

AK LEGISLATURE FINANCE COMMITTEES FILES 2007-2008 3328

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DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Corporations, Business and Professional Licensing

RECEIVED

NOV 08 2006

LEGISLATIVE AUDIT

Frank H. Murkowski, Governor
William C. Noll, Commissioner
Rick Urion, Director

Alaska State Medical Board

907/269-8163 - Office

907/269-8196 - Fax

November 3, 2006

Regina M. Vose, In-Charge Auditor
Legislative Budget and Audit Committee
Post Office Box 113300
Juneau AK 99811-3300

Ms. Vose, thank you for your letter of October 9, 2006 in which you present your findings from the sunset audit for the Alaska State Medical Board.

We noted in the report that it is your recommendation that the board pursue a change regarding the administration of the physician qualification examination, regulation, 12 AAC 40.020(a). Since the Alaska board licenses very few physicians by examination, less than five percent of our applicants per year, the revision of this particular regulation has not been a high priority for the board. We do agree that it needs to be updated to conform with current practices and have initiated the process to do so.

Thank you, Ms. Vose, for your review of the medical board and we appreciate your comments.

David M. Head, MD
Chair, Alaska State Medical Board

cc: Richard Urion, Division Director
Division of Corporations, Business, and Professional Licensing

ff:\Work\2006\Nov 06\vose-sunset audit response.doc

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SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/19/07

FURTHER: Finance

Date of 5-Day Notice: 3/15/07
 (in accordance with Uniform Rule 23)

DATE TURNED
 IN TO OFFICE: 3/21/07

Health, Education and Social Services Committee considered

SENATE BILL NO. 85

SB 85 EXTEND STATE MEDICAL BOARD

"An Act extending the termination date for the State Medical Board; and providing for an effective date."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
CEO	2/20	✓			1

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Elton	✓			
	Thomas	✓			
	Coedery	✓			
	Dyson	✓			
CHAIR:	DAVIS	✓			

SB

87

SFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 7
Bill Version: CSSB 87(HES)
(S) Publish Date: 3/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Corrections
Title: An Act expanding medical assistance coverage RDU: Administration & Operations
eligible children and pregnant women . . . Component: Office of the Commissioner
Sponsor: Senators Wielechowski, French, Ellis, Elton, Davis
Requester: Senate Health, Education, and Social Services Component No.: 694

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Passage of this legislation will not have a fiscal impact on the Department of Corrections.

Prepared by: Sharleen Griffin, Director
Division: Administrative Services
Approved by: Dwyano Peeples, Deputy Commissioner
Agency: Department of Corrections

Phone (907) 465-3339
Date/Time 3/1/07 12:33 PM
Date 3/1/2007

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: CSSB 87(HES)
 (S) Publish Date: 3/14/07
 Dept. Affected: Health & Social Services
 RDU: Departmental Support Services
 Component: Information Technology Services

Revision Date/Time (Note if correction):
 Title: MEDICAL ASSISTANCE ELIGIBILITY

Sponsor: WIELECHOWSKI
 Requester: SENATE (HES)

Component No. 2754

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	250.0					
Travel						
Contractual	30.0	65.0	80.0	31.0	31.0	31.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	280.0	65.0	80.0	31.0	31.0	31.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	140.0	32.5	40.0	15.5	15.5	15.5
1003 GF Match	140.0	32.5	40.0	15.5	15.5	15.5
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	280.0	65.0	80.0	31.0	31.0	31.0

Estimate of any current year (FY2007) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB 87 will require software changes to the Eligibility Information Management system (EIS). The changes will require four positions for six months: two information system programmers working with two additional positions testing the system for Public Assistance. No new positions are requested, instead this fiscal note will provide funding for current positions. The EIS system is a highly complex and intricate system and the changes will require high level programmers to develop and re-work the software changes necessary.

Prepared by: Janet Clarke, Assistant Commissioner Phone 465-1630
 Division: Finance and Management Services Date/Time 03/08/2007
 Approved by: Karleen Jackson, Commissioner Date 03/09/2007
 Agency: Department of Health and Social Services

COMMITTEE COPY

FISCAL NOTE
FN # 6

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. # CSSB 87(HES)

ANALYSIS CONTINUATION

This work will include the analysis of required software changes, programming and development to implement the changes and the necessary testing to insure accuracy. These funds are required in FY08 in order to have the system operational for a July 2008 implementation date.

The contractual costs are for producing informational brochures and media advertising for education and outreach to publicize the new eligibility standards. FY08 included \$30.0 for production and materials contracts to prepare for the July 2008 implementation date. FY09 contractual costs are for the television and radio broadcasting costs. FY10 includes both production/supply costs for new materials and broadcasting costs. FY11-13 have full materials costs and approximately 25% of the original broadcasting costs to reflect a reduction in the number of advertisements and outreach.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: CSSB 87(HES)
 (S) Publish Date: 3/14/07
 Dept. Affected: Health & Social Services
 RDU: Public Assistance
 Component: Public Assistance Field Svcs

Revision Date/Time (Note if correction):
 Title: MEDICAL ASSISTANCE ELIGIBILITY

Sponsor: WIELECHOWSKI
 Requester: SENATE (HES)

Component No. 236

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	117.5	469.9	469.9	469.9	469.9	469.9
Travel						
Contractual	14.4	57.4	57.4	57.4	57.4	57.4
Supplies	19.6	4.2	4.2	4.2	4.2	4.2
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	151.5	531.5	531.5	531.5	531.5	531.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	71.2	249.5	249.5	249.5	249.5	249.5
1003 GF Match	64.1	223.5	223.5	223.5	223.5	223.5
1004 GF	14.3	51.7	51.7	51.7	51.7	51.7
1037 GF/Mental Health						
Inter-Agency Receipts	1.9	6.8	6.8	6.8	6.8	6.8
Other(Specify Type-do not abbreviate)						
TOTAL	151.5	531.5	531.5	531.5	531.5	531.5

Estimate of any current year (FY2007) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time	7	7	7	7	7	7
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB 87 (section 2, AS 47.07.020(b)) resets the upper income limit for Denali KidCare (DKC) pregnant women and for uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 200% of the prevailing federal poverty guideline (FPG) for Alaska. Currently the qualifying income limit for these children and pregnant women is set in statute at 175% of the 2003 FPG (effectively, about 154% of the current FPG). Enrollees in these categories do not pay premiums or co-pays and are eligible for all mandatory and optional services provided through the state's Medicaid State Plan.

(continued)

Prepared by: Ellie Fitzjarrald, Director
 Division: Public Assistance
 Approved by: Karleen Jackson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-5847
 Date/Time 03/08/2008
 Date 03/09/2007

FISCAL NOTE
FN # 5

BILL NO. # CSSB 87(HES)

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

SB 87 also creates a new group of Medicaid eligible children in higher qualifying income categories (section 3, AS 47.07.022). To qualify, children must be under 19, between 201% and 350% of the prevailing FPG, and have no insurance. They will be required to pay premiums to the State of Alaska ranging between \$200 and \$1200 per year (sliding scale based on qualifying income). Those above 250% FPG will also be responsible for co-payments equal to 20% of the cost of service, payable to the provider at the time of service. SB 87 does not impose an annual deductible.

The Deficit Reduction Act (DRA) section 6041 stipulates that co-payments cannot exceed 20% of the cost of the service claimed. Annual out-of-pocket expenses for cost sharing and premiums cannot exceed 5% of family income.

This fiscal note represents the administrative costs for the eligibility determinations associated with expanding medical assistance coverage for pregnant women and children, and instituting cost sharing for certain recipients. The eligibility decision includes determining eligibility based on the household's size and monthly income at the time of application, acting on changes in a household's circumstances that are reported during the period of eligibility, and re-examining a household's eligibility every six months. This bill would also require staff to determine the amount of the household's premium payment, communicate the premium obligation to the Division of Health Care Services for collection, and confirm payment of the premium before Medicaid benefits are issued.

Assumptions for Denali Kid Care and Pregnant Women:

We assume that 436 additional pregnant women will enroll in Medicaid if the qualifying income limit is revised to 200% FPG, and 2,553 children will enroll in Medicaid if the SCHIP qualifying income level is increased to 200% FPG.

We estimate two Eligibility Technician I positions will be needed to manage this additional work. An Eligibility Technician I in our Denali Kid Care office can manage a workload of up to 1,000 cases per month, and some cases contain more than one child.

FISCAL NOTE
FN # 5

BILL NO. # CSSB 87(HES)

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Assumptions for Extended Medicaid Coverage:

We assume 851 children will enroll at income levels between 201% and 250% FPG and an additional 1,702 children will enroll between 251% and 350% FPG. All 2,553 will be required to pay premiums and 1,702 will also be responsible for co-payments for services.

We estimate three Eligibility Technician I positions will be needed to manage this additional work. The new extended Medicaid program increases complexity of the eligibility determination work and results in increased contact with applicants and enrollees. We assume an Eligibility Technician I will only be able to manage a caseload up to 700 cases per month.

Total Administrative Costs:

The increase in Medicaid applications and caseload creates the need for an Administrative Support Clerk, and an Eligibility Technician IV Supervisor to oversee the work of the five new Eligibility Technicians specified above. These annual costs are estimated to be:

- 1 Administrative Clerk II \$52.5 (Range 8 at a cost of \$52.5, including benefits, per position).
- 5 Eligibility Technician I \$336.0 (Range 14 at a cost of \$67.2, including benefits, per position).
- 1 Eligibility Technician IV \$81.4 (Range 16 at a cost of \$81.4, including benefits, per position).

With the additional caseload, a one time cost for computers and software will be required with a cost of \$2,200 for each additional staff for a total of \$15.4. Annual costs for office space, phones and supplies are calculated at a cost of \$8,800 per additional staff for a total of \$61.6.

It is assumed that one quarter year's funding will be needed in FY08 to hire and train staff in order to be able to accept applications and make eligibility determinations effective July 1, 2008.

For the personal services allocations of this fiscal note, the fund source calculations are derived by using standard Random Moment Time Study averages for existing eligibility workers.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 4
 Bill Version: CSSB 87(HES)
 (S) Publish Date: 3/14/07
 Dept. Affected: Health & Social Services
 RDU: Health Care Services
 Component: Medical Assistance Admin.

Revision Date/Time (Note if correction):
 Title: MEDICAL ASSISTANCE ELIGIBILITY

Sponsor: WIELECHOWSKI
 Requester: SENATE (HES)

Component No. 242

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	49.0	282.3	282.3	282.3	282.3	282.3
Travel						
Contractual	106.6	135.2	135.2	135.2	135.2	135.2
Supplies	6.6	2.2				
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	162.2	419.7	417.5	417.5	417.5	417.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (G)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	81.1	209.8	208.7	208.7	208.7	208.7
1003 GF Match	81.1	209.9	208.8	208.8	208.8	208.8
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	162.2	419.7	417.5	417.5	417.5	417.5

Estimate of any current year (FY2007) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time	4	4	4	4	4	4
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB87 will increase recipient enrollment that in turn will cause an increase in associated appeals, by recipients and providers. The level of appeal activity is difficult to determine, but a minimum of 1 additional FTE position to process appeals would be required. Other volume related increases would be in prior authorizations and claims volume. These are not expected to cause an increase in payment to the fiscal agent under contract.

Premium collection activity would require a minimum of staffing increase, in our Accounting and Recovery section, of 3 FTE's.

Continued on page 2

Prepared by: Randall Schlapa
 Division: Health Care Services
 Approved by: Karleen Jackson, Commissioner
 Agency: Department of Health and Social Services

Phone 334-2461
 Date/Time 03/08/2007
 Date 03/09/2007

FISCAL NOTE
FN # 4

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. # CSSB 87(HES)

ANALYSIS CONTINUATION

Analysis continued:

System enhancements to the MMIS will cost approximately \$100,000. These changes would accommodate the new Federal Poverty Level indicator and co-pay requirements and would be a one time cost in FY2008.

