

ALASKA LEGISLATURE COMMITTEE FILES 1983-1984 86/2

2335 SHESS SB 158 (FILE 1) - SB 160

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT

Levy  
4/21/83

Original sponsor: Kerttula by request

Funding Information

General Fund	\$274,000
Other Funds	-0-
	<u>\$274,000</u>

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 99 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Office of the Governor, division of elections; and  
8 providing for an effective date."

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

10 \* Section 1. The sum of \$274,000 is appropriated from the general fund  
11 to the Office of the Governor to pay for increased fiscal year 1983 operat-  
12 ing costs in the division of elections.

13 \* Sec. 2. The unexpended and unobligated portion of the appropriation  
14 made by this Act lapses into the general fund June 30, 1983.

15 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
16 10.070(c).

18 *Don't include this  
19 money in SB 158.*

20 *Came out of committee  
21 today.*

22 *Nancy*  
23 *10:15 am*

## ATTACHMENT A

Obligations

100	Personal Services	-0-	-0-
200	Travel	-0-	-0-
300	Contractual Services		94,300
	Bills in hand on 2-2-82	30,287	
	Bills in suspense-Fiscal	3,000	
	Outstanding contracts		
	Dave George & Assoc.	29,000	
	Dave George & Assoc.	12,000	
	Diamond International	10,000	
	*Misc. unanticipated expenses	10,000	
400	Commodities		3,600
	Bills in hand	3,500	
	Bills in suspense-Fiscal	100	
500	Equipment		<u>11,700</u>
	Bills in hand	11,700	
	"		
	.TOTAL OBLIGATIONS		<u><u>109,600</u></u>

\*Other: 10,000 in miscellaneous unanticipated expenses has been added into the 300 Contractual Services Category.

ATTACHMENT B

STATE OF ALASKA

DIVISION OF ELECTIONS  
POUCH AF  
JUNEAU, ALASKA 99811-9974

**OFFICE OF THE GOVERNOR**

PHONE (907) 586-6181

M E M O R A N D U M

DATE: February 4, 1983

TO: Pete McDowell  
Director  
Office of Management & Budget

THROUGH: Stephen McAlpine  
Lieutenant Governor

FROM: Mary Lou Meiners  
Director of Elections

After a thorough analysis of the current financial situation in the Division of Elections, it is apparent that a supplemental appropriation will be required to allow day-to-day operation of this division in the immediate future.

It appears that we will be facing a deficit of approximately \$326,900 by June 30, 1983. The Lieutenant Governor has been apprised of this deficit. He has analyzed the situation and is in complete support of this supplemental request.

This deficit was caused by a number of factors, the foremost being fiscal irresponsibility on the part of the division's previous director and deputy director. The preparation of the FY 83 budget occurs approximately one year before the 1982 elections. In budgetary planning, several vital election operations were not considered.

Approximately \$191,000 was committed for services necessary for the successful conduction of elections, without regard to the lack of funding for those services. This \$191,000 includes \$141,000 of data processing expenses, an expenditure of \$40,000 for audits of the election programs, and \$10,000 for various expenses including the programming of the back-up vote counting equipment utilized by the Fairbanks election districts.

The Official Election Pamphlet is produced by the Division of Elections, and although careful consideration was taken in estimating its cost of production, the costs came to

Pete McDowell  
February 4, 1983  
Page 2

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FEB 4 1983

LT. GOV'S OFFICE

\$53,000 over the budgeted amount. Two factors which contributed to this deficit were the cost overruns by the printers of the pamphlet and the unforeseen necessity to print an additional pamphlet due to the reapportionment of the State into 27 election districts.

The remaining shortfall was caused by the record turnout in both the Primary and General Elections, as well as the unprecedented registration activity. All costs required to conduct an election were increased by this unanticipated participation of the electorate.

The Division currently has a number of commitments to various vendors throughout the State. The majority of these expenses resulted from the General Election and as yet have not been paid.

In addition, there are three contracts that have not yet been paid. Currently, these contracts are being reviewed. The majority of the work has been completed on these contracts with the exception of a vital, ongoing maintenance contract. This maintenance contract with David George & Associates is absolutely necessary to provide all backup for voter registration and other pertinent data information on voters throughout the State.

In anticipating the needs of the Division for the remaining months of this fiscal year, we deem the expenditures requested in the FY 83 supplemental request necessary.

The overexpenditures caused by insufficient budgetary planning for the elections will preclude the implementation of the planned vote-counting automation of several larger Alaskan communities, unless this supplemental budget request is approved.

The FY 83 budget included appropriations for the purchase of eight PEPs units - micro-computers capable of automating areas of the state which presently use hand-marked ballots. It also included funds to purchase 315 ballot punches for use in those areas. To date, only 2 of the units have been purchased.

The conversion to computer ballots for the communities of Kenai, Valdez, Palmer, Kodiak, Sitka and Ketchikan remains one of the Division's highest priorities. The conversion must occur in this fiscal year if the municipalities are to

Pete McDowell  
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change their election procedures and ordinances, and have an opportunity to use the system prior to the 1984 statewide elections. All travel, contractual services and equipment purchases relating to this conversion are considered in this supplemental request.

This supplemental appropriation is necessary for the maintenance of day-to-day operation of the division; and also provides for the improvement of our current vote counting methods in preparation for the 1984 statewide elections.

SUPPLEMENTAL APPROPRIATION

\$ 663.3	Anticipated Expenditures 2/1/83 - 6/30'83
* -442.9	Less (100) Personal Services
220.4	Anticipated Expenditures in budget categories 200 - 500
+109.6	Obligations as of 1/31/83
330.0	Total deficit <i>of + anticipated excess</i>
-274.0	Supplemental requested
56.0	Deficit in budget categories 200 - 500
- 52.9	Transfer of excess from (100) Personal Services
3.1	
- 2.9	Less monies available on 1/31/83 in 200 - 500
\$ .2	Rounding error

---

\* As of 1/31/83 we had \$442.9 remaining in the (100) Personal Services Category. When we originally requested a supplemental, (of \$326.9) a salary projection had not been completed. When Office of Management and Budget completed the projection it showed an excess of \$52.9. Our original request of \$326.9 was then reduced to \$274.0. As soon as we receive the supplemental, the \$52.9 will be transferred into the (300) Contractual Services category to offset the difference.

PRIMARY AND GENERAL ELECTION FIGURES

\*FY 82 and FY83

	<u>PRIMARY</u>	<u>GENERAL</u>
100 Personal Services	\$ 258,205	\$ 258,205
200 Travel and Moving	45,104	38,074
300 Contractual Services	965,955	1,273,223
400 Commodities	16,580	20,102
500 Equipment	<u>112,976</u>	<u>92,933</u>
Total Each Election	\$1,398,820 ÷ 139,133 voters \$ 10.05 per vote	\$1,682,537 ÷ 179,558 voters \$ 9.44 per vote
TOTAL PRIMARY AND GENERAL		\$3,081,357

\*FY 82 figures which were coded 220 and 230 (Primary and General election) were included in the above figures.

Note: \$98,000 was incorrectly coded to Reapportionment on Current Year Authorizations. This figure has been divided between the Primary and General Election in the above figures since it is a data processing charge from David George and Associates.

All bills from Xerox for telecopiers have not yet been received. They are estimated under Equipment.

Anticipated Expenditures  
2/1/83 - 6/30/83

100	<u>Personal Services</u>	<u>442.9</u>
200	<u>Travel</u>	<u>14.8</u>
	1. <u>Director to field offices</u>	
	<u>Juneau to Nome-Anch-Fbx-</u>	
	Juneau, air fare	800
	4 days per diem X \$80	360
		1,160
	2. <u>Supervisors meeting in Juneau</u>	
	<u>Nome-Juneau-Nome X 1 person</u>	632
	Anch-Juneau-Anch X 2	800
	Fbx-Juneau-Fbx X 2	800
	4 days per diem X 5 X \$80	1,600
		3,832
	3. <u>Field Travel-trips to precincts</u>	
	<u>with specific election board</u>	
	<u>problems; trips for director to</u>	
	<u>the regional offices as needed.</u>	
	10 trips X \$400	4,000
	3 days X 10 trips X \$80	2,400
		6,400
	4. <u>PEPS Training &amp; Orientation</u>	
	<u>Juneau-Anch-Kodiak-Anch-</u>	
	Juneau X 2 X \$570	1,140
	Anch-Kodiak-Anch X 1	190
	3 days X 2 X \$80	480
		1,810
	<u>Transportation-driving</u>	140
	Anch-Kenai-Anch	140
	Anch-Mat-Su-Anch	
	Anch-Valdez-Anch	
	<u>Juneau-Ketchikan-Juneau</u>	
	3 people X \$164	492
	3 X 1 day X \$80	240
		732
	<u>Juneau-Sitka-Juneau</u>	
	3 X \$164	492
	3 X 1 X \$80	240
		732
300	<u>Contractual Services</u>	<u>90.6</u>
310	<u>Communications</u>	
	<u>Zenith numbers</u>	
	\$244/mo. X 6 mo. X 4 numbers	5,856
	<u>Long distance-based on average</u>	
	\$3113/mo. X 6 mo.	18,678

	<u>Local phones</u>	
	\$200/mo. X 6 mo. X 4 offices	4,000
	<u>Postage</u>	
	\$5688/mo. X 6 mo.	34,128
	(includes mailing of purge notifications and voter cards).	
	Total 310 Communications	62,622
320	Printing and Advertising	
	<u>Ballot and Notice Printings</u>	
	\$100 X 2 ballots (simple question)	200
	\$300 X 4 ballots (multi candidate)	1,200
	\$100 X 4 notices (multi-precinct election)	400
	<u>Misc. printing costs</u>	500
	<u>Advertising</u>	
	Required advertising for 6 elections	
	Position vacancy notices	
	Regulations and precinct changes	2,000
	Total 320 Printing and Advertising	4,300
345	Service Agreements	
	Pitney Bowes	340
	Xerox	972
	IBM	1,140
	Total 345 Service Agreements	2,500
360	Equipment Rental	
	IBM	5,430
	Pitney Bowes	1,117
	Copiers	3,090
	Total 360 Equipment Rental	9,640
390	Contractual Services	
	<u>399 Payments to election boards for 6 elections</u>	
	\$893 X 6	5,358
	<u>Registrar payments</u>	
	2000 changes/mo. X 6 X .50¢	6,000
	Total 390	11,358

\*397 Anticipated freight charges were inadvertently left out of anticipated expenses.

