR

<u>Calendar Year</u>	<u>Tax Credits</u>
1987	\$ 7,547,133
1988	14,843,361
1989	13,159,344
Carryforwards to 1990 and 1991	<u>32,533,313</u>
Total Tax Credits	\$68,083,151

TABLE II

FISHERIES BUSINESS TAXES TO GENERAL FUND - 1989 TAX YEAR

	<u>Millions</u>
Shore-Based Tax Liability Before Credits	\$23.8
Fisheries Business Credits	<u>(13.2)</u>
Total Shore-Based Tax Receipts	10.6
Total Floating Tax Receipts	<u>13.9</u>
Total Fisheries Tax Receipts	24.5
Less Shared Tax Portion to Municipalities	<u>(14.8)*</u>
Net Retained Alaska Fisheries Business Taxes To General Fund	\$ 9.7

* Based on FY 90 sharing statistics. 50% of shore-based tax liabilities before credits, as well as 50% of floating tax liabilities, each determined by the location of processing activities, are shared with cities and boroughs where the processing activities occur.

PERCENTAGE OF GENERAL FUND. CREDITS AND SHARED TAXES TO TOTAL TAXES-1989

	<u>Millions</u>	<u>Percentage</u>
Total Shore-Based Tax Liability	\$23.8	
Total Floating Tax Liability	<u>13.9</u>	
Total Fisheries Tax Liabilities	\$37.7	100%
Total Fisheries Tax Credits	(13.2)	35%
Total Shared Tax To Municipalities	<u>(14.8)</u>	39%
Total Fisheries Tax to General Fund	\$ 9.7	<u>26%</u>
		100%

TABLE III

DISTRIBUTION OF FISHERIES BUSINESS TAX CREDITS
1989 CALENDAR TAX YEAR

<u>(A)</u> <u>Fisheries</u> <u>Business</u> <u>Taxpayers</u>	<u>(B)</u> <u># with</u> <u>Foreign</u> <u>Ownership</u>	<u>(A)</u> <u>% with</u> <u>Alaska</u> <u>Addresses</u>	<u>(A)</u> <u>% with</u> <u>Out of State</u> <u>Addresses</u>	<u>(C)</u> <u>Avg. % of</u> <u>Nonresident</u> <u>Employees</u>	<u>(A)</u> <u>% of</u> <u>Tax</u> <u>Liability</u>	<u>(A)</u> <u>% of</u> <u>Tax</u> <u>Credits</u>
Top 5	3	0%	100%	65.8%	44.8%	49.4%
Top 10	6	0%	100%	57.4%	58.5%	63.4%
Top 20	11	15%	85%	53.4%	75.0%	83.1%
All	-	-	-	60.0%	100.0%	100.0%

(A) From Department of Revenue Data

(B) DOR Data and "Foreign Ownership of Alaska Fish Processing Facilities",
Research Request 90.167 for the Alaska State Legislature, April 3, 1990.
Appendix C.

(C) DOR Data and "Residency Analysis of Alaska's Workers by Firm", 1988, by
the Alaska Department of Labor, January 1990. Appendix D.

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 5
JUNEAU, ALASKA 99811-0400
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January 30, 1991

The Honorable Richard I. Eliason
President of the Senate
P.O. Box V
Juneau, AK 99811

Dear Mr. President:

In accordance with AS 43.75.034, The Department of Revenue respectfully submits the following annual report on the Alaska fisheries business tax credit program.

In 1986, the Alaska Legislature enacted AS 43.75.032 authorizing a fisheries business tax credit program to businesses which make expenditures that increase product diversity or production efficiency and capacity, or improve product quality at a shore-based fisheries business facility in the state, or contribute to the development of a cooperative seafood industrial park in the state. The program allows fisheries businesses to reduce their tax liability by up to 50% for a maximum period of three consecutive years.

Although this statute sunsets December 31, 1991, only those expenditures incurred through 1989 are eligible for this tax credit program. Under a carryforward provision in the statute, fisheries businesses may claim unused credits on returns through tax year 1991.

Tax credits may not be claimed for more than 50% of eligible capital expenditures. However, AS 43.75.032 provides that an additional 25% of the expenditures may be used as credits for expenditures made in municipalities which adopt an ordinance directing the Department of Revenue to reduce its shared tax revenues by the additional expenditures taken as credits.

During 1990 we received one such ordinance from Anchorage. In any case, a taxpayer's credit may not exceed 50% of its tax liability.

The attached schedules provide details of the actual expenditures and credits claimed for each year since the inception of the program as well as a schedule outlining the amount of credits carried forward which may be applied against 1990 fisheries business tax returns, due March 31, 1991.

The Honorable Richard I. Eliason
January 30, 1991
Page 2

Credits claimed since the program's inception total \$35.5 million. We anticipate that fisheries businesses will claim the same amount of credits taken last year, approximately \$13 million.

The Department of Commerce and Economic Development will forward their fisheries business tax credit annual report under separate cover.

Sincerely,


Lee E. Fisher
Commissioner

LF:ped
Enclosures
91-9

Alaska Department of Revenue
1987 Fisheries Business Tax Credit Data
 For the Calendar Year 1987

Location	Actual 1987 Expenditures	Tax Credit Claimed
Alitak	\$ 196,732.00	\$ 139,756.02
Anchorage	1,000,000.00	48,390.67
Chignik	354,093.00	177,046.50
Cordova	2,072,296.63	523,268.88
Craig	0.00	29,697.03
Dry Bay	0.00	22,170.85
Dutch Harbor	428,552.00	100,331.24
Ekuk Spit	608,203.00	91,914.30
Excursion Inlet	687,135.00	85,472.54
Gustavus	23,129.00	3,265.00
Haines	0.00	57,841.18
Homer	1,411,928.00	323,270.92
Hoonah	349,428.62	47,265.70
Juneau	46,932.96	2,881.48
Kasilof	520,136.47	84,841.69
Kenai	984,368.95	696,296.30
Ketchikan	1,489,546.16	235,318.88
Klawock	0.00	3,147.53
Kodiak	8,865,416.97	1,310,126.60
Larsen Bay	127,574.49	63,787.25
Naknek	1,044,719.29	482,439.47
Nikiski	254,309.47	140,205.34
Pelican	61,134.17	36,680.50
Petersburg	2,054,740.00	421,545.21
Port Bailey	45,901.00	57,713.88
Port Graham	147,994.00	188,326.03
Seldovia	0.00	34,796.48
Seward	0.00	431,507.66
Sitka	1,594,246.19	280,089.09
Sterling	82,400.00	41,200.00
Togiak	64,092.57	32,046.29
Unalaska	16,898,360.00	352,921.28
Valdez	269,273.34	93,392.50
Wrangell	156,894.00	41,512.50
Yakutat	0.00	127,630.86
Various Alaskan Waters	<u>116,062.36</u>	<u>739,034.95</u>
Totals	<u>\$41,955,599.64</u>	<u>\$7,547,132.55</u>

Note: Fisheries tax credits may be applied against a taxpayer's combined liability. In some cases, taxpayers operate in more than one location and apply credits against tax liabilities attributable to locations where expenditures were not made.

