

ALASKA LEGISLATURE

2574

HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004

140

GOV 1

Amendment to CS HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

n/obg

FUND SOURCE CHANGE AMENDMENT:

Department: Office of the Governor

Appropriation: Executive Operations

Allocation: Executive Office

1175 Business License Receipts \$610,300

1004 General Fund (\$610,300)

DESCRIPTION:

Since submitting the Governor's budget, it has been determined that the Governor's Office can utilize business license receipts for international trade activities. This amendment reflects a fund source change to business license receipts (the fund source used for trade activities in the Department of Community and Economic Development).

HFS 1

Amendment to HB 375 / HB 377 (FIN) work draft

Offered By: ~~██████████~~ Rep Hawker

ADD

Department: Health and Social Services

Appropriation: Various

Allocation: Various

Fund Source Number & Name: 1004 General Fund

Amount: \$949,700

no log

DELETE

Department: Health and Social Services

Appropriation: Various

Allocation: Various

Fund Source Number & Name: 1003 General Fund Match

Amount: \$949,700

DESCRIPTION:

This fund change is necessary to correct the ratio of General Fund to General Fund Match resulting from internal department transfers in/out. See table below for changes in funding to appropriations and allocations.

Appropriation	Allocation	GF	GFM
Juvenile Justice	Probation	23,900	-23,900
Health Care Services	Medical Asst. Administration	25,400	-25,400
Public Assistance	Public Assistance Administration	9,700	-9,700
Public Assistance	Public Assistance Field Services	32,800	-32,800
Senior & Disabilities Services	SDS Administration	10,200	-10,200
Senior & Disabilities Services	SDS Medicaid	688,400	-688,400
Departmental Support Services	Administrative Support Services	159,300	-159,300
	Total	949,700	-949,700

New HISS 2

Amendment to HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

no/oby

ADD/DELETE

Department: Health and Social Services

Appropriation: Public Assistance

Allocation: Alaska Temporary Assistance Program (ATAP)

Fund Source Number & Name: 1002 Federal Funds

Amount: \$900,000

Appropriation: Public Assistance

Allocation: Adult Public Assistance

Fund Source Number & Name: 1004 General Fund

Amount: -\$900,000

ADD/DELETE

Department: Health and Social Services

Appropriation: Public Health

Allocation: Community Health Grants

Fund Source Number & Name: 1004 General Fund

Amount: \$500,000

Fund Source Number & Name: 1168 Tobacco Use Education and Cessation

Amount: -\$500,000

ADD

Department: Education and Early Development

Appropriation: Alaska Library and Museums

Allocation: Library Operations

Fund Source Number & Name: 1004 General Fund

Amount: \$174,500

ADD

Department: Education and Early Development

Appropriation: Alaska Library and Museums

Allocation: Archives

Fund Source Number & Name: 1004 General Fund

Amount: \$138,800 (and 2 positions)

ADD

Department: Education and Early Development

Appropriation: Alaska Library and Museums

Allocation: Museum Operations

Fund Source Number & Name: 1004 General Fund

Amount: \$52,600 (and 1 position)

Description

This amendment utilizes the remaining federal TANF (Temporary Assistance for Needy Families) bonus award of \$900,000 and allows usage of \$900,000 general fund from Adult Public Assistance.

\$500,000 of GF is substituted for Tobacco funds used for Community Health Grants. The newly available tobacco funds are not spent in FY05; they remain available in the fund and can be spent in future years.

\$365,900 of GF is used in the Department of Education for

1. contractual services and supplies in Library Operations,
2. two new positions in Archives, and
3. restoration of a Curator position in the Sheldon Jackson Museum

Amendment to HP 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

ADD

Department: Public Safety

Appropriation: Council on Domestic Violence and Sexual Assault

Allocation: Council on Domestic Violence and Sexual Assault

Fund Source Number & Name: 1004 General Fund

Amount: \$900,000

DNR #1

Amendment to HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

ADD

n/o

Department: Natural Resources

Appropriation: Resource Development

Allocation: Recorder's Office/Uniform Commercial Code

Fund Source Number & Name: 1156 Receipt Supported Services

Amount: ~~\$6,120~~ 6,200

DESCRIPTION:

This amendment will provide office space in the Seward recording office.

DPS #1

Amendment to HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

ADD

Department: Public Safety

Appropriation: Council on Domestic Violence and Sexual Assault

Allocation: Council on Domestic Violence and Sexual Assault

Fund Source Number & Name: 1004 General Fund

Amount: \$900,000

w/d

DPS #2

Rescinded
w/TP
S-H

LANGUAGE

AMENDMENT TO CS HB 375(FIN) WORK DRAFT

Offered by: **Rep Harris**

Department: Public Safety

Appropriation: Council on Domestic Violence and Sexual Assault

Allocation: Council on Domestic Violence and Sexual Assault

Delete:

Page 28 Lines: ²⁵ ~~22~~ through ²⁷ ~~24~~

[Not withstanding AS 43.23.028(b)(2), up to 10% of the amount allocated for the Council on Domestic Violence and Sexual Assault under AS 43.23.028(b)(2) may be used to fund operations and grant administration.]

Add:

It is the intent of the legislature that \$200,000 be transferred from Council administrative funds to the grants line to offset reductions to grants provided to local shelters and rape crisis programs for immediate safety and crisis intervention.

Rationale: Due to reduction in PFD/Felon funds and TANF funds, the grants to shelters and rape crisis centers is \$1.1 million less than in FY04, while the Council's administration received no reduction. This amendment transfers \$200,000 within this budget to the grants line. The funds are anticipated to be made up in administration through a Denali Commission administrative fee on capital funds (see letter, attached).

DPOR #1

23-GH2040\S.2
Utermohle
3/29/04

AMENDMENT

by Rep Harris

OFFERED IN THE HOUSE

TO: CSHB 375(FIN), Draft Version "S"

n/o

1 Page 30, following line 23:

2 Insert "No money appropriated by this appropriation may be used to advocate to the
3 legislature or the public in favor of passage of a resolution submitting to the voters a
4 constitutional amendment relating to the method of calculating distribution from the Alaska
5 permanent fund or in favor of the adoption of such an amendment by the voters."
6

7 Page 51, following line 4:

8 Insert a new subsection to read:

9 "(e) No money appropriated by this section may be used to advocate to the legislature
10 or the public in favor of passage of a resolution submitting to the voters a constitutional
11 amendment relating to the method of calculating distribution from the Alaska permanent fund
12 or in favor of the adoption of such an amendment by the voters."

LEG #1

Amendment to CS HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

Create New Allocation

Agency: Legislature

Appropriation: Council and Subcommittees

New Allocation: Office of Victims Rights

n/o

Create a new allocation for the Office of Victims Rights and transfer the following funding:

- 153,000 general funds
- 328,600 PFD Criminal
- 60,000 FY04 PFD Criminal (reappropriation)

DESCRIPTION:

All funding listed is included in the Council and Subcommittees appropriation in the draft bill.

The Office is presently included in the budget of the Legislative Council. Identifying funding for the office was not a problem when the only funding source was PFD Criminal funds, but the addition of general funds causes the Office to lose its identifiable funding source. A separate allocation will allow the Office's budget to be tracked.

LANG #1

Amendment to CS HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

no

Amend section 20, Fund Transfers, by adding a new subsection to read:

() The balance of the electrical service extension fund (AS 42.45.200) is appropriated to the general fund.

(This subsection needs a July 1, 2004 effective date.)

DESCRIPTION:

The transfer of the balance (estimated to be \$85,000) of the Electrical Service Extension Fund to the general fund was part of the administration's FY 05 revenue proposals. Alaska Energy Authority legislation, HB 485 and SB 337, was introduced on February 16 to repeal the fund, along with several other changes.

LANG #2

23-GH2040\S.3
Utermohle
3/30/04

AMENDMENT

By Rep Williams

OFFERED IN THE HOUSE

TO: CSHB 375(FIN), Draft Version "S"

NO.

1 Page 53, lines 15 - 23:

2 Delete all material and insert:

3 "(b) The sum of ^{40,000,000}~~35,500,000~~ is appropriated from the general fund to the Alaska
4 marine highway system fund (AS 19.65.060)."

5

6 Page 60, line 4:

7 Delete "Section 22 of this Act takes"

8 Insert "Sections 20(b) and 22 of this Act take"

LANG #3

Amendment to CS HB 375 / HB 377 (FIN) work draft

Offered By: Representative Harris

NO

Amend sec. 36 to read:

* **Sec. 36.** The appropriations made in sec. 1 of this Act that appropriate either the unexpended and unobligated balance of specific fiscal year 2004 program receipts or the unexpended and unobligated balance on June 30, 2004, of a specified account take effect July 1, 2004 and are retroactive to June 30, 2004 solely for the purpose of carrying forward a prior year balance [JUNE 30, 2004].

Description: This amendment would satisfy two concerns expressed by state accountants and attorneys. First, the amendment would make the appropriations financed with carry forward balances effective in FY 05 rather than FY 04. As presently written, state accountants would consider these appropriations to cover two fiscal years. By making these appropriations effective on July 1, 2004, the amendment avoids accounting actions covering two fiscal years rather than a single fiscal year. Second, once the appropriations take effect, the amendment makes the appropriations retroactive to the end of the previous fiscal year to preserve the legislature's intent that the year end balances of the account involved will not lapse and are to remain available to finance the FY 05 appropriations.

n/0

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 375(FIN), Draft Version "S"

1 Page 59, following line 27:

2 Insert a new bill section to read:

3 "* Sec. 35. GRANTS FOR CHARTER SCHOOLS. The sum of \$206,000 is appropriated
4 from the general fund to the Department of Education and Early Development for the fiscal
5 year ending June 30, 2005, for payment as grants to each school district that operates a charter
6 school with an average daily membership of 150 or less for support of those charter schools in
7 those districts. The amount appropriated for grants by this section is to be allocated among
8 eligible school districts in the proportion that the average daily membership of eligible charter
9 schools in a district bears to the total average daily membership of all eligible charter schools
10 in all school districts that operate an eligible charter school."

11

12

13 Renumber the following bill sections accordingly.

14

15 Page 60, line 5:

16 Delete "secs. 36 and 37"

17 Insert "secs. 37 and 38"



Alaska State Legislature

Please enter into the record my testimony to the HFIN committee name
committee on BUDGET, dated _____
bill/subject

Please distribute to all members of the House Finance Committee. Please respond to

Ralph Baldwin
Citizens Advisory Board - Mat-Su State Parks
rbaldwin@mtaonline.net

Signed: Ralph W. Baldwin
Testifier Mat-Su State Parks CAB
Representing (Optional) _____
Mailing Address 907-376-2297
Phone Number _____

March 24, 2004

STATE PARKS BUDGET

Dear House Finance Committee:

i am contacting you as a member of the Mat-Su State Parks Citizens Advisory Board and a user of Alaska State Parks. Your Committee on House Finance has recommended a cut of \$350,000 to the operating budget for the next fiscal year. In Mat-Su this past year, we had to contract out several State Parks to private operators due to budget limitations. You will remember that two summers ago, some parks even had to be closed due to a lack of staff to operate the park. Further cuts to an already bare bones budget will bring us from a program of imposing fiscal restraint to a program of dismantling State Parks.

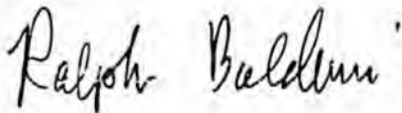
We have some of the most beautiful and exciting natural parks in the entire country, but, they must be maintained in a sustainable fashion. These parks are the jewels of Alaska to which Alaskan residents as well as visitors from Outside look for recreation and renewal of the spirit.

As a member of the Citizens Advisory Board for Mat-Su, I can honestly tell you that we have our hands full up here with visitation levels that currently exceed the ability of park rangers to carry out their jobs in a superior fashion, deferred maintenance that will ultimately cost us more, and as we increase the number of subcontracts in the summer to operate state parks...a loss of revenue.

The question is do we want State Parks that will attract the public and offer desirable recreational experiences, or, do we wish to lose that precious opportunity. Speaking for myself, my family, and my community, I want quality State Parks.

I urge you in the strongest possible terms to restore any cuts to the operating budget for Alaska State Parks for the next year. Alaska State Parks now operates now at minimum level. To cut any further is to cause serious damage to a public institution revered by all Alaskans.

Sincerely,



Ralph Baldwin
Mat-Su State Parks Citizens Advisory Board
rbaldwin@mtaonline.net (H)
(907) 376-2297



Alaska State Legislature

Please enter into the record my testimony to the HFEN committee name
 committee on BUDGET bill/subject, dated _____

Please distribute to all members of the House Finance Committee. Please respond to

Ralph Baldwin
 Citizens Advisory Board - Mat-Su State Parks
 rbaldwin@mtaonline.net

Signed: Ralph W. Baldwin
 Testifier Mat-Su State Parks CAB
 Representing (Optional) _____
 Mailing Address 907-376-2297
 Phone Number _____

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

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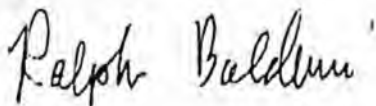
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Sincerely,



Ralph Baldwin
Mat-Su State Parks Citizens Advisory Board
rbaldwin@mtaonline.net (H)
(907) 376-2297

Beau Kelly

From: G Plotnick [dmisha@alaska.net]
Sent: Friday, March 05, 2004 11:07 AM
To: Beau_Kelly@labor.state.ak.us
Subject: Misha

I have been a client of DVR since 1999. When I started as a client I had limited expectations of my possibilities for work. The process of vocational counseling has been very empowering for me and offered me a means to employment. My experiences have been overwhelmingly positive with staff at DVR they are uniformly committed to seeing disabled people return to the workforce.

Through education that was subsidized by DVR I have been offered the ability to become a counselor and use my experiences as a disabled person in a positive way. As a disabled individual you are constantly faced with evidence of how you differ from the expected norm of society. This difference can be disenfranchising. Working by it's very definition is part of the American norm, and can lift you out of poverty as well as enhance your role in society. This is what I have gained from my relationship with DVR.

Thank you, G. Misha Plotnick

03/05/2004

I offer this statement of support as public testimony for consideration in the matter of funding for the Department of Vocational Rehabilitation. I speak from a personal level on how that experience has impacted my ability to return to work

I have Multiple Sclerosis and was collecting Social Security Benefits for 10 years and through Vocational Rehabilitation I was able to begin exploring job prospects that were within my skills and abilities. I also gained confidence about my skills, and these strategies allowed me to begin the process of returning to work. My case was handled with respect, dignity, and I began to have faith in my own abilities and dared to dream. I was respected as a person with skills that were needed into days' Alaska job market. I was encouraged and supported to make decisions that would get me employed. No other public agency offered this service to someone with a significant disability.