400	<u>Commodities</u> \$200/mo. X 4 offices X 5 mo.	<u>4.0</u>
500	<u>Equipment</u> <u>PEPS units</u> -micro-computers for ballot counting. 6 units X \$10,000/unit 60,000 <u>Ballot punches</u> for PEPS precincts 315 punches X \$155 48,825 IBM Dictating Equipment 2,100 Hill-Donnelly Street Cross Ref. 64	<u>111.0</u>
	Total Anticipated Expenditures 2/1/83-6/30/83	<u><u>663.3</u></u>

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT.

SENATE AMENDMENT

BY MOSS \_\_\_\_\_

To: \_\_\_\_\_ SENATE BILL No. 158 \_\_\_\_\_

To: \_\_\_\_\_ HOUSE BILL No. \_\_\_\_\_

PAGE:

LINE:

Chapter 10, SLA 1983, page 10, line 8 is amended to read:

Glennallen [COPPER CENTER] Legislative Information Office 138,000

A M E N D M E N T

Offered in the SENATE

By Moss

TO: SB 158

Page 7, after line 25:

Insert the following new sections:

"\* Sec. 40. Section 4, ch. 25, SLA 1982, page 11, line 10 is amended to read:

Delta II expansion (ED 19)

ALLOCATIONS

2,200,000

[3,800,000]

\* Sec. 41. The sum of \$1,350,000 is appropriated from the general fund for payment as a grant to the City of Nenana for phase II construction of the Nenana River Bridge.

\* Sec. 42. The sum of \$250,000 is appropriated from the general fund to the Department of Natural Resources for land survey and disposal in the Nenana - Totchaket agricultural development project.

\* Sec. 43. Section 1, ch. 139, SLA 1982 is repealed.

\* Sec. 44. The sum of \$1,622,800 is appropriated from the general fund for payment as a grant to the City of Nenana for right-of-way and construction of the Little Nenana River Bridge, the East Middle River Bridge, and the West Middle River Bridge in the Nenana - Totchaket agricultural development project."

Renumber remaining sections accordingly.

Page 7, lines 26 - 27:

Delete: "appropriation made in sec. 2 of this Act lapses" and

Insert: "appropriations made in secs. 2 and 42 of this Act lapse"

# STATE OF ALASKA

## OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET  
DIVISION OF BUDGET REVIEW

BILL SHEFFIELD, GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3568

April 21, 1983

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APR 21 1983

The Honorable Joe Josephson  
Chairman, Senate Health, Education  
and Social Services Committee  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Josephson,

Dear Senator Josephson:

This memorandum responds to the questions raised by the Committee on April 15, 1983, regarding sections within SB 158. Please let me know if you have any additional questions. Due to the urgent need for these supplemental appropriations, as exemplified by the testimony at the April 15th hearing by the Division of Elections, prompt passage of SB 158 is requested.

### SECTION 9:

HAS CAPITAL FUNDING BEEN REQUESTED FOR ALASKA PSYCHIATRIC INSTITUTE (API) SECURITY ITEMS IDENTIFIED BY THE API TASK FORCE? WHAT RELATED SECURITY MODIFICATIONS HAVE BEEN MADE?

An annual capital request is made for API for repair and renovations, including such security items.

Many modifications have been made to API in FY 83, both in response to the Task Force recommendations, and in response to the decision to keep the "not guilty by reason of insanity" and the "guilty but mentally ill" (defined in SB 535 last year) at API rather than in a special mental health treatment facility. At API, fences have been put in, the viewing ports have been modified, a gate has been installed in the entry way, and phones have been put in elevators.

April 21, 1983

In response to Task Force recommendations, a separate entrance was built and a sensing system installed at Hiland Mountain Correctional Center. Plans had been made to completely convert the Hiland Mountain facility into a mental health treatment facility; however, since clients normally associated with the criminal justice system will remain at API, work on these plans has been halted.

Other recommendations for API, such as replacing security windows, and remodeling the Special Treatment Program (STP) and the Psychiatric Security Unit (PSU) have been requested for FY 84. However, other task force recommendations such as installation of an emergency transmitting paging system have not been requested due to extremely high costs.

HAS THE ADMINISTRATION LOOKED INTO THE ISSUE OF CONTRACTING OUT API?

The Department has not made an in-depth study of contracting out API due to some unique characteristics of the population at this institution. For example, patients are more disorderly and because of this not readily acceptable, due to higher security needs, at other private institutions. Attempts have been made for the past three years to encourage local hospitals to establish designated beds so that patients could be cared for and receive services in their local home environment. The Department of Health and Social Services (DHSS) has met with no success; no hospital in the Juneau, Fairbanks or Anchorage area has indicated a desire to set aside such beds.

Also, a comparison of institutional costs shows that costs per bed in a private institution would be approximately \$400 per bed, while costs at API are approximately \$200 per bed.

In addition to the above, certain legal issues have yet to be addressed, such as the State's responsibility to patients in its custody, insurance that services would be provided to all classes of clients, and the issue of removing approximately 300 positions out of union representation. For the above reasons, DHSS has not further investigated contracting out API.

SECTION 11:

DO UNUSED FEDERAL FUNDS LAPSE INTO THE GENERAL FUND? WHY ARE WE REIMBURSING THE FEDERAL GOVERNMENT OUT OF THE GENERAL FUND?

The Division of Finance has stated that any non-continuing federal funds actually received during the year, but which are unused, lapse into the general fund at the end of the fiscal year. Also, since these monies lapse into the general fund, general fund monies are used to reimburse the Federal government.

SECTION 14.

The Department, due to the current status of SB 158, and given the fact that only two months remain in the year, has decided to withdraw this request for FY 83. Funding for the program is included in the Governor's amended FY 84 operating budget.

The \$250,000 included in the Governor's amended FY 84 operating budget will provide technical assistance to placer mining operators in developing sound management and mining practices, and will help to reduce the large backlog of unrecorded mining claims on State lands.

SECTION 17:

WHAT IS THE STATUS OF "20 AND OUT?" HOW IS THE ADMINISTRATION DEALING WITH THE "20 AND OUT" ISSUE?

Senator Bennett plans to introduce a bill that will remove the Department of Fish and Game from the retirement program. The Administration is currently waiting to review the bill introduced by Senator Bennett.

SECTION 18:

WHY IS THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES' REQUEST NECESSARY?

Upon reconsideration, this request has been withdrawn due to the Administration's concern that the accumulated funds in the Highway Working Capital Fund (HWCF) are excessive. This decision is consistent with a decision made subsequent to the introduction of SB 158 to reduce the Fund over a period of four years, which is reflected in a \$6.3 million reduction to the Fund in the Governor's amended FY 84 operating budget.

SECTION 19:

## WHY IS THE COUNCIL ON ECONOMIC POLICY'S SURVEY OF ECONOMIC AND DEMOGRAPHIC INFORMATION BEING REDUCED?

The \$350,000 was specifically allocated to the Council to develop a program designed to survey the cross-sections of Alaska's population affected by State programs. It was added to the Council's FY 83 budget by the Senate. Since the Council lacked adequate staff to perform this function, the funds were transferred to the then Division of Budget and Management by RP830-156X on November 8, 1982. Budget and Management issued an RFP and the Proposal Evaluation Committee ranked highest the proposal submitted by the Institute for Social and Economic Research (ISER). When the new Administration took office, it put a hold on the project and thus a contract was not awarded.

Based on the Transition Team recommendation, this Administration reviewed the project and concluded that as its objectives were not sharply defined, and that as a result the survey data were likely to be irrelevant to specific public policy issues and State program problems.

We believe that a revision of the scope of the original project would permit problem-specific research to be designed that would be of importance to the Legislature and the Governor's Office. To accomplish this objective, the funds should be reappropriated. A new section should be added to SB 158 that appropriates \$350,000 for the purpose of assessing the need for, and socio-economic impacts of, selected operating and capital budget programs of the State.

Due to the lateness of the current fiscal year, the lapse date for this reappropriation should be extended to June 30, 1984. This will allow adequate time to complete the studies.

SECTION 22:

## DOES THIS REAPPROPRIATION ALLOW FOR SUFFICIENT FUNDING FOR THE FOUNDATION PROGRAM STUDY?

The \$134,000 reappropriated from Education Program Development represents a portion of \$560,000 appropriated for the initial phases of the Foundation Program Study. The Senate Finance Committee has indicated its desire to fund the first and second phase of this project, review the results, and then provide third phase funding. When questioned about the impact of the reappropriations, the Department of Education stated that money remaining in FY 83 is sufficient to provide for the first two phases of this study.

April 21, 1983

SECTION 25:

CAN DHS' IDENTIFY UNMET NEEDS FOR REAPPROPRIATED DOLLARS FOR PROGRAMS WITHIN THE DEPARTMENT?

Although Commissioner Smith appreciates the opportunity to respond to the Committee's concern regarding unmet funding needs within the Department, he feels that, at this late date in the fiscal year, the best approach would be to concentrate on one area of major need: the Catastrophic Illness Program. There are approximately \$4,000,000 in applications from catastrophic illness clients which are pending due to lack of funds.

SECTION 36:

HOW HAVE CHANGES IN FEDERAL ENTITLEMENTS AFFECTED WHAT WE ARE TRYING TO ACCOMPLISH WITH THE STATE TRAINING PROGRAM?


Changes in Federal entitlements have not affected the State training program.

Section 24 will need to be amended to reflect the following changes: withdrawal of Sections 14 and 18, and an adjustment to Section 19 which recommends an appropriation in the amount of \$350,000 for studies to replace the original allocation to the Council on Economic Policy. Section 24, line 9, should now read as follows:

Sec. 2. The sum of \$67,497,300 [73,500,000] is appropriated from

I hope this information has been of assistance to the Committee.

Sincerely,



Eugene A. Dusek  
Associate Director

*Cons. with  
deletion of  
PC. 5-6.*

*67 653 700*

dmc

cc: Committee Members

PROPOSED AMENDMENTS FOR SB 158 IN THE HESS COMMITTEE

1. FROM THE DEPARTMENT OF LAW:

SECTION \_\_\_\_\_ THE APPROPRIATION MADE IN SECTION 35, CH. 101, SLA 1982 IS NOT A ONE YEAR APPROPRIATION AND DOES NOT LAPSE IN ACCORDANCE WITH AS 37.25.010, NOTWITHSTANDING THE TERMS OF SECTION 78, CH. 101, SLA 1982.