Alaska Department of Revenue
1988 Fisheries Business Tax Credit Data
 For the Calendar Year 1988

Location	Actual 1988 Expenditures	Tax Credit Claimed
Akutan	\$ 4,820,629.37	\$ 341,868.83
Alitak	87,785.00	322,114.28
Anchorage	475,280.94	297,785.46
Bethel	51,000.00	47,983.54
Bristol Bay	24,528.52	0.00
Chignik	764,746.44	311,905.98
Chignik Lagoon	0.00	44,827.26
Cordova	2,862,781.99	1,010,042.31
Craig	0.00	65,216.69
Dillingham	0.00	159,951.52
Dry Bay	0.00	27,400.56
Dutch Harbor	450,000.00	56,111.37
Egegik Beach	103,152.00	44,910.36
Ekuk Spit	2,168,997.00	92,589.35
Excursion Inlet	23,326.00	131,304.30
Gustavus	72,100.00	5,079.58
Haines	39,000.00	100,451.64
Homer	0.00	304,323.35
Hoonah	0.00	59,649.40
Juneau	200,688.14	42,872.74
Kasilof	1,867,034.98	158,051.21
Kenai	2,112,044.30	1,058,882.73
Ketchikan	365,853.00	390,972.32
King Cove	2,422,436.00	815,984.52
Kodiak	8,024,062.01	1,962,944.87
Larsen Bay	228,376.00	114,188.00
Naknek	2,145,141.88	812,423.73
Nikiski	300,732.50	147,926.43
North Pole	56,231.79	2,431.86
Nulato	0.00	4,439.39
Pelican	47,581.87	30,928.22
Petersburg	3,307,455.27	593,381.90
Port Bailey	406,325.00	129,663.74
Port Graham	186,974.95	97,193.50
Port Moller	0.00	218,605.29
Sandpoint	0.00	202,032.84
Seldovia	0.00	57,296.57
Seward	80,562.00	329,478.83
Sitka	514,428.86	367,434.67
Sterling	235,000.00	0.00
Togiak	187,841.00	76,700.46
Unalaska	605,213.00	355,474.50
Valdez	7,422,829.37	286,662.97
Wrangell	81,007.95	57,766.31
Yakutat	936,060.93	176,353.40
Various Alaskan Waters	<u>259,311.00</u>	<u>2,929,753.96</u>
Totals	<u>\$43,936,519.06</u>	<u>\$14,843,360.67</u>

note: Fisheries tax credits may be applied against a taxpayer's combined liability. In some cases, taxpayers operate in more than one location and apply credits against tax liabilities attributable to locations where expenditures were not made.

Alaska Department of Revenue
1989 Fisheries Business Tax Credit Data
 For the Calendar Year 1989

Location	Actual 1989 Expenditures	Tax Credit Claimed
Akutan	\$26,683,888.70	\$ 240,844.29
Alitak	710,334.00	108,091.35
Anchorage	784,083.00	179,033.50
Bethel	956,997.00	75,494.65
Bristol Bay	72,670.00	0.00
Chignik	181,225.00	108,024.24
Chignik Lagoon	0.00	24,275.19
Cordova	2,253,982.52	804,173.71
Craig	0.00	112,409.83
Dillingham	757,404.06	406,267.23
Dry Bay	24,714.54	18,838.08
Dutch Harbor	10,402,398.00	229,876.48
Egegik Beach	46,568.00	29,949.64
Ekuk Spit	72,341.00	157,116.68
Excursion Inlet	662,119.00	201,414.99
Gustavus	0.00	5,174.76
Haines	0.00	45,821.20
Homer	28,000.00	73,358.34
Hoonah	0.00	49,899.20
Juneau	64,570.00	7,592.72
Kaltag	0.00	2,769.70
Kasilof	0.00	69,082.60
Kenai	1,724,372.91	507,041.41
Ketchikan	3,273,443.00	771,305.98
King Cove	716,822.22	905,293.43
Kodiak	3,827,958.45	1,425,793.13
Larsen Bay	157,176.66	42,599.65
Mountain Village	0.00	7,789.71
Naknek	2,470,643.89	1,288,456.94
Nikiski	0.00	130,941.01
North Pole	50,249.13	1,909.73
Nulato	0.00	1,446.46
Pelican	0.00	0.00
Petersburg	371,585.29	387,756.26
Port Bailey	247,952.00	23,913.68
Port Graham	0.00	7,756.50
Port Moller	0.00	163,256.58
Sandpoint	0.00	129,429.89
Seldovia	315,300.00	10,480.74
Seward	2,840,026.33	185,998.73
Sitka	420,820.22	353,287.79
Togiak	534,448.59	22,201.41
Unalaska	0.00	337,367.99
Valdez	94,676.95	253,478.52
Wrangell	206,325.00	63,676.17
Yakutat	239,952.81	130,317.40
Various Alaskan Waters	<u>53,072.26</u>	<u>3,058,336.47</u>
Totals	<u>\$61,446,120.53</u>	<u>\$13,159,343.86</u>

Note: Fisheries tax credits may be applied against a taxpayer's combined liability. In some cases, taxpayers operate in more than one location and apply credits against tax liabilities attributable to locations where expenditures were not made.

Alaska Department of Revenue
Schedule of Actual Credit Carryforward for 1990
 As of January 18, 1990

Location	Actual Tax Credit Carryforward
Akutan	\$ 936,083.41
Alitak	105,880.46
Anchorage	154,919.86
Bethel	229,681.27
Bristol Bay	6,905.91
Chignik	53,055.51
Chignik Lagoon	105,880.46
Clarkspoint	936,083.41
Cordova	862,901.57
Craig	115,413.48
Dillingham	618,970.42
Dry Bay	119,721.92
Dutch Harbor	5,100,083.56
Egegik	105,880.46
Ekuk Spit	105,880.46
Excursion Inlet	105,880.46
Gustavus	31,700.66
Haines	108,622.71
Homer	2,778.50
Juneau	102,748.61
Kake	71,035.48
Kaltag	48,320.72
Kasilof	425,297.29
Kenai	738,793.51
Ketchikan	520,556.71
King Cove	352,789.40
Klawock	9,533.02
Kodiak	3,237,197.99
Larsen Bay	35,988.68
Mountain Village	724.15
Naknek	1,526,854.28
Nikiski	66,930.16
North Pole	48,898.88
Nulato	48,320.72
Petersburg	95,507.94
Port Bailey	105,880.46
Port Graham	206,039.86
Port Moller	352,789.40
Port Protection	405,143.24
Sandpoint	936,083.41
Seldovia	105,875.00
Seward	627,862.27
Sitka	122,145.24
Sterling	117,500.00
Togiak	130,743.12
Unalaska	302,606.50
Valdez	483,001.39
Wrangell	59,158.50
Yakutat	119,721.92
Various Alaskan Waters	<u>11,322,940.88</u>
Totals	<u>\$32,533,313.18</u>

PLEASE MICROFILM TOP PAGE ONLY

THE FOLLOWING DOCUMENT HAS NOT
BEEN FILMED BUT IS AVAILABLE IN THE
ORIGINAL FILE.

DOCUMENTS WHICH HAVE NOT BEEN
FILMED BUT ARE AVAILABLE IN THE
ORIGINAL FILE INCLUDE:

Letters in Support from:

Alaska Municipal League 5/8/91
Alaska Druggers Assoc. 3/29/91
Heenah Cold Storage 3/29/91
Seafood Producers Coop. 3/6/91

SB 29

SENATE FINANCE COMMITTEE REPORT

DATE: 1/21/91

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 29

"An Act amending an appropriation and making an appropriation to the budget reserve fund; and providing for an effective date."

Died in SFC.

and recommended:

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

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

OTHER RECOMMENDATIONS:

1. _____

2. _____

Co-Chairs: Signatures and Recommendations

SENATE BILL NO. 29

IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS STURGULEWSKI, Pearce

Introduced: 1/21/91
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act amending an appropriation and making an appropriation to the budget reserve
2 fund; and providing for an effective date."

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

4 * Section 1. Sec. 20(b), ch. 209, SLA 1990 is amended to read:

5 (b) The "general fund balance available for appropriation" in the annual financial report
6 prepared by the Department of Administration under AS 37.05.210(2) for fiscal year 1991 is
7 appropriated to the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska)
8 [(AS 37.05.540)].

9 * Sec. 2. The unexpended and unobligated balance in the budget reserve fund (AS 37.05.540) is
10 appropriated to the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

11 * Sec. 3. This Act takes effect on the effective date of an Act enacted by the Seventeenth Alaska
12 State Legislature repealing the budget reserve fund (AS 37.05.540).