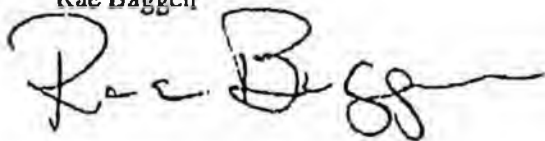
I now work independently without supports and recently started my return to college that I am able to pay for with my earnings. I have read that for every dollar spent on Vocational Rehabilitation that \$9 dollars comes back to the community, and from the experience that I have, I believe this to be true. Knowing I am able to contribute to the tax base of this community, buying goods and services that keep others employed gives me a sense of pride, a sense of community. I am no longer "on the dole" and totally self-sufficient.

I hope that you will see this as a good return on money spent, I am one example of many who have benefited from Vocational services. Please consider carefully the impact that the proposed budget cuts will mean to those needing Vocational Rehabilitation support to be able to enter, or reenter the job market.

To address the immeasurable benefits of VR services include, empowerment, sense of dignity and, self-sufficiency, and the pride of knowing that I could compete with 20 other applicants and be hired on my abilities and not have the focus be on my disability. The potential that DVR offers to people with disabilities is powerful, it provides us with a chance to turn those hopes and dreams into reality.

Respectfully

Rae Baggen





ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House Finance Committee
 Committee on Governor's Budget Committee Name Dated 3/4/04
Bill / Subject

Tobacco use is the leading cause of preventable death in Alaska, and is responsible for one out of every five deaths in our state. Currently with the tobacco settle money and tobacco tax the state is taking in over \$70 million dollars. If the proposed tobacco tax goes into effect that figure will top \$100 million. The US Center for Disease Control has recommended that our state spend \$16 million on Tobacco Prevention. That is not happening yet in Alaska. We need to work harder!

I totally support the Administration Amendment to remedying last year's miss laid \$1,061,000 that went into the Medicaid fund by giving it back to Tobacco Prevention. I thank the commissioner for bringing this forward for you attention.

I urge you to maintain the Legislature's commitment to fund at least the 20% level for Tobacco Prevention. Your commitment to fund tobacco prevention, will brighten the future of our children, lower the cost the state has to spend to treat tobacco diseases, and improve the health of Alaskans.

SIGNED:

Diana M. Darnall

Testifier

FAIR AIR

Representing

P.O. Box 81189 Fairbanks AK 99708

Address / Phone Number

479-5421



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the Finance Committee
 Committee on Budget Committee Name
Bill / Subject Dated 3/4/04

Good Evening,

as the Administrative Director of a group that enables 5 different organizations to fulfill their mission of helping our fellow community members, (Head Start) (RCPD) (Literacy Council) (WIC) (INHC) any assistance in the way of funding our capital request that I recently e-mailed Representative Felt would be greatly appreciated, even if only a partial commitment. We can help the legislature stretch scant funds in an effective manner. Thank you.

SIGNED:

Karl R. Greer

Testifier

Fairbanks Community Development Foundation
 Representing

841 Nine Mile Hill Rd. Fairbanks AK 99712
 Address / Phone Number

907-488-0713

To: House Finance Committee
03-04-04

April 28, 2003

To: Interior Delegation

From: Arctic Alliance for People Legislative Committee

Re: Request for examples of State savings generated by programs supported by the Health and Social Services Community Matching Grant (in Fairbanks alone)

Summary of estimated State savings by a sampling of agencies funded by the Community Matching Grant in the Fairbanks North Star Borough:

North Star Council on the Aging:

In answer to your inquiries, NSCoA provides home-delivered meals to 151 homebound persons. Proper nutrition promotes good health and helps to keep people out of nursing facilities and the hospital. The cost per meal is \$10.34 per day. The cost to stay at Denali Center is \$350 per day and \$825 per day at Fairbanks Memorial Hospital.

Not everyone who receives Meals on Wheels (MOW) is a candidate for the nursing home, but let's conservatively estimate that the MOW program is helping to keep 20% of MOW recipients (30 individuals) out of the hospital. Let's assume that the average time in the hospital is 1 week followed by 1 month (30 days) convalescence at Denali Center. Then:

30 persons X (\$825/FMH day X 7 days) + (\$350/Denali day X 30 days) = \$315,000 savings to the state in medical costs.

Hospice of the Tanana Valley:

Without the availability of the services and support of Hospice staff and volunteers, many patients with terminal illnesses and their families would be forced to use the facilities of assisted living homes, the Denali Center or the Fairbanks Memorial Hospital, especially in the days or weeks immediately preceding the patient's death. In other cases, when a need exists but the patient's condition is not yet critical enough, insurer limitations or lack of coverage can result in the patient and family going without any assistance if Hospice volunteer services were not available.

In 2002, 104 patients were served by Hospice with an average length of stay in the program of 82 days for a total of 8,502 patient days. Using 2002 Hospice expenses of \$173,002, the cost per patient per day was about \$20. The average daily cost for room and care at an assisted living home is about \$130, at Denali Center about \$350, and at Fairbanks Memorial Hospital about \$2,750.

If 40% of the Hospice patient days in 2002 were spent in care at an assisted living home, the cost would have been over \$442,104. If 30% of the Hospice patient days in 2002 were spent in care at the Denali Center, the cost would have been about \$892,710. If 20% of the Hospice patient days were spent in care at the Fairbanks Memorial Hospital, the cost would have been about \$4.7 million.

Hospice bereavement clients indicated they would not have received any bereavement support had Hospice services been unavailable. Research supports the rationale that stress and trauma from unresolved grief results in illness, lost work, substance abuse, relationship and parent-child difficulties

①

(dysfunction). Offering bereavement support lessens the demands for other Human Services, thereby resulting in long-term cost savings to the family, community and to the state.

The requested grant of \$50,000 supports about 32% of Hospice's personnel costs including benefits and payroll expenses. If the State of Alaska were to directly provide the same services as were delivered by Hospice in 2002, the cost for the equivalent personnel is estimated as follows:

Director of Hospice Services	
<i>AK Social Worker Level 4, \$31.45/hour, full-time</i>	\$65,416
Bereavement Services Coordinator	
<i>AK Social Worker Level 4, \$31.45/hour, ¾ time</i>	\$49,062
Volunteer Coordinator	
<i>AK Social Worker Level 1, \$23.78/hour, 374 hours</i>	\$8,894
Office Manager	
<i>AK Admin. Asst., \$23.78/hour, 1481 hours</i>	\$35,218
Patient Care Coordinator	
<i>AK Social Worker Level 1, \$23.78/hour, 1074.5 hours</i>	\$25,552
Patient Care/Bereavement Volunteers	
<i>Certified Nurses Aide, \$15.44/hour, 7326 hours</i>	\$113,113
Office Volunteers	
<i>AK Secretary Level 3, \$19.76/hour, ¾ time</i>	\$30,826
Professional Service Volunteers	
<i>Doctors, nurses, accountants, counselors, board & committee members, \$60/hour, 3,439 hours</i>	<u>\$206,340</u>
Total direct State personnel cost	\$534,421
Less cost to State (grant to Hospice)	<u>\$50,000</u>
Savings to the State	\$484,421

North Star Youth Court:

The NSYC, and other youth courts, directly and indirectly save the state money.

1. Each youth offender accepted by a youth court means one less case for a juvenile probation officer, an Assistant Attorney General or District Attorney, a Public Defender, and the Superior Court. These State employees and agencies can spend their efforts on more serious cases. The State will not have to hire additional probation officers and attorneys to handle an increased load of juvenile offenders.

Cost per case to the State:

\$67,000 (average salary of Juvenile PO's directly accepting referrals) x 7 (Juvenile PO's) / 916 (referrals rec'd in 2002) = \$512 per case. NSYC accepted 120 cases during 2002 x \$512 saving the State **\$61,440**.

2. Juvenile offenders who face consequences for misdemeanor offenses are less likely to continue to commit crimes or to commit more serious

crimes. This reduces the case loads not only on the state employees listed above, but also on state and local police forces.

The NSYC maintains a recidivism rate of less than 10% in comparison to the State's 24% recidivism rate. So...let's say that a youth, as a result of being held accountable for a criminal act in youth court, does not engage in criminal behavior in the future. In the absence of this program, he or she would not be held accountable by the Division of Juvenile Justice. It costs the state \$170 per day (in Fairbanks) to incarcerate/institutionalize a juvenile who has been formally adjudicated by the division. Out of 100 cases per year, let's conservatively estimate that 5 of these youth have made choices that have not led to future criminal behavior at a felony level (or multiple misdemeanors) that would result in formal adjudication and a period of lock-up. Five youth x \$170/day x 6 month stay in a home or detention facility = \$153,000 direct savings to the State

3. Juvenile offenders cause expensive property damage not only to private parties but also to state and local government property. Youth courts seek and enforce restitution for vandalism and theft. Anything youth courts can do to diminish property crimes will benefit the State.

4. Youth courts are operating independent court systems with VOLUNTEER attorneys, judges, and court personnel. If the State were to attempt to replace youth courts with an equivalent court system, the State would have to employ attorneys, paralegals, court personnel, and judges, with current State wages and benefits. It is almost inconceivably cost-effective to have these legal and judicial positions filled for FREE by teen-age volunteers.

5. Youth courts provide legal training for many youth. These youth, even if they never participate in a youth court, have had basic education in criminal and juvenile law, the ethics of being an attorney, the roles of police, prosecutors, defense attorneys, and judges, and the impact of crime on victims and the community. This kind of education makes teen-agers more aware of the impact of crime, what constitutes criminal behavior, and why the legal system operates as it does. Such educated youth can be expected to be more law-abiding because of their education. To duplicate this kind of training as a State activity would require hiring professional teachers or attorneys. The State benefits from better educated youth without having to pay for it.

Big Brothers Big Sisters – Greater Fairbanks Area:

Big Brothers Big Sisters, by matching at-risk kids with positive adult role-models, is a positive youth development and prevention program, preventing such behaviors as delinquency, drug and alcohol abuse, teenage pregnancy, and failure at school. The costs of the alternatives to prevention are staggering. Institutional drug rehabilitation costs approximately \$500 a day. Incarceration of a minor

costs \$62,050 per year. The cost of one full time caseworker, providing services to over 50 matched and 30 unmatched at-risk children for a full year is less than 1/2 the cost of incarcerating a single juvenile. The number of school-aged children in the Borough is 16,337. The number of youth arrests is approximately 450, making the juvenile arrest rate about 3%. If we apply that arrest rate to the 402 kids served by Big Brothers Big Sisters, we can conservatively estimate that 12 youngsters would have been arrested if they hadn't received our services. If even only two had gone on to be incarcerated, the cost to the State would have been \$124,100. This is a very conservative estimate, as the population we serve has higher risk factors than the general population from which we are calculating the arrest rate.

In 2002 over 35,000 hours of companionship, mentoring and friendship were provided by our volunteer Big Brothers and Big Sisters to the children with whom they were matched. When compared to the cost of professional counseling services (much of which could potentially be medicaid billable) at a rate of anywhere from \$50 to \$200 per hour, this represents a savings of between \$1,750,000 to \$7,000,000.

Fairbanks Community Food Bank:

In the past twelve months we have provided food assistance in the following ways:

FOOD BOX PROGRAM: 27,000 different people in the Fairbanks North Star Borough and Delta have received a minimum of 20 pounds of food each. Half of the people served are local children.

WOODEN NICKELS: 1500 overnight emergency sacks of food.

BONEBUILDERS: 143 street children were served 4,453 pounds of food in community donated backpacks.

USDA COMMODITIES, TEFAP: Once a month distribution of government food which supplements over 1,000 enrolled households. One-third of these households are military.

COMMODITY SUPPLEMENTAL FOOD PROGRAM (CSFP): Once a month commodities program which extends services to WIC clientele and to seniors over 60. The caseload for this program is 1100.

There is NO duplication of services between the local food box program and the USDA Commodities food programs.

- **We do this work with an annual budget of approximately \$300,000.** This is possible because we are primarily a volunteer agency and recycle community surplus items, such as food, plastic sacks, paper sacks. There is no easy way to place a value on those recyclable items because we do not have processing centers in Alaska for such items as cardboard and plastic, so the best way is to reuse them, and we do.
- 9/10s of the food we collect each day is being discarded by over 100 local commercial vendors. Would that food find it's way into the City dump if we weren't here? If so,

that would impact our dump with 1,800,000 additional pounds/year. The fee charged by the Fairbanks North Star Borough is \$50/ton, so the value of 900 tons of wasted food is \$45,000.

- **Over 50% of the people we serve with local surplus food only need one or two food boxes to get them over their emergency situation. Is the alternative of (1) having families not have nutritious food for their households, or (2) connecting them to more expensive service delivery sources (like food stamps) a good option, when we can simply solve their immediate problem with surplus food collected in the community.**
- In Fairbanks we have an organized way of sharing our local resources and a way to connect the youngest and oldest volunteers with effective and pleasant work experiences. There is no way to measure the dollar value of this gift of service to the community, but we do log over 17,000 volunteer hours which we then value at \$7.00/hr. With that simple formula, the value of this service to the community is \$119,000.
- Using the same logic, the food we collect is very conservatively valued at \$1.00/pound (the national standard is \$1.67/pound). That recovers over \$2,000,000 of surplus food in this community each year.
- By providing an outlet for USDA food, we facilitate this communities' ability to increase food capacity by \$80/box/month for food provided to households. Last year for the TEFAP program that amounted to \$336,000 in delivered food. This year we will add an additional \$88,000/month or \$1,056,000/annually in the CSFP program. The total annual value of this "new" food (both TEFAP and CSFP programs) to supplement local households will be \$1,392,000. This is food that would not be available to share with our local people without a food bank distribution point.
- There are other less definable qualities, such as the idea that if food was not readily available, would folks have a need to steal or suffer stress which is manifested in alcoholism, child abuse, domestic violence. We hear stories which lead us to believe that, but there is no way to really measure it in dollars and cents.
- In community capacity building, we also give donors a place to invest their hard earned dollars. One donor invested over \$2,000,000 in a new building for us (which he would not have done without us) and foundations such as Kraft and Rasmuson have invested \$40,000 - \$87,000/year in bricks and mortar and vehicles. We build community here.

November 25, 2003

**A Look at Unmet Needs in the Fairbanks North Star Borough
through the Health and Human Services Community Matching Block Grant
administered by the FNSB Health and Social Services Commission**

The FNSB Health and Social Services Commission has developed a scoring rubric to assist Commissioners with the evaluation of the grant requests that are submitted each year. This rubric has helped the Commission evaluate each proposal in terms of demonstration of community need, efficiency and effectiveness of program delivery, non-duplication of services, and measurable positive outcomes produced. Funding decisions are thus based on solid and demonstrable criteria, not reputation of agency or smoothness of grant-writing. This process has become a true example of results-based funding and could be a model for the concept of "missions and measures" that the State is looking to utilize in its own budget and funding decisions.