There will be increased referrals to the Department of Law for collections and appeals, this will result in approximately \$100,000 in the contractual line starting in FY2009.

Health Care Services caseload is going to increase by approximately 436 pregnant women and 1,700 cases (3,400 children).

We estimate two Accounting Technician I's, and a Medical Assistant Administrator I position will be needed to manage this additional work beginning in FY2008. In FY2009 a Medical Assistant Administrator II will be needed, most likely in our Practitioner Relations section. The new extended Medicaid program increases complexity of the eligibility determination work and results in increased contact with applicants and enrollees.

Total Administrative Costs:

The increase in Medicaid applications and caseload creates the need for two Accounting Technician I, a Medical Assistant Administrator I, and a Medical Assistant Administrator II, all located in Anchorage. These annual costs are estimated to be:

2 Accounting Technician I's, \$121.0 (Range 12 at a cost of \$60.5, including benefits, per position).
1 Medical Assistant Administrator I, \$75.7 (Range 16 at a cost of \$75.7, including benefits, per position).
1 Medical Assistant Administrator II, \$85.6 (Range 18 at a cost of \$85.6, including benefits, per position).

It is assumed that one quarter year's personal services funding will be needed in FY08 to hire and train staff, the two Accounting Technician I's and the one Medical Assistant Administrator I in the Accounting and Recovery section, at the cost of \$49.0, in order to be able to accept applications and make eligibility determinations effective July 1, 2008. The Medical Assistant Administrator II will be filled in FY2009.

With the additional caseload, a one time supplies cost will be incurred in FY2008, for computers and software with a cost of \$2,200 for each additional staff for a total of \$6.6 for three staff hired in FY2008 and \$2.2 in FY2009 for the 4th new position. Annual costs for office space, phones and other contractual costs are calculated at a cost of \$8,800, per additional staff for a total of \$35.2 (prorated for 1/4 year in FY2008) .

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSSB 87(HES)
 (S) Publish Date: 3/14/07
 Dept. Affected: Health & Social Services
 RDU: Health Care Services
 Component: Medicaid Services

Revision Date/Time (Note if correction):
 Title: MEDICAL ASSISTANCE ELIGIBILITY

Sponsor: WIELECHOWSKI
 Requester: SENATE (HES)

Component No. 2077

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims		9,156.0	9,943.4	10,798.6	11,727.2	12,735.8
Miscellaneous						
TOTAL OPERATING	0.0	9,156.0	9,943.4	10,798.6	11,727.2	12,735.8

CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts		3,869.4	4,131.2	4,505.8	4,970.1	5,474.4
1003 GF Match		3,499.5	4,025.1	4,505.7	4,970.0	5,474.3
1004 GF						
1037 GF/Mental Health						
Other(SDPR--Premiums)		1,787.1	1,787.1	1,787.1	1,787.1	1,787.1
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	9,156.0	9,943.4	10,798.6	11,727.2	12,735.8

Estimate of any current year (FY2007) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 SB87 (section 2, AS 47.07.020(b)) resets the upper income limit for Denali KidCare (DKC) pregnant women and for uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 200 percent of the prevailing federal poverty guideline (FPG) for Alaska. Currently the qualifying income limit for these children and pregnant women is set in statute at 175% of the 2003 FPG (effectively, about 154% of the current FPG). Enrollees in these categories do not pay premiums or co-pays and are eligible for all mandatory and optional services provided through the state's Medicaid State Plan.
 (continued)

Prepared by: Janet Clarke Phone 465-1630
 Division: Finance and Management Services Date/Time: _____
 Approved by: Karleen Jackson, Commissioner Date 03/09/2007
 Agency: Department of Health and Social Services

(Revised 9/7/2005 CMI)

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

We assume that 436 additional pregnant women will enroll if their qualifying income is revised to 200 % FPG, based on the difference between the number of pregnant women with incomes above 150% FPG that were enrolled in 2003, before the current statute took effect, and the number enrolled in 2006. The number of children expected to enroll in Medicaid if the SCHIP qualifying income level is increased to 200% FPG is estimated as the number of SCHIP children with incomes above 150% FPG that dropped from the program between 2003 and 2006 (2,553 children). This corresponds to 2,553 children per 50 point increment in the percent of FPG (50 points is approximately the difference between the current effective 154% FPG income limit for this group and 200%).

For this analysis, the annual cost per enrollee per year (CPEPY) to reinstate SCHIP children up to 200% FPG is based on the current annual cost per enrollee (\$1,387 in 2006) for uninsured children with qualifying incomes above 150% FPG. The CPEPY to reinstate DKC pregnant women up to 200% FPG is based on the current annual cost per enrollee pregnant women with incomes above 150% FPG (\$2,915 in 2006). Medicaid costs are calculated as the number of persons enrolled times the CPEPY, inflated to 2009 dollars.

SB87 also creates a new group of Medicaid eligible children in higher qualifying income categories (section 3, AS 47.07.022). To qualify, children must be under 19, between 201 and 350% of the prevailing FPG, and have no insurance. They will be required to pay premiums to the State of Alaska ranging between \$200 and \$1200 per year (sliding scale based on qualifying income). In this analysis, we use an average \$700 annual premium for all enrollees above 200% FPG. Those above 250% FPG will also be responsible for co-payments equal to 20% of the cost of service, payable to the provider at the time of service. SB87 does not impose an annual deductible.

The Deficit Reduction Act (DRA) section 6041 stipulates that co-payments cannot exceed 20% of the cost of the service claimed. Annual out-of-pocket expenses for cost sharing and premiums cannot exceed 5% of family income. We estimate that children near the 250% FPG level will reach out-of-pocket limits when costs of services approach \$7000. Because, on average, the cost per enrollee per year is expected to be lower than the average out-of-pocket limit, the ceiling on cost sharing is not a factor in calculations for this fiscal note. On an individual basis however, some children will likely reach cost-sharing limits.

(continued)

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Other (DRA) limitations relevant to implementation of the provisions of section 3 include:

- No co-payments for emergency services, family planning services and supplies, and preventative services;
- No premiums or co-payments for pregnant women or the terminally ill using hospice care (no cost-sharing for children that become pregnant or use hospice care);
- Providers can deny service if the enrollee is unable to pay copays;
- The State cannot terminate enrollees until premiums are at least 60 days delinquent.

This fiscal analysis assumes that all co-payment and premiums are paid and that all services utilized by section 3 enrollees with incomes greater than 250% FPG are subject to cost sharing.

The number of children expected to enroll in Medicaid with incomes between 201 and 350% is based on the number of children potentially eligible for every 50 point increase in the percent of FPG. We anticipate that only 50% of eligible persons will apply and we exclude native eligibles because there is no incentive for them to seek medical insurance that requires payment of premiums and co-pays when they are already covered for most medical services through the Indian Health Service. We estimate that 851 children will enroll at income levels between 201 and 250% FPG and an additional 1,702 children will enroll between 251 and 350% FPG. All 2,553 will be required to pay premiums and 1,702 will also be responsible for co-payments for services.

The cost per enrollee per year (CPEPY) to expand coverage to children with incomes between 201% and 350% FPG is estimated as the current CPEPY for all children managed through the Denali KidCare Office (uninsured SCHIP children and certain categories of both uninsured and insured children funded through Title XIX). In 2006, that CPEPY was about \$2,900. Medicaid costs are calculated as the number enrolled times the CPEPY, inflated to 2009 dollars and less 20% co-payments. Premiums are treated as SDPR and fund splits are calculated without any correction for revenue from premiums.

(continued)

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

We assume that enrollment for all groups covered by SB87 will be completed rapidly on implementation of this bill, and within the 2009 fiscal year. Historically SCHIP and DKC expansion efforts have resulted in rapid growth in enrollment, up to expected targets.

The 2009 total costs estimate for SB87 is based on a 2006 base calculation that was adjusted annually for 5% medical inflation (average of the Anchorage CPI medical care component between 2001 and 2005). Projections for 2010 through 2013 assume an annual growth rate of 8.6% based on the projected overall Medicaid program growth between 2008 and 2012 from the *Long Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025*. Medical inflation and a low level of enrollment growth are incorporated into the annual growth percentage applied between 2010 and 2013.

Federal funds calculations use only the Title XIX federal match rate. Expenses for the additional SCHIP children enrolled under SB87 section 2 will be eligible for Title XXI funding, however Title XXI funding is not expected to cover all SCHIP costs after 2007 and the state's SCHIP allocation is not expected to increase enough to cover costs over the term of these fiscal note projections.

Health Care Services Medicaid (HCS) currently pays for 2/3 of the cost of services to DKC children and all of the costs associated with DKC pregnant women. Component fund calculations for this fiscal note are based on that costs distribution (2/3 of costs of services due to added SCHIP enrollment, 2/3 of costs of services due to section 3 enrollment, and all costs of services due to additional enrolled pregnant women). Additionally, all premiums will be paid through HCS mechanisms and are therefore added to the funds analysis for this component as program receipts.

The attached table provides a quick department-level summary of the possible Medicaid direct costs, cost sharing, and enrollment associated with this bill.

2009 Enrollment and Costs	Denali KidCare Income Standard Unfrozen		Extended Medical Assistance Coverage		Total
	Pregnant Women	SCHIP Children	Children		
	151-200% Federal Poverty Guideline	151-200% Federal Poverty Guideline	201-250% Federal Poverty Guideline	251-350% Federal Poverty Guideline	
Annual Enrollment	436	2,553	851	1,702	5,542
Average Cost per Enrollee	\$2,915	\$1,387	\$2,900	\$2,900	n/a
Total Cost of Medicaid Services before Cost Sharing (in 000s)	\$1,471.3	\$4,099.2	\$2,856.9	\$5,713.8	\$14,141.2
Annual Premiums	\$0.0	\$0.0	-\$255.3	-\$1,531.8	-\$1,787.1
Annual Co-Payments	\$0.0	\$0.0	\$0.0	-\$1,142.8	-\$1,142.8
Net Cost of Medicaid Services after Cost Sharing	\$1,471.3	\$4,099.2	\$2,601.6	\$3,039.2	\$11,211.3
Medicaid Services (2077). Division of Health Care Services.	\$1,471.3	\$2,732.8	\$2,456.3	\$4,912.6	\$7,368.9**
Behavioral Health Medicaid Services (2660). Division of Behavioral Health.	\$0.0	\$1,366.4	\$1,280.8	\$2,561.6	\$3,842.4

** Health Care Services Medicaid (2077) costs are net of claim expenditures and revenue from premiums. Total Medicaid Services costs for Health Care Services 9,156.0

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 87(HES)
 (S) Publish Dat: 3/14/07
 Dept. Affected: Health & Social Services
 RDU: Behavioral Health
 Component: Behavioral Health Administration

Revision Date/Time (Note if correction):
 Title: MEDICAL ASSISTANCE ELIGIBILITY

Sponsor: WIELECHOWSKI
 Requester: SENATE (HES) Component No. 2665

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services		274.6	274.6	274.6	274.6	274.6
Travel						
Contractual		6.6				
Supplies		26.4	26.4	26.4	26.4	26.4
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	307.6	301.0	301.0	301.0	301.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts		153.8	150.5	150.5	150.5	150.5
1003 GF Match		153.8	150.5	150.5	150.5	150.5
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	307.6	301.0	301.0	301.0	301.0

Estimate of any current year (FY2007) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time		3	3	3	3	3
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 SB 87 (section 2, AS 47.07.020(b)) resets the upper income limit for Denali KidCare (DKC) pregnant women and for uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 200 percent of the prevailing federal poverty guideline (FPG) for Alaska. Currently the qualifying income limit for these children and pregnant women is set in statute at 175% of the 2003 FPG (effectively, about 154% of the current FPG). Enrollees in these categories do not pay premiums or co-pays and are eligible for all mandatory and optional services provided through the state's Medicaid State Plan.