ALASKA STATE LEGISLATURE
SENATE BILL NO. 29

HISTORY IN THE SENATE

1991

1/21

Read first time and referred to:

Finance

RPT() CS DP NR DNP AM
New Title Same Title Previous FN
FN OFN To

RPT() CS DP NR DNP AM
New Title Same Title Previous FN
FN OFN To

RPT() CS DP NR DNP AM
New Title Same Title Previous FN
FN OFN To

Rules Calendar() CS AM Other
New Title Same Title Previous FN
FN OFN

Read second time

CS Adopted () New Title
Amended Advanced

Read third time

Letter of Intent adopted
Return to second for specific amendment

PASSED EFD Same or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reconsideration
Reconsideration not taken up

PASSED EFD Same or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

Read second time
CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON. EFD Same or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19

Received from the House

Version: _____

Concur in House amendment

Y ___ N ___ E ___ A ___

_____ Efd same or Y ___ N ___ E ___ A ___

Failed to concur in House amendment, ask House recede

Y ___ N ___ E ___ A ___

House failed to / receded from amendment

Y ___ N ___ E ___ A ___

CC appointed by Senate _____ Chair

CC appointed by House _____ Chair

(S) Granted Limited Powers of Free Conference

(H) Granted Limited Powers of Free Conference

19

(S) Adopted CC Rpt _____

Y ___ N ___ E ___ A ___

_____ Efd same or Y ___ N ___ E ___ A ___

(H) Adopted CC Rpt _____

Y ___ N ___ E ___ A ___

_____ Efd same or Y ___ N ___ E ___ A ___

To enrolling

Received from enrolling

Sent to Governor

_____ By Governor

Chapter Number _____

Filed with Lieutenant Governor

SBRO

SENATE FINANCE COMMITTEE REPORT

DATE: 1/21/91

FURTHER: _____

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 30

"An Act repealing the statutory budget reserve fund; and providing for an effective date."

Died in SFC

and recommended:

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

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

ATTACHES NEW FISCAL NOTE(S):
Dept/Date:

- fiscal note(s) _____
- zero fiscal note(s) _____

APPROVES PREVIOUS:
Dept/Date:

- fiscal note(s) _____
- zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1. _____ 2. _____

Co-Chairs: Signatures and Recommendations

SENATE BILL NO. 30

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR STURGULEWSKI

Introduced: 1/21/91

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act repealing the statutory budget reserve fund; and providing for an effective date."

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

3 * Section 1. AS 37.05.540 is repealed.

4 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

HISTORY IN THE SENATE

1991
1/21

Read first time and referred to:
Finance

_____ RPT(____) CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN
___ FN ___ OFN To _____

_____ RPT(____) CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN
___ FN ___ OFN To _____

_____ RPT(____) CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN
___ FN ___ OFN To _____

_____ Rules Calendar(____) CS ___ AM ___ Other
New Title ___ Same Title ___ Previous FN
___ FN ___ OFN

Read second time

_____ CS Adopted (____) _____ New Title
Amended _____ Advanced

Read third time

_____ Letter of Intent adopted
_____ Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration
Reconsideration not taken up

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

_____ RPT CS() ___ New Title
_____ DP _____ DNP _____ NR _____ AM
_____ FN _____ OFN _____ Previous FN

_____ RPT CS() ___ New Title
_____ DP _____ DNP _____ NR _____ AM
_____ FN _____ OFN _____ Previous FN

_____ RPT CS() ___ New Title
_____ DP _____ DNP _____ NR _____ AM
_____ FN _____ OFN _____ Previous FN

Read second time
CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

_____ Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON.	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

_____ Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19

Received from the House

Version: _____

Concur in House amendment

Y ___ N ___ E ___ A ___

___ Efd same or Y ___ N ___ E ___ A ___

Failed to concur in House amendment, ask House recede

Y ___ N ___ E ___ A ___

House failed to / receded from amendment

Y ___ N ___ E ___ A ___

CC appointed by Senate _____ Chair

CC appointed by House _____ Chair

(S) Granted Limited Powers of Free Conference

(H) Granted Limited Powers of Free Conference

19

(S) Adopted CC Rpt _____

Y ___ N ___ E ___ A ___

___ Efd same or Y ___ N ___ E ___ A ___

(H) Adopted CC Rpt _____

Y ___ N ___ E ___ A ___

___ Efd same or Y ___ N ___ E ___ A ___

To enrolling

Received from enrolling

Sent to Governor

_____ By Governor

Chapter Number _____

Filed with Lieutenant Governor

SBRI

SENATE FINANCE COMMITTEE REPORT

DATE: 3/20/91

FURTHER:

DATE TURNED
INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 31

"An Act making an appropriation to the Department of Education for K - 12 support for the fiscal year ending June 30, 1993; and providing for an effective date."

and recommended:

- | | |
|---|---|
| <input type="checkbox"/> replace with _____ CS _____ | <input type="checkbox"/> same title |
| <input type="checkbox"/> or adopt _____ CS _____ | <input type="checkbox"/> new title |
| | <input type="checkbox"/> technical title change (HB only) |
| <input type="checkbox"/> attached amendment(s) | |
| <input type="checkbox"/> _____ letter of intent adopted | |

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

OTHER RECOMMENDATIONS:

1. _____

2. _____

Co-Chairs: Signatures and Recommendations

ALASKA STATE LEGISLATURE
SENATE BILL NO. 31

HISTORY IN THE SENATE

1991
1/21

Read first time and referred to:
Hess and Finance

2/60 HES RPT() CS 2 DP 1 NR ___ DNP ___ AM
 ___ New Title ___ Same Title ___ Previous FN
 ___ FN ___ OFN NO FN APP To Finance

___ RPT(___) CS ___ DP ___ NR ___ DNP ___ AM
 ___ New Title ___ Same Title ___ Previous FN
 ___ FN ___ OFN To ___

___ RPT(___) CS ___ DP ___ NR ___ DNP ___ AM
 ___ New Title ___ Same Title ___ Previous FN
 ___ FN ___ OFN To ___

___ Rules Calendar(___) CS ___ AM ___ Other
 ___ New Title ___ Same Title ___ Previous FN
 ___ FN ___ OFN

Read second time

___ CS Adopted (___) ___ New Title
 ___ Amended ___ Advanced

Read third time

___ Letter of Intent adopted
 ___ Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration
Reconsideration not taken up

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

___ RPT CS(___) ___ New Title
 ___ DP ___ DNP ___ NR ___ AM
 ___ FN ___ OFN ___ Previous FN

___ RPT CS(___) ___ New Title
 ___ DP ___ DNP ___ NR ___ AM
 ___ FN ___ OFN ___ Previous FN

___ RPT CS(___) ___ New Title
 ___ DP ___ DNP ___ NR ___ AM
 ___ FN ___ OFN ___ Previous FN

Read second time
CS(___) Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

___ Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON.	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

___ Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

CS FOR SENATE BILL NO. 31 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/20/91
 Referred: Finance
 Funding Information: General Fund \$595,415,900
 Other Funds 45,624,000
 \$641,039,900

Sponsor(s): SENATOR FISCHER

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation to the Department of Education for K - 12 support
 2 for the fiscal year ending June 30, 1993; and providing for an effective date."

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

4 * Section 1. The sum of \$641,039,900 is appropriated from the general fund and from other funds
 5 in the amount listed to the Department of Education for the purposes expressed and allocated in the
 6 amounts listed for operating expenditures for the fiscal year ending June 30, 1993:

7	FUND SOURCE	AMOUNT
8	General fund	\$595,415,900
9	Public school fund (AS 37.14.110)	7,500,000
10	School fund (AS 43.50.140)	2,500,000
11	Federal receipts	35,624,000
12	PURPOSE	ALLOCATION AMOUNT
13	Foundation program	\$574,250,900
14	Student lunch program	15,000,000

1	Cigarette tax distribution	2,500,000
2	Tuition students	14,711,200
3	Boarding home grants	230,000
4	Youth in detention	800,000
5	Schools for the handicapped	3,262,200
6	Pupil transportation	30,285,600

7 * Sec. 2. The appropriation made by this Act lapses into the funds from which appropriated June 30,
8 1993.

9 * Sec. 3. This Act takes effect July 1, 1991.

SENATE BILL NO. 31

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR FISCHER

Introduced: 1/21/91

Referred: HESS and Finance

Funding Information:	General Fund	\$588,964,100
	Other Funds	<u>45,624,000</u>
		\$634,588,100

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation to the Department of Education for K - 12 support
2 for the fiscal year ending June 30, 1993; and providing for an effective date."