In the development of the rubric, it was decided that a minimum score of 70 would be required for a program to be eligible for funding. In a recent discussion with Senate President Gene Therriault it was suggested that one possible tool for determining the unmet social services needs for the Borough would be to look at the number of grant applications that scored above that benchmark yet were unable to receive funding due to the amount available that year. Here is a summary:

FY 2001

Funded Programs:	13	Total distribution	\$578,797
Partially funded program:	1	\$ short of request:	\$ 41,214
Unfunded Programs scoring over 70:	6	\$ short of request	\$284,277

Partially funded program:	FNA Chronic Inebriate Program
Unfunded Programs:	Fairbanks Counseling & Adoption Child Abuse & Neglect Prevention ALPA & Literacy Council Family Literacy Program Boys & Girls Clubs After School Programs Love, Inc. Transportation Program Campfire Boys and Girls Public Housing Center Program Fairbanks Community Mental Health Homeless Outreach

FY 2002

Funded Programs:	13	Total distribution	\$576,724
Partially funded program:	1	\$ short of request	\$ 33,183
Unfunded Programs scoring over 70:	4	\$ short of request	\$143,970

Partially funded program:	National Senior Service Corps Transportation program
Unfunded Programs:	FNA Chronic Inebriate Program The Salvation Army Homelessness Prevention Campfire Boys and Girls After School Programs Fairbanks Crisis Clinic Suicide Prevention

FY 2003**

Funded Programs:	10	Total distribution	\$481,512
Partially funded program:	1	\$ short of request	\$ 36,590
Unfunded Programs scoring over 70:	5	\$ short of request	\$204,983

Partially funded program: National Senior Service Corps Transportation program
Unfunded Programs: Access Alaska Adaptive Equipment program
Interior Alaska Center for Non-Violent Living Suicide prevention
BreadLine Soup Kitchen and Day Labor programs
The Salvation Army Dental Care program
Literacy Council of Alaska Adult Literacy program

**Funds available for distribution had been reduced at the State level from the prior year
Impact to Fairbanks: \$97,285 less funding available (could have funded 3 additional programs)

FY 2004****

Funded Programs:	6	Total distribution	\$331,014
Partially funded program:	1	\$ short of request	\$ 18,544
Unfunded Programs scoring over 70:	7	\$ short of request	\$333,500

Partially funded program: Interior AIDS Association Methadone Program
Unfunded Programs: National Senior Service Corps Transportation program
Hospice of the Tanana Valley Patient Care and Bereavement
ACCA Early Intervention programs
BreadLine Soup Kitchen and Day Labor programs
FNA Chronic Inebriate Program
Boys & Girls Clubs Summer Day Camp
Fairbanks Counseling and Adoption Teen Wilderness program

****Funds available for distribution had again been reduced at the State level from the prior year
Impact to Fairbanks: \$150,498 less funding available (could have funded four additional programs)

Total reduction in dollars available TO FAIRBANKS AREA PROGRAMS (combined State and local) over the last two years is approximately \$250,000. That is a 43% reduction since FY2002. Most of the programs applying for funds from this source either prevent the need for state-funded services or provide a cost-efficient alternative to state programs. The long term effect of this reduction will be an increase in cost to the State – in terms of Medicaid spending, public assistance, and both juvenile and adult incarceration. We need to reverse this trend!

This year we are anticipating that Mat/Su will apply for funds through this Block Grant as they are now eligible due to the growth in their population. Mat/Su's participation will drastically further reduce funds available to the FNSB unless an increase is sought.



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the HOUSE FINANCE
 Committee on SOA OPERATING BUDGET Dated 03.04.04
 Bill / Subject

Honorable Representatives, Thank you for this opportunity to testify at public hearing on the state operating budget. I did my taxes this weekend. 4% of my income went to U of Alaska student groups, museum, public media, alumni scholarships, and the University of Alaska Foundation. In addition, I accrued 240 hours of community service, serving the same university assets. This adds a lot to our community, the university on the hill is a shining jewel in Fairbanks. Moreover, I am not ashamed to get my fellow alumni to contribute their time and money. THERE IS ONE THING I REGRET. MY SERVICE TO MY ALMA MATER DOES NOT CONTRIBUTE TO ITS OPERATING FUND. THERE ARE A LOT OF PEOPLE WHO FEEL THE SAME WAY. So, I am willing to set up a payment plan with the state of Alaska to support university education in Alaska. Let's work together to figure out how this payment plan works, either as an income tax, a program to draw on permanent fund earnings, and keep the dialogue from the Conference of Alaskans fresh, working toward a fiscal plan.

SIGNED:

Marta Mueller MARTA MUELLER,
 Testifier

PERSONAL INTEREST IN THE UOFA
 Representing

516 AUKLET PLACE FAIRBANKS AK 99709-6653
 Address / Phone Number 907.479.6780



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House Finance Committee Name
 Committee on HB 375 Bill / Subject Dated 3/4/04

Please re-instate funding for Alaska Legal Services Corp. (ALSC) that organization provides legal representation to indigent Alaskans who would otherwise be at the mercy of our judicial system. From my service on the ALSC Board of Directors, I have seen first-hand the dedication and commitment of ALSC staff, and the difference that their efforts can make in the lives of their clients. ALSC deserves the continued support of the Alaska Legislature, at least at the modest level of the current fiscal year (\$125K). I urge you to support ALSC's work on behalf of Alaska's indigent residents. Thank you!

SIGNED:



Cameron M. Leonard

Testifier

Board of Directors (Alternate) - Alaska Legal Services Corp.
 Representing

1100 Solitude Way Fairbanks AK 99709
 Address / Phone Number

Subject: Written Testimony for Finance Committee on Operating Budget

Date: Thu, 04 Mar 2004 15:46:45 -0900

From: "Nevada Bovee" <Nevada@northernschoolsfcu.org>

To: <fairbanks_li@legis.state.ak.us>

CC: <Danielle_Brown@legis.state.ak.us>

Thank you for the invitation to provide testimony to the Finance Committee on the operating budget.

My name is Nevada Bovee. I live at 1845 Caribou Way in Fairbanks, Alaska, I have lived in Alaska for more than 25 years and my husband is a lifelong Alaskan and business owner. Between us, my husband and I have four children. I grew up in Fairbanks and attended public school as well as later on attended and graduated Magna Cum Laude from the University of Alaska Fairbanks. My daughters and stepsons have also attended public school and my oldest daughter is currently attending UAF, and my oldest stepson has recently completed several classes at UAF.

I am an active participant in my community and have been for many years. I currently serve as Chair of the Fairbanks, Chamber of Commerce Education Committee and President of the Fairbanks Chapter of the University of Alaska Alumni Association, I also participate with my daughters Parent Student Teacher Association. In addition to my civic involvement, I participate in the community through my job as Vice President of Marketing for Northern Schools Federal Credit Union. I provide free workshops and seminars for youth in our schools and for adults in transition on the Fundamentals of Personal Finance, Career and Employment Strategies, and Interpersonal Skill and Communication Development. I have also participated in several panels to help inform parents and students on various options for financing higher education and have served on an advisory group with West Valley High School Counseling Department to help develop and evolve various student programs and community relations. I have been a member of the Choice Lions group and have helped with many other organizations and fund raising efforts over the years. I am a registered voter, vote at all elections and encourage my family, friends and others to be informed voters.

I realize you all have a very challenging situation with the budget and fiscal gap and I thank you for your concerns and commitment to funding for education, health and social services, and public safety. I did have an opportunity to talk with many Legislators last week when I attended the Juneau Fly-in with a delegation of the Coalition of Student Leaders of the University of Alaska; and what I heard was that education is a top priority and you would like input on how we, the citizens of Alaska, would pay for the state's educational needs along with financial needs for social services, public safety, Department of Natural Resources and all the other financial needs to keep this state running at optimal and healthy levels. I also realize there are no easy solutions, if there were you would have already discovered and implemented them. You must continue to work for creative solutions, be willing to use resources that are politically hot, and to create opportunities for future revenue streams that will meet the needs of our citizens. While the average citizen may not like the idea of taxes and using the Permanent Fund we have to be realistic. Having \$27+ billion dollars in the Permanent Fund and not using reasonable portions of the money to meet the needs of essential programs such as education and health and social services now is like a millionaire who chooses to live homeless and in ill-health and forces his family to do the same. The fund has grown substantially over the last several years and surely it can sustain itself (even in a poor market cycle) without reinvesting such high percentages of the earnings back into the fund just to protect its value.

I, for one, am ready to use earnings from the Permanent Fund to help provide the necessary money. I support POMV and would also support an education tax to provide ongoing funds that would be dedicated to the needs of all our state's school districts. Our schools, both K-12 and University of Alaska have been trimming budgets for several years now. The University of Alaska has trimmed \$20 million dollars in the last few years and students have agreed to a tuition increase of 10% per year over a three year period. Our local school district has cut several administrative positions, cut educational programs such as summer school, and have increased or incorporated new fees for several programs including correspondence classes. The University and the Fairbanks North Star Borough School District have also been increasing revenue from grants and various authority receipts to help fulfill their budget needs. However, without full funding at the state and local level some of these matching grants will no longer be available, causing even greater hardship to local budget needs. Students in Anchorage have been paying fees to participate in extracurricular sports and that trend is spreading across the state. My point is that the leaders of these public services recognize the need for efficiency and are doing what they can, however they are not in the same position as a regular private business. They do not have multiple revenue streams and many of the fixed costs are mandated, thus they cannot be reduced. They are public services and as such should be funded by the public resources. In addition, we must support our Legislators' efforts to find solutions to resolve the PERS and TERS issues that befall all our public service organizations. As you know the TERS and PERS issue is not a single one-time fix. The increased mandated employer contributions will have a major impact on these organizational budgets for the next three or more years. So we must look for a long-term solutions and not a one-time quick fix.

I am not pleased with the proposed cuts of the GOP Majority or our local School Board. I would like to remind you that an educated society tends to make better lifestyle decisions resulting in better health and lower health care costs. Preventative health care has also been proven to reduce costs of treatment in the long run. By making the dramatic cuts to the Medicaid program, in my opinion, is truly taking a step backwards and will cost the State of Alaska more money in the long run.

The Fairbanks North Star Borough needs your support in Education and Social Services. The proposed cuts will have a major impact on the quality of education and the quality of life in our community. The loss of 100 teachers and 20 other special staff is extremely undesirable. Education is much more than the Three Rs. Add the Arts, Languages and Extracurricular Sports to Reading, Writing and Arithmetic and then you have a comprehensive, well rounded education that will benefit the entire community and State of Alaska. These additional educational opportunities teach fundamental skills and student learn critical learning processes as well. A well rounded education provides students with stronger leadership skills, interpersonal skill development, co-operation and team work that will serve them on a family level and employment level. The Arts and Sports also allow students to develop critical thinking skills, independent learning, creativity, time management skills, and many other self management skills, including responsibility and accountability to a greater cause.

Our students who live and learn in Alaska need to feel confident that they will find work in Alaska that will pay a family wage. We need to keep the talented teachers, engineers, medical professionals, and the people in so many other vocations in Alaska. By not funding these programs and reducing essential teaching programs now we will lose these talented and devoted people to other states and they may not be so inclined to return when the state gets to better financial footing. We

need to protect our human resources for the future of Alaska as well as our natural resources.

Thank you for your time and attention to my views. I would also like to state that I have learned quite a bit about the challenges this state and my local community face over the last few years. Sometimes I think one of your greatest challenges is educating the public on the issues and options so that they can make responsible decisions. I feel confident that people will make the appropriate decisions given enough information and have the ability to realize that the emotions and opinions should not be the fundamental focus of the issues. I would like to leave you with a quote that has impressed me for more than 20 years. "As the individual grows the community grows." I am just one of many prime examples of the this truism. Please know that I am counting on you to stay strong and make those tough decisions that may not always be popular but may be the right thing to do.

Nevada Bovee
1845 Caribou Way
Fairbanks, AK 99709

Nevada Bovee
Vice President, Marketing

Northern Schools and you, a winning combination!

March 3, 2004

Cliff Burglin: P.O. Box 70131 Fairbanks, Alaska

Phone 907 452-5149 fax 907 452-5203

Precious Lives For Cheap Oil

According to a recent International Petroleum Encyclopedia, plus an Oil & Gas Journal directory, the Mid-East produces 21,569,000 barrels of oil per day, valued at \$36 per barrel and trillions of cubic feet of Natural gas, valued at \$5.26 per 1,000 cubic feet. The oil reserves of the following countries: Kuwait, Saudi Arabia, Iran, Iraq, and Abu Dhabi, are 686 billion barrels. Some of these fields have been producing high grade oil profitably from shallow depths since 1939.

Most of this oil is marketed by BP, Shell, Exxon, Chevron, and Texaco. This oil is refined in Europe, Japan and Russia.

The U.S. imports most of it's oil from Canada, Mexico and Venezuela and produces all of it's oil from the reserves of producing states, including Alaska. The U.S. needs very little, if any, oil from the Mid-East.

The only reason our troops are fighting and dying in the Mid East is to protect this oil and gas, so that these American, British, Dutch and Russian corporations can make more trillions of dollars. If these corporations had to pay for their own oil, it would cost over \$100 per barrel.

Alaska could easily produce enough oil and gas so that there would be no reason for our fine service personnel to be risking and giving their lives for these corrupt, greedy corporations.





COOK INLET
T R I B A L
COUNCIL, INC.

March 10, 2004

Legislative Finance Division
House Finance Committee
P.O. Box 113200
Juneau, Alaska 99811-3200

Dear House Finance Committee:

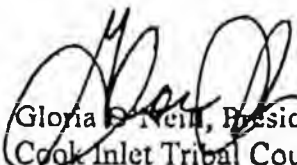
As the President of Cook Inlet Tribal Council, Inc, a non-profit organization committing to serving Alaska Natives and American Indians in the Human and Social Services field, I strongly oppose the proposed reduction of \$126,000 in general funds to the Dept. of Labor and Workforce Development, Vocational Rehabilitation Services Program.

A reduction of \$126,000 in general funds would actually amount to a loss of federal matching funds of \$126,000. This equates to \$256,000 that will not be available to the Division of Vocational Rehabilitation to deliver vocational rehabilitation services to people with disabilities and to help them become employed.

If the proposed funding cut occurs, the Division of Vocational Rehabilitation anticipates implementing an Order of Selection for Vocational Rehabilitation Services which would result in a wait list to an estimated 420 individuals with disabilities. Furthermore, provision of Vocational Rehabilitation Services to Rural Alaska would be adversely affected as satellite offices in Kodiak and Sitka will be closed.