(Continued)

Prepared by: Stacy Toner, Acting Director Phone 465-2817
 Division: Division of Behavioral Health Date/Time 03/08/2007
 Approved by: Karleon Jackson, Commissioner Date 03/09/2007
 Agency: Department of Health and Social Services

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

SB 87 also creates a new group of Medicaid eligible children in higher qualifying income categories (section 3, AS 47.07.022). To qualify, children must be under 19, between 201% and 350% of the prevailing FPG, and have no insurance.

This fiscal note represents the administrative costs for utilization review for youth who have been determined eligible for extended Medicaid coverage through Denali Kid Care and who are eligible for Behavioral Health Services.

Assumptions for Extended Medicaid Coverage:

We assume that 5,106 additional children will enroll in Medicaid if the SCHIP qualifying income level is increased up to 350% Federal Poverty Guidelines. Based on the current Behavioral Health proportion (or approximately 30% of the cost of SCHIP services) approximately 1,700 of these children will be eligible for extended Medicaid coverage through DKC and will utilize Behavioral Health services.

We estimate that this will increase workload for our Utilization Review Staff who facilitate wrap-around service delivery for children and adolescents at risk of institutionalization. We also anticipate it will result in increased requests for onsite Medicaid Documentation Reviews and Technical Assistance as our providers attempt to integrate more children and adolescents into their systems. We estimate 2.0 FTE (Health Facility Surveyor I, Range 18) and 1.0 FTE (Mental Health Clinician III, Range 21) positions will be needed to manage this additional work. A Health Facility Surveyor I in our Utilization Review office can manage a workload of up to 500 cases (one child per case) per month. The Mental Health Clinician III will perform utilization reviews as well as develop, oversee, and monitor FirstHealth Medicaid claims processing. Work duties of all positions include:

Medicaid program review and evaluation.

- Management of Medicaid system operations and enhancement efforts
- Management of fiscal agent contract activities
- Development of program changes, operational processes, and system enhancement to implement revised regulations
- Coordination of program developments with stakeholders
- Insures compliance with state regulations and program guidelines
- Monitors services and utilization
- Development of a provider education plan
- Maintain an effective partnership with state and federal agencies
- Evaluation of the budget and development of recommendations for program changes to insure compliance with budget constraints
- Interpretation of state and federal regulations
- Analyze legislation and develop fiscal notes
- Support MMIS development and implementation efforts
- Support the RPTC demo project
- Support PERM and the Medicaid integrity program

(Continued)

FISCAL NOTE
FN # 2

BILL NO. # CSSB 87(HES)

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Total Administrative Costs:

With the additional caseload, a one time cost for computers and software will be required with a cost of \$2,200 for each additional staff for a total of \$6,600. Annual costs for office space, phones and supplies are calculated at a cost of \$8,800 per additional staff for a total of \$26,400.

For the personal services allocations of this fiscal note, the fund source calculations are derived by using standard 50% Federal /50% GF Match splits for existing positions.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB 87(HES)
 (S) Publish Date: 3/14/07
 Dept. Affected: Health & Social Services
 RDU: Behavioral Health
 Component: Behavioral Hlth Medicaid Svcs

Revision Date/Time (Note if correction):
 Title: MEDICAL ASSISTANCE ELIGIBILITY

Sponsor: WIELECHOWSKI

Requester: SENATE (HES)

Component No.: 2660

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims		3,842.4	4,172.8	4,531.7	4,921.4	5,344.6
Miscellaneous						
TOTAL OPERATING	0.0	3,842.4	4,172.8	4,531.7	4,921.4	5,344.6

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (0)						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts		2,017.6	2,113.5	2,265.8	2,460.7	2,672.3
1003 GF Match		1,824.8	2,059.3	2,265.9	2,460.7	2,672.3
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	3,842.4	4,172.8	4,531.7	4,921.4	5,344.6

Estimate of any current year (FY2007) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 SB87 (section 2, AS 47.07.020(b)) resets the upper income limit for Denali KidCare (DKC) pregnant women and for uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 200 percent of the prevailing federal poverty guideline (FPG) for Alaska. Currently the qualifying income limit for these children and pregnant women is set in statute at 175% of the 2003 FPG (effectively, about 154% of the current FPG). Enrollees in these categories do not pay premiums or co-pays and are eligible for all mandatory and optional services provided through the state's Medicaid State Plan.
 (continued)

Prepared by: Janet Clarke Phone 465-1630
 Division: Finance and Management Services Date/Time _____
 Approved by: Karleen Jackson, Commissioner Date 03/09/2007
 Agency: Department of Health and Social Services

FISCAL NOTE
FN # 1

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. # CSSB 87(HES)

ANALYSIS CONTINUATION

We assume that 436 additional pregnant women will enroll if their qualifying income is revised to 200 %FPG, based on the difference between the number of pregnant women with incomes above 150% FPG that were enrolled in 2003, before the current statute took effect, and the number enrolled in 2006. The number of children expected to enroll in Medicaid if the SCHIP qualifying income level is increased to 200% FPG is estimated as the number of SCHIP children with incomes above 150% FPG that dropped from the program between 2003 and 2006 (2,553 children). This corresponds to 2,553 children per 50 point increment in the percent of FPG (50 points is approximately the difference between the current effective 154% FPG income limit for this group and 200%).

For this analysis, the annual cost per enrollee per year (CPEPY) to reinstate SCHIP children up to 200% FPG is based on the current annual cost per enrollee (\$1,387 in 2006) for uninsured children with qualifying incomes above 150% FPG. The CPEPY to reinstate DKC pregnant women up to 200% FPG is based on the current annual cost per enrollee pregnant women with incomes above 150% FPG (\$2,915 in 2006). Medicaid costs are calculated as the number of persons enrolled times the CPEPY, inflated to 2009 dollars.

SB 87 also creates a new group of Medicaid eligible children in higher qualifying income categories (section 3, AS 47.07.022). To qualify, children must be under 19, between 201 and 350% of the prevailing FPG, and have no insurance. They will be required to pay premiums to the State of Alaska ranging between \$200 and \$1200 per year (sliding scale based on qualifying income). In this analysis, we use an average \$700 annual premium for all enrollees above 200% FPG. Those above 250% FPG will also be responsible for co-payments equal to 20% of the cost of service, payable to the provider at the time of service. SB87 does not impose an annual deductible.

The Deficit Reduction Act (DRA) section 6041 stipulates that co-payments cannot exceed 20% of the cost of the service claimed. Annual out-of-pocket expenses for cost sharing and premiums cannot exceed 5% of family income. We estimate that children near the 250% FPG level will reach out-of-pocket limits when costs of services approach \$7,000. Because, on average, the cost per enrollee per year is expected to be lower than the average out-of-pocket limit, the ceiling on cost sharing is not a factor in calculations for this fiscal note. On an individual basis however, some children will likely reach cost-sharing limits.

(continued)

FISCAL NOTE
FN # 1

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. # CSSB 87(HES)

ANALYSIS CONTINUATION

Other (DRA) limitations relevant to implementation of the provisions of section 3 include:

- No co-payments for emergency services, family planning services and supplies, and preventative services.
- No premiums or co-payments for pregnant women or the terminally ill using hospice care (no cost-sharing for children that become pregnant or use hospice care)
- Providers can deny service if the enrollee is unable to pay copays
- The State cannot terminate enrollees until premiums are at least 60 days delinquent

This fiscal analysis assumes that all co-payment and premiums are paid and that all services utilized by section 3 enrollees with incomes greater than 250% FPG are subject to cost sharing.

The number of children expected to enroll in Medicaid with incomes between 201 and 350% is based on the number of children potentially eligible for every 50 point increase in the percent of FPG. We anticipate that only 50% of eligible persons will apply and we exclude native eligibles because there is no incentive for them to seek medical insurance that requires payment of premiums and co-pays when they are already covered for most medical services through the Indian Health Service. We estimate that 851 children will enroll at income levels between 201 and 250% FPG and an additional 1,702 children will enroll between 251 and 350% FPG. All 2,553 will be required to pay premiums and 1,702 will also be responsible for co-payments for services.

The cost per enrollee per year (CPEPY) to expand coverage to children with incomes between 201% and 350% FPG is estimated as the current CPEPY for all children managed through the Denali KidCare Office (uninsured SCHIP children and certain categories of both uninsured and insured children funded through Title XIX). In 2006, that CPEPY was about \$2,900. Medicaid costs are calculated as the number enrolled times the CPEPY, inflated to 2009 dollars and less 20% co-payments. Premiums are treated as SDPR and fund splits are calculated without any correction for revenue from premiums.

(continued)

FISCAL NOTE
FN # 1

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. # CSSB 87(HES)

ANALYSIS CONTINUATION

We assume that enrollment for all groups covered by SB87 will be completed rapidly on implementation of this bill, and within the 2009 fiscal year. Historically SCHIP and DKC expansion efforts have resulted in rapid growth in enrollment, up to expected targets.

The 2009 total costs estimate for SB87 is based on a 2006 base calculation that was adjusted annually for 5% medical inflation (average of the Anchorage CPI medical care component between 2001 and 2005). Projections for 2010 through 2013 assume an annual growth rate of 8.6% based on the projected overall Medicaid program growth between 2008 and 2012 from the *Long Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025*. Medical inflation and a low level of enrollment growth are incorporated into the annual growth percentage applied between 2010 and 2013.

Federal funds calculations use only the Title XIX federal match rate. Expenses for the additional SCHIP children enrolled under SB87 section 2 will be eligible for Title XXI funding, however Title XXI funding is not expected to cover all SCHIP costs after 2007 and the state's SCHIP allocation is not expected to increase enough to cover costs over the term of these fiscal note projections.

Behavioral Health Medicaid Services (DBH) currently pays for 1/3 of the cost of services to DKC children and none of the costs associated with DKC pregnant women. Component fund calculations for this fiscal note are based on that costs distribution (1/3 of costs of services due to added SCHIP enrollment and 1/3 of costs of services due to section 3 enrollment). Premiums will be processed through a different component (Health Care Services Medicaid) and are therefore excluded from the funds analysis for DBH.

The attached table provides a quick department-level summary of the possible Medicaid direct costs, cost sharing, and enrollment associated with this bill.