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

4 * Section 1. The sum of \$634,588,100 is appropriated from the general fund and from other funds
5 in the amount listed to the Department of Education for the purposes expressed and allocated in the
6 amounts listed for operating expenditures for the fiscal year ending June 30, 1993:

7	FUND SOURCE	AMOUNT
8	General fund	\$588,964,100
9	Public school fund (AS 37.14.110)	7,500,000
10	School fund (AS 43.50.140)	2,500,000
11	Federal receipts	35,624,000
12	PURPOSE	ALLOCATION AMOUNT
13	Foundation program	\$567,798,400
14	Student lunch program	15,000,000

1	Cigarette tax distribution	2,500,000
2	Tuition students	14,711,200
3	Boarding home grants	230,000
4	Youth in detention	800,000
5	Schools for the handicapped	3,262,200
6	Pupil transportation	30,286,300

7 * Sec. 2. The appropriation made by this Act lapses into the funds from which appropriated June 30,
8 1993.

9 * Sec. 3. This Act takes effect July 1, 1991.

SB 32

HOUSE COMMITTEE REPORT

(11)

Date Referred: March 21, 1991

FURTHER REFERRALS:

Date of Committee Action: 4/30/91

The FINANCE Committee considered:

CSSB 32(STA)

CS FOR SENATE BILL NO. 32 (STATE AFFAIRS)

PERS BENEFITS FOR YOUTH CENTER EMPLOYEES

"An Act granting certain juvenile correctional institution employees status as peace officers under the public employees' retirement system; and providing for an effective date."

RECOMMENDATIONS:

be replaced with HCS CSSB 32 (SA) the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact DHSS T Dept Admin

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Eileen Maclean</i> ^{Maclean}	<input checked="" type="checkbox"/>	<i>Mike Navarre</i> ^{Navarre}		<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>M. Decker</i> ^{Bayer}		<input checked="" type="checkbox"/>	
<i>[Signature]</i> ^{Koponen}	<input checked="" type="checkbox"/>	<i>Jan Perola</i> ^{Brown}		<input checked="" type="checkbox"/>	
<i>[Signature]</i> ^{Jain}	<input checked="" type="checkbox"/>	<i>[Signature]</i>			
<i>J. W. [Signature]</i> ^{Winer}	<input checked="" type="checkbox"/>	<i>Bert [Signature]</i> ^[Signature]		<input checked="" type="checkbox"/>	
		<i>Roll E. [Signature]</i> ^[Signature]		<input checked="" type="checkbox"/>	
		<i>Ronald J. [Signature]</i> ^{Lurson}		<input checked="" type="checkbox"/>	

Mike Navarre ^{Navarre} *Eileen Maclean* ^{Maclean}
 CHAIRMAN'S SIGNATURE

FISCAL NOTE

BILL NO. HCS CSSB 32

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____
Title: An act granting certain juvenile correction employees status of peace officers under PERS.

Department Affected: Administration
BRU: Retirement and Benefits

Sponsor: DUNCAN
Requestor: _____

Component: Retirement and Benefits

COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
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

Estimate of current year impact: Zero

ANALYSIS: (attach a separate page if necessary.) This bill is estimated to cost the state of Alaska \$168.6 in increased personal services for FY 93 and each year thereafter.

The attached sheet discusses the fiscal implications of this bill to the Public Employees' Retirement System.

Prepared By: Gary Bader *Gary M. Bader* Phone: 465-4460
Division: Retirement and Benefits Date: March 20, 1991

Approved by Commissioner: Millett Keller *Millett Keller* Date: 3/27/91
Agency: Department of Administration

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).

Committee Substitute for Senate Bill 32
Analysis of Fiscal Implications to the Retirement Funds
Prepared by Division of Retirement and Benefits
Department of Administration
February 6, 1991

Analysis: This bill is intended to include Public Employees' Retirement System (PERS) members who serve as youth counselors, unit leaders, nurses or superintendents in juvenile correctional institutions and correctional institution manager under "Peace Officer/Firefighter" coverage. They are currently covered under the "All Other" category. We have assumed that this bill will increase the "Peace Officer/Firefighter" participation and decrease the "All Other" participation in PERS by 170 members.

This bill is estimated to increase the state FY 93 PERS contribution rate by .03%. The state payroll is estimated to be \$561,946,558 in FY 93 and remain stable each year thereafter.

The state cost of \$168.6 is calculated as follows:

State FY 93 payroll	\$ 561,946,558
Increase in PERS rate	<u>X .03%</u>

TOTAL FY 93 STATE COST.....\$ 168,584

This bill will not materially affect the accrued liabilities or the funding ratio of the PERS fund.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HCSCSSB32

Revision Date April 29, 1991 Dept. Affected Health & Social Services
 Title: An Act granting certain juvenile correction BRU: Youth Services
institution employees status as peace officers Component: All youth facility components
 Sponsor: Senator Duncan
 Requestor: Finance COMPONENT SERIAL NO. 0264-0268

Expenditures/Revenues (Thousands of Dollars)

OPERATING	FY92	FY93	FY94	FY95	FY96	FY97
PERSONAL SERVICES	96.2	101.0	101.0	101.0	101.0	101.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	96.2	101.0	101.0	101.0	101.0	101.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	96.2	101.0	101.0	101.0	101.0	101.0
FEDERAL FUNDS						
OTHER						
TOTAL	96.2	101.0	101.0	101.0	101.0	101.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

This bill will add supervisor of a juvenile probation program, youth counselors, unit leaders, youth facility superintendents, and nurses working in juvenile correctional institutions to the 20 year "peace officer" retirement plan of PERS. 169 employees of the Division of Family & Youth Services could become eligible for 25 year retirement.

Each affected employee would have the option of participating in the 20 year retirement plan or remaining in the regular Public Employee Retirement Plan.

Prepared by: Michael L. Price, Director *Michael L. Price*
 Division: Family & Youth Services

Phone: 465-3170
 Date: 4/30/91

Approved by Commissioner: Theodore A. Mala, MD, MPH *Theodore A. Mala*
 Agency: Department of Health and Social Services

Date: 4/30/91

Distribution (by preparer):
 Legislative Finance OMB
 Legislative Sponsor Impacted Agency(ies)
 Requestor

ANALYSIS (cont.):

This bill would have a personal services impact on all youth facilities components; McLaughlin Youth Center, Fairbanks Youth Facility, Nome Youth Facility, Johnson Youth Center and Bethel Youth Facility. The State PERS contribution for affected employees would increase from 15.64% to 16.97%. Combined annual fiscal impact for all youth facility components within the BRU is \$96,161.00.

If passed this bill would become effective immediately under AS.01.10.070(c). It is possible to have an effective date prior to the end of FY91. For FY91 the monthly cost could be \$7,613.00 distributed among components in the Youth Services BRU.

FY 92 Cost Calculation

Average Base Salary	\$42,800.00
PERS Increase (1.33%)	x .0133
Cost Per Person	\$ 569.00
Number of Affected Employees	x 169

Total	\$96,161.00

HOUSE CS FOR CS FOR SENATE BILL NO. 32 (STATE AFFAIRS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 3/21/91

Referred: Finance

Sponsor(s): SENATORS DUNCAN, Sturgulewski

A BILL

FOR AN ACT ENTITLED

1 "An Act granting certain juvenile correctional institution employees and persons who
2 supervise juvenile probation programs status as peace officers under the public employees'
3 retirement system; and providing for an effective date."

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

5 * Section 1. AS 39.35.680(28) is amended to read:

6 (28) "peace officer" or "fire fighter" means an employee occupying a position as
7 a peace officer, chief of police, correctional officer, correctional superintendent, fire fighter, fire
8 chief, [OR] probation officer, supervisor of a juvenile probation program, or youth counselor,
9 unit leader, superintendent, or nurse in a juvenile correctional institution:

10 * Sec. 2. An employee who was employed as a supervisor of a juvenile probation program or as a
11 youth counselor, unit leader, superintendent, or nurse at a juvenile correctional institution in the public
12 employees' retirement system before the effective date of this Act may convert the credited service for
13 that position to credited service as a peace officer by claiming the service as peace officer service before
14 the member is appointed to retirement. When the member claims this retroactive credited service, an

1 indebtedness of the member to the system shall be established. The indebtedness is equal to (1) the
2 contributions to the system that the member would have made if the service had counted as peace officer
3 service, less (2) the contributions to the system that the member actually made. Interest as prescribed
4 by regulation accrues on this indebtedness beginning July 1, 1992. Any outstanding indebtedness that
5 exists at the time the member is appointed to retirement will require an actuarial adjustment to the
6 benefits payable based upon the converted credited service.