I urge you to reconsider the reduction of \$126,000 in General Funds from the Dept of Labor and Workforce Development, Division of Vocational Rehabilitation, FY 2005 budget.

Sincerely;


Gloria S. Neil, President and CEO
Cook Inlet Tribal Council, Inc.
2700 Cordova Street
Anchorage Alaska 99503

ADMINISTRATION
2700 GAMBELL STREET, SUITE 400 ANCHORAGE, ALASKA 99503

FAX: (907) 297-2575

PHONE: (907) 265-5900

Dear Committee members

My name is Gail Baker, ^{Represent D U R} I live at 7670 B Douglas Hwy, I am 49 years of age. I

have a documented Learning Disability. I have been involved with the Department of Vocational Rehabilitation since I began collage 5 years Ago. I am working on a Associates of Arts degree with 4 credits to go and a bachelors degree in Social Science with and emphasis in history, with 35 credits to go . The Department of Vocational Rehabilitation in my case has made sure my learning disability is fully documented, They have helped with the cost of tutors, and testing, and have been there to help me succeed in my attempt to receive a university degree. I know that the Department of Vocational Rehabilitation will be there to help me acquire the type of employment I have been working so hard towards.

The Department of Vocational Rehabilitation has been there for hundreds of thousands of disabled people helping them achieve their full potential, and at the same time helping them become full participating members of society. The Department of Vocational Rehabilitation is a viable entity and should remain as such.

03/08/04

Dear Members of the Finance Committee,

My Name is Bill Burk

I hold my Masters in Special Education, and have worked with the Handicapped since the 70s. I am presently on the Local Board of the Special Olympic, and am very active in both the Local and the State games. I would like to express my concern to this committee as to the proposed budget cut that is administration wants to do the Independent Living Programs State wide. The Southeast Alaska Independent Living here in Juneau provides necessary services for the handicapped in Southeast Alaska. As I am sure the others do through the state. Here in Juneau SAIL provides Assistants to the deaf and throughout Southeast They help with the Winter Special Olympics and train the local Athletes to compete in the State Winter games, The ORCA provides recreation to the handicapped that they would not get. I as a Resident of this great state urge this administration not to cut the funding of the special needs people of our state. These budget cuts will not only hurt the all the people of Alaska, but the put Alaska out of compliance with the Federal American's With Disabilities Act In which we will loosed federal monies it will also set the State of Alaska back to the 60's and 70's when the handicapped had no rights. Thank you for your time

Bill Burk

P.O. BOX 21011 < JUNEAU AK 99802
drobbins@pci.net < (907) 364-3267

March 5, 2004

RE: HB 75, Vocational Rehabilitation Funds

After learning from Voc Rehab that the budget cut would prevent them from serving ⁴²⁰~~450~~ of their clients as of January 1, 2005, I compared last year's budget to this year and found that the overall cuts as far as I could tell would result in a loss of \$1,090,400. Losing the ability to serve ~~450~~⁴²⁰ clients is a lose, lose, lose! Voc Rehab by definition means to rehabilitate for work. Voc Rehab clients are hard working people. It is important to them to be able to work!

#1 Loss: The "Federal Order of Selection" rules will go into play with the loss of client services. That means that the people who are not served are the ones who could go to work with the smallest amount of help. They could easily be assisted to get back into the workforce and make a full living for themselves. Instead they lose hope.

#2 Loss: The money we put in the pot gets a dollar for dollar match from the feds, so we lose twice the money that would have been put into voc rehab services.

#3 Loss: When people can not get to work because they need some assistance, they not only lose hope, but we get them pushed onto welfare roles. Not able to make a living they must have greater assistance. This assistance will be another big loss.

We just can't afford this kind of budgeting. It will hurt us so much more than the straight dollars taken from the clients of voc rehab.

This must be fixed! The "Federal Order of Selection" is fancy jargon to salve our feelings of responsibility when we throw good people away. Restore fully the cut to the Voc Rehab budget.



Doris Robbins

Vocational Rehabilitation Division (excerpt 3/4/04)

Affected Program:	Dollar Amount(s):	Fund Source(s):
Client Services	(\$126,000)	GF Match (of federal funds)

Proposed Change:

Client Services – Reduce \$126,000 in general funds match and lose a corresponding \$126,000 in federal funds. Due to Maintenance of Effort (MOE) requirements (34 CFR 361.62) when states reduce its level of state share contribution, the federal grant will be reduced dollar for dollar.

Impact of the Proposed Change on Services Delivered to the Public:

Client Services – A \$126,000 reduction to the Client Services component will have an affect on the division's ability to deliver vocational rehabilitation services to people with disabilities and to help them become employed. The corresponding \$126,000 MOE reduction will cause a compounding impact to the division in the next federal fiscal year.

The division anticipates an inability to serve all eligible participants with this additional reduction, totaling \$411.0. (\$126.0 + \$126.0 MOE + Governors reductions of \$159.0) The Governor's budget reduced overhead and provided for additional streamlined methods of delivery. An additional reduction in Client Service spending will occur with this proposed reduction.

The division will closely monitor Federal Order of Selection indicators such as time sensitive eligibility decisions, the creation of informal wait lists and the ability to provide a full range of vocational rehabilitation services to all who are eligible. The division will seek to minimize the impact to State and Federal performance measures.

Beginning January 1, 2005 the division anticipates implementing an Order of Selection for services, essentially a wait list for vocational rehabilitation.

Order of Selection is a federal requirement if the State is unable to provide for the vocational rehabilitation needs of all individuals with disabilities who are eligible. An Order of Selection is essentially an approved wait list.

Alaska's Order of Selection has three distinct Priority Categories - Individuals with the Most Significant Disabilities, Individuals with Significant Disabilities and Individuals with Disabilities. Lower priority categories are closed when resources are not adequate to serve all categories.

An Order of Selection is Anticipated Mid-Year FY 05:

The division serves 4200 individuals per year. With the Order of Selection implemented January 1, 2005, it is estimated 420 individuals will not receive vocational rehabilitation services that are eligible for them. Those individuals will receive a formal referral to the Workforce Investment System partners such as the Employment Security Division and the Division of Public Assistance for employment and training related services.

With an Order of Selection, an estimated 20% reduction in caseload size will result over the following year. As rural offices with limited staff will no longer be efficient, the division will close the Kodiak and Sitka offices in January 2005. It is anticipated that nine staff layoffs will occur statewide. The State must maintain a statewide service delivery system to continue to receive federal funding. To accomplish statewide services, rural residents will be served itinerantly. Thus travel costs will increase.

A ripple effect will occur as reductions to client services are made. Private contractors utilized by the division will receive less funding, as will private training schools and the University of Alaska. Reductions will also be made in leases, commodity purchases and personal services costs.

Department of Labor and Workforce Development
Division of Vocational Rehabilitation

Order of Selection

Relevant Definitions

Prepared by David Quisenberry, Director

February 26, 2004

Alaska's Order of Selection (AS 23.15.090) follows federal requirements (34 CFR 361.36) that people with the most severe medical limitations are served first if resources do not allow all individuals to be served.

In an Order of Selection, individuals with disabilities are categorized based on the significance of their medical condition(s). Functional limitations associated with the medical condition are evaluated in the areas of mobility, work skills, self-care, interpersonal skills, communication, self-direction or work tolerance. Counseling staff assesses how the functional limitations affect the individual's employability and determine if multiple vocational rehabilitation services are required for the individual to become employed. The greater number of service needs assist in determining the severity of the disability.

Alaska's Order of Selection has three distinct Priority Categories - Individuals with the Most Significant Disabilities, Individuals with Significant Disabilities and Individuals with Disabilities. Lower priority categories are closed when resources are not adequate to serve all categories.

Relevant Definitions:

"Disability" - a physical or mental impairment that constitutes or results in a substantial impediment to employment.

"Extended period of time" - as a guideline, six months or more.

"Individual with a disability" - any individual who has a physical or mental impairment which, for that individual, constitutes or results in a substantial impediment to employment and who can benefit in terms of an employment outcome from vocational rehabilitation services.

"Individual with significant disability" - an individual who has a severe physical or mental impairment which seriously limits one or more functional capacities (mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome and whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time, or is an individual receiving disability benefits under Title II or Title XVI of the Social Security Act.

"Individual with a most significant disability" - an individual who has a severe physical or mental impairment which seriously limits three or more functional capacities (mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome, and whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time.

"Multiple vocational rehabilitation services" - two or more primary services.

"Primary vocational rehabilitation services" - those services which reduce the impact of functional limitations on employment outcome such as: physical and mental restoration services, vocational and other training services, placement services, interpreter services, occupational licenses, tools, equipment, and initial stocks and supplies, rehabilitation technology, sensory, and other technological aids and devices, and supported employment services; reader services, rehabilitation teaching, orientation and mobility services for the blind as opposed to supportive services which complement the provision of primary services such as transportation assistance and financial maintenance support.

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drobbins@gci.net <> (907) 364-3267

March 8, 2004

RE: Budget Testimony, Tobacco Funds for Prevention

I have been working for many years as a volunteer on issues of substance abuse, primarily tobacco as an airborne poison in the form of secondhand smoke. Currently, I am working with Juneau Clean Air Coalition, a volunteer group that has had more than it can stand of secondhand smoke. Personally, I continue to manage a permanent chronic illness brought on by exposure to secondhand smoke in the workplace.

I had been hearing rumors from friends from the prevention community that more cuts in tobacco funds for prevention may be ahead. As I watched a House Finance debate, and heard Commissioner Gilbertson say that they were again asking that you provide the full 20% of the tobacco funds which had been requested last year, but not funded. I was overjoyed! I commend Governor Murkowski and his staff who recognizes that prevention is critical!

It is critical that you fully fund the program for tobacco prevention. That is the only way to get the necessary decrease in underage use, which will lead to a healthier community. In addition, illnesses caused by tobacco, directly and indirectly, are extremely costly for our state. A special emphasis needs to take place with our Native youth, as we have been less successful in decreasing their smoking. You have seen the H&SS statistics showing overall improvement for Alaska.

Years ago, I was both a teacher aide and teacher at different times, as well as bringing up my own three kids who are now on their own. I have seen what it takes for young people to succeed. We emphasize passing a test on readin,' writin' & 'rithmetic. There is much more required for the success of children. They aren't rats in a cage! With all the bad information hitting them, how can we expect not to teach prevention and have children learn to make good choices? Prevention programs in the schools provide a right voice in their ears, or how will they know otherwise? Children must have

mentors to show them the right paths to take. Part of prevention is learning good behaviors so that bad ones will not be substituted. The National Council of Alcohol and Drug Dependency is right across the street from the Capitol. As a member of Juneau Clean Air Coalition, I have met in a conference room there, which we have been allowed to borrow, weekly for over two years. I have observed some of the positive things for youth, which are occurring through them to help keep kids tobacco and drug free.

One of the programs in Juneau multiplies the dollars, which they get through Teens Against Tobacco Use. This is a local program where high school students teach the younger kids through skits and programs about the value of staying tobacco free. This is working! These young people are so energized that you could only hope to get campaign volunteers that enthusiastic! While young people are at the age of asserting their independence for the first time, they are especially receptive to peer influence. That is one reason the Teens Against Tobacco group is so valuable. Just as with adults, once a bad behavior is learned you can't just replace it. You must substitute a good behavior in its place. It takes seven attempts before an adult is able to stop smoking. Children must make at least as much effort as adults. While it is best to prevent a bad behavior from starting, early interdiction also works.

About a week ago, I accidentally came upon one of the prevention beneficiaries, who just walked in off the street as Juneau Clean Air was ending our regular meeting. The young person apparently felt it to be a safe place, and began talking to one of the folks there who was nearing the end of a lunch break, without regard for the three or four of us who were gathering our things to leave. The young person stood there and said "I was here before, because I had to take a class." The young person began talking about what was going on, and it became very clear that this was a crisis situation. Out of desperation, the youth had returned here because of the previous positive experience that had led her/him to feel that someone would help. The person there, a counselor said "Would you like to go back to my office and talk?" Lunch ended abruptly and the youth went to talk. The first time was court ordered. This time the person is much more likely to make a lasting change.

Presently, the Juneau program is barebones and they have had to cut the programs drastically because of lowered funding last year. Currently, two Vista workers are helping them keep prevention in some of the schools. While you put Tobacco Fund money into Medicaid, if you want to eventually lower Medicaid expenditure, you are better off putting most money into prevention.

According to the CDC, at the current \$3.8 million, Alaska is only putting 47% of the recommended tobacco funds into prevention, making us 14th of all 50 states. Alaska spending on tobacco prevention amounts to 5.7% of the \$66.3 million in tobacco-generated revenue the state collects each year in tobacco settlement payments and taxes. Keeping that in mind, our Alaska costs are:

80 to 150 deaths each year from secondhand smoke.

440 adult deaths each year from smokers' own smoke.

19,500 kids under 18 and alive in Alaska today will die prematurely from smoking.

No count of the total who are ill and under care (but not dead) but it is extensive and expensive. I'm one of them.

Smoking kills more people than the combined total of: alcohol, AIDS, car crashes, illegal drugs, murders, and suicides.

The above facts are available from Tobacco Free Kids, H&SS or the CDC.

Prevention works tremendously well! Please restore funding statewide for prevention. We really can not afford to do anything else.

Thank you.



Doris Robbins

3-8-04

I would like to thank the chairman and the other finance committee members for taking the time to hear our testimony. I realize these are difficult times with difficult choices.

My name is Ruth Simpson; I am a certified Chemical Dependency counselor and have worked in the addiction field since 1985.

I cannot emphasize enough the disservice I feel ^{WILL HAPPEN} you will do to countless citizens if you choose to cut funding from treatment, prevention and the Alcohol Safety Action Program. The people served by these programs are completely salvageable and once on the right road they can and do become some of the most creative, passionate, productive people you could ever hope to meet.

Chemical Dependency is a disease like any other; it cannot and should not be ignored, discounted or dismissed.

It is imperative that you restore money to the ASAP programs; it is through those programs that 90% of all outpatient referrals (the least expensive form of treatment) occur. Without a comprehensive ASAP program those offenders will slip through the cracks and our ability to intervene on their disease is taken away. The cycle of drinking and re-offending will continue at a much higher rate than we have seen thus far.

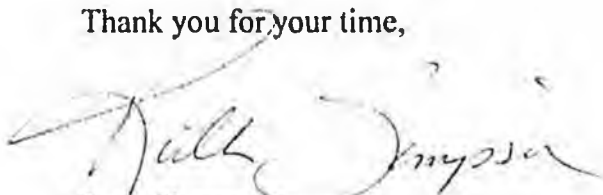
We know that jail is not an effective intervention for addicted people; they need treatment and a supportive environment that will enable them to remain clean and sober. I have seen the worst of outcomes and the best of outcomes. Without resources we will only see those negative outcomes increase. When I speak of negative outcomes I am talking about overdose, suicide and vehicular homicide.