2. FROM SENATOR ELIASON:

SECTION \_\_\_\_\_. SECTION 30, CHAPTER 82, SLA 1981, PAGE 114, LINE 4, IS AMENDED TO READ:

	APPROPRIATION ITEMS	GENERAL FUND
MOSQUITO LAKE SCHOOL AND TEACHER HOUSING DESIGN AND CONSTRUCTION AND SCHOOL RENOVATION PROJECTS	\$1,450,000	\$1,450,000

3. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES:

SECTION \_\_\_\_\_. SEC. 79, CH. 101, SLA 1982, BETWEEN LINES 19 AND 20, IS AMENDED BY ADDING THE FOLLOWING:

THE APPROPRIATION OF \$4,506,500 FOR SOCIAL SERVICES, FOSTER CARE, WILL NOT LAPSE UNTIL JUNE 30, 1984.

4. FROM SENATOR MOSS:

DELETE EXISTING SECTION 2 AND SUBSTITUTE:

SECTION 2. THE SUM OF \$350,000 IS APPROPRIATED FROM THE GENERAL FUND TO THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT, AGRICULTURAL ACTION COUNCIL, TO SUPPLEMENT THE FISCAL YEAR 1982 APPROPRIATION FOR LIVESTOCK FACILITY LOANS.

5. DELETE SECTION 40 AND SUBSTITUTE:

SECTION 40. SEC. 80, CH. 101, SLA 1982, PAGE 107, LINE 19 IS AMENDED TO READ:

	APPROPRIATION ITEM	GENERAL FUND
COPPER VALLEY COMMUNITY [DAY CARE] CENTER		

6. DELETE EXISTING SECTION 41 AND SUBSTITUTE:

	APPROPRIATION ITEM	GENERAL FUND
GLENALLEN - FIRE EQUIPMENT- PUMPER/TANKER [BULK FUEL STORAGE]	\$45,000	\$45,000

AMENDMENTS FOR SB 158 - PAGE 2

7. FROM THE MUNICIPALITY OF ANCHORAGE:

SECTION \_\_\_\_ . SECTION 30, CHAPTER 82, SLA 1981, LINES 18-21, IS AMENDED BY ADDING THE FOLLOWING:

ED 7-12 ANCHORAGE DOWNTOWN PARKING GARAGE (ED 7-12) [WITH 4TH AVENUE ON THE NORTH, 8TH AVENUE ON THE SOUTH, BARROW ON THE EAST AND D STREET ON THE WEST]	APPROPRIATION ITEMS 10,000,000	GENERAL FUND 10,000,000
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8. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES:

SECTION \_\_\_\_ . SEC. 3, CHAPTER 138, SLA 1982, PAGE 373, LINES 1-2, IS AMENDED TO READ:

BETHEL RECEIVING HOME (BETHEL)	95.00 [75.52]
BETHEL GROUP HOME (BETHEL)	95.00 [59.06]

SECTION \_\_\_\_ . SEC. 79, CH.101. SLA 1982, PAGE 30, LINE 25 IS AMENDED TO READ:

	APPROPRIATION ITEMS	GENERAL FUND
MEDICAL ASSISTANCE	64,740,100 [61,479,900]	37,334,700 [34,074,500]

SECTION \_\_\_\_ . SEC. 79, CH. 101, SLA 1982, PAGE 31, LINE 17 IS AMENDED TO READ:

	ALLOCATIONS
CATASTROPHIC	5,418,600 [2,158,400]

THE APPROPRIATION OF 5,418,600 FOR CATASTROPHIC, MEDICAL ASSISTANCE WILL NOT LAPSE UNTIL JUNE 30, 1984.

*These 2 sections add \$75.26 transfer to Cat. Assist*

Requested by the Rules Committee  
by Request of the Governor

"An Act making reappropriations and appropriation adjustments;  
and providing for an effective date."

\* Section 9. The sum of \$305,900 is appropriated from the general fund to the Department of Health and Social Services to pay for FY 83 increased staff support for the Alaska Psychiatric Institute.

This section provides funding to cover increased staffing costs associated with 10.5 FTE security staff and 7.0 FTE direct care staff for a total of 17.5 FTEs.

After an API patient killed four Anchorage teenagers last spring, the Office of the Governor appointed a task force to review operations at API. The task force produced a report making several recommendations regarding the appropriateness of utilizing API as a facility for the care and treatment of individuals from the criminal justice system, and the status of security within the institution.

The task force noted that API has experienced a significant increase in the workload and in the type of patients served over the past year. The Alaska Psychiatric Institute is required by court order to house both criminally and civilly committed patients. Many of these patients are considered dangerous. Based on the type of patients being housed and the status of existing security, the API was instructed to take measures to increase internal security until these dangerous patients could be moved to a more secure setting.

Temporary security staff were added immediately at API in response to the task force's orders, and staff were detailed to provide 24 hour security "sally port" control over the two units where criminally committed patients are in treatment. This action increased the API staff by 10.5 FTE positions, putting API in an overexpenditure pattern in personal services.

In addition, the Department of Health and Social Services wants to bring attention to the fact that for quite some time the patient load at API has been running at or above licensed capacity. While the Division of Mental Health and Developmental Disabilities and this Department are taking every possible management action to reduce and stabilize the patient population, it is obvious that we will be forced to operate at overcapacity status until a major change can take place, such as the transfer out of an entire unit's population.

This overcrowding, coupled with the trend toward more-difficult-to-manage patients, causes serious hands-on patient care staff shortages. Current authorized staffing patterns do not provide for extra staff persons to be available at times of extra demand

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for services, e.g. as when a highly suicidal patient requires 24 hour one-to-one attention or when overcrowding results in beds being placed in a hallway area. The Department is therefore requesting sufficient funding for an additional 7.0 FTE direct care staff. These additional staff persons represent the minimum complement necessary to cope with the delivery of direct care to the current API census with a reasonable degree of safety for staff and patients.

\* Sec. 10. The sum of \$250,000 is appropriated from the general fund to the Department of Health and Social Services to pay for FY 83 costs of establishing the Department of Corrections.

This section provides necessary funding to the Department of Health and Social Services to implement Executive Order No. 54 which would establish a Department of Corrections. Departmentalization of Corrections would: (1) ensure that Corrections is in fact a full partner in the criminal justice system; (2) enable the needs and problems of Corrections to be routinely presented to the Governor; (3) enable the agency to actively and effectively support its budget request throughout the administrative and legislative process; (4) provide continual professional guidance based on sound correctional experience, training, and management expertise in correctional systems from top departmental administrators; and (5) streamline the organizational structure for more effective correctional management.

\* Sec. 18. The sum of \$1,236,300 is appropriated from the general fund to pay miscellaneous claims, stale-dated warrants, and FY 82 obligations of the state, to be allocated as follows:

Department of Health and Social Services                      \$118,000

This section provides the Department with funds to pay prior year obligations for which the original appropriations have lapsed. Each bill was received too late to be paid out of the appropriate yearly authorization and since these bills are more than two years old they are eligible for inclusion in the Department's miscellaneous claims request.

\* Sec. 25. Section 79, ch. 101, SLA 1982, page 30, line 18, is amended to read:

	Appropriation Item	Appropriation Fund Sources	
		General Fund	Other Funds
Public Assistance Services	49,357,400 [55,677,800]	31,572,400 [34,832,600]	17,785,000 [20,845,200]

\* Sec. 26. Section 79, ch. 101, SLA 1982, page 30, lines 19-22, are amended to read:

Aid to Families with Dependent Children	<u>35,570,000</u>	[41,690,400]
Aid to the Blind	179,500	
Aid to the Disabled	7,118,800	
General Relief	<u>700,000</u>	[900,000]

Sections 25 and 26 reduce the Public Assistance Services appropriation by reducing both the Aid to Families with Dependent Children (AFDC) and the General Relief allocations. The FY 83 AFDC reduction resulted from a projected surplus balance of 6120.4 which will occur because actual monthly caseloads are lower than initially forecasted and budgeted.

It is believed the factors contributing to the lower caseload level are: 1) The Permanent Fund Dividend distribution program which provided sufficient resources to delay the decision of potential clients to apply for AFDC benefits, 2) AFDC program changes implemented in October, 1981, and 3) the Division of Public Assistance's home visit program.

It is estimated that the demand for FY 83 General Relief Assistance (GRA) services will fall 200.0 below the authorized level of funding, making these funds available for deletion. The rather restrictive eligibility standards in the GRA program, combined with the \$80/person payment limit in the form of vendor payment, have caused static program expenditure patterns.

\* Sec. 27. Section 14, ch. 139, SLA 1982, page 14, lines 11-14, are amended to read:

	Appropriation Item	Appropriation Fund Sources	
		General Fund	Other Funds
SB 842 Providing for Permanent Fund Divi- dends -- Appropriated to the Department of Health & Social Services.	10,955,300 <u>[12,866,500]</u>	10,897,000 <u>[12,798,200]</u>	68,300

This section deletes 1,901.2 in general funds from the Permanent Fund Dividend Hold Harmless program. Individuals found ineligible for public assistance because of federal law or regulations solely because of receiving the Dividend shall be eligible for assistance payment from the PFD Hold Harmless BRU for a period not to exceed four months. The projected surplus, which is deleted by this section, is attributed to the period of resource retention. The initial budget estimated 35% of the AFDC cases would be ineligible (in PFD hold harmless status) for a period of four months. Present caseload maintenance reports indicate that the actual number of AFDC cases remaining ineligible and in the PFD hold harmless status beyond the

first month is less than budgeted. Families receiving their PFD's are quickly spending their resource, resulting in their quick return to federal program eligibility and removal from the hold harmless program.

\* Sec. 38. Section 14, ch. 139, SLA 1982, page 3, lines 14-23, is amended to read:

\* Sec. 14. The following appropriation items...for the fiscal year beginning July 1, 1982 and ending June 30, 1983, except as otherwise noted in sec. 31 of this Act. The appropriation items contain...

\* Sec. 39. Chapter 139, SLA 1982 is amended by adding a new section to read:

\* Sec. 31. (a) Of the \$6,188,200 appropriated in sec. 14 of this Act at page 10, line 21, \$6,026,500 are for capital expenditures and do not lapse under AS 37.25.010.

(b) Of the \$1,597,000 appropriated in sec. 14 of this Act at page 11, line 18, \$897,000 are for capital expenditures and do not lapse under AS 37.25.010.

(c) Of the \$336,700 appropriated in sec. 14 of this Act at page 12, line 1, \$276,000 are for capital expenditures and do not lapse under AS 37.25.010.

The Attorney General opinion 336-204-83, October 8, 1982, made it clear that, despite the fiscal note language attached to SB 190 (part (a) above), SB 535 (part (b) above), and SB 611 (part (c) above) which were all enacted last session, the language in the appropriation measure (CSSB 746 (Fin) Ch. 139, SLA 82) limits the use of the funds to the fiscal year beginning July 1, 1982 and ending June 30, 1983. Since the primary intent of the fiscal notes was to define the cost of additional prisoner housing requirements that would result from the three senate bills cited, and the capital improvements which will provide that housing must occur over a period of several fiscal years, it is necessary to amend the appropriation bill to extend the lapse date for the capital portion of the respective appropriations.