7 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

Alaska State Legislature



SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811-3100

(907) 465-4766

COMMITTEES:
FINANCE
VICE CHAIR —
HEALTH EDUCATION
& SOCIAL SERVICES
BUDGET & AUDIT
BANKING &
ECONOMIC
DEVELOPMENT

MEMORANDUM

DATE: April 1, 1991

TO: Representative Eileen MacLean, Co-Chair
 Representative Mike Navarre, Co-Chair ✓
 House Finance Committee

FROM: Senator Jim Duncan

SUBJECT: House CSSB 32 (State Affairs) granting certain juvenile correctional institution employees and persons who supervise juvenile probation programs status as peace officers under the public employees' retirement system.

Please schedule HCS SB 32(State Affairs), granting certain juvenile correctional institution employees and persons who supervise juvenile probation programs status as peace officers under the public employees' retirement system for a hearing at your earliest convenience.

SB 32 provides Juvenile Correctional Employees a 20 year retirement by granting them Peace Officer Status in the Public Employees' Retirement System. This status in the retirement system is currently afforded to peace officers, fire fighters, probation officers, and adult correctional officers.

Employees at state juvenile correctional facilities and in juvenile probation have many of the same responsibilities as personnel in adult correctional institutions and in adult probation. Because of the hazardous nature of this work, I feel it is appropriate to include these employees in the 20 year retirement system. There is much support throughout the state for this legislation.

The House State Affairs Committee amended the bill to include the "supervisor of a juvenile probation program" in the employees covered under this legislation. This necessitated a change in the title of the bill and the State Affairs Committee introduced HCR 18, to suspend the Uniform Rules to allow for the title change.

I urge you to schedule SB 32 for a hearing as soon as possible Please find attached pertinent information relating to this legislation.

Attachments

FISCAL NOTE

No. 2
 Bill Version: HCSCSSB 32 (STA)
 (H) Publish Date: 3/21/91

**STATE OF ALASKA
 1991 LEGISLATIVE SESSION**

Revision Date: _____ Dept. Affected Health and Social Services
 Title: An Act granting certain juvenile correction BRU: Youth Services
institution employees status as peace officers Component: All youth facility components
 Sponsor: Senator Duncan
 Requestor: _____ COMPONENT SERIAL NO. 0264-0268

Expenditures/Revenues (Thousands of Dollars)

OPERATING	FY92	FY93	FY94	FY95	FY96	FY97
PERSONAL SERVICES	100.2	100.2	100.2	100.2	100.2	100.2
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.2	100.2	100.2	100.2	100.2	100.2

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	FY92	FY93	FY94	FY95	FY96	FY97
FEDERAL FUNDS						
OTHER						
TOTAL	100.2	100.2	100.2	100.2	100.2	100.2

POSITIONS:

FULL-TIME	FY92	FY93	FY94	FY95	FY96	FY97
PART-TIME						
TEMPORARY						
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

This bill will add youth counselors, unit leaders, youth facility superintendents, and nurses working in juvenile correctional institutions to the 20 year "peace officer" retirement plan of PERS. 168 employees of the Division of Family & Youth Services could become eligible for 20 year retirement.

Each affected employee would have the option of participating in the 20 year retirement plan or remaining in the regular Public Employee Retirement Plan.

Prepared by: Russ Webb, Acting Director *[Signature]*
 Division: Family and Youth Services

Approved by Commissioner: Theodore A. Mala, MD, MPH *[Signature]*
 Agency: Department of Health and Social Services

Phone: 465-3170
 Date: 3/15/91
 Date: 3/21/91

Distribution (by preparer):
 Legislative Finance OMB
 Legislative Sponsor Impacted Agency(ies)
 Requestor

COMMITTEE COPY

ANALYSIS (cont.):

This bill would have a personal services impact on all youth facility components; McLaughlin Youth Center, Fairbanks Youth Facility, Nome Youth Facility, Johnson Youth Center and Bethel Youth Facility. The State PERS contribution for affected employees would increase from 15.64% to 16.97%. Combined annual fiscal impact for all youth facility components within the BRU is \$95,424.00.

If passed this bill would become effective immediately under AS.01.10.070(c). It is possible to have an effective date prior to the end of FY91. For FY91 the monthly cost could be \$7,553.00 distributed among components in the Youth Services BRU.

FY92 Cost Calculation

Average Base Salary	\$42,700.00
PERS Increase (1.33%)	x .0133
Cost Per Person	\$ 568.00
Number of Affected Employees	x 168
TOTAL	\$95,424.00

FY93-FY97 cost calculation includes a 5% COLA.

SB 32

DATE: 2/6/91

FURTHER:

DATE TURNED INTO OFFICE: 2/12/91

The Finance Committee considered SENATE BILL NO. 32

"An Act granting certain juvenile correctional institution employees status as peace officers under the public employees' retirement system; and providing for an effective date."

and recommended:

- replace with _____ CS _____
- or adopt _____ CS SB 32 (SA)
- 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):

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

[Handwritten signatures]

APPROVES PREVIOUS:

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) DOA 2/4/91

OTHER RECOMMENDATIONS:

[Handwritten: No Rec]

1. *[Signature]* 2. *[Signature]* Do Pass

CS-Chairs: Signatures and Recommendations

Senate Bill 32
Analysis of Fiscal Implications to the Retirement Funds
Prepared by Division of Retirement and Benefits
Department of Administration
February 1, 1991

Analysis: This bill is intended to include Public Employees' Retirement System (PERS) members who serve as youth counselors, unit leaders or superintendents in juvenile correctional institutions under "Peace Officer/Firefighter" coverage. They are currently covered under the "All Other" category. We have assumed that this bill will increase the "Peace Officer/Firefighter" participation and decrease the "All Other" participation in PERS by 170 members.

This bill, if amended to clarify the covered group, will increase the state FY 93 PERS contribution rate by .03%. The state payroll is estimated to be \$561,946,558 in FY 93 and remain stable each year thereafter.

The state cost of \$168.6 is calculated as follows:

State FY 93 payroll	\$ 561,946,558
Increase in PERS rate	<u>X</u> .03%

TOTAL FY 91 STATE COST.....\$ 168,584

This bill will not materially affect the accrued liabilities or the funding ratio of the PERS fund.

CS FOR SENATE BILL NO. 32 (STATE AFFAIRS)
 IN THE LEGISLATURE OF THE STATE OF ALASKA
 SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/6/91
 Referred: Finance

Sponsor(s): SENATORS DUNCAN, Sturgulewski A BILL

FOR AN ACT ENTITLED

1 "An Act granting certain juvenile correctional institution employees status as peace officers
 2 under the public employees' retirement system; and providing for an effective date."

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

4 * Section 1. AS 39.35.680(28) is amended to read:

5 (28) "peace officer" or "fire fighter" means an employee occupying a position as
 6 a peace officer, chief of police, correctional officer, correctional superintendent, fire fighter, fire
 7 chief, [OR] probation officer, or youth counselor, unit leader, superintendent, or nurse in a
 8 juvenile correctional institution;

9 * Sec. 2. An employee who was employed as a youth counselor, unit leader, superintendent, or nurse
 10 at a juvenile correctional institution in the public employees' retirement system before the effective date
 11 of this Act may convert the credited service for that position to credited service as a peace officer by
 12 claiming the service as peace officer service before the member is appointed to retirement. When the
 13 member claims this retroactive credited service, an indebtedness of the member to the system shall be
 14 established. The indebtedness is equal to (1) the contributions to the system that the juvenile correctional

1 institution employee would have made if the service had counted as peace officer service, less (2) the
2 contributions to the system that the juvenile correctional institution employee actually made. Interest
3 as prescribed by regulation accrues on this indebtedness beginning July 1, 1992. Any outstanding
4 indebtedness that exists at the time a person is appointed to retirement will require an actuarial
5 adjustment to the benefits payable based upon the juvenile correctional institution service.

6 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

ALASKA JUVENILE CORRECTIONAL OFFICER ASSOCIATION

POSITION PAPER

It is the position of the Association that Juvenile Correctional Officers, (i.e., Youth Counselors, Unit Leaders, and Youth Center Superintendents) be included as members in the Peace Officers Retirement System.