2009 Enrollment and Costs	Denali KidCare Income Standard Unfrozen		Extended Medical Assistance Coverage		Total
	Pregnant Women	SCHIP Children	Children		
	151-200% Federal Poverty Guideline	151-200% Federal Poverty Guideline	201-250% Federal Poverty Guideline	251-350% Federal Poverty Guideline	
Annual Enrollment	436	2,553	851	1,702	5,542
Average Cost per Enrollee	\$2,915	\$1,387	\$2,900	\$2,900	na
Total Cost of Medicaid Services before Cost Sharing (in 000s)	\$1,471.3	\$4,099.2	\$2,856.9	\$5,713.8	\$14,141.2
Annual Premiums	\$0.0	\$0.0	-\$255.3	-\$1,531.8	-\$1,787.1
Annual Co-Payments	\$0.0	\$0.0	\$0.0	-\$1,142.8	-\$1,142.8
Net Cost of Medicaid Services after Cost Sharing	\$1,471.3	\$4,099.2	\$2,601.6	\$3,039.2	\$11,211.3
Medicaid Services (2077). Division of Health Care Services.	\$1,471.3	\$2,732.8	\$2,456.3	\$4,912.6	\$7,368.9
Behavioral Health Medicaid Services (2660). Division of Behavioral Health.	\$0.0	\$1,366.4	\$1,280.8	\$2,561.6	\$3,842.4

** Health Care Services Medicaid (2077) costs are not of claim expenditures and revenue from premiums. Total Medicaid Services costs for Health Care Services 9,156.0

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/19/07

FURTHER: Finance

Date of 5-Day Notice: 3/8/07
 (in accordance with Uniform Rule 23)

DATE TURNED
 IN TO OFFICE: 3/13/07

Health, Education and Social Services Committee considered

SENATE BILL NO. 87

SB 87 MEDICAL ASSISTANCE ELIGIBILITY

"An Act expanding medical assistance coverage for eligible children and pregnant women; relating to cost sharing for certain recipients of medical assistance; and providing for an effective date."

and recommends:

- be replaced with SCS or CS SB 87 (HES)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/>	Same Title
<input checked="" type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

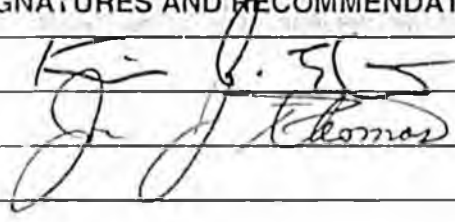
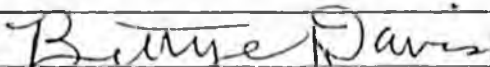
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
HSS/Beh. Health	3/9/07	✓			1
HSS/Beh. H. Adm	3/9/07	✓			2
HSS/Med. Ser	3/9/07	✓			3
HSS/Med. Asst.	3/9/07	✓			4
HSS/Pbl. Asst	3/9/07	✓			5

HSS/Info Tech 3/9/07 ✓ 6
 COR 3/1/07 ✓ 7

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Elton Thomas	✓			
CHAIR: 	DAVIS	✓			

SB

89

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
 APR 17 2007
 SENATE FINANCE COMMITTEE

DATE: 3/16/07

FURTHER:

DATE TURNED IN TO OFFICE: 4/17/07

Finance Committee considered SENATE BILL NO. 89

SB 89 ELECTRONIC MONITORING OF GANG PROBATIONER

"An Act relating to requiring electronic monitoring as a special condition of probation for offenders whose offense was related to a criminal street gang."

and recommends:

- be replaced with SCS or CS SB 89 (FIN)
- adopt previous SCS or CS _____
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
 Same Title
 New Title

HOUSE BILL:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

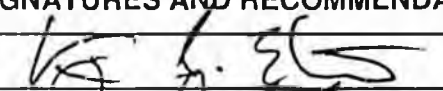


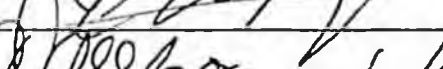

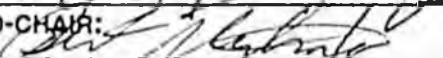

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DAC	4/16/07			✓	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Admin PDA	3/5/07		✓		4
Admin OPA	3/5/07		✓		3
Court	3/2/07		✓		2
Law	3/6/07			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	ELTON	✓			
	THOMAS	✓			
	DYSON	✓			
	HUGGINS	✓			
	OLSON			✓	
CO-CHAIR: 	HOFFMAN			✓	
CO-CHAIR: 	STEDMAN			✓	

FISCAL NOTE

REPORTED OUT
APR 17 2007
 SENATE FINANCE COMMITTEE

STATE OF ALASKA
 2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB 89(JUD)
 (S) Publish Date: 3/16/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
 Title An Act relating to electronic monitoring of gang RDU Criminal
probationers. Component Criminal Justice Litigation
 Sponsor SENATOR(S) WIELECHOWSKI, McGuire
 Requester SENATE JUDICIARY Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill would require electronic monitoring as a special condition of probation for offenders whose offense was related to a criminal street gang. The department does not anticipate any significant fiscal impact.

Prepared by: Robert Meiners, Acting Director
 Division: Administrative Services Division
 Approved by: Robert Meiners for Talis Colberg, Attorney General
 Agency: Department of Law

Phone: 465-5427
 Date/Time: 3/6/07 9:36 AM
 Date: 3/6/2007

FISCAL NOTE

STATE OF ALASKA
 2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 89(JUD)
 (S) Publish Date: 3/16/07

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Electronic monitoring of gang probationer RDU Alaska Court System
 Component Trial Courts
 Sponsor Senator Wielechowski
 Requester _____ Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL

Estimate of any current year (FY2007) cost: 00
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 Senate Bill 89 requires that a defendant be subject to electronic monitoring during the period of probation if the crime for which he or she was convicted was proven to be related to a criminal street gang. This bill would result in much closer monitoring of those probationers and likely lead to more petitions to revoke probation coming to the court. This increase in workload will mean an increase in the resources necessary to resolve those cases. However, because the number of cases likely to come before the court as a result of this new probationary condition is unknown, the extent of the bill's impact on the court system is too speculative to support a fiscal note at this time.

Prepared by: Doug Wooliver, Administrative Attorney Phone: 463-4750
 Division: Alaska Court System Date/Time: 3/2/07 8:30 AM
 Approved by: Doug Wooliver for Stephanie Cole, Administrative Director Date: 3/2/2007
 Agency: Alaska Court System

FISCAL NOTE

REPORTED OUT
APR 17 2007
 SENATE FINANCE COMMITTEE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSSB 69(JUD)
 (S) Publish Date: 3/16/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An act relating to requiring electronic monitoring RDU Legal and Advocacy Services
as a special condition of probation... Component Office of Public Advocacy
 Sponsor Senator Wielechowski
 Requester Senate Judiciary Committee Component No. 43

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services
Travel
Contractual
Supplies
Equipment
Land & Structures
Grants & Claims
Miscellaneous
TOTAL OPERATING

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
1002 Federal Receipts						
1003 GF Match						
1004 GF
1005 GF/Program Receipts
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL

Estimate of any current year (FY2007) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 This bill requires the court to impose, as a special condition of probation, electronic monitoring with GPS tracking for persons convicted of criminal offenses related to gang related activity. This requirement appears to cover the entire period of probation, which may last five to ten years, and does not provide guidance on who would bear the cost. The burden of this additional requirement could impact the negotiation process and affect the litigation and trial rate. It is not possible, however, to determine with any accuracy the potential fiscal impact of this requirement. The Agency, therefore, submits an indeterminate fiscal note.

Prepared by: Joshua P. Fink Phone 907-269-3501
 Division: Office of Public Advocacy Date/Time 3/4/07 at 2:34 p.m.
 Approved by: Rachael Petro, Deputy Commissioner Date 3/5/07 at 8:30am
 Agency: Administration

COMMITTEE COPY

FISCAL NOTE

STATE OF ALASKA
 2007 LEGISLATIVE SESSION

Fiscal Note Number: 4
 Bill Version: CSSB 89(JUD)
 (S) Publish Date: 3/16/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title: An act relating to requiring electronic monitoring as a special condition of probation... RDU: Legal and Advocacy Services
 Component: Public Defender Agency
 Sponsor: Senator Wielechowski
 Requester: Senate Judiciary Committee Component No. 1631

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	*	*	*	*	*	*
Travel	*	*	*	*	*	*
Contractual	*	*	*	*	*	*
Supplies	*	*	*	*	*	*
Equipment	*	*	*	*	*	*
Land & Structures	*	*	*	*	*	*
Grants & Claims	*	*	*	*	*	*
Miscellaneous	*	*	*	*	*	*
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	*	*	*	*	*	*
1005 GF/Program Receipts	*	*	*	*	*	*
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2007) cost: 00

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill requires the court to impose, as a special condition of probation, electronic monitoring with GPS tracking for persons convicted of criminal offenses related to gang related activity. This requirement appears to cover the entire period of probation, which may last five to ten years, and does not provide guidance on who would bear the cost. The burden of this additional requirement could impact the negotiation process and affect the litigation and trial rate. It is not possible, however, to determine with any accuracy the potential fiscal impact of this requirement. The Agency, therefore, submits an indeterminate fiscal note.

Prepared by: Quinlan Steiner Phone 907-334-4400
 Division: Public Defender Agency Date/Time 3/4/07 at 2:34 p.m.
 Approved by: Rachael Petro, Deputy Commissioner Date 3/5/07 at 8:30am
 Agency: Administration

FISCAL NOTE

REPORTED OUT
APR 17 2007
 SENATE FINANCE COMMITTEE

STATE OF ALASKA
 2007 LEGISLATIVE SESSION

Fiscal Note Number: CSSB089-DOC-A&O-4-11
 Bill Version: CSSB 89
 () Publish Date: _____

Revision Date/Time (Note if correction): 4/16/07 9:17 am Dept. Affected: Corrections
 Title An Act relating to electronic monitoring of a gang RDU Administration and Operations
probationer. Component Statewide Probation & Parole
 Sponsor Senator Wielechowski
 Requester Senate Judiciary Component No. 2826

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	0.0	107.8	107.8	107.8	*	*
Travel	0.0	2.0	2.0	2.0	*	*
Contractual	0.0	45.5	96.1	146.7	*	*
Supplies	0.0	13.1	2.4	2.4	*	*
Equipment	0.0	0.0	0.0	0.0	*	*
Land & Structures	0.0	0.0	0.0	0.0	*	*
Grants & Claims	0.0	0.0	0.0	0.0	*	*
Miscellaneous	0.0	0.0	0.0	0.0	*	*
TOTAL OPERATING	0.0	168.4	208.3	258.9	*	*

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (1156)	0.0	18.7	46.6	74.6	*	*
----------------------------------	-----	------	------	------	---	---

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	0.0	0.0	0.0	0.0	*	*
1003 GF Match	0.0	0.0	0.0	0.0	*	*
1004 GF	0.0	149.7	161.7	184.3	*	*
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	*	*
1037 GF/Mental Health	0.0	0.0	0.0	0.0	*	*
Other (Receipt Supported Services 1156)	0.0	18.7	46.6	74.6	*	*
TOTAL	0.0	168.4	208.3	258.9	*	*

Estimate of any current year (FY2007) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time	0.0	1.0	1.0	1.0	*	*
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 The Department of Corrections will have a fiscal impact due to passage of this legislation. Passive Global Positioning System (GPS) tracking without Intensive Supervision Surveillance program (ISSP) would require one probation officer per every 40 probationers. This program has less contact monitoring but probationers are monitored by a computer and alarm system that contacts the probation officer if an offender goes in a prohibited area. Each offender would be required to pay \$17.04 per day to be on passive monitoring however, the department estimates only 30% of offenders will be able to pay.

 Data is not available on the exact number of offenders who would be impacted by this legislation. There are currently 96 offenders on probation that have gang related indicators, of these 36 are under intensive supervision. It is expected that the number of offenders in the (continued on Page 2)

Prepared by: Sharleen Griffin, Director Phone (907) 465-3339
 Division: Administrative Services Date/Time 4/16/07 9:16 AM
 Approved by: Dwayne Peoples, Deputy Commissioner Date 4/16/2007
 Agency: Department of Corrections

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. SB 89

ANALYSIS CONTINUATION

system is much higher than currently identified. The Juvenile System currently has 50 probationers and 23 pending probationers that may fit under this legislation. This indicates that a higher number will need to be under supervision in the future by DOC than currently estimated.

The fiscal note is calculated as follows; ten probationers in FY 2009, 25 probationers in FY 2010 and 40 probationers in FY 2011.

Please see below for costs the department has identified.