In addition to being a CD counselor I also have 22 years of sobriety. Prior to getting sober I cost this community significant amounts of money, energy and resources. Had it not been for the resources available in this community, I would not have been able to reclaim my life and commit my career to those suffering from this disease.

All of my clients could easily be your daughter, sister, or mother. I am asking you to keep that in your mind and close to your heart when you're making these critical decisions.

As a contributing member of this community, I would be happy to support treatment funding through an income tax.

Thank you for your time,



Ruth Simpson
5545 North Douglas Hwy
Juneau, Alaska 99801

rsimpson-neaddj@ak.net



National Council on Alcoholism and Drug Dependence
Juneau Affiliate
211 4th Street, Suite 102
Juneau, Alaska 99801

Phone: (907) 463-3755
Fax: (907) 463-2539
ncaj@ptialaska.net
<http://www.ncadd.org>
National Intervention Network (800) 654-HOPE

March 8, 2004

The Honorable Bill Williams, Co-Chair
The Honorable John Harris, Co-Chair
House Finance Committee
Alaska State Legislature
The State Capitol
Juneau, Alaska 99801-1182

Dear Representatives Williams and Harris:

I am Ernie Mueller, the President of the Juneau Affiliate of the National Council on Alcoholism and Drug Dependence. I have been a national and state certified substance abuse counselor for the last fifteen years and have worked or volunteered in the field for almost twenty years. I was born and raised in Fairbanks, earned three degrees from the University of Alaska Fairbanks, and have lived in Juneau for the last thirty years.

Alcohol and drug abuse is the most serious public health issue in Alaska. About half of all fatal automobile crashes are alcohol related. Alcohol and illicit drugs severely disable and kill hundreds of Alaskans by direct toxic and medical problems, including heart, respiratory, liver, pancreas and nervous system disorders. Alcohol and drugs are involved in the majority of violent injuries and crimes, including suicide, murder, assault, domestic violence and property crimes. Alcohol and drugs are the cause of a large number of accidental injuries and deaths, including falls, vehicle crashes, drownings, and gunshots. Alaska has, for many years, been at or near the top among all the states in per capita alcohol consumption.

All of us have friends and family who have been killed, disabled or seriously injured by alcohol and drugs. About twenty years ago my wife and I took two young teenage boys, one the son of a close friend and the other his buddy, on a hike to the Herbert Glacier. It was wet and cold, but we had a good time, although they kept asking us how much longer this was going to last. We did not have the heart to tell them that they had gone nine miles until we returned to the road.

Several years later one of these young men, riding in the back of a pickup truck driven by an intoxicated friend, was killed when the truck ran off the road and rolled over. More recently the other young man drove off the road after a bout of drinking. He lived, but is a paraplegic, confined to a wheelchair for the rest of his life.

I could go on all day, as many of you can, with personal stories of injury, illness, destroyed families, destroyed marriages and destroyed lives all caused, in some way, by



alcohol and drug use and abuse. I can also talk all day about the good news, those who have risen out of the devastation of alcohol and drug abuse to lead productive, sober and happy lives.

Like the man who came up to me at the park last year when I was there with one of my grandsons. He said, "Ernie I am two years sober and this is my son, pointing to a young boy." Although his family split up due, in part, to alcohol, he now has a job and shares custody with his son.

Or, the mother who came up to me the other day to talk about her teenage son, who had been my client following his arrest for drug possession. She was excited to tell me he graduated from high school and was now in college, heading for a professional career.

There has been considerable research on prevention and treatment strategies for alcohol and drug abuse. We know what works and what doesn't. We know that the public and private costs of alcohol and drug abuse in Alaska are a half-billion dollars or more every year. We know that managing this public health problem will save a major portion of health care, law enforcement, court, corrections and employment dollars. Public funds allocated to prevent treat and intervene in alcohol and drug abuse are very cost-effective, saving far more than the cost of prosecuting and incarcerating offenders alone. We know that youth who do not use alcohol before they are 21 are far less likely to have alcohol related problems later in life, even when they do drink as adults. We know what works to prevent them from early drinking. We know that early intervention and treatment for those who have alcohol and drug problems are effective and can return these sufferers to success in school, family and jobs. We know that not intervening brings them closer to alcoholism and drug addiction, with all of its medical, social and legal problems. We know that early intervention, education and outpatient treatment are the most cost-effective options.

NCADD has been on the front lines in prevention, intervention and treatment of alcohol and drug disorders in Juneau for almost forty years. NCADD sponsors prevention initiatives that work in middle school and high school, the critical ages for youth in preventing future problems. Continuing and expanding prevention programs are the most cost-effective ways to avoid the high cost of treatment, law enforcement, rehabilitation and suffering.

NCADD provides alcohol and drug information schools using State-approved curricula to youth and adults. These clients are referred through the courts, usually the result of minor consuming or possession or adult DUI offenders. These are typically first time offenders, the vast majority of which will not reoffend if they are provided with proper consequences for their actions and appropriate education.

NCADD also operates the Juneau Alcohol Safety Action Program under a grant from the State. This program screens offenders, refers them to education or formal assessment as appropriate, and monitors their progress. If the client fails to comply, affidavits are filed with the District Court, which may then issue a bench warrant and enforce compliance.

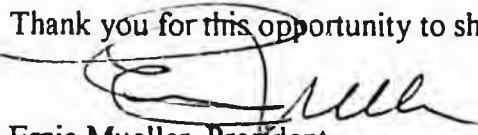
This service is very like a probation officer function for the many hundreds of youth and adults arrested for alcohol and drug offenses every year. This program is critical to holding offenders accountable.

Other services include special driver skill training directed at reducing the incidence of youth driving under the influence of alcohol and drugs, general community prevention and interventions for anyone who suffers from alcohol and drug addiction.

It is my understanding that the Alaska Legislature is considering substantial reductions in funding of prevention and treatment of alcohol and drug abuse and addiction and for the Alcohol Safety Action Program. I appreciate the severe constraints that you have in preparing a budget when revenues are so short. This must be balanced by the recognition that program cuts today will increase the alcohol and drug problems Alaskans of all ages will face in the future. All of us need to "keep our eyes on the prize," a healthy life for all Alaskans.

I urge you to fully fund alcohol and other drug abuse intervention, prevention and treatment programs.

Thank you for this opportunity to share my views.



Ernie Mueller, President
National Council on Alcoholism and Drug Dependence
Juneau Affiliate
211 Fourth Street
Juneau, Alaska 99801

Hello, my name is JOHN HANGSTEFER.

Having a local vocational rehab office means a lot to me.

Chris was able to get me employment, orthotics and counselling services including social security. "She's my secretary helping me through the process." Without Chris, I wouldn't have gotten very far.

A handwritten signature in cursive script that reads "John Hangstefer". The signature is fluid and somewhat stylized, with a large loop at the end of the last name.

Voc rehab has helped me get a job and get training in computers. When my eyesight got to the point I could no longer see well enough to work they helped me complete the paperwork for my SSDI. They helped me with medical appointments that required travel to Anchorage.

Because of Voc. Rehab I am able to have my own apartment and live independently, providing me with the magnification devices I needed.

Pat Simenoff
3-6-04

Hi my name is Dawn Jurado

I was referred to Voc Rehab by my probation officer and with their help I have been able to get my life on track.

Voc Rehab has:

- Helped me stay alcohol free
- Encouraged me to work on my basic skills
- Helped me build confidence in myself and positive work ethics
- Assisted me in getting a job and face reality in the work place

Without Voc Rehab I would probably have continued to drink and would likely be in jail today. Because of VR I am off probation, my self-esteem is much higher and I have a good job with benefits.

If funding for all of the social service agencies gets cut people are going to go crazy and probably get into more trouble because there will be no help available – people's lives are at stake.

Everyone needs someone to believe in them!

Dawn T. Jurado

Education & Prevention
Residential & Out-Patient Treatment
Adolescent Services
Alcohol & Drug Information School
Referrals & Assessments
Employee Assistance Programs



Toll Free : (866)486-3535
Phone: (907)486-3535
Fax: (907)486-7689
115 Mill Bay Road
Kodiak, Alaska 99615
Email: safeharbor@gci.net

"Where The Healing Begins"

March 05, 2004

Re: Vocational Rehabilitation Support

To Whom It May Concern:

A cut in funding to Kodiak's Vocational Rehabilitation would be a tremendous blow to the services Kodiak Council on Alcoholism provides as the majority of our clients are in need of these services to get their lives back on track as they have been outside the mainstream of society. As the Executive Director of Safe Harbor I was once one of these people and the services that Vocational Rehabilitation provided me allowed me to get my degree and become a productive member of society as opposed to a burden. If these services are pulled the State will still pay the cost though it will be in the area of public safety and the Department of Corrections.

If you have any further questions please feel free to contact me at the above number. Thank you.

D. Scott Smith, MAPS
Executive Director
Safe Harbor Treatment Facility

I have received services from both Vocational Rehabilitation and Safe Harbor.

These agencies have helped me know myself better and have another chance at life.

I have been sober for 13 months during that time I have learned to live independantly and have completed training as an emergency trauma technician. I am waiting for my results of the Emergency Medical Technician Course I just completed.

Richard McDaniel

Public Comment
House Finance Committee
Saturday, March 06, 2004
Donald E. Roberts Jr.

Re: HB 375 Operating Budget / Loans Funds;
HB - 377 Mental Health Budget

Mr Chairman my name is Don Roberts Jr. I live at 264 Lilly Drive in Kodiak.
Thank you for this opportunity.

I speak in favor of Vocational Rehabilitation component of the budget and the
Mental Health Budget. The long term economic and social consequences of not
funding these is far greater than any savings that might be had.

In addition, many people by virtue of their disability may not be able to participate
in these proceedings, it would not be reasonable to interpret their silence as lack of
concern.

Thank you.

A handwritten signature in black ink, appearing to read "Donald E. Roberts Jr.", is written over a horizontal line. The signature is stylized and cursive.



Alaska State Legislature

Please enter into the record my testimony to the HOUSE FINANCE
committee name

committee on HB 375 - operating Budget, dated 3-6-04
bill/subject

DVR HAS BEEN VERY helpful to me -
I have PARKINSON'S DISEASE -
They have paid for classes at the college
for me to be able to get a better job -
They have helped to get a job

DVR HELPED by paying my way to a
neurologist expert in my condition

Their help has given me hope when all
looked so grim for my life & future -

CLOSING DVR is going to close the
door of hope of for those of us who
struggle thru each day as it is, and
who hope to be productive members of
our community in spite of our handicaps -

Signed: Pete Holm PO Box 271 Kodiak

Testifier

Self

Representing (Optional)

PO Box 271 Kodiak, AK 99615

Address

907-486-5118

Phone No



Alaska State Legislature

Please enter into the record my testimony to the House Finance
committee name

committee on HB375- Operating Bud dated 3-6-04
bill/subject

VOC. REHAB. HELPED ME ROUND THE
CORNER AND GET BACK INTO THE WORKFORCE.
IT APPEARS TO ME THAT THE
PROPOSED CHANGES WILL HINDER
THOSE THAT ARE THE MOST
LIKELY TO GET BACK ~~IN~~ IN-
TO THE WORKFORCE, FROM DOING SO,
I'M IN FAVOR OF AN INCOME
TAX TO AVOID SUCH MEASURES

Signed: Ben Eirudg
Testifier

Representing (Optional)

Address
3340 MELNITA LN.

Phone No 486-4502



Alaska State Legislature

Please enter into the record my testimony to the Budget - House Finance
committee name

committee on HB375-Operating Bud dated 3-6-04
bill/subject

Cutting funding to Kodiak's Vocational Rehab. Office is a bad idea! We need this vital resource here. I am very fortunate to be a beneficiary of the V.R. programs offered here, and it has been critical to my success as a viable member of this community. Alaska's rural communities only have the state to rely on for these services and if they are underfunded or closed a good many of us will be unable to get the help we need.

Alaska ranks third from the bottom, number 48, as a state with funds available to help V.R. clients as it stands right now, so why make it worse!

Signed: Glenn Ojima
Testifier

self
Representing (Optional)

12906 Noch Dr. Kodiak Ak 99615
Address

907-487-2774
Phone No



Alaska State Legislature

Please enter into the record my testimony to the Finance - House
committee name

committee on operating funds, dated March 6, 2004
bill/subject

Keeping seniors out of costly nursing homes + able to live at home independently with the assistance of Home Community Based Waivers is a cost efficient way to do business + pay for needed services. I support keeping these vital services that are available to the most vulnerable + poorest seniors. I support paying an income tax, using the permanent dividend fund earnings + keeping Alaska's infrastructure + services in place. Once these services are gone, we will not get them back. I also support a long range fiscal plan from state so agencies + those receiving services can plan + count on staying here.

Signed: Pat Bransm

Testifier

Senior Citizens of Kodiak, Inc.

Representing (Optional)

Box 3888 Kodiak, AK 99615

Address

907-486-3641

Phone No.



Alaska State Legislature

Please enter into the record my testimony to the House Finance Committee
committee name
 committee on operating budget dated March 6, 2004.
bill/subject

My name is Mary Furford and I am 82 years old, continuing to live independently in my own apartment, though I have macular degeneration, and I participate in activities that keep my mind sharp - watercolor painting and singing each week with the golden Todds. I am able to live alone mly with assistance of the Medicaid waiver program. Through this program I receive home delivered meals, transportation to and from doctors' appointments, home health + I know other services are available when I get to the point of needing them. I have family in town, but they are often away on business. I know my family realizes the kind of care I receive + that makes them comfortable. I am not just for advocating for programs. but also for the legislature to adopt a fiscal plan.

Signed: Mary Furford
Testifier

myself
Representing (Optional)

914 Upper Mill Bay Road #111
Address

486-8452
Phone No.



Alaska State Legislature

Please enter into the record my testimony to the House Finance
committee name

committee on HB 375-Operating Budget dated 03-06-04
bill/subject

As a person with a disability having a local Vocational Rehabilitation office is a benefit to me personally. As a participant in the Reseed Self-Employment program, the staff of the local Vocational Rehabilitation Office have provided a tremendous amount of support and resources to assist in my self-employment goal.

Herman Squartsoff

Signed: Herman Squartsoff

Testifier

Self

Representing (Optional)

PO Box 189

Address

907-

Phone No.