The Association requests that legislation be introduced granting Youth Counselors, Unit Leaders, and Youth Center Superintendents status as peace officers under the public employees retirement system. This proposed legislation should allow these job classes currently employed, the ability to claim prior years of service as peace officers for the purpose of credited service. Youth Counselors, Unit Leaders, and Youth Center Superintendents claiming this retroactive service should accrue an indebtedness to the retirement system equal to the difference between their actual employee contribution and the contribution which they would have made at the peace officer rate.

For most state employees the Public Employee Retirement System provides for normal retirement at age 55 or 30 years service if hired before July 1, 1986 and at age 60 or 30 years service if hired after June 30, 1986.

Employees defined as peace officers are eligible to retire with normal benefits after 20 years of service without regard to age. PERS regulations and Title 39 define "peace officer" as an employee of a police agency or other governmental organization who has primary responsibility of "the prevention and detection of crime and the enforcement of the fish and game, penal, traffic or highway laws of the state ...". This special retirement plan for peace officers was enacted in 1960 in recognition of the dangers and stress related to the performance of peace officer duties and

the need for persons performing peace officer functions to be physically and mentally fit. Peace officers are encouraged to retire before the inevitable loss of the physical and emotional stamina required for peak performance.

Over the last few years, eligibility for the 20 year peace officer retirement plan has been expanded to include other job classifications. Fire fighters, fire chiefs, special officers commissioned by the state troopers, correctional officers, correctional superintendents, and probation officers have now been included in addition to the original group of police officers, state troopers, and police chiefs.

Correctional officers and correctional superintendents in the adult system became the first justice system employees to participate as "peace officers" who were not in the traditional law enforcement category. Failure to include Youth Counselors, Unit Leaders, and Youth Center Superintendents employed in juvenile correctional institutions in the peace officers retirement system has resulted in glaring inequities between similar job classifications in the justice system.

The job classifications of law enforcement powers, danger, stress, and the need for physical and emotional fitness which justified inclusion of adult correctional officers and correctional superintendents are present to an equal or greater degree with Youth Counselors, Unit Leaders, and Youth Center Superintendents. Youth Counselors, Unit Leaders, and Youth Center Superintendents employed at state juvenile correctional institutions have many of the same job characteristics as those personnel employed in the adult system. The above mentioned personnel within the juvenile system are required to physically restrain out of control juveniles, transport juvenile offenders, and apprehend juveniles who have absconded from the institution. Juveniles, because of

their impulsive nature are more likely than adults to be aggressive and assaultive to staff.

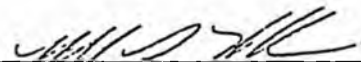
The disparate treatment of these job classes with respect to 20 year retirement demoralizes the ineligible employees and reduces the benefits to the employing agency of an established progressive system. There is little incentive for an employee of the juvenile correctional system to seek professional advancement within. To work in youth corrections rather than in the adult correctional system deprives the employees of the security of a 20 year retirement option. Employees are drawn down the career ladder rather than up.

An agency whose employees are eligible for 20 year peace officer retirement potentially accrues a number of organizational benefits. Recruitment and retention of a skilled, satisfied and stable work force can contribute greatly to public service goals. Such an agency can more easily attract the most qualified workers.

Youth Counselors, Unit Leaders, and Youth Center Superintendents have become the entry point for persons into state service and the training ground for employees seeking greater benefits available in the adult correctional system or the probation officer job classification series.

In summary, the Association respectively requests the introduction of legislation to include Youth Counselors, Unit Leaders, and Youth Center Superintendents as members of the Peace Officers Retirement System.

Respectively,



Billy D. Holder, Pres.
Alaska Juvenile Correctional
Officers Association

12-6-90

Date

ALASKA JUVENILE CORRECTIONAL OFFICER ASSOCIATION
FACT SHEET

1. Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) have the powers of Peace Officers as defined by AS 11.81.900(38) and AS 47.10.220.
2. Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) have the authority to make arrests, execute court orders, and the service of process.
3. Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) are frequently called upon to physically restrain delinquent youth both inside and outside Juvenile Correctional Institutions.
4. Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) are subjected to the same or greater degree of stress and physical endangerment as Adult Correctional Officers.
5. Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) are currently the only Correctional law enforcement group not included in the Peace Officer retirement system.
6. Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) perform the same job duties as Adult Correctional Officers. In addition, are required to transport incarcerated individuals and perform community searches for escaped individuals.
7. In a sense of fairness and recognition of contributions to public safety, Juvenile Correctional Officers (ie. Youth Counselors, Unit Leaders, and Youth Center Superintendents) should be included in the Peace Officer Retirement System.

ALASKA JUVENILE CORRECTIONAL OFFICERS ASSOCIATION

STATISTICAL REPORT
ALASKA YOUTH CORRECTIONAL INSTITUTIONS

	<u>1988*</u>	<u>1989</u>	<u>1990</u>
1. <u>ADMISSIONS</u> - total # of admissions to Juvenile Correctional Institutions	1520	1806	1628
2. <u>FELON ADMISSIONS</u> - total # of felon admissions to Juvenile Correctional Institutions	211	231	236
3. <u>SUICIDE ATTEMPTS</u> - total # of suicide attempts by incarcerated youth	86	94	79
4. <u>ASSAULTS ON JCO</u> - total # of assaults on Juvenile Correctional Officers	19	34	76
5. <u>ASSAULTS ON YOUTH</u> - total # of assaults on youth by other youth	136	118	161
6. <u>PLANNED ASSAULTS</u> - total # of disclosed planned assaults by incarcerated youth on Juvenile Correctional Officers	193	131	287
7. <u>JCO INJURIES</u> - total # of Juvenile Correctional Officer injuries while on duty	26	19	30
8. <u>RESTRAINTS</u> - total # of incarcerated youth requiring physical restraints by Juvenile Correctional Officers	338	421	418
9. <u>ESCAPES</u> - total # of escapes by incarcerated youth	77	53	52
10. <u>APPREHENDED ESCAPEES</u> - total # of escapees apprehended by Juvenile Correctional Officers	41	24	18
11. <u>ESCAPE PLANNING</u> - total # of incarcerated youth involved in disclosed escape planning	191	129	285
12. <u>CONTRABAND</u> - total # of contraband incidents involving dangerous or illegal objects or substances	141	103	183
13. <u>SECURITY ESCORTS</u> - total # of security escorts by Juvenile Correctional Officers	1969	2349	3519
14. <u>DESTRUCTION OF STATE PROPERTY</u> - total # of destruction of State property incidents by incarcerated youth	63	60	52

* Statistics for Bethel and Nome Youth Correctional Facilities not available for this year.

STATE OF ALASKA

Class Specification

YOUTH COUNSELOR I	7611-11
YOUTH COUNSELOR II	7612-13
<u>YOUTH COUNSELOR III</u>	7613-15

Definition:

Positions in the Youth Counselor series participate in a treatment team concept and perform or lead a variety of duties designed to provide care, custody, and treatment to residents of a juvenile correctional institution.

Distinguishing Characteristics:

Youth Counselor I is the entry level training class in which incumbents gain familiarity with policy and procedures while acquiring a basic understanding of the dynamics of juvenile delinquency and the practices of juvenile rehabilitation. Youth Counselor I acts as primary counselor to one or two residents; duties are designed to acquaint them with fundamental program treatment concepts and assist them in developing basic counseling skills. Advancement to the journey Youth Counselor II level is contingent upon demonstrated achievement of established performance standards; failure to achieve these standards within 18 months constitutes unsatisfactory service and is grounds for dismissal.

Youth Counselor II is the journey level class in which incumbents perform a full range of treatment and security functions. Incumbents in this class act as primary counselor to three to five residents for which they actively participate in the development, implementation and administration of an individual treatment program. Youth Counselor II may be assigned additional responsibility such as institutional center duty officer or shift supervisor in the absence of higher level classified personnel.

Youth Counselor III is the lead level classification in which incumbents provide training and direction to Youth Counselor I and II; supervise the activities of living or reception unit during an assigned shift; and assume the responsibility of institutional center duty officer on a regular rotating basis.