	FY 2009 PASSIVE GPS (w/out ISSP)	FY 20010 PASSIVE GPS (w/out ISSP)	FY 2011 PASSIVE GPS (w/out ISSP)
Ratio			
Number of Probation Officer's	1	1	1
Number of Offenders	40	40	40
Annual Costs			
Number of Positions	1	1	1
Personal Services	\$107,814.00	\$107,814.00	\$107,814.00
Travel	\$2,000.00	\$2,000.00	\$2,000.00
Services (exclude GPS)	\$11,700.00	\$11,700.00	\$11,700.00
Commodities*	\$13,100.00	\$2,400.00	\$2,400.00
TOTAL	\$134,614.00	\$123,914.00	\$123,914.00
<i>*FY08 Includes One Time Start Up Costs of \$10,700 - Reduced in FY09.</i>			
Annual Revenues			
Number of Offenders	10	25	40
Daily Cost for Each Offender	\$17.04	\$17.04	\$17.04
Annual Cost for Each Offender	\$6,219.60	\$6,219.60	\$6,219.60
Estimate of Collections	30%	30%	30%
TOTAL	\$19,658.80	\$46,647.00	\$74,635.20
GPS Cost Per Offender / Per Day			
GPS Monitoring Cost	\$9.25	\$9.25	\$9.25
Weekly Cost for 1 Offender	\$64.75	\$64.75	\$64.75
Annual Cost for 1 Offender	\$3,367.00	\$3,367.00	\$3,367.00
Annual Contractual Cost for GPS			
Number of Offenders	10	25	40
Daily GPS Cost	\$9.25	\$9.25	\$9.25
Number of Days	365	365	365
TOTAL	\$33,762.50	\$84,406.25	\$135,050.00
TOTAL ESTIMATED COST	\$168,376.50	\$208,320.25	\$258,964.00
General Funds	\$149,717.70	\$161,673.25	\$184,328.80
Revenues (Receipt Services)	\$18,658.80	\$46,647.00	\$74,635.20

25-LS0644L
Luckhaupt
4/11/07

CS FOR SENATE BILL NO. 89()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, McGuire

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to requiring electronic monitoring as a special condition of probation
2 and parole for offenders whose offense was related to a criminal street gang."

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

4 * Section 1. AS 12.55.100 is amended by adding a new subsection to read:

5 (f) While on probation and as a special condition of probation for an offense
6 where the aggravating factor provided in AS 12.55.155(c)(29) has been proven or
7 admitted or the penalty for the offense was aggravated under AS 12.55.137, the court
8 shall require that the defendant submit to electronic monitoring. Electronic monitoring
9 under this section must provide for monitoring of the defendant's location and
10 movements by Global Positioning System technology. The court shall require a
11 defendant serving a period of probation with electronic monitoring as provided under
12 this section to pay all or a portion of the costs of the electronic monitoring, but only if
13 the defendant has sufficient financial resources to pay the costs or a portion of the
14 costs.

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* Sec. 2. AS 33.16.150 is amended by adding a new subsection to read:

(g) In addition to other conditions of parole imposed under this section for a prisoner serving a sentence for an offense where the aggravating factor provided in AS 12.55.155(c)(29) has been proven or admitted or the penalty for the offense was aggravated under AS 12.55.137, the board shall impose as a condition of special medical, discretionary, and mandatory parole a requirement that the prisoner submit to electronic monitoring. Electronic monitoring under this subsection must provide for monitoring of the prisoner's location and movements by Global Positioning System technology. The board shall require a prisoner serving a period of probation with electronic monitoring as provided under this section to pay all or a portion of the costs of the electronic monitoring, but only if the prisoner has sufficient financial resources to pay the costs or a portion of the costs.



Senator Bill Wielechowski Sponsor Statement

Senate Bill 89 "Electronic Monitoring of Gang Probationer"

"An Act relating to requiring electronic monitoring as a special condition of probation for offenders whose offense was related to a criminal street gang."

Anchorage has seen an increase in gang violence in recent years. The Anchorage Police Department has reported 20 gang related crimes so far in 2007. In 2006, the Police Department reported 122 gang-related cases.

This bill, which is a legislative priority for the Municipality of Anchorage, addresses a problem that has been documented by the Anchorage Police Department and prosecutors where gang members who have been convicted of violent gang-related crimes go back to gang activity when they are released on probation.

Senate Bill 89 would require people who are convicted of violent, gang-related crimes to wear electronic monitoring devices as a condition of their probation. The bill will help law enforcement officials to monitor the movement of violent offenders, and supervise their activity.

The scope of Senate Bill 89 is narrowly defined. It applies only to those people who have been convicted of violent crimes that are proven in a court of law to be gang related. It would not be used on other offenders.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

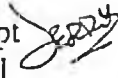
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 26, 2007

SUBJECT: SB 89 - Sectional Summary

TO: Senator Bill Wielechowski
Attn: George Ascott

FROM: Gerald P. Luckhaupt 
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents.

Section 1. Amends AS ¹²16.55.100 by adding a new subsection that requires electronic monitoring (with GPS location and tracking ability) as a special condition of probation for offenders whose offense involved a criminal street gang.

GPL:med
07-129.med

Statutory Language Relating to Gangs

Sec. 12.55.137. Penalties for gang activities punishable as misdemeanors.

(a) If a person commits an offense that would be a class B misdemeanor and the person committed the offense for the benefit of, at the direction of, or in association with a criminal street gang, the offense is a class A misdemeanor.

(b) If a person commits an offense that would be a class A misdemeanor and the person committed the offense for the benefit of, at the direction of, or in association with a criminal street gang, the offense is a class C felony.

Sec. 12.55.155. Factors in aggravation and mitigation.

C (29) the defendant committed the offense for the benefit of, at the direction of, or in association with a criminal street gang;

(4) "criminal street gang" has the meaning given in AS 11.81.900 (b);

(13) "criminal street gang" means a group of three or more persons

(A) who have in common a name or identifying sign, symbol, tattoo or other physical marking, style of dress, or use of hand signs; and

(B) who, individually, jointly, or in combination, have committed or attempted to commit, within the preceding three years, for the benefit of, at the direction of, or in association with the group, two or more offenses under any of, or any combination of, the following:

- (i) AS 11.41;
- (ii) AS 11.46; or
- (iii) a felony offense;

NEW DEADLINE MEANS LEGISLATURE MUST . . .

Knuckle down

LAST FRIDAY, WE would like to point out, was the 60th day of the 2007 legislative session in Juneau.

Were this Legislature working under a 90-day limit, this lawmaking session would now be two-thirds of the way toward adjournment.

It is clear now that legislators are not going to complete this year's business within the next few weeks. Obviously, despite the posturing by some in Juneau, this Legislature is on a 121-day course — looking at adjournment two months from now, not just in one. Too bad.

Next year, legislators will be under the gun — a voter-enacted law that puts a 90-day limit on the amount of time they can spend in their regular session. Some had hoped, given that mandate, that lawmakers would speed up their activities this year — if for no other reason than to get in training for 2008.

Unfortunately, some legislators are making noises that indicate they plan to ignore the new law next year. Too busy. Too much work to do. Not enough time. Too much this and too much that. To which we say, too much political hokey.

If there are legislators who can't knuckle down to business, can't work in the evenings and on weekends, and can't obey the law, then let them pack their bags and get a job in the real world. There are plenty of others who would be willing to abide by the will of the people and pledge to do all the legislative business necessary in a 90-day time frame.

The limit is nothing new. Alaska legislators in the past have worked under a 60-day limit. Others have done very well within 90 days, before the four-month time frame became the rule.

It's a matter of discipline. It's a matter of mind-set. It's a matter of commitment to doing the job.

Now, 60 days have gone by. We'll see how many remain before adjournment comes:

Ankle monitors

SEN. BILL WIELECHOWSKI is pushing a bill to put ankle monitors on paroled gang members to keep them from rejoining their gangs.

The Anchorage Democrat says the measure is a top priority of the Municipality of Anchorage, prosecutors and Anchorage police, who say parolees often go directly back to gang life.

Allowing them to be tracked while released, especially if resuming gang life is a violation of parole, would be a useful tool in stemming the growing problem of gangs in Anchorage.

Once a gang member is taken off the streets, authorities should have any means practical to keep them from resuming their old ways and committing the same crimes all over again. Ankle monitors are one good solution.

The bill deserves to be passed.

Alaska has critical shortage of physicians

Health system m

By SEN. LISA MURKOWSKI

Our nation is facing a physician shortage crisis, and in Alaska our situation has become increasingly magnified.

Alaska has the sixth lowest ratio of physicians to population of the United States. Outside of Anchorage, the ratio is the worst in the nation. To reach the national average by 2025, Alaska needs a net increase of 980 physicians statewide, or 49 more physicians per year. And our critical need for physicians is further magnified given that our state has the second-fastest-growing senior population in the nation.

Unfortunately, Alaska has no medical school. In addition, Alaska has both the lowest per capita number of medical school slots in the country and the lowest number of residency spots.

To shine an even greater spotlight on this crisis, I recently convened a field hearing in

Anchorage of the Health, Education, Labor, and Pensions (HELP) Committee, on which I sit in the U.S. Senate, to examine the physician shortage crisis facing Alaska and other parts of rural America.

During the hearing we heard the dire predictions that a "perfect storm" is forming, and the health care crisis will only get much worse before it gets better.

So where are our doctors going?

We're losing our doctors through attrition: one-third of physicians are 55 years old and older and are likely to retire just as the baby boom generation moves into its time of greatest medical need. Additionally, for the last quarter of a century, medical schools have kept their student enrollments virtually flat.

And, we're also losing our doctors through frustration. Low Medicare and Medicaid reimbursement rates, coupled with complex regulations and paperwork leave physicians aggravated and disappointed with the practice of medicine. Recent federal reductions in Alaskan Medicare reimbursement rates have been so severe that primary care physicians report Medicare pays them only 37 cents to 40 cents for every dollar it costs to treat a patient.

One physician testified at the HELP



Murkowski



Committee have to see o en minutes i ey. As a re stopped accu ly. In fact, o field hearing one neighbor city of Anch Medicare pa

Each we and e-mails find a doctor enough to fi weeks or mor faced with th ly do one of t least cost effi emergency r entirely.

A residen ing that he is Anchorage if crue doctor w joked that he ing a heart o gets him in to

The phys — and the r ble. Congress tially millions That is why I plan to allevi care access cr duced the fu that provides

The Anchorage Tim

Editors: TOM BRENNAN, 264-8191. PAUL JENKINS, 264-8192
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Alaska State Legislature
Juneau, AK 99801

RE: Senate Bill 89

March 2, 2007

Dear Members:

It has come to my attention that Senate Bill 89, *Electronic Monitoring of Gang Probationers*, is currently under consideration. I would like to add my voice in strong support of this legislation.

While Fairbanks currently does not experience the scope and extent of gang violence that has been evidenced in Anchorage, I'm somewhat concerned that it is only a matter of time before such activity migrates northward.

We need to act swiftly to deter gang activity and its associated violence, before this problem becomes entrenched throughout Alaska. Senate Bill 89 provides a positive step in keeping those who have been convicted of gang-related crimes of violence from returning to- and associating with- other gang members upon release from prison. Common sense dictates that such associations will likely lead to repeated negative (and often violent) behavior.

Please feel free to call me if you would like to discuss this issue further.

Sincerely,

A handwritten signature in black ink that reads "Daniel P. Hoffman".

Daniel P. Hoffman, Chief
Fairbanks Police Department



Municipality of Anchorage

4501 Bragow Street • Anchorage, Alaska (907) 786-1500 • Telephone (907) 780-8500 • <http://www.muni.org>



Mayor Mark Begich

Anchorage Police Department

February 12, 2007

Representative Bob Buch
State Capitol, Room 430
Juneau, Alaska 99801

Re: APD Support for Electronic Ankle Monitors

Dear Representative Buch:

As Chief of the Anchorage Police Department, I endorse the concept of electronic monitoring as a special condition of probation for offenders whose crimes were for the benefit of, at the direction of, or in association with a criminal street gang. This was a public safety priority contained in the Municipality of Anchorage's legislative package.