Alaska State Legislature

Please enter into the record my testimony to the House Finance
 committee name
 committee on HB375 Operating Budget, dated March 6, 2004
 bill/subject

I am writing to show my support for the Vocational Rehabilitation services here in Kodiak. I have achieved many positive things in my life--graduating with honors from college, obtaining my teaching certificate, seeking a masters degree in Early Childhood Special Education, and maintaining a loving, supportive, stable family. I have a lot to contribute to the state of Alaska. I also suffer from disabling anxiety, depression and Obsessive Compulsive Disorder. These are frustrating diseases not well understood or tolerated by most people. Daily life is a challenge and I often feel frustrated and hopeless, yet I know it doesn't have to be this way forever. I am tough and will prevail with continued support. When I feel useless, Chris McVay here at the VR office in Kodiak is here to help me feel and be useful. She knows me and my problems--I am a real person to her, not just another case. Having an office in Kodiak means that I have support here when and where I need it. I fear that I will become just another case and my quality of life will decrease if services are cut here in Kodiak. It would be impossible for me to fly to Anchorage for services as it is too expensive. Services provided by phone or through infrequent visits would seriously impact many lives here. Living life with a disability is frustrating and challenging, please don't make it harder by cutting services. Consider instead implementing an income tax and tapping into the permanent fund--there are solutions out there.

Signed: Rusten Panamau
 Testifier

Self
 Representing (Optional)

PO BOX 174 KODIAK AK 99615
 Address

486-3495
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the House Finance
 committee name
 committee on HB 375-Operating Budget, dated 03-06-04
 bill/subject

I am the caregiver of a person who is handicapped - I have seen how DVR has helped my disabled friend by providing counseling services, paid for classes at the college, helped with traveling expenses to a clinic and a Neurologist expert outside of ALASKA, all of which greatly improved the quality of life of the person in my case. Those services have given him hope when there was no hope otherwise -

I also hear that personal care attendant services are to be cut - What are the disabled people, my friend included, going to do? He depends ~~of~~ on the help from to him by personal care attendant services - Is he going to be left to die? or put in a nursing home? The proposed cuts ~~of~~ are appalling, I am against them!

Signed: Olga N. Vokur Chesko (personal care attendant)
 D. Friend

Testifier

Peter Holm

Representing (Optional)

Address

Good Afternoon...

My Name is Aharon Dolph. I am 22 Years Old.

I am a V.R. Client.

Local V.R. support is important to me because my telephone skills for making long distance calls are li mi ted. //

V.R. has made a big difference in my life.

I got support for a stuttering problem when speech ther a py was not found anywhere else in Kodiak. //

I also have support for my job to improve my skills at work. //

This has been possible with the local support system in Kodiak.

Local V.R. resources help to make my life better.

Thank you.

Aharon Dolph

1:00 PM 6th
For the Hearing, ~~7:00 PM~~ on March ~~4th~~, 2004

Gentlemen:

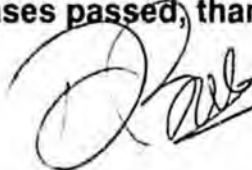
I am a 66-year resident of Kodiak and have a deep human investment here. As a physician I have always been concerned about the people in my community. I served on a number of State Boards as well as the Borough Assembly. More important, I was a founder of a number of non-government volunteer organizations (NGO's) that were formed to meet perceived needs of our people.

As is the case in all developing communities, Kodiak grew and the task of each NGO grew with it, to the point that volunteers either burned out or "went public" by forming non-profit corporations. Over the course of fifty years, most "went public" obtained funds, and were able to hire a director. There are, perhaps, a dozen such organizations and they have filled just about every perceived need in our community. Because volunteers were still involved, they are much more efficient than would be the same services, were they to be provided by the government.

I have been very proud of Kodiak and its sensitivity to the needs of its people. No one has to sleep outside. No one has to go hungry. There is protected housing and counselling for the abused and the abusers. There is treatment available for mental illness and addiction. There are several effective organizations for youth.

Because the State has not provided cost-of-living increase to any of the NGO's over the last ten years, they have been mercilessly "squeezed" for finances. Now, gentlemen, a number of them are severely compromised--Kodiak Youth Services is closing and others are on the verge--because of the austere budget and the flagrant disregard of the most important community enterprise--*caring for people*. You pretend that this is financially necessary when the undivided profits of the permanent fund contain millions of dollars intended to support State services when the need arises.

The need has arisen, and, in some cases passed, thanks to you. You should do something about it!



Dr. Bob Johnson

THE PERMANENT FUND AND THE STATE

In 1967, when the State Legislature instituted the Permanent Fund, we all thought it was a wonderful idea. Many of us thought that this would be our salvation when, or if, the State ever ran into trouble. Since then, due to excellent management and good times, it has grown considerably.

Prior to my three-year stint on the Borough Assembly, 1996-98, I had never been much interested in the management of State finances. During my tenure on the Assembly, I discovered that the State had been squeezing the borough budget for ten years by disregarding the increased cost of living. I learned, also, that there was no long range financial plan. Thus I was pleased to see a proposal by the Alaska Municipal League for a long range plan to use unreserved Permanent Fund income and an income tax that would have provided consistent funding to maintain State services over time.

The League plan was rejected by the legislature and, instead, they have dipped into the Constitutional Budget Reserve, our emergency fund, to cover budget deficits, still reducing funding for basic State programs and local communities.

Reviewing the history of the fund, since its inception, I find the legislature has had the wisdom to allocate a portion of the unreserved funds back into the fund to cover for inflation, and has paid dividends to each of us as well. What was left could have been used for anything the legislature decided—it was not part of the principal and not subject to the need of approval by ballot. I found that, since inception, \$7,394,000,000 had been reinvested back into the principal of the Fund. This year, that figure amounted to \$345,000,000, probably enough to have covered the budget deficit.

The time has come to re-think this matter. The Permanent Fund has reached a point where it will continue to earn enough to provide for inflation and dividends and increase the principal. The unreserved income can be used to beef up faltering State services: maintenance of State buildings, Fish & Game, Highways, Schools, Law Enforcement, etc. If additional funds are needed they should be supplied by an income tax, the most equitable tax, since it takes from those in proportion to what they earn and it taxes the income of the enterprising soul who comes from elsewhere. The dividend could very likely pay the tax for those in the lower income brackets.

A word about Sales Tax. This is the one resource available to local communities to provide local funding for their programs. If Anchorage and Fairbanks need additional income, they may institute their own Sales Tax and not push a State tax that compromises most of the smaller communities.

In summary, gentlemen, it is high time to adopt a long range financial plan. The best plan is to utilize the unreserved earnings of the permanent fund and an income tax, and leave the constitutional budget reserve alone. By all means, do not institute a statewide sales tax!

A handwritten signature in black ink, appearing to be "D. B. ...", with a long horizontal line extending to the right.

I Bill Adams CAN'T UNDERSTAND WHY
YOU SHOOTING DOWN VOTE RECALL WHEN
THERE IS SO MANY PEOPLE IN THE NEED
FOR TRAINING. THEY HELPED ME GO THROUGH
COMPUTER SCHOOL AND ~~AND~~ ^{I AM} LOOKING FORWARD
TO GOING AGAIN. WITH OUT VOTE RECALL I
WOULD HAVE GOTTEN UNEMPLOYED. NOW
I'VE GOT SOMETHING TO LOOK FORWARD TO
PLEASE DON'T TAKE IT AWAY.

Bill Adams
PO Box 8575
Kodiak, AK 99615

Subject: [Fwd: Testemony on Alaska Budget]

Date: Fri, 05 Mar 2004 07:06:27 -0900

From: John Harris <Representative_John_Harris@Legis.state.ak.us>

Organization: Alaska State Legislature

To: Louanne Christian <Louanne_Christian@legis.state.ak.us>

Subject: Testemony on Alaska Budget

Date: Thu, 04 Mar 2004 22:48:22 -0900

From: Gayle Trivette <gayletriv@pci.net>

To: Rep.John.Harris@legis.state.ak.us

Dear Representative Harris,

I am a life-long Alaskan who would like to live out my days here. I was born and raised in Petersburg, graduated from the University of Alaska and have lived in Fairbanks and Anchorage before settling in Juneau. My grandfather spent his last days at the Sitka Pioneers Home. My father spent his last years in the Petersburg Hospital Long Term Care Facility. In his healthy days he had been a long time volunteer at that same facility and served on the city council and various boards. Our older son attends UAF and our younger son attends Juneau Douglas High School. When I was 15 years old the first Alaska Marine Highway ferry came to Petersburg and revolutionized life for those of us who lived there and couldn't afford a plane ticket out. I'm telling you these facts about our family life to demonstrate how important all these pieces of Alaska infrastructure are to us.

Oil money started flowing after I was an adult, so I remember paying a state income tax and a state "school tax" (really an employment tax) to support our needed state infrastructure. We then deducted that state tax from our federal income tax. Since Alaska has such a transient population, I've run into a number of people who have no idea that we used to pay for our state services with an income tax.

When oil money started flowing we were like paupers who had won the lottery. We did build and repair many needed facilities and develop some worthy and necessary programs. There was also a lot of waste and misuse of our wealth. Unfortunately, attacking that waste and misuse of money was overused as a campaign slogan to the point that now many Alaskans have come to believe that any spending of public money is probably wasteful and unnecessary. This mindset has greatly contributed to the sad state of affairs we're in now. The financial policies of the past many years have moved Alaska from trimming fat to amputating arms and legs. The one good thing about the devastating budget cuts we're facing is that they have aroused the public to recognize the importance of our infrastructure and the need to fund it. You elected officials now have the opportunity to move Alaska into a stable and mature financial position by developing a responsible and balanced fiscal plan.

As a lay person who watches politics the way some people watch sports, I don't claim to be an expert, but do have a strong vested interest in living in a state with a healthy economy and method of managing money. No one piece is going to fix our situation, but a combination of disciplined practices should help this state grow up and move forward. Here is a combination that I would propose, with no one piece more important than the other:

1. Adopt the Percentage of Market Value method of calculating the pay out of the permanent fund. Listen to the Permanent Fund Board's recommendations about what percent to pay out each year (I think I heard

5%). Divide that pay out between dividends for every citizen and use for paying for state services and facilities. I don't know what percentage for each. The dividend has been a nice, but not essential part of our family income and has helped with our kids college expenses, but there are many people for whom it is an essential income. It gets spent in Alaska and circulates through our economy.

2. Reinststitute the state income tax. We can deduct it from our federal income tax. The many out of state workers who come here seasonally can help pay for the services and infrastructure they use while here. Residents will be more connected to their government when they're involved with paying for it. Sales tax is an important source of revenue for many communities throughout Alaska. This tax should not be usurped by the state.

3. Re-examine our financial arrangements with the oil companies who are extracting our oil. The Alaska Fair Share Bill (H.B. 441) sounds to me like a balanced approach to getting a proper return for our natural resource, while also giving the oil companies a reasonable profit adjusted to reflect the fluxuation of oil prices. We shouldn't drive the oil companies away with unreasonable taxes, but neither should they reap windfall profits from a resource that belongs to the citizens of this state.

A tremendous amount of energy is being wasted in Alaska fighting about money. A comprehensive financial plan that adjusts for the natural ups and downs of a resource based economy would free up our energy for constructive use in building this state into it's rich potential.

As a parent and part-time school employee I see first hand how much energy is wasted trying to compensate for decreased financial support to our educational system with ever increasing demands for doing more with less. Our children and the future of our entire society are the real losers when staff, programs and transportation are cut. We need stable, adequate funding that includes a formula to compensate for inflation. Without inflation proofing, educators have to spend time and energy trying to pay for education instead of providing education. If the day ever comes when fixed expenses stop rising, the inflation proofing could be abandoned. A sound state financial plan would allow for adequate funding of education and all our other necessary infrastructure. It's time for our state to grow up and move forward. We are rich and blessed and we need to be responsible and thankful.

Thank you very much for the time and energy you are dedicating to the service of the people of Alaska.

Sincerely, Gayle Trivette, 7870 Glacier Hwy, Juneau, AK 99801

March 5, 2004

*Patricia MacDonald
120 Charles Street
Fairbanks, AK 99701*

Representatives:

*John Harris, Bill Williams, Kevin Meyer, Mitch Chenault, Richard Foster, Mike Hawker,
Bill Stoltze, Hugh "Bud" Fate, Eric Croft, Reggie Joule, and Carl Moses
State Capital, Room 519
Juneau, AK 99801
Fax (907) 465-0813*

Dear Representatives John Harris, Bill Williams, Kevin Meyer, Mitch Chenault, Richard Foster, Mike Hawker, Bill Stoltze, Hugh "Bud" Fate, Eric Croft, Reggie Joule, and Carl Moses:

As an Athabaskan woman, a mother, and a community member I have the responsibility to identify opportunities to make a positive impact on the lives of my children, and the generation to come. I know that as Representatives of this Great State of Alaska that is your goal as well. There are many ways I have found to do that, by teaching through example, through lessons in my home, and by being active in the native community and the community I live in. As Representatives, each of you has made a decision to work to improve and impact the communities that you represent throughout Alaska, and in that we have a common goal.

I have made a conscience choice to work to make a difference in my community so that I can raise my children in a world where they are safe from the violence that I grew up in. In order to work towards that goal I am a board member and strong advocate for the programs offered by the Interior Alaska Center for Non-Violent Living.

The Interior Alaska Center for Non-Violent Living and the Shelters, Community Programs, and Crisis Lines across that State provide the services that are desperately needed within each of our communities.

The funding that you appropriate to the CDVSA impacts programs across the State including in communities that you represent. Currently this funding is down \$648,000 from the amount allocated to the grants line in the FY04 budget. If this funding is not fully funded the impact will be felt not only by the victims, but also by the courts and jails and schools, and social service agencies that will need to provide additional services and deal with the impact, because the violence will continue if not increase. It is imperative that each of you view Domestic Violence and Violent Crime as possibilities that could impact you, your families, your communities and your State; because I assure you it can.

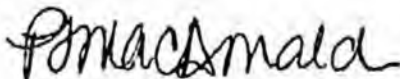
Why is this so important to me? Because I am only one of the many victims across Alaska that need the valuable services provided by the agencies that receive funding via the CDVSA. Please indulge me as I share my story.

Having grown up in the Interior of Alaska I have witnessed the effects of physical and sexual assault directly. As a small child I watched as my mother was beat time and again; when I was seven I watched as they buried my grandmother--she had frozen to death on her front porch, in the village, while her husband was drinking inside; and as a young girl I was sexually and physically assaulted with no resources, no shelter, no advocates, and no where to turn. I was one of the lucky survivors. Somehow, through sheer grace, I am privileged to be a functioning adult, with a 14-year marriage, and four wonderful children that are growing up in a safe home. I have a wonderful career and I am an active part of my community working to make changes for those who are so much less fortunate.