Section 38 provides the necessary language change which would allow for exceptions to the lapse date mentioned above. Section 39 establishes a new section and clearly defines which portion of the above mentioned fiscal notes are for capital improvements and should therefore not lapse under AS 37.25.010.

Department Position

The supplemental appropriations and language amendments cited above are required.

**POSITION PAPER/Department of Health & Social Services**

Recommended by:

Marsha Hubbard

Marsha Hubbard, Director  
Division of Budget & Finance

Date:

March 19, 1983

Approved By:

Robert London Smith

Robert London Smith, Ph.D.  
Commissioner  
Department of Health & Social  
Services

Date:

4/7/83

I. REQUEST

Bill/Resolution No.: Senate Bill No. 158  
 Title: "An Act making reappropriations..."  
 Sponsor: Rules Committee  
 Requestor: Governor

II. FISCAL DETAIL

Agency Affected: Health & Social Services  
 Program Category Affected: Various  
 BRU, Program of Subprogram(s) Affected: Various

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	435.6					
200 TRAVEL	48.8					
300 CONTRACTUAL	93.4					
400 COMMODITIES	17.3					
500 EQUIPMENT	8.9					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC	(8140.9)					
TOTAL OPERATING	(7536.9)					

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	(7536.9)					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME	27.0					
PART-TIME	1.0					
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

See Section 25, 26, and 27 of this bill.

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Marsha Hubbard, Director  
 Division: Budget and Finance

Phone: 465-3082  
 Date: \_\_\_\_\_

Approved by Commissioner: Robert London Smith, Ph.D.  
 Department: Health and Social Services

Date: 4/7/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

SENATE BILL 158  
SUMMARY OF FISCAL IMPACT  
on  
THE DEPARTMENT OF HEALTH & SOCIAL SERVICES  
BY LINE ITEM

<u>LINE</u>	<u>(API) SECTION 9</u>	<u>(E.O.# 54) SECTION 19</u>	<u>(MISC. CLAIMS) SECTION 18</u>	<u>(&lt;GR/AFDC&gt; SECTION 25/26</u>	<u>(&lt;PFD&gt; SECTION 27</u>	<u>LINE ITEM SUBTOTALS</u>
100	305,900	129,700				435,600.00
200		45,000	3,832.93			48,832.93
300		63,300	30,155.65			93,455.65
400		4,000	13,273.09			17,273.09
500		8,000	864.00			8,864.00
700			<u>80,666.91</u>	<u>&lt;6,320,400&gt;</u>	<u>&lt;1,901,200&gt;</u>	<u>&lt;8,140,933.09&gt;</u>
GRAND TOTAL	305,900	250,000	128,792.58	<6,320,400>	<1,901,200>	<7,536,907.42>

POSITIONS:

PFTs	17.0	10.0				27.0
PPTs	1.0					1.0

# MEMORANDUM

State of Alaska

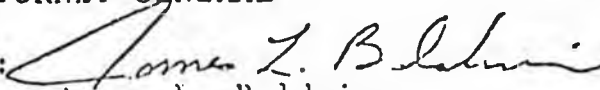
to Hon. Helen D. Beirne, Commissioner    DA: October 8, 1982  
Department of Health &  
Social Services

FILE NO: 366-204-83

TELEPHONE NO: 465-3600

FROM: WILSON L. CONDON  
ATTORNEY GENERAL

SUBJECT: Use of "capital  
appropriation"

By:   
James L. Baldwin  
Assistant Attorney General

By memorandum dated October 4, 1982, you requested our opinion whether the Department of Health & Social Services may expend money to accommodate an overflowing prison population. The department proposes to contract with existing privately-owned facilities to provide the needed space rather than construct a public correctional institution. The department desires to expend the money under an appropriation of \$6,188,200, enacted by the Second Session of the Twelfth Alaska Legislature. This appropriation was conditioned upon the enactment of SB 190, which became chapter 45, SLA 1982. See sec. 14, ch. 139, SLA 1982.

The fiscal note which accompanied SB 190 provided that the cost to the state resulting from the enactment of SB 190 exceeded \$6 million. This cost was attributed to the need to construct facilities to house 79 inmates. Ex. 1. However, the appropriation enacted by the legislature provides:

\* Sec. 14. The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 1983 budget summary by funding source to the state agencies named and for the purposes set out in the new legislation for the fiscal year beginning July 1, 1982 and ending June 30, 1983. The appropriation items contain funding for legislation assumed to have passed during the Second Session of the Twelfth Legislature and are to be considered part of the agency operating budget. Should a measure listed in this section either fail to pass, its substance fail to be incorporated in some other measure, or be vetoed by the governor, the appropriation for that measure shall lapse.

\* \* \* \*

SB 190 Drug Law Revisions and Amendments to Criminal Laws of the State - Appro- priated to the Department of Health and Social Services	6,188,200	6,188,200
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Hon. Helen D. Beirne, Commissioner  
Department of Health & Social Services  
366-204-83

October 8, 1982  
Page #2

The appropriation clearly states that the money is considered to be a part of the department's operating budget. However, the fiscal note expresses a legislative intent that the money be expended to finance the construction of capital improvements. When detailed budget documents conflict with the provisions of the appropriation which they support, the provisions of the appropriation should be implemented absent some clear evidence that the wording of the appropriation was the result of a clerical error. D. Sands SUTHERLAND STATUTORY CONSTRUCTION (4th ed.) § 48.06; see also Informal Op. Atty. Gen., Sept. 17, 1980, AG file 366-201-81. We have not been presented with evidence that the legislature committed such an error.

Even if it could be proved that the legislature intended to enact a capital appropriation, there is an alternate basis for sustaining the use of this appropriation to procure contractual services. We have consistently advised state departments that appropriations in the "capital budget" need only be spent for purposes for which appropriated and are not limited to capital improvements. See Informal Opin. Atty. Gen., Feb. 17, 1981, AG file 366-515-81. The intent of the legislature was to offset the increased cost to the state which would be incurred by the necessity to confine persons convicted for violations of recently amended or enacted criminal laws. The means selected by the department to accomplish this intent is within the purpose of the appropriation. Over the years, the legislature has blurred the distinction between capital and operating appropriations. The distinction which remains is the lapse date of the appropriation. Under AS 37.25.020, an appropriation for a capital project is made for the life of the project. An operating appropriation is governed by AS 37.25.010 which provides that the appropriation lapses after one year unless otherwise provided by law.

You should note that, while we believe that you have the flexibility to spend a part of the appropriation to obtain contractual services to house inmates, the remaining \$5.5 million authorization lapses on June 30, 1982. Your department should take steps either to extend this lapse date to cover the completion of any capital project to be financed with it; or obligate the appropriation and record that obligation for the succeeding fiscal year as provided in AS 37.25.010(a).

JLB/pjg

I. REQUEST

Bill/Resolution No.: Senate Bill No. 158  
 Title: "An Act making reappropriations..."  
 Sponsor: Rules Committee  
 Requestor: Governor

II. FISCAL DETAIL

Agency Affected: Health & Social Services  
 Program Category Affected: Various  
 BRU, Program of Subprogram(s) Affected: Various

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	435.6					
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700 GRANTS, CLAIMS, ETC	(8140.9)					
TOTAL OPERATING	(7536.9)					

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	(7536.9)					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME	27.0					
PART-TIME	1.0					
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

See Section 25, 26, and 27 of this bill.

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Marsha Hubbard, Director Phone: 465-3082  
 Division: Budget and Finance Date: \_\_\_\_\_

Approved by Commissioner: *Robert London Smith*  
Robert London Smith, Ph.D. Date: 4/7/83  
 Department: Health and Social Services

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SENATE BILL 158  
SUMMARY OF FISCAL IMPACT  
on  
THE DEPARTMENT OF HEALTH & SOCIAL SERVICES  
BY LINE ITEM

LINE	(API) SECTION 9	(E.O.# 54) SECTION 10	(MISC. CLAIMS) SECTION 18	(<GR/AFDC>) SECTION 25/26	(<PFD>) SECTION 27	LINE ITEM SUBTOTALS
100	305,900	129,700				435,600.00
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400		4,000	13,273.09			17,273.09
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GRAND TOTAL	305,900	250,000	128,792.58	<6,320,400>	<1,901,200>	<7,536,907.42>
POSITIONS:						
PFTs	17.0	10.0				27.0
PPTs	1.0					1.0

## MEMORANDUM

State of Alaska

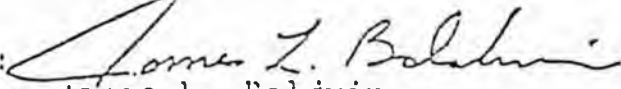
to Hon. Helen D. Beirne, Commissioner      DATE: October 8, 1982  
 Department of Health &  
 Social Services

FILE NO: 366-204-83

TELEPHONE NO: 465-3600

FROM: WILSON L. CONDON  
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SUBJECT: Use of "capital  
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By:   
 James L. Baldwin  
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The fiscal note which accompanied SB 190 provided that the cost to the state resulting from the enactment of SB 190 exceeded \$6 million. This cost was attributed to the need to construct facilities to house 79 inmates. Ex. 1. However, the appropriation enacted by the legislature provides:

\* Sec. 14. The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 1983 budget summary by funding source to the state agencies named and for the purposes set out in the new legislation for the fiscal year beginning July 1, 1982 and ending June 30, 1983. The appropriation items contain funding for legislation assumed to have passed during the Second Session of the Twelfth Legislature and are to be considered part of the agency operating budget. Should a measure listed in this section either fail to pass, its substance fail to be incorporated in some other measure, or be vetoed by the governor, the appropriation for that measure shall lapse.

\* \* \* \* \*

SB' 190 Drug Law Revisions and Amendments to Criminal Laws of the State - Appro- priated to the Department of Health and Social Services	6,188,200	6,188,200
--	-----------	-----------

Hon. Helen D. Beirne, Commissioner  
Department of Health & Social Services  
366-204-83

October 8, 1982  
Page #2

The appropriation clearly states that the money is considered to be a part of the department's operating budget. However, the fiscal note expresses a legislative intent that the money be expended to finance the construction of capital improvements. When detailed budget documents conflict with the provisions of the appropriation which they support, the provisions of the appropriation should be implemented absent some clear evidence that the wording of the appropriation was the result of a clerical error. D. Sands (UTHERLAND STATUTORY CONSTRUCTION (4th ed.) § 48.06; see also Informal Op. Atty. Gen., Sept. 17, 1980, AG file 66-201-81. We have not been presented with evidence that the legislature committed such an error.