While the technology is no substitute for regular visits by human monitors, the combination of such visits with the electronic monitoring of the convicted person's movements and location will help ensure that conditions of probation are adhered to. Key to the employment of such devices will be the reasonableness that there is a clear link between the offense and the restriction. It is certainly reasonable to expect convicted violent gang members to keep authorities informed as to their whereabouts.

The fact that this bill uses the court as the deciding factor as to whether the threshold articulated in AS 12.55.155 (c)(29) and AS 12.55.137 was met ensures the defendant's due process rights are adhered to prior to requiring the defendant to submit to the electronic monitoring. As a Police Chief, it is important to me that such conditions of probation are determined after the case has been adjudicated.

Once again, I endorse the concept of electronic monitoring as a special condition of probation for individuals who have been convicted of a crime where the aggravating factors regarding criminal street gangs are proven.

Sincerely,

Rob Heun
Chief of Police

Community, Security, Prosperity

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/21/07

FURTHER: Finance

Date of 5-Day Notice: 3/1/07
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3/16/07

Judiciary Committee considered SENATE BILL NO. 89

SB 89 ELECTRONIC MONITORING OF GANG PROBATIONER

"An Act relating to requiring electronic monitoring as a special condition of probation for offenders whose offense was related to a criminal street gang."

and recommends:

- be replaced with SCS or CS SB89 (JUD)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Law	3/6/07			✓	1
Cmrt's	3/2/07		✓		2
1	2/7				
Admin/OPA	3/5/07		✓		3
Admin/PD	3/5/07		✓		4

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

Revised Correct. 3/13 ✓
 APPROPRIATION - no fiscal note 5

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Wielechowski	✓			
	Huggins	✓			
CHAIR:	French	✓			

SB

90

SFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 90
 (S) Publish Date: 2/21/07
 Dept. Affected: Health & Social Services
 RDU Public Assistance
 Component SeniorCare

Revision Date/Time (Note if correction):
 Title REAUTHORIZE SENIOR CARE

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester GOVERNOR

Component No. 2760

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(5,377.2)	(5,282.2)	(5,187.1)	(5,090.6)	(4,992.7)	(12,634.8)
Miscellaneous						
TOTAL OPERATING	(5,377.2)	(5,282.2)	(5,187.1)	(5,090.6)	(4,992.7)	(12,634.8)

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (0)						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(2,994.4)	(2,899.4)	(2,804.3)	(2,707.8)	(2,609.9)	(10,252.0)
1037 GF/Mental Health						
11189 Senior Care	(2,382.8)	(2,382.8)	(2,382.8)	(2,382.8)	(2,382.8)	(2,382.8)
Other(Specify Type-do not abbreviate)						
TOTAL	(5,377.2)	(5,282.2)	(5,187.1)	(5,090.6)	(4,992.7)	(12,634.8)

Estimate of any current year (FY2007) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Senior Care program helps low-income seniors over age 65 remain independent in the community by providing an income supplement to help meet their basic needs, such as food and housing. This bill authorizes the continuation of the Senior Care program for an additional five years from July 1, 2007 through June 30, 2012. It eliminates the program's prescription drug benefit, of which there has been very low use, and changes the program's income eligibility standards. Currently, the amount of annual income seniors can have to qualify for the program is limited to 135 percent of the 2005 federal poverty guidelines for Alaska. This bill increases the income limits each year to keep pace with the annual increases in the federal poverty guidelines for Alaska and the modest cost-of-living adjustments given to senior's income such as Social Security retirement benefits.

Prepared by: Ellie Fitzjarrald, Acting Director
 Division: Public Assistance
 Approved by: Karleon Jackson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-5847
 Date/Time 02/12/2007
 Date 02/20/2007

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. SB 90

ANALYSIS CONTINUATION**Assumptions**

- * The Alaska Longevity Bonus (ALB) Program will be reopened and funded in FY08. Some seniors who formerly received the ALB will choose to get ALB and not be eligible for Senior Care.
- * The income qualifying standards for the Senior Care program will be tied to 135% of the annual Federal Poverty Guidelines for Alaska, which increase each year.
- * In FY08, an additional 300 seniors will qualify for Senior Care under the higher income limits.
- * 2,303 former ALB recipients will choose to get ALB in FY08, and become ineligible for Senior Care.
- * For FY09 through FY12, the number of seniors receiving help from the Senior Care Program will grow at a rate of 1.3%/year (based on 6-year average rate of growth in the old age component of APA program).

FY	Caseload	1.3% Growth	Revised Caseload	Less ALB	Total	Cost Total x 120 x 12
FY08*	7,343		7,343	(2,303)	5,040	\$7,257.6
FY09	5,040	66	5,106		5,106	\$7,352.6
FY10	5,106	66	5,172		5,172	\$7,447.7
FY11	5,172	67	5,239		5,239	\$7,544.2
FY12	5,239	68	5,307		5,307	\$7,642.1

The FY08 Governor's budget for the Senior Care component grants line is \$12,634.8. The projected cost for FY08 with the proposed changes is \$7,257.6 (see above), for an anticipated savings of \$5,377.2 in FY08. The projected savings in future years is calculated from the FY08 Governor's budget funding level and does not represent additional savings in future years, but rather indicates increasing costs each year due to additional recipients.

Administration

There are no additional administrative costs for operating the Senior Care Program. These costs are included in the Governor's FY08 budget.

SARAH PALIN
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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February 20, 2007

The Honorable Lyda Green
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Green:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the senior care program.

The bill would extend the sunset date of the existing senior care program from June 30, 2007, to June 30, 2012, to allow continuation of program benefits to needy seniors.

This bill also would make two changes to the eligibility requirements for the program. First, the income limitation would be altered. The current income standards are "frozen" by setting eligibility at a specific monetary amount in state law that was equal to 135 percent of the 2005 federal poverty income guidelines. The 2005 limits have caused some seniors to become ineligible for the program because of cost-of-living adjustments that are made to retirement and pension income, such as Social Security benefits, which are not automatically adjusted under the current statutory language. The change made by the bill would result in income standards that are flexible enough to correspond to changing federal poverty guidelines. Second, the bill would provide that an individual who is receiving a longevity bonus payment would not be eligible for benefits under the senior care program. It is my intent to see the longevity bonus program reinstated in the Fiscal Year 2008 budget for those qualifying seniors who were prematurely cut from the program in the Fiscal Year 2004 budget. However, seniors who qualify for the longevity bonus will have to decide whether to obtain assistance from one or the other program.

The Department of Health and Social Services has found that there is only low-level usage of the prescription drug option, despite extensive outreach efforts encouraging seniors to enroll. Additionally, survey information indicates that many

The Honorable Lyda Green

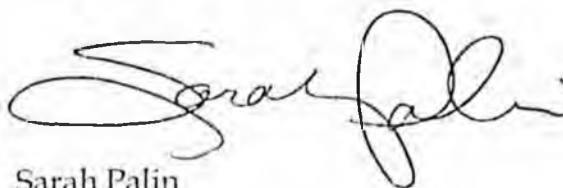
February 20, 2007

Page 2

seniors have other health insurance coverage available. Because of these factors, the bill also would eliminate the prescription drug benefit portion of the program.

The senior care program finances important benefits for needy older Alaskans, to help them meet basic necessities, including food and housing. I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in black ink, appearing to read "Sarah Palin". The signature is fluid and cursive, with a large loop at the end.

Sarah Palin
Governor

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/21/07

FURTHER: Finance

Date of 5-Day Notice: 3/1/07
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3/7/07

Health, Education and Social Services Committee considered

SENATE BILL NO. 90

SB 90 SENIOR CARE

"An Act relating to the senior care program; and providing for an effective date."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
<input type="checkbox"/> Same Title
<input type="checkbox"/> New Title
HOUSE BILL:
<input type="checkbox"/> Same Title
<input type="checkbox"/> Technical Title Change?
<input type="checkbox"/> New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
HSS	2/12/07	✓			1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Joe J. Thomas</i>	Thomas	✓			
<i>John C. Cuddy</i>	Cuddy	✓			
CHAIR: <i>Betty Davis</i>	DAVIS	✓			

SB

95

SFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 95(STA)
(S) Publish Date: 4/25/07

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
Title "An Act relating to a requirement for competitive bidding on contracts for the preparation of election ballots." RDU Elections
Component Elections
Sponsor Senator Bunde
Requester Senate State Affairs Committee Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This proposed legislation will have no fiscal impact on the Division of Elections.

Prepared by: Gail Fenumiai, Asst. Admin. Director
Division: Division of Administrative Services
Approved by: Whitney Browster, Director
Agency: Division of Elections, Office of the Lt. Governor

Phone 465-3885
Date/Time 4/16/2007, 10:49am
Date 4/16/2007

SENATE COMMITTEE REPORT

DATE: 4/25/07

FURTHER: Finance

DATE TURNED IN TO OFFICE: 5/9/07

Judiciary Committee considered SENATE BILL NO. 95

SB 95 COMPETITIVE BIDDING FOR BALLOT PREP

"An Act relating to a requirement for competitive bidding on contracts for the preparation of election ballots."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS SB 95 (STA)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
 Same Title
 New Title

HOUSE BILL:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

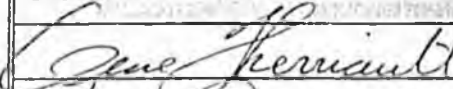

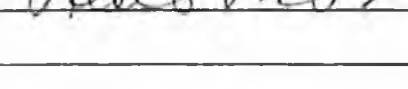

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
GOV	4/16			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Therriault	✓			
	W. Lechowski	✓			
	McBee	✓			
CHAIR: 	French	✓			

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/26/07

FURTHER: Judiciary
Finance

Date of 5-Day Notice: 4/12/07
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/25/07

State Affairs Committee considered SENATE BILL NO. 95

SB 95 COMPETITIVE BIDDING FOR BALLOT PREP

"An Act relating to a requirement for competitive bidding on contracts for the preparation of election ballots."

and recommends:

- be replaced with SCS or CS SB 95 (STA)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

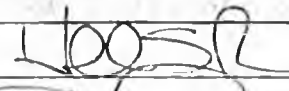
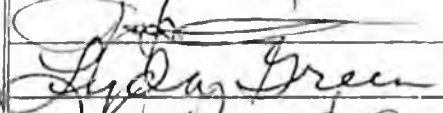
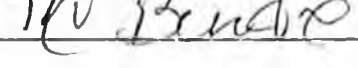
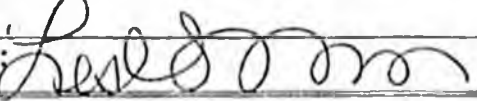
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
GOV	4/11/07			✓	1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	Do PASS	Do NOT PASS	No REC	AMEND
	French			✓	
	Green			X	
	Burdick	✓			
CHAIR: 	McBane	✓			

SB

97

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
 MAR 21 2007
 SENATE FINANCE COMMITTEE

DATE: 3/14/07

FURTHER:

DATE TURNED IN TO OFFICE: 21 March 2007

Finance Committee considered SENATE BILL NO. 97

SB 97 ALASKA NATIVE ART IDENTIFICATION SEALS

"An Act relating to identification seals for certain articles created or crafted in the state by Alaska Native persons; relating to the Alaska State Council on the Arts; and making certain identification seal violations unfair trade practices."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:

Same Title

New Title

HOUSE BILL:

Same Title

Technical Title Change

New Title w/ SCR # _____

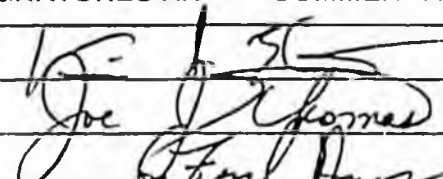
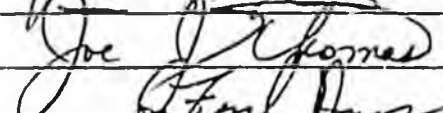
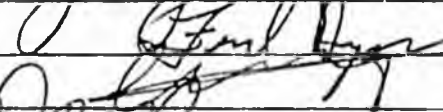
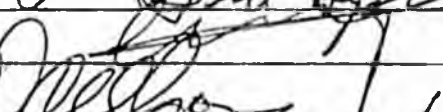
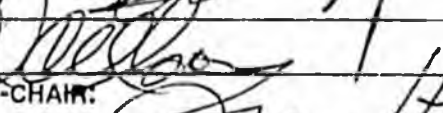
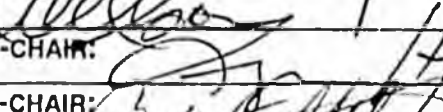
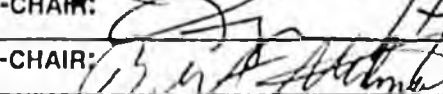
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Educ.	3/8/07			✓	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Elb	✓			
	Thomas	✓			
	Dyson	✓			
	Higgins	✓			
	O'Shea	✓			
CO-CHAIR: 	Hoffman	✓			
CO-CHAIR: 	Stedman	✓			

REPORTED OUT
 MAR 21 2007
 SENATE FINANCE COMMITTEE

FISCAL NOTE

STATE OF ALASKA
 2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 97
 (S) Publish Date: 3/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title: An act relating to identification seals for certain RDU: Commissions and Boards
 articles created or crafted in the state by Alaska Native person; Component: Alaska Council on the Arts
 Sponsor: Senator Stevens
 Requester: Labor and Commerce, Finance Component No.: 192

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation helps clarify existing law to identify genuine Alaska Native art that is crafted in the state by Alaska Native individuals. Those who would 'knowingly' use a seal without obtaining a permit and found in violation of the law will be subject to a class B misdemeanor.