Do we, myself, and each of you, not have an obligation to work together to help those that are victims to build safe and successful lives? We are the privileged, and it is time that we take the time and energy and commit to changing lives. As Representatives on the House Budget Committee, you each have the power to do just that. Please consider with compassion the changes that can continue to be made by the financial support you provide to the CDVSA. Do not cut funding in this very vital area. There are many fiscal needs before you, but let me assure you, the fiscal needs of the CDVSA and the agencies it supports may impact you or someone you love.

Thank you for allowing me this time to share my story, and my requests.

Sincerely yours,



*Patricia MacDonald, Vice-President
Interior Alaska Center for Non-Violent Living*

PO Box 2742
Homer, Alaska 99603



Phone (907) 235-3436
Fax (907) 235-8346

family planning clinic

March 3, 2004

House Finance Committee Members
Alaska State Legislature
23rd Legislature, Second Session

Dear Representative Harris,

The proposed rejection of \$412,000 in Federal Title X funds would drastically affect us here in the Southern Kenai Peninsula. We provide low-income women and families reproductive health care using these funds, of which approximately \$100,000 comes to our agency. The guidelines on how this money can be spent is very specific: income-qualifying uninsured women receive annual exams including Pap smears, contraceptives, and screening tests. Our low-cost vasectomy program for men is also funded through Title X. About half of our Title X clients are under 100% of the Federal Poverty Level, and the individuals who are between 100-250 of FPL contribute a portion of their health care costs, further stretching our dollars.

These funds are extremely important to our clients: in 2003 we provided 692 annual exams for women with this money. We had a total of 1,633 client visits—other services provided were contraceptive-related, STI (sexually transmitted infection) testing, or health education and counseling.

Of course, none of this money is spent on abortions, which are not provided here at our agency, or in Homer. We provide abstinence education for adolescents, and our small staff has five certified Adoption Counselors. We are strong advocates in the community for family involvement in adolescent issues, for parents as teachers, and for all individuals making healthy choices. We are therefore an indispensable resource for those needing basic reproductive health care services: without our Title X funds, women, adolescents and families would be left only with the full fees charged by the private medical clinics and pharmacies. A package of birth control pills that we can provide for \$5—thanks to Title X—costs \$35 at the local pharmacy. We know many, most actually, of our clients are not able to afford this, or the cost of a yearly annual exam at the physician's office, and could become pregnant. They would then be eligible for Medicaid, which would place a greater burden on that system.

This \$412,000 is federal money providing a huge benefit for State residents, particularly in our area. A further look at our statistics for our Title X services reveal the following numbers in 2003:



A United Way Member Agency


- 692 annual exams provided
- 515 contraceptive visits provided
- 361 pregnancy tests provided
- 520 sexually transmitted infection tests provided
- 16 low-cost or no-cost vasectomies were provided to men who could not otherwise afford the service
- 437 referrals made to medical providers, or to social services
- 53% of our Title X clients are under 100% of Federal Poverty Level; (they do not qualify for Medicaid)

Our business continues to grow—more families and individuals are in need of basic health care at an affordable cost to them. The Title X guidelines are very stringent—funds are used in the most effective and efficient manner, and under no circumstances for controversial services. We work very hard for our Title X money, compiling detailed data and striving for the highest level of excellence in reproductive health care. We have close alliances with Homer Public Health Department, Homer Medical Clinic, Kachemak Bay Medical Clinic, Community Mental Health, South Peninsula Hospital, South Peninsula Women's Services, and many other community agencies.

And finally, the Title X funding is our major funding source at Kachemak Bay Family Planning Clinic. Were we to lose these funds, staff and services would need to be cut drastically. I'm not even able to imagine it fully—client need would remain the same, yet there would be absolutely no funding. It would certainly be a huge blow to our community's residents.

Thank you for your attention to this matter. Please do contact me if you have any questions or concerns; I would be happy to discuss them further.

Sincerely,



Michelle Waneka
Executive Director

To: House Finance Comm. Hee
03-04-04

April 28, 2003

To: Interior Delegation

From: Arctic Alliance for People Legislative Committee

Re: Request for examples of State savings generated by programs supported by the Health and Social Services Community Matching Grant (in Fairbanks alone)

Summary of estimated State savings by a sampling of agencies funded by the Community Matching Grant in the Fairbanks North Star Borough:

North Star Council on the Aging:

In answer to your inquiries, NSCoA provides home-delivered meals to 151 homebound persons. Proper nutrition promotes good health and helps to keep people out of nursing facilities and the hospital. The cost per meal is \$10.34 per day. The cost to stay at Denali Center is \$350 per day and \$825 per day at Fairbanks Memorial Hospital.

Not everyone who receives Meals on Wheels (MOW) is a candidate for the nursing home, but let's conservatively estimate that the MOW program is helping to keep 20% of MOW recipients (30 individuals) out of the hospital. Let's assume that the average time in the hospital is 1 week followed by 1 month (30 days) convalescence at Denali Center. Then:

$30 \text{ persons} \times (\$825/\text{TMH day} \times 7 \text{ days}) + (\$350/\text{Denali day} \times 30 \text{ days}) = \$315,000$ savings to the state in medical costs.

Hospice of the Tanana Valley:

Without the availability of the services and support of Hospice staff and volunteers, many patients with terminal illnesses and their families would be forced to use the facilities of assisted living homes, the Denali Center or the Fairbanks Memorial Hospital, especially in the days or weeks immediately preceding the patient's death. In other cases, when a need exists but the patient's condition is not yet critical enough, insurer limitations or lack of coverage can result in the patient and family going without any assistance if Hospice volunteer services were not available.

In 2002, 104 patients were served by Hospice with an average length of stay in the program of 82 days for a total of 8,502 patient days. Using 2002 Hospice expenses of \$173,002, the cost per patient per day was about \$20. The average daily cost for room and care at an assisted living home is about \$130, at Denali Center about \$350, and at Fairbanks Memorial Hospital about \$2,750.

If 40% of the Hospice patient days in 2002 were spent in care at an assisted living home, the cost would have been over \$442,104. If 30% of the Hospice patient days in 2002 were spent in care at the Denali Center, the cost would have been about \$892,710. If 20% of the Hospice patient days were spent in care at the Fairbanks Memorial Hospital, the cost would have been about \$4.7 million.

Hospice bereavement clients indicated they would not have received any bereavement support had Hospice services been unavailable. Research supports the rationale that stress and trauma from unresolved grief results in illness, lost work, substance abuse, relationship and parent-child difficulties

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(dysfunction). Offering bereavement support lessens the demands for other Human Services, thereby resulting in long-term cost savings to the family, community and to the state.

The requested grant of \$50,000 supports about 32% of Hospice's personnel costs including benefits and payroll expenses. If the State of Alaska were to directly provide the same services as were delivered by Hospice in 2002, the cost for the equivalent personnel is estimated as follows:

Director of Hospice Services	
<i>AK Social Worker Level 4, \$31.45/hour, full-time</i>	\$65,416
Bereavement Services Coordinator	
<i>AK Social Worker Level 4, \$31.45/hour, 3/4 time</i>	\$49,062
Volunteer Coordinator	
<i>AK Social Worker Level 1, \$23.78/hour, 374 hours</i>	\$8,894
Office Manager	
<i>AK Admin. Asst., \$23.78/hour, 1481 hours</i>	\$35,218
Patient Care Coordinator	
<i>AK Social Worker Level 1, \$23.78/hour, 1074.5 hours</i>	\$25,552
Patient Care/Bereavement Volunteers	
<i>Certified Nurses Aide, \$15.44/hour, 7326 hours</i>	\$113,113
Office Volunteers	
<i>AK Secretary Level 3, \$19.76/hour, 3/4 time</i>	\$30,826
Professional Service Volunteers	
<i>Doctors, nurses, accountants, counselors, board & committee members, \$60/hour, 3,439 hours</i>	<u>\$206,340</u>
Total direct State personnel cost	\$534,421
Less cost to State (grant to Hospice)	<u>\$50,000</u>
Savings to the State	\$484,421

North Star Youth Court:

The NSYC, and other youth courts, directly and indirectly save the state money.

1. Each youth offender accepted by a youth court means one less case for a juvenile probation officer, an Assistant Attorney General or District Attorney, a Public Defender, and the Superior Court. These State employees and agencies can spend their efforts on more serious cases. The State will not have to hire additional probation officers and attorneys to handle an increased load of juvenile offenders.

Cost per case to the State:

\$67,000 (average salary of Juvenile PO's directly accepting referrals) ÷
7 (Juvenile PO's) / 916 (referrals rec'd in 2002) = \$512 per case. NSYC
accepted 120 cases during 2002 x \$512 saving the State \$61,440.

2. Juvenile offenders who face consequences for misdemeanor offenses are less likely to continue to commit crimes or to commit more serious

crimes. This reduces the case loads not only on the state employees listed above, but also on state and local police forces.

The NSYC maintains a recidivism rate of less than 10% in comparison to the State's 24% recidivism rate. So...let's say that a youth, as a result of being held accountable for a criminal act in youth court, does not engage in criminal behavior in the future. In the absence of this program, he or she would not be held accountable by the Division of Juvenile Justice. It costs the state \$170 per day (in Fairbanks) to incarcerate/institutionalize a juvenile who has been formally adjudicated by the division. Out of 100 cases per year, let's conservatively estimate that 5 of these youth have made choices that have not led to future criminal behavior on the felony level (or multiple misdemeanors) that would result in formal adjudication and a period of lock-up. Five youth x \$170/day x 6 month stay in a home or detention facility = \$153,000 direct savings to the State

3. Juvenile offenders cause expensive property damage not only to private parties but also to state and local government property. Youth courts seek and enforce restitution for vandalism and theft. Anything youth courts can do to diminish property crimes will benefit the State.

4. Youth courts are operating independent court systems with VOLUNTEER attorneys, judges, and court personnel. If the State were to attempt to replace youth courts with an equivalent court system, the State would have to employ attorneys, paralegals, court personnel, and judges, with current State wages and benefits. It is almost inconceivably cost-effective to have these legal and judicial positions filled for FREE by teen-age volunteers.

5. Youth courts provide legal training for many youth. These youth, even if they never participate in a youth court, have had basic education in criminal and juvenile law, the ethics of being an attorney, the roles of police, prosecutors, defense attorneys, and judges, and the impact of crime on victims and the community. This kind of education makes teen-agers more aware of the impact of crime, what constitutes criminal behavior, and why the legal system operates as it does. Such educated youth can be expected to be more law-abiding because of their education. To duplicate this kind of training as a State activity would require hiring professional teachers or attorneys. The State benefits from better educated youth without having to pay for it.

Big Brothers Big Sisters - Greater Fairbanks Area:

Big Brothers Big Sisters, by matching at-risk kids with positive adult role-models, is a positive youth development and prevention program, preventing such behaviors as delinquency, drug and alcohol abuse, teenage pregnancy, and failure at school. The costs of the alternatives to prevention are staggering. Institutional drug rehabilitation costs approximately \$500 a day. Incarceration of a minor

costs \$62,050 per year. The cost of one full time caseworker, providing services to over 50 matched and 30 unmatched at-risk children for a full year is less than 1/2 the cost of incarcerating a single juvenile. The number of school-aged children in the Borough is 16,337. The number of youth arrests is approximately 450, making the juvenile arrest rate about 3%. If we apply that arrest rate to the 402 kids served by Big Brothers Big Sisters, we can conservatively estimate that 12 youngsters would have been arrested if they hadn't received our services. If even only two had gone on to be incarcerated, the cost to the State would have been **\$124,100**. This is a very conservative estimate, as the population we serve has higher risk factors than the general population from which we are calculating the arrest rate.

In 2002 over 35,000 hours of companionship, mentoring and friendship were provided by our volunteer Big Brothers and Big Sisters to the children with whom they were matched. When compared to the cost of professional counseling services (much of which could potentially be medicaid billable) at a rate of anywhere from \$50 to \$200 per hour, this represents a savings of between **\$1,750,000 to \$7,000,000**.

Fairbanks Community Food Bank:

In the past twelve months we have provided food assistance in the following ways:

FOOD BOX PROGRAM: 27,000 different people in the Fairbanks North Star Borough and Delta have received a minimum of 20 pounds of food each. Half of the people served are local children.

WOODEN NICKELS: 1500 overnight emergency sacks of food.

BONEBUILDERS: 143 street children were served 4,453 pounds of food in community donated backpacks.

USDA COMMODITIES, TEFAP: Once a month distribution of government food which supplements over 1,000 enrolled households. One-third of these households are military.

COMMODITY SUPPLEMENTAL FOOD PROGRAM (CSFP): Once a month commodities program which extends services to WIC clientele and to seniors over 60. The caseload for this program is 1100.

There is NO duplication of services between the local food box program and the USDA Commodities food programs.

- We do this work with an annual budget of approximately \$300,000. This is possible because we are primarily a volunteer agency and recycle community surplus items, such as food, plastic sacks, paper sacks. There is no easy way to place a value on those recyclable items because we do not have processing centers in Alaska for such items as cardboard and plastic, so the best way is to reuse them, and we do.
- 9/10s of the food we collect each day is being discarded by over 100 local commercial vendors. Would that food find it's way into the City dump if we weren't here? If so,

that would impact our dump with 1,800,000 additional pounds/year. The fee charged by the Fairbanks North Star Borough is \$50/ton, so the value of 900 tons of wasted food is \$45,000.

- Over 50% of the people we serve with local surplus food only need one or two food boxes to get them over their emergency situation. Is the alternative of (1) having families not have nutritious food for their households, or (2) connecting them to more expensive service delivery sources (like food stamps) a good option, when we can simply solve their immediate problem with surplus food collected in the community.
- In Fairbanks we have an organized way of sharing our local resources and a way to connect the youngest and oldest volunteers with effective and pleasant work experiences. There is no way to measure the dollar value of this gift of service to the community, but we do log over 17,000 volunteer hours which we then value at \$7.00/hr. With that simple formula, the value of this service to the community is \$119,000.
- Using the same logic, the food we collect is very conservatively valued at \$1.00/pound (the national standard is \$1.67/pound). That recovers over \$2,000,000 of surplus food in this community each year.
- By providing an outlet for USDA food, we facilitate this communities' ability to increase food capacity by \$80/box/month for food provided to households. Last year for the TEFAP program that amounted to \$336,000 in delivered food. This year we will add an additional \$88,000/month or \$1,056,000/annually in the CSFP program. The total annual value of this "new" food (both TEFAP and CSFP programs) to supplement local households will be \$1,392,000. This is food that would not be available to share with our local people without a food bank distribution point.
- There are other less definable qualities, such as the idea that if food was not readily available, would folks have a need to steal or suffer stress which is manifested in alcoholism, child abuse, domestic violence. We hear stories which lead us to believe that, but there is no way to really measure it in dollars and cents.
- In community capacity building, we also give donors a place to invest their hard earned dollars. One donor invested over \$2,000,000 in a new building for us (which he would not have done without us) and foundations such as Kraft and Rasmuson have invested \$40,000 - \$87,000/year in bricks and mortar and vehicles. We build community here.