Even if it could be proved that the legislature intended to enact a capital appropriation, there is an alternate basis for sustaining the use of this appropriation to procure contractual services. We have consistently advised state departments that appropriations in the "capital budget" need only be spent for purposes for which appropriated and are not limited to capital improvements. See Informal Opin. Atty. Gen., Feb. 17, 1981, AG file 366-515-81. The intent of the legislature was to offset the increased cost to the state which would be incurred by the necessity to confine persons convicted for violations of recently amended or enacted criminal laws. The means selected by the department to accomplish this intent is within the purpose of the appropriation. Over the years, the legislature has blurred the distinction between capital and operating appropriations. The distinction which remains is the lapse date of the appropriation. Under AS 37.25.020, an appropriation for a capital project is made for the life of the project. An operating appropriation is governed by AS 37.25.010 which provides that the appropriation lapses after one year unless otherwise provided by law.

You should note that, while we believe that you have the flexibility to spend a part of the appropriation to obtain contractual services to house inmates, the remaining \$5.5 million authorization lapses on June 30, 1982. Your department should take steps either to extend this lapse date to cover the completion of any capital project to be financed with it; or obligate the appropriation and record that obligation for the succeeding fiscal year as provided in AS 37.25.010(a).

JLB/pjg

Requested by the Rules Committee  
by Request of the Governor

"An Act making reappropriations and appropriation adjustments;  
and providing for an effective date."

~~Section 9.~~ The sum of \$305,900 is appropriated from the general fund to the Department of Health and Social Services to pay for FY 83 increased staff support for the Alaska Psychiatric Institute.

This section provides funding to cover increased staffing costs associated with 10.5 FTE security staff and 7.0 FTE direct care staff for a total of 17.5 FTEs.

After an API patient killed four Anchorage teenagers last spring, the Office of the Governor appointed a task force to review operations at API. The task force produced a report making several recommendations regarding the appropriateness of utilizing API as a facility for the care and treatment of individuals from the criminal justice system, and the status of security within the institution.

The task force noted that API has experienced a significant increase in the workload and in the type of patients served over the past year. The Alaska Psychiatric Institute is required by court order to house both criminally and civilly committed patients. Many of these patients are considered dangerous. Based on the type of patients being housed and the status of existing security, the API was instructed to take measures to increase internal security until these dangerous patients could be moved to a more secure setting.

Temporary security staff were added immediately at API in response to the task force's orders, and staff were detailed to provide 24 hour security "sally port" control over the two units where criminally committed patients are in treatment. This action increased the API staff by 10.5 FTE positions, putting API in an overexpenditure pattern in personal services.

In addition, the Department of Health and Social Services wants to bring attention to the fact that for quite some time the patient load at API has been running at or above licensed capacity. While the Division of Mental Health and Developmental Disabilities and this Department are taking every possible management action to reduce and stabilize the patient population, it is obvious that we will be forced to operate at overcapacity status until a major change can take place, such as the transfer out of an entire unit's population.

This overcrowding, coupled with the trend toward more-difficult-to-manage patients, causes serious hands-on patient care staff shortages. Current authorized staffing patterns do not provide for extra staff persons to be available at times of extra demand

for services, e.g. as when a highly suicidal patient requires 24 hour one-to-one attention or when overcrowding results in beds being placed in a hallway area. The Department is therefore requesting sufficient funding for an additional 7.0 FTE direct care staff. These additional staff persons represent the minimum complement necessary to cope with the delivery of direct care to the current API census with a reasonable degree of safety for staff and patients.

\* Sec. 10. The sum of \$250,000 is appropriated from the general fund to the Department of Health and Social Services to pay for FY 83 costs of establishing the Department of Corrections.

This section provides necessary funding to the Department of Health and Social Services to implement Executive Order No. 54 which would establish a Department of Corrections. Departmentalization of Corrections would: (1) ensure that Corrections is in fact a full partner in the criminal justice system; (2) enable the needs and problems of Corrections to be routinely presented to the Governor; (3) enable the agency to actively and effectively support its budget request throughout the administrative and legislative process; (4) provide continual professional guidance based on sound correctional experience, training, and management expertise in correctional systems from top departmental administrators; and (5) streamline the organizational structure for more effective correctional management.

\* Sec. 18. The sum of \$1,236,300 is appropriated from the general fund to pay miscellaneous claims, stale-dated warrants, and FY 82 obligations of the state, to be allocated as follows:

Department of Health and Social Services                      \$118,000 ✓

This section provides the Department with funds to pay prior year obligations for which the original appropriations have lapsed. Each bill was received too late to be paid out of the appropriate yearly authorization and since these bills are more than two years old they are eligible for inclusion in the Department's miscellaneous claims request.

~~Section 79, ch. 101, SLA 1982, page 30, line 18, is amended to read:~~

	Appropriation Item	Appropriation Fund Sources	
		General Fund	Other Funds
Public Assistance Services	49,357,400 [55,677,800]	31,572,400 [34,832,600]	17,785,000 [20,845,200]

\* Sec. 26. Section 79, ch. 101, SLA 1982, page 30, lines 19-22, are amended to read:

Aid to Families with Dependent Children	<u>35,570,000</u>	[41,690,400]
Aid to the Blind	179,500	
Aid to the Disabled	7,118,800	
General Relief	<u>700,000</u>	[900,000]

Sections 25 and 26 reduce the Public Assistance Services appropriation by reducing both the Aid to Families with Dependent Children (AFDC) and the General Relief allocations. The FY 83 AFDC reduction resulted from a projected surplus balance of 6120.4 which will occur because actual monthly caseloads are lower than initially forecasted and budgeted.

It is believed the factors contributing to the lower caseload level are: 1) The Permanent Fund Dividend distribution program which provided sufficient resources to delay the decision of potential clients to apply for AFDC benefits, 2) AFDC program changes implemented in October, 1981, and 3) the Division of Public Assistance's home visit program.

It is estimated that the demand for FY 83 General Relief Assistance (GRA) services will fall 200.0 below the authorized level of funding, making these funds available for deletion. The rather restrictive eligibility standards in the GRA program, combined with the \$80/person payment limit in the form of vendor payment, have caused static program expenditure patterns.

\* Sec. 27. Section 14, ch. 139, SLA 1982, page 14, lines 11-14, are amended to read:

	Appropriation Item	Appropriation Fund Sources	
		General Fund	Other Funds
SB 842 Providing for	10,965,300	10,897,000	68,300
Permanent Fund Dividends -- Appropriated to the Department of Health & Social Services.	<u>[12,866,500]</u>	<u>[12,798,200]</u>	

This section deletes 1,901.2 in general funds from the Permanent Fund Dividend Hold Harmless program. Individuals found ineligible for public assistance because of federal law or regulations solely because of receiving the Dividend shall be eligible for assistance payment from the PFD Hold Harmless BRU for a period not to exceed four months. The projected surplus, which is deleted by this section, is attributed to the period of resource retention. The initial budget estimated 35% of the AFDC cases would be ineligible (in PFD hold harmless status) for a period of four months. Present caseload maintenance reports indicate that the actual number of AFDC cases remaining ineligible and in the PFD hold harmless status beyond the

first month is less than budgeted. Families receiving their PFD's are quickly spending their resource, resulting in their quick return to federal program eligibility and removal from the hold harmless program.

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(c) Of the \$336,700 appropriated in sec. 14 of this Act at page 12, line 1, \$276,000 are for capital expenditures and do not lapse under AS 37.25.010.

The Attorney General opinion 336-204-83, October 8, 1982, made it clear that, despite the fiscal note language attached to SB 190 (part (a) above), SB 535 (part (b) above), and SB 611 (part (c) above) which were all enacted last session, the language in the appropriation measure (CSSB 746 (Fin) Ch. 139, SLA 82) limits the use of the funds to the fiscal year beginning July 1, 1982 and ending June 30, 1983. Since the primary intent of the fiscal notes was to define the cost of additional prisoner housing requirements that would result from the three senate bills cited, and the capital improvements which will provide that housing must occur over a period of several fiscal years, it is necessary to amend the appropriation bill to extend the lapse date for the capital portion of the respective appropriations.

Section 38 provides the necessary language change which would allow for exceptions to the lapse date mentioned above. Section 39 establishes a new section and clearly defines which portion of the above mentioned fiscal notes are for capital improvements and should therefore not lapse under AS 37.25.010.

Department Position

The supplemental appropriations and language amendments cited above are required.

Recommended by: *Marsha Hubbard*  
Marsha Hubbard, Director  
Division of Budget & Finance

Date: *March 19 1983*

Approved By: *Robert London Smith*  
Robert London Smith, Ph.D.  
Commissioner  
Department of Health & Social  
Services

Date: *4/7/83*

# STATE OF ALASKA

**DEPT. OF HEALTH AND SOCIAL SERVICES**  
**OFFICE OF THE COMMISSIONER**

**BILL SHEFFIELD, GOVERNOR**

POUCH H 01  
JUNEAU, ALASKA 99811  
PHONE:

Document Number 83-135

April 4, 1983

The Honorable Tony Vaska  
Representative  
Pouch V  
Juneau, Alaska 99811

Dear Representative Vaska:

Re: Bethel Prematernal Home  
Bethel Group Home  
Bethel Model Clinic

You have asked for the funding status for the above named programs for last year and this year. In FY 82, the Bethel Prematernal Home received funds through the Division of Public Health under a contract in the amount of \$67,000. This year the funding for the program was in the form of a grant to the municipality of Bethel in the amount of \$78,000. The Department of Administration, which administers these grants, reported that the funds have been received by the Bethel Pre-Maternal Home.

The Bethel Model Clinic also received funding through the grants to municipalities program, in the amount of \$60,000. These funds have also been received by the Model Clinic. This is a new program which has become necessary due to IHS no longer providing medical services to non-beneficiaries.

The Bethel Group Home is funded on the basis of a daily rate per child, according to AS 47.40. Their per day cost is currently frozen at \$59.06/day while a study of residential child care costs is conducted. This rate is one of the lowest rates in the state: costs currently average \$110/day statewide, with the range being from \$40.66/day to \$168.35/day.

The current rates for the Bethel Group Home were set based on misinformation provided to the Department and the Legislature last year. Having the rates frozen at this amount has created a hardship for the Bethel Group Home. The group Home relies on staffing by volunteers except for the paid Director. The youth needing placement at the Group Home are considerably more disturbed and older than they used to be when the Group Home was established. The Group Home needs to hire two counselors, for which the Director estimates the costs would run, for salary and benefits, approximately \$60,000. If this need were calculated into the daily rate, the rate would need to be raised to approximately \$95/day.