Prepared by: Eddy Jeans, Director
 Division: School Finance
 Approved by: Barbara Thompson, Deputy Commissioner
 Agency: Education & Early Development

Phone: 465-8679
 Date/Time: 3/8/07 10:01 AM
 Date: 3/8/2007

SESSION ADDRESS:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4925
Fax: (907) 465-3517
Toll Free: 1-800-821-4925

Senator Gary Stevens
Alaska State Legislature

INTERIM ADDRESS:
112 Mill Bay Road
Kodiak, Alaska 99615
(907) 486-4925
Fax: (907) 486-5264



Sponsor Statement for Senate Bill 97

"An Act relating to identification seals for certain articles created or crafted in the state by Alaska Native persons; relating to the Alaska State Council on the Arts; and making certain identification seal violations unfair trade practices"

Senate Bill 97 seeks to improve the statutes governing the administration of the Silver Hand program. The Silver Hand program was created to help promote the creation, appreciation, and sale of Alaska Native art of the highest quality. Alaska Natives have a great variety of artistic traditions stretching back for millennia and which are still an important part of life today. Alaska Native art shares the cultures of Alaska Native peoples and enriches the lives of all Alaskans today. It is admired around the world, and is a vital part of the personal and community expression of Alaska Native identity. Alaska Native art is also highly valued in the marketplace, both within the state boundaries, and nationally and internationally. For so many reasons, it is good for all Alaskans to promote the creation of Alaska Native art and to ensure the legitimacy of Alaska Native art.

SB 97 will make several targeted changes to the law under which the Alaska State Council on the Arts administers the Silver Hand program. Among the changes it seeks to effect, it will delete obsolete references to agents, refers to the creations of Alaska Native artists with the term art instead of handicraft, clarifies the penalty for violating the Silver Hand laws and that sale and purchase of Silver Hand seals is prohibited, and sets out clearly the conduct related to Silver Hand seals that is not allowed.

SB 97 will take a good program and make it better. I urge your support passage of this legislation.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 5, 2007

SUBJECT: Sectional Summary of SB 97 relating to identification seals for certain articles created or crafted in the state by Alaska Native persons. (Work Order No. 25-LS0405\M)

TO: Senator Gary Stevens
Attn: Doug Letch

FROM: *JB*
Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Amends AS 44.27.050 to conform the description of the identification seal duties of the Alaska State Council on the Arts to the changes made in this bill.

Section 2. Amends the list of unfair trade practices in the state's unfair trade practices act to add the identification seal conduct prohibited under AS 45.65.055.

Section 3. Amends the criteria that determine who may obtain an identification seal. Amends the criteria that determine which articles the seal may be affixed to.

Section 4. Amends the description of the responsibility of the Alaska State Council on the Arts relating to identification seals. Conforms the language to other changes made in this bill and adds fee collection responsibility.

Section 5. Amends AS 45.65.030(a) to conform to other changes made in this bill and to require that a space, rather than a blank line, be included for the artist's name and the place of origin of the article.

Section 6. Amends AS 45.65.040(a) to remove the reference to an agent in order to reflect that a permit can only be issued by the Alaska State Council on the Arts.

Section 7. Amends AS 45.65.040(d) to require the Alaska State Council on the Arts to determine whether a person is eligible for the permit, as well as whether an article is eligible for an identification seal. Deletes the reference to an agent.

Senator Gary Stevens

March 5, 2007

Page 2

Section 8. Amends AS 45.65.040(e) to allow a person to report an identification seal violation and to delete the reference to agents.

Section 9. Adds a new section that describes the conduct that is prohibited when dealing with identification seals.

Section 10. Amends AS 45.65.060(a) to refer to the new sec. 45.65.055 (prohibited conduct) to describe what will be considered a misdemeanor with regard to identification seals. Adds a definition of "knowingly" and deletes "willfully."

Section 11. Amends AS 45.65.060(c) to conform the language to other changes made in the Act.

Section 12. Amends the definition to define "authentic Alaska Native art" as art that is created or crafted by an Alaska Native person.

Section 13. Amends the definition section to add definitions of "Alaska Native person," "art," "identification seal," "original," and "recognized Alaska tribe."

Section 14. Repeals certain provisions of AS 45.65.

If I may be of further assistance, please advise.

TLB:ljw

07-109.ljw

The integrity of the Silver Hand Program depends on the permit holders using the tags and labels in accordance with AS 45.65.010-45.65.070 and 3AAC 58.005-.900.

Unlawful use of the Silver Hand identification should be reported to ASCA immediately.

DEFINITIONS

"Authentic Native handicraft": an article made in the state, which is composed wholly, or in significant part, of natural materials, and which is produced, decorated or fashioned by an Alaska Native.

"Native": a resident having not less than one-quarter Eskimo, Aleut, or Indian blood. (American Indians whose tribes are Indian to other states are not eligible for this prog

"Natural material": material produced or existing in nature, not artificial or manufactured, and derived from lands, plants, animals or other natural resources.

"State resident" (AS43.23.095) means an individual who is physically present in the state with the intent to remain indefinitely in the state under the requirements of AS 1.10.055.

PENALTIES FOR MISUSE OF THE SILVER HAND IDENTIFICATION LABEL OR PERMIT

Sec. 45.65.060.

- (a) A person who knowingly or willfully issues the document for or affixes or attaches the identification label provided for in this chapter to an article, knowing that it is not an authentic Native handicraft, is guilty of a class B misdemeanor.
- (b) A person who knowingly or willfully sells or offers for sale an article with the label affixed or attached, knowing that it is not an authentic Native handicraft, is guilty of a class B misdemeanor.
- (c) A person who knowingly or willfully alters, changes, or counterfeits an identification label or emblem, is guilty of a class B misdemeanor.
- (d) A person who has been issued a permit under AS 45.65.030(a) is guilty of a class B misdemeanor if the person knowingly or willfully issues a permit for an article that is not an authentic Alaska Native Handicraft.

REVOCAION AND DEBARMENT

Sec. 3 AAC 58.075

(a) The permit of a person authorized to use the Silver Hand label or the Made In Alaska emblem or to act as an agent for either the Silver Hand or the Made In Alaska program who is convicted of an offense under AS 45.65.060 is automatically revoked on the date of the conviction.

(b) Any person who is convicted of an offense under AS 45.65.060 is barred from any further participation in either the Silver Hand or the Made in Alaska program.

(c) After notice and opportunity for hearing, the Council will, in the Council's discretion, revoke a permit for failure to comply with the requirements of AS 45.65.010 – 45.65.070 including the payment of fees, and this chapter.

TO DOWNLOAD AN APPLICATION

Go to the ASCA website www.eed.state.ak.us to download and application to fill out by hand.

FOR MORE INFORMATION

Please direct questions concerning the Silver Hand Permit Program to ASCA. Alaskan artists may also be eligible for the Made in Alaska Program. For more information on Made in Alaska call 907/272-5634.

SILVER HAND PERMIT APPLICATION



ALASKA STATE COUNCIL ON THE ARTS
411 West 4th Avenue, Suite 1E
Anchorage, Alaska 99501-2343
Tel: (907)269-6610
Fax: (907)269-6601
Toll Free in Alaska: 1-888-278-7424
TTY: 1-800-770-8973
Email: aksca_info@eed.state.ak.us
Website: www.eed.state.ak.us/aksca

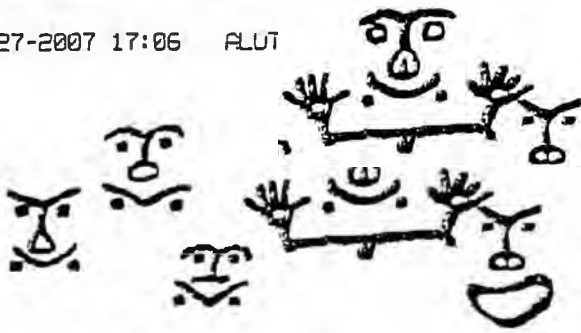
SILVER HAND - SB 97



This symbol is your guarantee that this is a genuine article, made in Alaska, handcrafted and finished by an Alaska Native artist or craftsman.

Artist
Origin
Permit No.





Alutiiq Museum and Archaeological Repository

215 Mission Road, Suite 101, Kodiak, Alaska 99615

(907) 486-7004 Fax: (907) 486-7048 www.alutiiqmuseum.com

Senator Gary Stevens
Legislative Session Contact
State Capitol, Room 103
Juneau, AK 99801-1182

February 27, 2007

Dear Senator Gary Stevens,

I am writing to express my sincere support for SB97. This proposed draft statutes reflects an exhaustive survey, many discussions, and testimony's by Alaska Native artists about their needs in supporting and protecting Alaskan Native arts. SB97 language represents years of primary stakeholder feedback in the only state endorsed Alaska Native arts authentication program, the Silver Hand. With no cost to the state, SB97 accomplishes many critical objectives in serving a statewide constituency.

This bill establishes a relationship between Silver Hand permit holders and the Alaska State Council on the Arts, the program's administering state agency. The bill links the Silver Hand permit program to State of Alaska consumer protection and fair trade law. It also helps to strengthen agency enforcement capability's and clarifies consumer and permit holder protections. SB97 expands economic and creative opportunities for artists by including contemporary Alaska Native artists as important constituents served by the permit program. The bill allows Alaska Native artists to use all material deemed important in the creation of their art and clarifies eligible visual art mediums.

SB97 also enables Federally recognized Alaska Native Tribes to identify eligible permit holders. SB97 aligns with Federal language established in the Indian Arts and Crafts Act of 1990. SB97 empowers the state to promote and protect Silver Hand permit holders who's work represents a very significant, yet quiet, contribution to statewide commerce.

I want to thank you for updating the statutes with SB97. While this may seem like a very small act it will help the Alaska State Council on the Arts support and protect Alaska Native Artists artwork.