November 25, 2003

**A Look at Unmet Needs in the Fairbanks North Star Borough
through the Health and Human Services Community Matching Block Grant
administered by the FNSB Health and Social Services Commission**

The FNSB Health and Social Services Commission has developed a scoring rubric to assist Commissioners with the evaluation of the grant requests that are submitted each year. This rubric has helped the Commission evaluate each proposal in terms of demonstration of community need, efficiency and effectiveness of program delivery, non-duplication of services, and measurable positive outcomes produced. Funding decisions are thus based on solid and demonstrable criteria, not reputation of agency or smoothness of grant-writing. This process has become a true example of results-based funding and could be a model for the concept of "missions and measures" that the State is looking to utilize in its own budget and funding decisions.

In the development of the rubric, it was decided that a minimum score of 70 would be required for a program to be eligible for funding. In a recent discussion with Senate President Gene Therriault it was suggested that one possible tool for determining the unmet social services needs for the Borough would be to look at the number of grant applications that scored above that benchmark yet were unable to receive funding due to the amount available that year. Here is a summary:

FY 2001

Funded Programs:	13	Total distribution	\$578,797
Partially funded program:	1	\$ short of request:	\$ 41,214
Unfunded Programs scoring over 70:	6	\$ short of request	\$284,277

Partially funded program: FNA Chronic Inebriate Program
 Unfunded Programs: Fairbanks Counseling & Adoption Child Abuse & Neglect Prevention
 ALPA & Literacy Council Family Literacy Program
 Boys & Girls Clubs After School Programs
 Love, Inc. Transportation Program
 Campfire Boys and Girls Public Housing Center Program
 Fairbanks Community Mental Health Homeless Outreach

FY 2002

Funded Programs:	13	Total distribution	\$576,724
Partially funded program:	1	\$ short of request	\$ 33,183
Unfunded Programs scoring over 70:	4	\$ short of request.	\$143,970

Partially funded program: National Senior Service Corps Transportation program
 Unfunded Programs: FNA Chronic Inebriate Program
 The Salvation Army Homelessness Prevention
 Campfire Boys and Girls After School Programs
 Fairbanks Crisis Clinic Suicide Prevention

(6)

FY 2003**

Funded Programs:	10	Total distribution	\$481,512
Partially funded program:	1	\$ short of request	\$ 36,590
Unfunded Programs scoring over 70:	5	\$ short of request	\$204,983

Partially funded program: National Senior Service Corps Transportation program
 Unfunded Programs: Access Alaska Adaptive Equipment program
 Interior Alaska Center for Non-Violent Living Suicide prevention
 BreadLine Soup Kitchen and Day Labor programs
 The Salvation Army Dental Care program
 Literacy Council of Alaska Adult Literacy program

**Funds available for distribution had been reduced at the State level from the prior year
 Impact to Fairbanks: \$97,285 less funding available (could have funded 3 additional programs)

FY 2004****

Funded Programs:	6	Total distribution	\$331,014
Partially funded program:	1	\$ short of request	\$ 18,544
Unfunded Programs scoring over 70:	7	\$ short of request	\$333,500

Partially funded program: Interior AIDS Association Methadone Program
 Unfunded Programs: National Senior Service Corps Transportation program
 Hospice of the Tanana Valley Patient Care and Bereavement
 ACCA Early Intervention programs
 BreadLine Soup Kitchen and Day Labor programs
 FNA Chronic Inebriate Program
 Boys & Girls Clubs Summer Day Camp
 Fairbanks Counseling and Adoption Teen Wilderness program

****Funds available for distribution had again been reduced at the State level from the prior year
 Impact to Fairbanks: \$150,498 less funding available (could have funded four additional programs)

Total reduction in dollars available TO FAIRBANKS AREA PROGRAMS (combined State and local) over the last two years is approximately \$250,000. That is a 43% reduction since FY2002. Most of the programs applying for funds from this source either prevent the need for state-funded services or provide a cost-efficient alternative to state programs. The long term effect of this reduction will be an increase in cost to the State – in terms of Medicaid spending, public assistance, and both juvenile and adult incarceration. We need to reverse this trend!

This year we are anticipating that Mat/Su will apply for funds through this Block Grant as they are now eligible due to the growth in their population. Mat/Su's participation will drastically further reduce funds available to the FNSB unless an increase is sought.

Subject: Operating Budget Testimony

Date: Thu, 04 Mar 2004 15:55:24 -0900

From: "Nevada Bovee" <Nevada@northernschoolsfcu.org>

To: <Representative_John_Harris@legis.state.ak.us>

CC: <Representative_Bill_Stoltze@legis.state.ak.us>, <Representative_Bill_Williams@legis.state.ak.us>, <Representative_Carl_Moses@legis.state.ak.us>, <Representative_David_Guttenberg@legis.state.ak.us>, <Representative_Eric_Croft@legis.state.ak.us>, <Representative_Hugh_Fate@legis.state.ak.us>, <Representative_Kevin_Meyer@legis.state.ak.us>, <Representative_Mike_Chenault@legis.state.ak.us>, <Representative_Mike_Hawker@legis.state.ak.us>, <Representative_Reggie_Joule@legis.state.ak.us>, <Representative_Richard_Foster@legis.state.ak.us>

Thank you for the invitation to provide testimony to the Finance Committee on the operating budget.

My name is Nevada Bovee. I live at 1845 Caribou Way in Fairbanks, Alaska, I have lived in Alaska for more than 25 years and my husband is a lifelong Alaskan and business owner. Between us, my husband and I have four children. I grew up in Fairbanks and attended public school as well as later on attended and graduated Magna Cum Laude from the University of Alaska Fairbanks. My daughters and stepsons have also attended public school and my oldest daughter is currently attending UAF, and my oldest stepson has recently completed several classes at UAF.

I am an active participant in my community and have been for many years. I currently serve as Chair of the Fairbanks, Chamber of Commerce Education Committee and President of the Fairbanks Chapter of the University of Alaska Alumni Association, I also participate with my daughters Parent Student Teacher Association. In addition to my civic involvement, I participate in the community through my job as Vice President of Marketing for Northern Schools Federal Credit Union. I provide free workshops and seminars for youth in our schools and for adults in transition on the Fundamentals of Personal Finance, Career and Employment Strategies, and Interpersonal Skill and Communication Development. I have also participated in several panels to help inform parents and students on various options for financing higher education and have served on an advisory group with West Valley High School Counseling Department to help develop and evolve various student programs and community relations. I have been a member of the Choice Lions group and have helped with many other organizations and fund raising efforts over the years. I am a registered voter, vote at all elections and encourage my family, friends and others to be informed voters.

I realize you all have a very challenging situation with the budget and fiscal gap and I thank you for your concerns and commitment to funding for education, health and social services, and public safety. I did have an opportunity to talk with many Legislators last week when I attended the Juneau Fly-in with a delegation of the Coalition of Student Leaders of the University of Alaska; and what I heard was that education is a top priority and you would like input on how we, the citizens of Alaska, would pay for the state's educational needs along with financial needs for social services, public safety, Department of Natural Resources and all the other financial needs to keep this state running at optimal and healthy levels. I also realize there are no easy

solutions, if there were you would have already discovered and implemented them. You must continue to work for creative solutions, be willing to use resources that are politically hot, and to create opportunities for future revenue streams that will meet the needs of our citizens. While the average citizen may not like the idea of taxes and using the Permanent Fund we have to be realistic. Having \$27+ billion dollars in the Permanent Fund and not using reasonable portions of the money to meet the needs of essential programs such as education and health and social services now is like a millionaire who chooses to live homeless and in ill-health and forces his family to do the same. The fund has grown substantially over the last several years and surely it can sustain itself (even in a poor market cycle) without reinvesting such high percentages of the earnings back into the fund just to protect its value.

I, for one, am ready to use earnings from the Permanent Fund to help provide the necessary money. I support POMV and would also support an education tax to provide ongoing funds that would be dedicated to the needs of all our state's school districts. Our schools, both K-12 and University of Alaska have been trimming budgets for several years now. The University of Alaska has trimmed \$20 million dollars in the last few years and students have agreed to a tuition increase of 10% per year over a three year period. Our local school district has cut several administrative positions, cut educational programs such as summer school, and have increased or incorporated new fees for several programs including correspondence classes. The University and the Fairbanks North Star Borough School District have also been increasing revenue from grants and various authority receipts to help fulfill their budget needs. However, without full funding at the state and local level some of these matching grants will no longer be available, causing even greater hardship to local budget needs. Students in Anchorage have been paying fees to participate in extracurricular sports and that trend is spreading across the state. My point is that the leaders of these public services recognize the need for efficiency and are doing what they can, however they are not in the same position as a regular private business. They do not have multiple revenue streams and many of the fixed costs are mandated, thus they cannot be reduced. They are public services and as such should be funded by the public resources. In addition, we must support our Legislators' efforts to find solutions to resolve the PERC and TERS issues that befall all our public service organizations. As you know the TERS and PERS issue is not a single one-time fix. The increased mandated employer contributions will have a major impact on these organizational budgets for the next three or more years. So we must look for a long-term solutions and not a one-time quick fix.

I am not pleased with the proposed cuts of the GOP Majority or our local School Board. I would like to remind you that an educated society tends to make better lifestyle decisions resulting in better health and lower health care costs. Preventative health care has also been proven to reduce costs of treatment in the long run. By making the dramatic cuts to the Medicaid program, in my opinion, is truly taking a step backwards and will cost the State of Alaska more money in the long run.

The Fairbanks North Star Borough needs your support in Education and Social Services. The proposed cuts will have a major impact on the quality of education and the quality of life in our community. The loss of 100 teachers and 20 other special staff is extremely undesirable. Education is much more than the Three Rs. Add the Arts, Languages and Extracurricular Sports to Reading, Writing and Arithmetic and then you have a comprehensive, well rounded education that will benefit the entire community and State of Alaska. These additional educational opportunities teach fundamental skills and student learn critical

learning processes as well. A well rounded education provides students with stronger leadership skills, interpersonal skill development, co-operation and team work that will serve them on a family level and employment level. The Arts and Sports also allow students to develop critical thinking skills, independent learning, creativity, time management skills, and many other self management skills, including responsibility and accountability to a greater cause.

Our students who live and learn in Alaska need to feel confident that they will find work in Alaska that will pay a family wage. We need to keep the talented teachers, engineers, medical professionals, and the people in so many other vocations in Alaska. By not funding these programs and reducing essential teaching programs now we will lose these talented and devoted people to other states and they may not be so inclined to return when the state gets to better financial footing. We need to protect our human resources for the future of Alaska as well as our natural resources.

Thank you for your time and attention to my views. I would also like to state that I have learned quite a bit about the challenges this state and my local community face over the last few years. Sometimes I think one of your greatest challenges is educating the public on the issues and options so that they can make responsible decisions. I feel confident that people will make the appropriate decisions given enough information and have the ability to realize that the emotions and opinions should not be the fundamental focus of the issues. I would like to leave you with a quote that has impressed me for more than 20 years. "As the individual grows the community grows." I am just one of many prime examples of the this truism. Please know that I am counting on you to stay strong and make those tough decisions that may not always be popular but may be the right thing to do.

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Nevada Bovee
Vice President, Marketing

Northern Schools and you, a winning combination!

**Fairbanks North Star
Borough
Health & Social
Services Commission**

FY 2003

**Human Services Community Matching Grant
Highlights of the Community Impact**

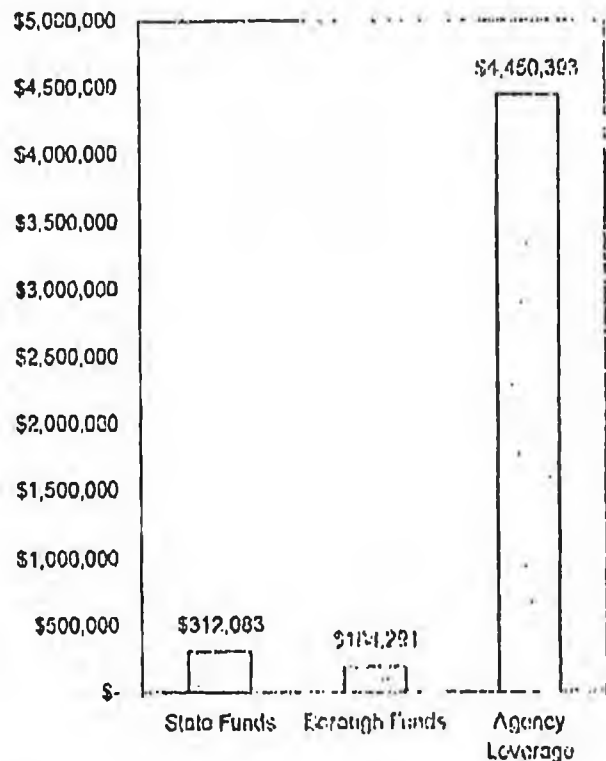
Grant Funds Were Distributed to Eleven Non-profit Agencies

- ACCA
- Alaska Legal Services Corporation
- Big Brothers / Big Sisters
- Fairbanks Community Food Bank
- Fairbanks Native Association
- Hospice of the Tanana Valley
- Interlor AIDS Association
- Interlor Community Health Center
- National Senior Service Corps
- North Star Council on Aging
- North Star Youth Court

The agencies used state funds to leverage fourteen times that amount in the value of services to the community

	FY 2003
State funds	\$ 312,083
Borough funds	\$ 184,291
Income generated by projects	\$ 294,776
Other funds received by projects	\$ 1,588,481
In-kind generated by projects	\$ 2,567,136
Total value to the community	\$ 4,946,767

Funding Leverage



Highlights of Services Provided

- Distributed 1,360,798 pounds of food to hungry people using 16,147 volunteer hours
- Homebound seniors received 38,480 hot meals delivered to their home
- 2,081 low income individuals received primary and preventative medical care services
- 366 terminally ill people and their loved ones received direct care and support
- 250 individuals received legal advice and referrals for housing, family law, health, and income-maintenance problems
- 522 children spent time with their Big Brother / Big Sister, enriching their lives with adult attention and support; over 68% showed improvement in school performance
- 92 youth were arraigned in youth court, diverting work from the formal juvenile justice system; youth defendants paid \$3,086 in restitution and contributed 1,615 hours of community service
- Provided transportation for 3,809 senior volunteer trips from their residences to 27 active workstations
- Community Service Patrol drivers picked-up and transported 1386 public inebriates