Honorable Tony Vaska

-2-

The amount the Division of Family and Youth Services paid the Bethe Group Home in FY82 was \$100,224.82 for 1,697 days of care, and in FY 83 (7/1/82--2/28/83) \$79,553.82 has been paid for 1,347 days of care.

I hope this information has been of help to you.

Sincerely,



Robert London Smith, Ph. D.  
Commissioner

# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

## OFFICE OF THE GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3568

### OFFICE OF MANAGEMENT AND BUDGET DIVISION OF BUDGET REVIEW

April 21, 1983

RECEIVED

APR 21 1983

The Honorable Joe Josephson  
Chairman, Senate Health, Education  
and Social Services Committee  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Josephson,

Dear Senator Josephson:

This memorandum responds to the questions raised by the Committee on April 15, 1983, regarding sections within SB 158. Please let me know if you have any additional questions. Due to the urgent need for these supplemental appropriations, as exemplified by the testimony at the April 15th hearing by the Division of Elections, prompt passage of SB 158 is requested.

#### SECTION 9:

HAS CAPITAL FUNDING BEEN REQUESTED FOR ALASKA PSYCHIATRIC INSTITUTE (API) SECURITY ITEMS IDENTIFIED BY THE API TASK FORCE? WHAT RELATED SECURITY MODIFICATIONS HAVE BEEN MADE?

An annual capital request is made for API for repair and renovations, including such security items.

Many modifications have been made to API in FY 83, both in response to the Task Force recommendations, and in response to the decision to keep the "not guilty by reason of insanity" and the "guilty but mentally ill" (defined in SB 535 last year) at API rather than in a special mental health treatment facility. At API, fences have been put in, the viewing ports have been modified, a gate has been installed in the entry way, and phones have been put in elevators.

April 21, 1983

In response to Task Force recommendations, a separate entrance was built and a sensing system installed at Hiland Mountain Correctional Center. Plans had been made to completely convert the Hiland Mountain facility into a mental health treatment facility; however, since clients normally associated with the criminal justice system will remain at API, work on these plans has been halted.

Other recommendations for API, such as replacing security windows, and remodeling the Special Treatment Program (STP) and the Psychiatric Security Unit (PSU) have been requested for FY 84. However, other task force recommendations such as installation of an emergency transmitting paging system have not been requested due to extremely high costs.

HAS THE ADMINISTRATION LOOKED INTO THE ISSUE OF CONTRACTING OUT API?

The Department has not made an in-depth study of contracting out API due to some unique characteristics of the population at this institution. For example, patients are more disorderly and because of this not readily acceptable, due to higher security needs, at other private institutions. Attempts have been made for the past three years to encourage local hospitals to establish designated beds so that patients could be cared for and receive services in their local home environment. The Department of Health and Social Services (DHSS) has met with no success; no hospital in the Juneau, Fairbanks or Anchorage area has indicated a desire to set aside such beds.

Also, a comparison of institutional costs shows that costs per bed in a private institution would be approximately \$400 per bed, while costs at API are approximately \$200 per bed.

In addition to the above, certain legal issues have yet to be addressed, such as the State's responsibility to patients in its custody, insurance that services would be provided to all classes of clients, and the issue of removing approximately 300 positions out of union representation. For the above reasons, DHSS has not further investigated contracting out API.

SECTION 11:

DO UNUSED FEDERAL FUNDS LAPSE INTO THE GENERAL FUND? WHY ARE WE REIMBURSING THE FEDERAL GOVERNMENT OUT OF THE GENERAL FUND?

The Division of Finance has stated that any non-continuing federal funds actually received during the year, but which are unused, lapse into the general fund at the end of the fiscal year. Also, since these monies lapse into the general fund, general fund monies are used to reimburse the Federal government.

SECTION 14.

The Department, due to the current status of SB 158, and given the fact that only two months remain in the year, has decided to withdraw this request for FY 83. Funding for the program is included in the Governor's amended FY 84 operating budget.

The \$250,000 included in the Governor's amended FY 84 operating budget will provide technical assistance to placer mining operators in developing sound management and mining practices, and will help to reduce the large backlog of unrecorded mining claims on State lands.

SECTION 17:

WHAT IS THE STATUS OF "20 AND OUT?" HOW IS THE ADMINISTRATION DEALING WITH THE "20 AND OUT" ISSUE?

Senator Bennett plans to introduce a bill that will remove the Department of Fish and Game from the retirement program. The Administration is currently waiting to review the bill introduced by Senator Bennett.

SECTION 18:

WHY IS THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES' REQUEST NECESSARY?

Upon reconsideration, this request has been withdrawn due to the Administration's concern that the accumulated funds in the Highway Working Capital Fund (HWCF) are excessive. This decision is consistent with a decision made subsequent to the introduction of SB 158 to reduce the Fund over a period of four years, which is reflected in a \$6.3 million reduction to the Fund in the Governor's amended FY 84 operating budget.

SECTION 19:

## WHY IS THE COUNCIL ON ECONOMIC POLICY'S SURVEY OF ECONOMIC AND DEMOGRAPHIC INFORMATION BEING REDUCED?

The \$350,000 was specifically allocated to the Council to develop a program designed to survey the cross-sections of Alaska's population affected by State programs. It was added to the Council's FY 83 budget by the Senate. Since the Council lacked adequate staff to perform this function, the funds were transferred to the then Division of Budget and Management by RP830-156X on November 8, 1982. Budget and Management issued an RFP and the Proposal Evaluation Committee ranked highest the proposal submitted by the Institute for Social and Economic Research (ISER). When the new Administration took office, it put a hold on the project and thus a contract was not awarded.

Based on the Transition Team recommendation, this Administration reviewed the project and concluded that as its objectives were not sharply defined, and that as a result the survey data were likely to be irrelevant to specific public policy issues and State program problems.

We believe that a revision of the scope of the original project would permit problem-specific research to be designed that would be of importance to the Legislature and the Governor's Office. To accomplish this objective, the funds should be reappropriated. A new section should be added to SB 158 that appropriates \$350,000 for the purpose of assessing the need for, and socio-economic impacts of, selected operating and capital budget programs of the State.

Due to the lateness of the current fiscal year, the lapse date for this reappropriation should be extended to June 30, 1984. This will allow adequate time to complete the studies.

SECTION 22:

## DOES THIS REAPPROPRIATION ALLOW FOR SUFFICIENT FUNDING FOR THE FOUNDATION PROGRAM STUDY?

The \$134,000 reappropriated from Education Program Development represents a portion of \$567,000 appropriated for the initial phases of the Foundation Program Study. The Senate Finance Committee has indicated its desire to fund the first and second phase of this project, review the results, and then provide third phase funding. When questioned about the impact of the reappropriations, the Department of Education stated that money remaining in FY 83 is sufficient to provide for the first two phases of this study.

April 21, 1983

SECTION 25:

CAN DHSS IDENTIFY UNMET NEEDS FOR REAPPROPRIATED DOLLARS FOR PROGRAMS WITHIN THE DEPARTMENT?

Although Commissioner Smith appreciates the opportunity to respond to the Committee's concern regarding unmet funding needs within the Department, he feels that, at this late date in the fiscal year, the best approach would be to concentrate on one area of major need: the Catastrophic Illness Program. There are approximately \$4,000,000 in applications from catastrophic illness clients which are pending due to lack of funds.

SECTION 36:

HOW HAVE CHANGES IN FEDERAL ENTITLEMENTS AFFECTED WHAT WE ARE TRYING TO ACCOMPLISH WITH THE STATE TRAINING PROGRAM?

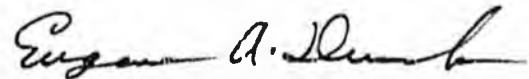
Changes in Federal entitlements have not affected the State training program.

Section 24 will need to be amended to reflect the following changes: withdrawal of Sections 14 and 18, and an adjustment to Section 19 which recommends an appropriation in the amount of \$350,000 for studies to replace the original allocation to the Council on Economic Policy. Section 24, line 9, should now read as follows:

Sec. 2. The sum of \$67,497,300 [73,500,000] is appropriated from

I hope this information has been of assistance to the Committee.

Sincerely,



Eugene A. Dusek  
Associate Director

dmc

cc: Committee Members

MEMORANDUM

TO: JOE  
FROM: NANCY  
RE: SB 158

COMMITTEE QUESTIONS FOR GENE DUSEK

- SECTION 10 CHANGE AMOUNT FOR THE DEPARTMENT OF CORRECTIONS FROM \$250.0 TO \$205.9.
- SECTION 11 HOW DID 1975 FEDERAL MONIES LAPSE
- SECTION 13 IF SB 40 IS ON THE GOVERNOR'S PRIORITY BILL LIST, THEN IS THIS APPROPRIATION NECESSARY?
- SECTION 14 YOU REQUESTED A BREAKDOWN ON MINING CLAIMS, INFORMATION ON TECHNICAL ASSISTANCE PROVIDED TO MINERS, AND LANGUAGE MORE REFLECTIVE OF THE INTENT OF THE SECTION AS GENE RELATED IN THE MEETING.
- SECTION 15 WILL THE AMOUNT FOR THE VIOLENT CRIMES COMPENSATION BOARD BE CHANGED.
- SECTION 17 DOES PUBLIC SAFETY HAVE A DIFFERENT INSURANCE POLICY THAN THAT COVERING OTHER STATE EMPLOYEES?
- SECTION 18 WE ASKED FOR INFO ON AUDIT MONEY OWED TO THE PRESBYTERIAN HOSPITALITY HOUSE FROM AUDIT OF FY 81, TO BE INCLUDED IN SB 158.
- SECTION 19 VICTOR HAD CONCERNS ABOUT THE COUNCIL ON ECONOMIC POLICY  
20 CONTINUING THE SURVEY OF ECONOMIC AND DEMOGRAPHIC INFO.
- SECTION 22 INFORMATION ON THE FUNDING FOR THE FOUNDATION STUDY WAS REQUESTED SINCE THERE WAS SOME QUESTION IF THE FUNDING WILL BE SUFFICIENT IF REDUCED, IF INCLUDED IN FISCAL NOTE FOR CS HB 251.
- SECTION 25 VICTOR HAD CONCERNS ABOUT KEEPING DH&SS FUNDING WITHIN THE  
26 DEPARTMENT - TRANSFER TO CATASTROPHIC ILLNESS.
- VICTOR REQUESTED A RUN DOWN OF PROGRAM SHORTAGES WITHIN THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES.
- SECTION 36 WILL FEDERAL CHANGES IN JOBS PROGRAMS HAVE ANY EFFECT ON THE STATE TRAINING PROGRAM PILOT PROJECT?