Quyanaasinaq, "thank you very much"

Sven Haakanson Jr., Ph.D.
Executive Director
Alutiiq Museum

Perry R Eaton
12000 Shenandoah Road
Anchorage Alaska 99516
(907) 345- 0281

Senator Gary Stevens
State Capitol, Room 103
Juneau, Alaska 99801
By fax: (9097) 465-3517

March 1, 2007

Dear Senator Stevens,

Gary, this is just a short note to let you know that I am 110% in support of SB97; the "modernization" of the Silver Hand program. What you have in front of you is the result of very diligent and solid work on the part of the Alaska State Council on the Arts in collaboration with the states Native artists. The revisions bring to the program the opportunity to be much more effective and responsive to the needs of today's Native artist, while adding no financial burden to the state.

Of all the changes proposed, I am particularly pleased with the fact that the Federally Recognized Tribes identify the eligible participants. This eliminates any specter of paternalism, removes a large administrative burden from staff, and builds on synergistic activities of other Federal and State programs and organizations.

All in all, it's a great piece of work and I strongly encourage your support to move the bill.

Perry R Eaton

110 Nicholoff Way
P.O. Box 322
Cordova Alaska 99574



ph 907.424.7903 fax 907.424.3018

Museum and Gift Gallery of the Prince William Sound, Copper River Delta and Gulf of Alaska Natives

Senator Gary Stevens
Legislative Session Contact:
State Capitol, Room 103
Juneau, AK 99801-1182
907-465-4925
fax: 907-465-3517

March 2, 2007

Dear Senator Gary Stevens,

As Director of a federally recognized tribe's Cultural Center, I would like to express my support for SB97. This is a much needed update to the respected Silver Hand program.

Our cultural center's mission is to preserve our heritage through teaching and exhibiting traditional art and skills. We accomplish this through traditional art and skills classes and the gift shop which provides a sales venue for quality produced pieces. The silver hand program has been valuable to us as authentication of our tribal artists and to help us identify the work of other native artists throughout the state. We are very aware of the confusion deceptive marketing and sales practices can create around Native-made arts and crafts and support every effort to protect authentic Alaska native art.

As a member of the Museums Alaska board of directors, I have been aware of the statewide need for revisions and some of the tremendous amount of work that has gone into these recommendations for revision through SB97. I strongly urge you to see this bill through.

Quana (Thank you!)

LaRue Barnes
Director Ilanka Cultural Center

2



Senator Gary Stevens
 State Capitol, Room 103
 Juneau, AK 99801-1182

March 5, 2007

Dear Senator Stevens,

I am writing in support of Senate Bill SB97 that would introduce modernizations to the Silver Hand Program and which represents a thorough analysis and synthesis of needs voiced by Alaska Native artists and the expertise of Alaska State Council on the Arts. The comprehensive and collaborative nature of the revisions ensures that proposed changes will increase the both the effectiveness of the Program and the degree to which it serves Alaska Native artists. At the same time, the revisions, particularly the strengthened enforcement of the Program, will improve the economic welfare of the artists and their families, while improving their economic contribution to the state.

Sincerely,

Dawn Biddison
 Assistant Curator
 Smithsonian Arctic Studies Center
 Alaska Regional Office
 121 W. 7th Ave.
 Anchorage, AK 99501
 Tel: 907-343-6131
 Fax: 907-343-6130
 biddisondd@ci.anchorage.ak.us

ARCTIC STUDIES CENTER
 Department of Anthropology
 10th and Constitution N.W.
 Washington DC 20560-0112
 (202) 357-2682 Telephone
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Smithsonian
 National Museum of Natural History

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NORTH SLOPE BOROUGH

PLANNING DEPARTMENT

Inupiat Heritage Center
5421 North Star Street
PO Box 69
(907) 852-0422
(907) 852-4224 Fax
(907) 852-4594



March 5, 2007

Senator Gary Stevens
State Capitol, Room 103
Juneau, Alaska 99801

Dear Senator Stevens:

I am writing to express my support for SB97, a bill which links the Silver Hand permit program to the State of Alaska consumer protection and fair trade law.

Passage of this bill is extremely important as it will help strengthen agency enforcement capability and clarify consumer and permit holder protection. This bill will also help expand economic and creative opportunities for Alaska Native artists. Most importantly SB97 will help align with Federal language established in the Indian Arts and Crafts Act of 1990 and empower the state to promote and protect Silver hand permit holders.

Alaska Natives contribute significantly to statewide commerce and I strongly encourage your support to move the bill. Quyanaq.

Sincerely,

Dorcas Stein, Coordinator
Inupiat Heritage Center

cc: Commissioners, Inupiat History, Language and Culture, North Slope Borough

March 6, 2007

Senator Gary Stevens
Legislative Session Contact:
State Capitol, Room 103
Juneau, AK 99801-1182
907-465-4925
fax: 907-465-3517

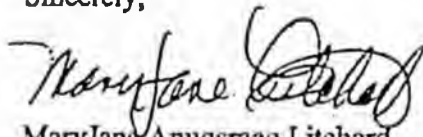
Dear Senator Gary Stevens,

The Bering Strait Inuit Council (BSIC) is highly supportive of SB97, which would help modernize the Silver Hand Program. Our small group supports regional artists in the Northwest Territory of Alaska for the survival of unique art forms to continue for future generations. BSIC has members who are federally recognized as indigenous groups. Silver Hand Members include Siberian Yupik, Yupik and Inupiaq artists from our region.

Our regional indigenous artists depend on this program to prove the authenticity of their handmade products. We desperately need to be protected from unauthorized imitations of our style of art. Our art helps to connect us to our cultural roots of successful survival in this northern hemisphere. Our ancestors struggled throughout the winter months yet created unique carvings that linked them to spiritual survival. We still depend on subsistence activities, and the arts and crafts we create for economic development. With the continuing rising costs of modern living and the threats of coastal erosions, our artists need this protection from this proposed bill.

We look forward to working with the Alaska State Council on the Arts to bring this program into the 21st century.

Sincerely,



MaryJane Anuqsraaq Litchard
President
Bering Strait Inuit Council
P.O. Box 948
Nome, Alaska 99762
(907) 443-4248
(907) 443-4449

ALASKA
NATIVE
HERITAGE
CENTER

March 6, 2007

Senator Gary Stevens
State Capitol, Room 103
Juneau, AK 99801-1182

fax: 907-465-3517

Dear Senator Stevens:


We at the Alaska Native Heritage Center are in full support of SB97. This bill is based on surveys, discussions, and testimony in the Alaska Native arts community and builds upon a Native Artists Summit held at AFN in October 2007. At no cost to the state, SB97 accomplishes many critical objectives in serving artists statewide.

Among the bill's strengths:

- It establishes a relationship between Silver Hand permit holders and the Alaska State Council on the Arts, who administers the program.
- Critically important, it links the Silver Hand permit program to State of Alaska consumer protection and fair trade laws.
- It expands the definition of Native art to include contemporary works, which constitute a huge contribution to our state's economy and culture.
- It allows Alaska Native artists to use all materials – not just those termed "traditional" that are important in the creation of their art.
- It aligns with Federal language established in the Indian Arts and Crafts Act of 1990.
- Most importantly, it serves the needs of Alaska Native artists throughout the state.

I join many others in the Native community in support of this bill and thank you for your support as well.

Chin'an ("Thank you"),


Jonathan Ross, MBA
President and CEO

From: gary murphy [eskimogary@hotmail.com]
Sent: Friday, March 02, 2007 7:34 PM
To: Sen. Gary Stevens
Subject: Support Bill SB97

Senator Stevens, Please support Bill97 . I am a Alaskan Native artist and fully support bill SB97. Sincerely Yours Gary R. Murphy

From: Sen. Gary Stevens
Sent: Wednesday, March 07, 2007 9:10 AM
To: Tim Lamkin
Subject: FW: SB97 Silver Hand retooling

-----Original Message-----

From: Teri Rofkar [mailto:ravenart@gci.net]
Sent: Tuesday, March 06, 2007 9:51 PM
To: Sen. Gary Stevens; Saunders McNeill; Charlotte Fox
Subject: SB97 Silver Hand retooling

Hello Gary Stevens,

Thank you for sponsoring this bill to retool the Silver Hand program. As a full time Native Artist, I am delighted to see some updated laws to fuel an economic opportunity throughout the state of Alaska. Money earned through the Native Arts most of the time contributes to a healthier financial profile for small villages, as well as the larger tourist hubs. I sat on the ASAC task force, and we are intentionally moving away from authenticating the art, which is vague and hard to enforce... while we move toward authenticating the Artists, by using existing protocols.

Streamlining the authentication process will help as we work towards tackling the big problem of counterfeit native art. A bill like this will bring us in line with Federal Laws. A recent article in AARP said that "up to half of the Native Crafts (sold in the US) are counterfeit"

stated Jill Moran, of the US Dept. of the Interior Indian Arts and Crafts Board... This problem is a national issue, and Alaskans, because of our self sufficient and CAN DO attitude are a front runner in finding creative solutions. The Silver Hand program is part of that solution.

Thank you again for taking the first step.

Gunalcheesh, Ho, Ho,

Teri Rofkar
820 Charles St.
Sitka, AK 99835

From: Gale Parsons [mailto:gparsons@prattmuseum.org]
Sent: Wednesday, March 07, 2007 11:16 AM
To: Sen. Gary Stevens
Subject: Senate Bill SB97

7 March 2007

Dear Senator Stevens and Representative LeDoux,

Thank you for crafting Senate Bill (SB97) and companion House Bill (HB161) to update the Silver Hand program statutes. The proposed changes represent long requested and important improvements to this program for Alaska Native artists. As an artist and Exhibits Director of the Pratt Museum in Homer I have been aware of the program, its importance and inadequacies since arriving in Alaska 28 years ago or since the beginning of the program. I have worked closely with Alaska Native artists through my work at the Pratt beginning in 1995 and understand the frustrations outlined in the comments below that the Bills address.

1. Establish a primary service relationship between Silver Hand artists and the Alaska State Council on the Arts. The agent arm of the permit program will be removed.
2. Strengthen enforcement capability by linking Silver Hand statues to Alaska consumer protection and fair trade practices statutes. Civil penalties for the misuse of the Silver Hand emblem will be added. Aligns with Federal language established in the Indian Arts and Crafts Act of 1990.
3. Expand economic and creative opportunities by including contemporary Alaska Native artists and the materials deemed important in the creation of their. The statutes expand the definitions section and define eligible visual art mediums.
4. Enable Federally recognized Alaska Native Tribes and ANCSA to identify eligible permit holders. Reference to blood quantum will be removed.
5. Empowers the state to promote and protect Silver Hand permit artists who's work represents a very significant economic contribution to the state.

Thank you for addressing this need.

Sincerely,

Gale Parsons

Gale Parsons, Director of Exhibits
Pratt Museum
3779 Bartlett Street
Homer, AK 99603
907-235-8635 x 36

From: Vera Crews [mailto:consult@veracrews.com]
Sent: Wednesday, March 07, 2007 1:52 PM
To: Sen. Gary Stevens
Subject: SB167

Please support SB 167 – which is meeting at the same time as I'm writing this, I think
it should accomplish these things:

1. Establish a primary service relationship between Silver Hand artists and the Alaska State Council on the Arts. The agent arm of the permit program will be removed.
2. Strengthen enforcement capability by linking Silver Hand statues to Alaska consumer protection and fair trade practices statutes. Civil penalties for the misuse of the Silver Hand emblem will be added. Aligns with Federal language established in the Indian Arts and Crafts Act of 1990.
3. Expand economic and creative opportunities by including contemporary Alaska Native artists and the materials deemed important in the creation of their. The statutes expand the definitions section and define eligible visual art mediums.
4. Enable Federally recognized Alaska Native Tribes and ANCSA to identify eligible permit holders. Reference to blood quantum will be removed.
5. Empowers the state to promote and protect Silver Hand permit artists who's work represents a very significant economic contribution to the state.

Thanks you,
Vera Crews, Anchorage
Alaska State Council on the Arts