Example of Duties:

Youth Counselor I and II

Supervises resident group living situations; initiates resident interaction, establishes rapport and builds trust; encourages the development of interpersonal skills and personal hygiene; promotes socially acceptable attitudes and behaviors; supervises resident recreational and housekeeping functions; evaluates residents attitude

YOUTH COUNSELOR I
YOUTH COUNSELOR II
YOUTH COUNSELOR III
Page Three

7611-11
7612-13
7613-15

Conducts I-level interviews; evaluates individual resident treatment needs; recommends unit placement, primary counselor and group leader; orients new residents to living unit; explains program rules and expectation.

Knowledges, Skills and Abilities:

Youth Counselor I

Basic awareness of human behavior and the dynamics of juvenile delinquency.

Ability to: acquire general knowledge, skills and abilities necessary to establish and promote a therapeutic relationship; read and comprehend policies, procedures, manuals and other written material; follow written and oral instruction; learn quickly and reason logically, secure cooperation, maintain control, and direct the activities of delinquent adolescents; apply the principles of good personal hygiene and sound mental health; promote socially acceptable attitudes and behaviors; accept variable behavior and values and treat individuals with respect and consideration; enforce rules and regulations with firmness, tact and impartiality; think and act quickly in emergencies; respond appropriately to verbal and/or physical confrontations; communicate effectively both orally and in writing; operate a motor vehicle.

Youth Counselor II

In addition to the above, Youth Counselors II are expected to possess

Knowledge of: program manuals, policies and procedures; the dynamics of juvenile delinquency; the principles of rehabilitation; treatment methodologies, counseling techniques, and basic first aid.

Ability to: contribute significantly toward the rehabilitation of delinquent adolescents within the treatment team concept; exercise effective judgement in emergency and/or stressful situations; provide therapeutic intervention; recognize and interpret significant individual and group behavior changes and cues; maintain appropriate safety and security measures.

Youth Counselor III

In addition to the above, Youth Counselors III are expected to possess,

YOUTH COUNSELOR I
YOUTH COUNSELOR II
YOUTH COUNSELOR III

7611-11
7612-13
7613-15

Page Five

Youth Counselor III

One year of experience as a Youth Counselor II with the State of Alaska or the equivalent elsewhere.

OR

Two years of experience as a Probation Officer or Correctional Officer with the State of Alaska or the equivalent elsewhere.

NOTE: Positions in the Youth Counselor series are required to work a nonstandard work-week including a regular rotating shift frequently encompassing weekend and holiday work.

Orig: 03/70

Rev: 12/16/80 Def.; D.C.; E.D.; K.S.A.; M.Q.s

Rev: 06/06/83 M.Q.s

9/7SPEC9/7611-13

STATE OF ALASKA

Class Specification

UNIT LEADER

7614-17

Definition:

Under direction, coordinates, develops, and directs all programs within a reception or residence unit for delinquent or court-ordered detention youth; oversees the treatment, custody, care and discipline of residents; directs staff and conducts and coordinates training and counseling sessions.

Examples of Duties:

Directs unit staff (Youth Counselors) in providing training, treatment, and care of Center residents.

Serves in an administrative capacity as head of the unit.

Conducts and plans group staff conferences; conducts in-service training classes.

Plans and administers recreation, training, and work schedules.

Handles complex social, behavioral, and disciplinary problems.

Coordinates unit activities with Center Clinical and Admissions Sections.

Consults with professional administrative superiors on policy and problem matters.

Performs other related work as required.

Knowledges, Skills and Abilities:

Knowledge of: The principles and techniques of individual and group counseling and guidance of delinquent youths; causes and treatment of juvenile delinquency; principles and aims of juvenile rehabilitation; health and safety precautions; record keeping and report preparation; principles of employee supervision and training.

Ability to: Apply principles and techniques of individual and group supervision of delinquent youths; secure and maintain confidence and cooperation of delinquent juveniles and fellow workers; supervise and train others; maintain fair and firm discipline; plan and conduct recreational; and work activities; analyze situations accurately and adopt an effective course of action; conduct meetings effectively; exercise tact and discretion; maintain records and prepare comprehensive reports; establish and maintain cooperative relationships with those contacted in the course of the work; be flexible in a variety of situations.

Minimum Qualifications:

One year of experience as a Youth Counselor III with the State of Alaska or the equivalent elsewhere.

Rev: 03/70
Rev: 05/16/73
Rev: 01/16/79 Title
Rev: 10/16/80 Title, Definition
Rev: 08/16/84 Definition

STATE OF ALASKA

Class Specification

YOUTH CENTER SUPERINTENDENT I
YOUTH CENTER SUPERINTENDENT II

7631-19
7632-21

Definition:

Under general direction is responsible for the management of a juvenile detention facility including planning, general administration, budget, operations, maintenance, logistics, treatment, training and coordination of community activities related to facility functions. These are supervisory classes with substantial responsibility for the exercise of independent judgment in appointing, promoting, transferring, suspending, discharging and adjudicating grievances of subordinates.

Distinguishing Characteristics:

The classes of Youth Center Superintendent I and Youth Center Superintendent II are differentiated by such factors as: size of physical plant, size of staff, scope, intensity and impact of youth programs and operating budgets. Youth Center Superintendent II is in charge of a recognized major juvenile residential and detention facility equivalent to the McLaughlin Youth Center, Anchorage. Youth Center Superintendent I has two options: 1) in charge of those facilities with lesser capacity, such as Fairbanks and Nome; or 2) under the Youth Center Superintendent II directing the institutional detention units or treatment units within a major institution equal to or larger than the small institution in terms of size of staff, number of residents, and the scope and intensity of the programs.

Examples of Duties:

Establishes policies, procedures and programs within the institutions in conformance with agency and department regulations.

Selects personnel; assigns work and supervises custodial, maintenance, clerical and other personnel; prepares evaluations on work performance.

Reviews and monitors actions of the review board and other committees to evaluate the care and treatment program through treatment planning, specific and general maintenance, work assignments, program changes, disciplinary actions, and release planning; ameliorates problems which may arise.

Drafts and submits annual budget for institutions; authorizes and approves budget expenditures; supervises food service operations and all other institutional operations.

Minimum Qualifications:

Bachelor's degree in corrections, criminology/justice, behavioral sciences, sociology, psychology, or anthropology and three years of work experience in the justice field including one year of management or supervisory experience equivalent to Unit Leader, Special Services Officer, Probation Officer III or Assistant Correctional Superintendent with the State of Alaska or the equivalent elsewhere.

Substitutions: A Master's degree in corrections, psychology, social work, public administration or a closely related area may be substituted for one year of the required experience, except for the required year of management or supervisory experience.

Additional years of experience in the justice field may be substituted for the required college education on a year-for-year basis.

Orig: 04/04/68 Youth Treatment Program Supervisor
Abol: 07/16/84 Merged: Youth Center Superintendent I

Orig: 04/04/68 Clinical Services Administrator
Rev: 09/01/78 Def. Supv.
Abol: 07/16/84 Merged: Youth Center Superintendent I

Orig: 04/04/68 Youth Center Assistant Superintendent
Rev: 05/19/70
Rev: 07/16/84 Youth Center Superintendent II

Sec. 47.10.200. Releasing juveniles after commitment. A juvenile delinquent who by conduct gives sufficient evidence of having reformed may be released at any time under the conditions and regulations that the department considers proper, if it appears to the satisfaction of the department that there is a reasonable probability that the juvenile will remain at liberty without violating the law. (§ 10 art II ch 145 SLA 1957)

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NOTES TO DECISIONS

Jurisdiction over probation revocation proceedings. — The Department of Health and Social Services has the authority to conduct revocation proceedings when it has granted the probation allegedly violated, as a corollary to its power under this section to grant probation. However, until such time as the department chooses to establish procedures regarding probation revocation, jurisdiction over such cases will remain in the superior court. L.C. v. State, 625 P.2d 839 (Alaska 1981).

Hearing. — The requirement in Children's Rule 12(a) of a disposition hearing applies to a court-ordered revocation of a juvenile delinquent's administratively granted probation. L.C. v. State, 625 P.2d 839 (Alaska 1981).