# STATE OF ALASKA

## OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET  
DIVISION OF BUDGET REVIEW

BILL SHEFFIELD, GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3568

April 1, 1983

The Honorable Joe Josephson  
Chairman, Health and  
Social Services Committee  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Senator Josephson:

Attached is the sectional analysis of SB 158 requested by your staff. Please contact me if you have any questions.

Sincerely,



Eugene Dusek  
Associate Director

Enclosures

tlh

cc: Ray Gillespie  
Office of the Governor

SB 158

<u>DEPARTMENT</u>	<u>FUNDS ADDED</u>	<u>FUNDS DELETED</u>
Office of the Governor	624.0	650.0
Administration	136.9	-0-
Revenue	85.7	7,000.0
Education	6897.7	135.3
Health & Social Services	673.9	5,164.4
Natural Resources	4670.9	597.0
Public Safety	478.2	-0-
Commerce	5.6	-0-
Fish and Game	4.5	-0-
DOT/PF	1,097.3	-0-
Labor	-0-	159.0
Courts	-0-	972.0

26

TOTAL

14,674.7

14,677.7

alaska  
state  
hospital  
association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

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Ronald A. Pavellas  
Humana Hospital Alaska  
Anchorage

Chairman-Elect  
Mark Hawkins  
Sitka Community Hospital  
Sitka

Immediate Past Chairman  
Tom Mingen  
Fairbanks Memorial  
Hospital  
Fairbanks

Secretary/Treasurer  
Edward Zeine  
Cordova Community  
Hospital  
Cordova

Delegate to the American  
Hospital Association  
Al M. Camosso  
Providence Hospital  
Anchorage

Alternate Delegate to the  
American Hospital Assoc.  
Michael Lockwood  
Central Peninsula Hospital  
Soldotna

Delegate to the American  
Health Care Association  
Jack Buck  
St. Ann's Nursing Home  
Juneau

Alternate Delegate to the  
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of Western Hospitals  
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Kodiak Island Hospital  
Kodiak

Trustee Delegate to the  
American Hospital Assoc.  
Moe Kadish  
Trustee, Providence  
Hospital  
Anchorage

Alternate Trustee Delegate  
to American Hospital  
Association  
Robert Jensen  
Central Peninsula Hospital  
Soldotna

Physician Member of  
the Board  
Keith Brownsborger, M.D.  
Anchorage

President  
Dennis L. DeWitt  
Juneau

March 23, 1983

The Honorable Joe Josephson  
Senator  
Pouch V  
Juneau, Alaska 99811

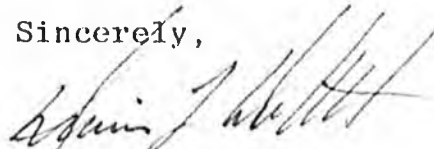
Dear Senator Josephson:

The Alaska State Hospital Association has reviewed SB 158 by the Rules Committee by request of the Governor and must inform you of our opposition.

While there are several meritorious sections, sections 25, 26, and 27 which transfers over \$8 million out of the Division of Public Assistance in the Department of Health & Social Services is unacceptable to us. That money should be applied to the needs already identified in the catastrophic illness program which is grossly underfunded for fiscal year 1983.

We will appreciate your consideration of our comments when the Senate Health Education & Social Services Committee reviews SB 158.

Sincerely,



Dennis L. DeWitt  
President

DLD:hb

cc: Governor Bill Sheffield

S B

158

(FILE 2)

POSITION PAPER

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 158 (HESS)

Requested by the Health, Education and Social Services Committee

"An Act making reappropriations and transfers among appropriations and extending the lapse date of certain appropriations; and providing for an effective date."

\* Sec. 5. Section 14, ch. 139, SLA 1982, page 14, lines 11-14, are amended to read:

Appropriation Item	General Fund	Other Funds
SB 842 Providing for 10,965,300	10,897,000	68,300
Permanent Fund Divi- [12,866,500]	[12,798,200]	

dends -- Appropriated  
to the Department of  
Health & Social Services.

Josephson,

MAY 13 1983

RECEIVED

This section deletes 1,901.2 in general funds from the Permanent Fund Dividend Hold Harmless program. Individuals found ineligible for public assistance because of federal law or regulations solely because of receiving the Dividend shall be eligible for assistance payment from the PFD Hold Harmless BRU for a period not to exceed four months. The projected surplus, which is deleted by this section, is attributed to the period of resource retention. The initial budget estimated 35% of the AFDC cases would be ineligible (in PFD hold harmless status) for a period of four months. Present caseload maintenance reports indicate that the actual number of AFDC cases remaining ineligible and in the PFD hold harmless status beyond the first month is less than budgeted. Families receiving their PFD's are quickly spending their resource, resulting in their quick return to federal program eligibility and removal from the hold harmless program.

\* Section 15. The sum of \$305,900 is appropriated from the general fund to the Department of Health and Social Services to pay for Fiscal Year 83 increased staff support for the Alaska Psychiatric Institute.

This section provides funding to cover increased staffing costs associated with 10.5 FTE security staff and 7.0 FTE direct care staff for a total of 17.5 FTEs.

After an API patient killed four Anchorage teenagers last spring, the Office of the Governor appointed a task force to review operations at API. The task force produced a report making

several recommendations regarding the appropriateness of utilizing API as a facility for the care and treatment of individuals from the criminal justice system, and the status of security within the institution.

The task force noted that API has experienced a significant increase in the workload and in the type of patients served over the past year. The Alaska Psychiatric Institute is required by court order to house both criminally and civilly committed patients. Many of these patients are considered dangerous. Based on the type of patients being housed and the status of existing security, the API was instructed to take measures to increase internal security until these dangerous patients could be moved to a more secure setting.

Temporary security staff were added immediately at API in response to the task force's orders, and staff were detailed to provide 24 hour security "sally port" control over the two units where criminally committed patients are in treatment. This action increased the API staff by 10.5 FTE positions, putting API in an overexpenditure pattern in personal services.

In addition, the Department of Health and Social Services wants to bring attention to the fact that for quite some time the patient load at API has been running at or above licensed capacity. While the Division of Mental Health and Developmental Disabilities and this Department are taking every possible management action to reduce and stabilize the patient population, it is obvious that we will be forced to operate at overcapacity status until a major change can take place, such as the transfer out of an entire unit's population.

This overcrowding, coupled with the trend toward more-difficult-to-manage patients, causes serious hands-on patient care staff shortages. Current authorized staffing patterns do not provide for extra staff persons to be available at times of extra demand for services, e.g. as when a highly suicidal patient requires 24 hour one-to-one attention or when overcrowding results in beds being placed in a hallway area. The Department is therefore requesting sufficient funding for an additional 7.0 FTE direct care staff. These additional staff persons represent the minimum complement necessary to cope with the delivery of direct care to the current API census with a reasonable degree of safety for staff and patients.

\* Sec. 16. The sum of \$205,900 is appropriated from the general fund to the Department of Health and Social Services to pay for Fiscal Year 83 costs of establishing the Department of Corrections.

This section provides necessary funding to the Department of Health and Social Services to establish a Department of Corrections. Departmentalization of Corrections would: (1) ensure

that Corrections is in fact a full partner in the criminal justice system; (2) enable the needs and problems of Corrections to be routinely presented to the Governor; (3) enable the agency to actively and effectively support its budget request throughout the administrative and legislative process; (4) provide continual professional guidance based on sound correctional experience, training, and management expertise in correctional systems from top departmental administrators; and (5) streamline the organizational structure for more effective correctional management.

\* Sec. 22. The sum of \$139,000 is appropriated from the general fund to pay miscellaneous claims, stale-dated warrants, and Fiscal Year 82 obligations of the state, to be allocated as follows:

Department of Health and Social Services	\$118,000
--	-----------

This section provides the Department with funds to pay prior year obligations for which the original appropriations have lapsed. Each bill was received too late to be paid out of the appropriate year's authorization and since these bills are more than two years old they are eligible for inclusion in the Department's miscellaneous claims request. The Department needs an additional \$10,150.54, for a total need of \$128,150.54, to be able to pay all the legitimate miscellaneous claims it has at the present time.

\* Sec. 30. Section 14, ch. 139, SLA 1982, page 3, lines 14-23, is amended to read:

\* Sec. 14. The following appropriation items...for the fiscal year beginning July 1, 1982 and ending June 30, 1983, except as otherwise noted in sec. 31 of this Act.  
The appropriation items contain...

\* Sec. 31. Chapter 139, SLA 1982 is amended by adding a new section to read:

\* Sec. 31. (a) Of the \$6,188,200 appropriated in sec. 14 of this Act at page 10, line 21, \$6,026,500 are for capital expenditures and do not lapse under AS 37.25.010.

(b) Of the \$1,597,000 appropriated in sec. 14 of this Act at page 11, line 18, \$897,000 are for capital expenditures and do not lapse under AS 37.25.010.

(c) Of the \$336,700 appropriated in sec. 14 of this Act at page 12, line 1, \$276,000 are for capital expenditures and do not lapse under AS 37.25.010.

The Attorney General opinion 336-204-83, October 8, 1982, made it clear that, despite the fiscal note language attached to SB 190 (part (a) above), SB 535 (part (b) above), and SB 611 (part (c) above) which were all enacted last session, the language in the appropriation measure (CSSB 746 (Fin) Ch. 139, SLA 82) limits the use of the funds to the fiscal year beginning July 1, 1982 and ending June 30, 1983. Since the primary intent of the fiscal notes was to define the cost of additional prisoner housing requirements that would result from the three senate bills cited, and the capital improvements which will provide that housing must occur over a period of several fiscal years, it is necessary to amend the appropriation bill to extend the lapse date for the capital portion of the respective appropriations.

Section 30 provides the necessary language change which would allow for exceptions to the lapse date mentioned above. Section 31 establishes a new section and clearly defines which portion of the above mentioned fiscal notes are for capital improvements and should therefore not lapse under AS 37.25.010.

\* Sec. 32. Section 79, ch. 101, SLA 1982, page 30, line 18, is amended to read:

	Appropriation Item	General Fund	Other Funds
Public Assistance Service	49,357,400 [55,677,800]	31,572,400 [34,832,600]	17,785,000 [20,845,200]

\* Sec. 33. Section 79, ch. 101, SLA 1982, page 30, line 19 is amended to read:

ALLOCATIONS	
Aid to Families with Dependent Children	<u>35,570,000</u> [41,690,400]

\*Sec. 34. Section 79, ch. 101, SLA 1982, page 30, line 22, is amended to read:

ALLOCATIONS	
General Relief	<u>700,000</u> [900,000]

Sections 32 through 34 reduce the Public Assistance Services appropriation by reducing both the Aid to Families with Dependent Children (AFDC) and the General Relief allocations. The FY 83 AFDC reduction resulted from a projected surplus balance of 6120.4 which will occur because actual monthly caseloads are lower than initially forecasted and budgeted.