The hearing in connection with a juvenile delinquent's probation revocation must be broader than merely determining probable cause that probation conditions are violated. L.C. v. State, 625 P.2d 839 (Alaska 1981).

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Sec. 47.10.210. Youth counsellors. The department may employ youth counsellors. Youth counsellors shall exercise the duties of probation officers and shall prepare preliminary investigations for the information of the court. They shall also carry out other duties in the care and treatment of minors which are consistent with the intent of this chapter. Youth counsellors have the powers of a peace officer with respect to the service of process, the making of arrests of minors who violate state or municipal law, and the execution of orders of the court relating to juveniles. The youth counsellors shall assist and advise the courts in the furtherance of the welfare and control of minors under the court's jurisdiction. (§ 11 art II ch 145 SLA 1957)

Sec. 47.10.220. Grants-in-aid. The department may accept grants-in-aid from the federal government or private foundations and may accept other gifts consistent with the purposes of this chapter. (§ 13 art II ch 145 SLA 1957; am § 6 ch 104 SLA 1971)

ch wi pa 1:

Article 3. Care of Children.

Section	Section
230. Powers and duties of department over care of child	250. Standards of care
240. Adequacy of home or institution	260. Payment of costs

1 r

3-14-91
12 (3A)
Fin

FISCAL NOTE

copy to:
Susie
HFC

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CSSB 32

Revision Date: _____ Dept. Affected Health and Social Services
 Title: An Act granting certain juvenile correction BRU: Youth Services
institution employees status as peace officers Component: All youth facility components
 Sponsor: Senator Duncan
 Requestor: _____ COMPONENT SERIAL NO. 0264-0268

Expenditures/Revenues (Thousands of Dollars)

OPERATING	FY92	FY93	FY94	FY95	FY96	FY97
PERSONAL SERVICES	100.2	100.2	100.2	100.2	100.2	100.2
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.2	100.2	100.2	100.2	100.2	100.2
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

	FY92	FY93	FY94	FY95	FY96	FY97
GENERAL FUND	100.2	100.2	100.2	100.2	100.2	100.2
FEDERAL FUNDS						
OTHER						
TOTAL	100.2	100.2	100.2	100.2	100.2	100.2

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

This bill will add youth counselors, unit leaders, youth facility superintendents, and nurses working in juvenile correctional institutions to the 20 year "peace officer" retirement plan of PERS. 168 employees of the Division of Family & Youth Services could become eligible for 20 year retirement.

Each affected employee would have the option of participating in the 20 year retirement plan or remaining in the regular Public Employee Retirement Plan.

Prepared by: Russ Webb, Acting Director *Russ Webb*
Division: Family and Youth Services

Phone: 465-3170
Date: 2/15/91

Approved by Commissioner: Theodore A. Mala, MD, MPH *Theodore A. Mala*
Agency: Department of Health and Social Services

Date: 2/26/91

Distribution (by preparer):
Legislative Finance OMB
Legislative Sponsor Impacted Agency(ies)
Requestor

ANALYSIS (cont.):

This bill would have a personal services impact on all youth facility components; McLaughlin Youth Center, Fairbanks Youth Facility, Nome Youth Facility, Johnson Youth Center and Bethel Youth Facility. The State PERS contribution for affected employees would increase from 15.64% to 16.97%. Combined annual fiscal impact for all youth facility components within the BRU is \$95,424.00.

If passed this bill would become effective immediately under AS.01.10.070(c). It is possible to have an effective date prior to the end of FY91. For FY91 the monthly cost could be \$7,553.00 distributed among components in the Youth Services BRU.

FY92 Cost Calculation

Average Base Salary	\$42,700.00
PERS Increase (1.33%)	x .0133
Cost Per Person	\$ 568.00
Number of Affected Employees	x 168
TOTAL	\$95,424.00

FY93-FY97 cost calculation includes a 5% COLA.

DOCUMENTS WHICH HAVE NOT BEEN
FILMED BUT ARE AVAILABLE IN THE
ORIGINAL FILE INCLUDE:

Correspondence in Support from:
Nurses at McLaughlin 12/24/90
Fairbanks Correctional Staff:
Fateh Singh Khalsa 2/11/91
Eric Kuntz 2/11/91
Art Konetal 2/11/91

SB34

DATE: 2/8/91

FURTHER:

DATE TURNED INTO OFFICE: 2/12/91

The Finance Committee considered SENATE BILL NO. 34

"An Act relating to absence from the state for purposes of qualifying for longevity bonuses."

and recommended:

- replace with _____ CS
- or adopt _____ CS SB 34 (SA)
- 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):

APPROVES PREVIOUS:

- fiscal note(s) Dept/Date: _____
- zero fiscal note(s) _____

- fiscal note(s) Dept/Date: _____
- zero fiscal note(s) DDA 2/5/91

- appropriation-no fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures]

1. *[Signature]*

Co-Chairs: Signatures and Recommendations

FISCAL NOTE

No. 2

Bill Version: CSSB 34(STA)

(S) Publish Date: 2/8/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____

Title: Longevity Bonus allowable absences

Sponsor: Senator Pourchot

Requestor: Senator Rodey

Department Affected: Administration

BRU: Longevity Bonus

Component: Grants

COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

The initial calculated prediction of costs to the program at 135 days allowable absences was 9 recipients x \$3,000 = \$27,000. The margin of error in the prediction of social behavior of 22,000 recipients is greater than 27,000, therefore, the fiscal note is 0.

Prepared by: Barbara Bathony *Barbara Bathony*

Division: Pioneers' Benefits

Phone: 465-4400

Date: 2/5/91

Approved by Commissioner: Millett Keller *Millett Keller*

Agency: Administration

Date: 2/5/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CS FOR SENATE BILL NO. 34 (STATE AFFAIRS)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/8/91
Referred: Finance

Sponsor(s): SENATORS POURCHOT, Collins

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to absence from the state for purposes of qualifying for longevity
2 bonuses."

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

4 * Section 1. AS 47.45.030 is amended to read:

5 Sec. 47.45.030. ABSENCE FROM THE STATE. After qualification, a recipient shall
6 notify the commissioner of administration when the recipient expects to be absent from the state
7 if the absence is for a continuous period that exceeds 30 days. After that notification, the
8 recipient may no longer receive bonuses from the Department of Administration after the last
9 regularly approved monthly application. Except as provided in (b) of this section, upon
10 [UPON] returning to the state, the recipient may again make application for a bonus.
11 [WHENEVER THE ABSENCE IS FOR A CONTINUOUS PERIOD THAT EXCEEDS 90
12 DAYS THE RECIPIENT SHALL BE DISQUALIFIED FROM RECEIVING BONUSES FOR
13 THE NEXT 12 CALENDAR MONTHS AFTER RETURNING TO THE STATE. HOWEVER,
14 WHEN THE COMMISSIONER DETERMINES A PERIOD OF ABSENCE IS BEYOND THE

1 CONTROL OF THE RECIPIENT, THE RECIPIENT MAY NOT BE DISQUALIFIED IF THE
2 RECIPIENT STILL OTHERWISE QUALIFIES UPON RETURNING TO THE STATE.]
3 Continual absences from the state, even though reported, and failure to notify the commissioner
4 of an expected absence may be grounds for disqualification.

5 * Sec. 2. AS 47.45.030 is amended by adding a new subsection to read:

6 (b) A recipient who has not qualified to receive at least eight bonuses in the last 12
7 months due to application of (a) of this section or who is absent for a continuous period that
8 exceeds 135 days may not receive bonuses for 12 months and is disqualified from the program
9 but may reapply under AS 47.45.010 at the end of the 12-month period. However, when the
10 commissioner determines that a period of absence is beyond the control of the recipient, the
11 period of absence determined to be beyond the control of the recipient may not be considered
12 in determining whether the recipient is disqualified from the program and disqualified from
13 receiving bonuses for the 12-month period.

14 * Sec. 3. AS 47.45.070 is amended to read:

15 Sec. 47.45.070. UNQUALIFIED PERSONS. An unqualified person is one who

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

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

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

30 (4) is disqualified under AS 47.45.030 [VOLUNTARILY LEAVES THE STATE
31 AND REMAINS ABSENT FROM THE STATE FOR A CONTINUOUS PERIOD OF MORE

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THAN 90 DAYS].