It is believed the factors contributing to the lower caseload level are: 1) The Permanent Fund Dividend distribution program

which provided sufficient resources to delay the decision of potential clients to apply for AFDC benefits, 2) AFDC program changes implemented in October, 1981, and 3) the Division of Public Assistance's home visit program.

It is estimated that the demand for FY 83 General Relief Assistance (GRA) services will fall 200.0 below the authorized level of funding, making these funds available for deletion. The rather restrictive eligibility standards in the GRA program, combined with the \$80/person payment limit in the form of vendor payment, have caused static program expenditure patterns.

\*Sec. 35. Section 79, ch. 101, SLA 1982, page 30, line 25, is amended to read:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Medical Assistance	64,740,100 [61,479,900]	37,334,700 [34,074,500]	27,405,400

\*Sec. 36. Section 79, ch. 101, SLA 1982, page 31, line 17, is amended to read:

	ALLOCATIONS
Catastrophic	<u>5,418,600</u> [2,158,400]

Sections 35 and 36 increase the funding for the Catastrophic Illness Program by 3,260.2. The Catastrophic Illness Program has exhausted its funding for the current fiscal year. This increase is necessary to fund Fiscal Year 83 pending applications.

\*Sec. 38. The allocations made in sec. 79, ch. 101, SLA 1982, page 19, line 25, and page 32, line 19, lapse into the general fund June 30, 1984.

Section 38 extends the lapse date for juvenile custody foster care Fiscal Year 83 funding. The Department expects a significant lapse in the foster care component this year. Extending the lapse date for these funds will allow the Department to use the funds for a desperately needed full time Social Worker III for Prince of Wales Island and to launch an awareness and training program for Southeast Alaska dealing with child abuse prevention and treatment.

Communities in Southeastern Alaska have expressed their concern that the social worker who travels from Ketchikan to Prince of Wales Island has a caseload of 78 (including cases from Kasaan, Hydaburg, Craig, and Klawock). Prince of Wales has experienced

rapid growth within a relatively short period of time and the inhabitants are exhibiting corresponding stress due to the widespread economic difficulties experienced by the general populace. The agency in Ketchikan providing services to victims of domestic violence and sexual assault reports that they have received referrals from the Division of Family and Youth Services Ketchikan office on twenty-five incest clients within the last six months. The influx of people seeking nonexistent jobs and poorly adjusted families joining family members who are employed in construction on Prince of Wales have caused the Regional caseloads to increase in both numbers and severity. The caseloads have reached a crisis level which warrants immediate attention and intervention.

In addition, other rural Southeast communities are experiencing similar problems of family violence and child abuse and the Division does not have permanent positions available to provide sufficient coverage. A one time contract will focus on developing community awareness of the problems of child abuse/neglect and development of a network of persons presently living in these communities who will be trained to identify abuse and neglect and work with the Division of Family and Youth Services in providing community support for victims and their families.

Department Position

The supplemental appropriations and language amendments cited above are required. In addition, the Department of Health and Social Services Miscellaneous Claims supplemental in section 22 must be amended by adding \$10,150.54, for a total of \$128,150.54, for sufficient coverage of the legitimate claims upon the department at this time.

Recommended by: Marsha Hubbard  
Marsha Hubbard, Director  
Division of Budget & Finance

Date: May 10, 1983

Approved By: Robert London Smith  
Robert London Smith, Ph.D.  
Commissioner  
Department of Health & Social  
Services

Date: 5/11/83

I. REQUEST  
 Bill/Resolution No.: CS for SB 158  
 Title: "An Act making reappropriations..."  
 Sponsor: HESS Committee  
 Requestor: \_\_\_\_\_

II. FISCAL DETAIL  
 Agency Affected: Health & Social Services  
 Program Category Affected: Various  
 BRU, Program of Subprogram(s) Affected: Various

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	412.1					
200 TRAVEL	40.6					
300 CONTRACTUAL	82.0					
400 COMMODITIES	16.5					
500 EQUIPMENT	8.9					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC	4,891.5					
TOTAL OPERATING	4,331.6					
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	1,271.4					
FEDERAL FUNDS	3,060.2					
OTHER (Specify Source)						

POSITIONS:

FULL-TIME	27.0					
PART-TIME	1.0					
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

See Sections 5, 32, 33, and 34.

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Marsha Hubbard, Director i.H  
 Division: Budget and Finance Phone: 465-3082  
 Approved by Commissioner: Robert London Smith, Ph.D. Date: \_\_\_\_\_  
 Department: Health and Social Services Date: 5/11/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

COMMITTEE SUBSTITUTE FOR SENATE BILL 158  
SUMMARY OF FISCAL IMPACT  
on  
THE DEPARTMENT OF HEALTH & SOCIAL SERVICES  
BY LINE ITEM

LINE	(API) SECTION 15	(CORRECTIONS) SECTION 16	(MISC. CLAIMS) SECTION 22	(<GR/AFDC>) SECTION 32-34	(<PFD>) SECTION 5	(CATASTROPHIC) SECTIONS 35-36	LINE ITEM SUBTOTALS
100	305,900	106,200					412,100.00
200		36,700	3,832.93				40,532.93
300		51,800	30,155.65				81,955.65
400		3,200	13,273.09				16,473.09
500		8,000	864.00				8,864.00
700			69,874.33	<6,320,400>	<1,901,200>	3,260,200	<4,891,525.67>
GRAND TOTAL	305,900	205,900	118,000.00	<6,320,400>	<1,901,200>	3,260,200	<4,331,600.00>
GF	305,900	205,900	118,000.00	<3,260,200>	<1,901,200>	3,280,200	
FED				<3,060,200>			
OTHER							
POSITIONS:							
PFTs	17.0	10.0					27.0
PPTs	1.0						1.0

# MEMORANDUM

State of Alaska

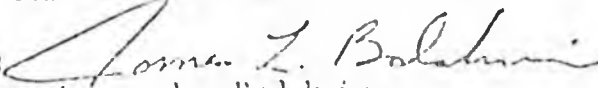
to Hon. Helen D. Beirne, Commissioner      DATE October 8, 1982  
Department of Health &  
Social Services

FILE NO 366-204-83

TELEPHONE NO 465-3600

FROM WILSON L. CONDON  
ATTORNEY GENERAL

SUBJECT Use of "capital  
appropriation"

By:   
James L. Baldwin  
Assistant Attorney General

By memorandum dated October 4, 1982, you requested our opinion whether the Department of Health & Social Services may expend money to accommodate an overflowing prison population. The department proposes to contract with existing privately-owned facilities to provide the needed space rather than construct a public correctional institution. The department desires to expend the money under an appropriation of \$6,188,200, enacted by the Second Session of the Twelfth Alaska Legislature. This appropriation was conditioned upon the enactment of SB 190, which became chapter 45, SLA 1982. See sec. 14, ch. 139, SLA 1982.

The fiscal note which accompanied SB 190 provided that the cost to the state resulting from the enactment of SB 190 exceeded \$6 million. This cost was attributed to the need to construct facilities to house 79 inmates. Ex. 1. However, the appropriation enacted by the legislature provides:

\* Sec. 14. The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 1983 budget summary by funding source to the state agencies named and for the purposes set out in the new legislation for the fiscal year beginning July 1, 1982 and ending June 30, 1983. The appropriation items contain funding for legislation assumed to have passed during the Second Session of the Twelfth Legislature and are to be considered part of the agency operating budget. Should a measure listed in this section either fail to pass, its substance fail to be incorporated in some other measure, or be vetoed by the governor, the appropriation for that measure shall lapse.

\* \* \* \*

SB 190 Drug Law Revisions and Amendments to Criminal Laws of the State - Appro- priated to the Department of Health and Social Services	6,188,200	6,188,200
---	-----------	-----------

Hon. Helen D. Beirne, Commissioner  
Department of Health & Social Services  
366-204-83

October 8, 1982  
Page #2

The appropriation clearly states that the money is considered to be a part of the department's operating budget. However, the fiscal note expresses a legislative intent that the money be expended to finance the construction of capital improvements. When detailed budget documents conflict with the provisions of the appropriation which they support, the provisions of the appropriation should be implemented absent some clear evidence that the wording of the appropriation was the result of a clerical error. D. Sands SUTHERLAND STATUTORY CONSTRUCTION (4th ed.) § 48.06; see also Informal Op. Atty. Gen., Sept. 17, 1980, AG file 366-201-81. We have not been presented with evidence that the legislature committed such an error.

Even if it could be proved that the legislature intended to enact a capital appropriation, there is an alternate basis for sustaining the use of this appropriation to procure contractual services. We have consistently advised state departments that appropriations in the "capital budget" need only be spent for purposes for which appropriated and are not limited to capital improvements. See Informal Opin. Atty. Gen., Feb. 17, 1981, AG file 366-515-81. The intent of the legislature was to offset the increased cost to the state which would be incurred by the necessity to confine persons convicted for violations of recently amended or enacted criminal laws. The means selected by the department to accomplish this intent is within the purpose of the appropriation. Over the years, the legislature has blurred the distinction between capital and operating appropriations. The distinction which remains is the lapse date of the appropriation. Under AS 37.25.020, an appropriation for a capital project is made for the life of the project. An operating appropriation is governed by AS 37.25.010 which provides that the appropriation lapses after one year unless otherwise provided by law.

You should note that, while we believe that you have the flexibility to spend a part of the appropriation to obtain contractual services to house inmates, the remaining \$5.5 million authorization lapses on June 30, 1982. Your department should take steps either to extend this lapse date to cover the completion of any capital project to be financed with it; or obligate the appropriation and record that obligation for the succeeding fiscal year as provided in AS 37.25.010(a).

JLB/pjg

PROPOSED AMENDMENTS FOR SB 158 IN THE HESS COMMITTEE

1. FROM THE DEPARTMENT OF LAW:

SECTION \_\_\_\_\_ THE APPROPRIATION MADE IN SECTION 35, CH. 101, SLA 1982 IS NOT A ONE YEAR APPROPRIATION AND DOES NOT LAPSE IN ACCORDANCE WITH AS 37.25.010, NOTWITHSTANDING THE TERMS OF SECTION 78, CH. 101, SLA 1982.

2. FROM SENATOR ELIASON:

SECTION \_\_\_\_\_. SECTION 30, CHAPTER 82, SLA 1981, PAGE 114, LINE 4, IS AMENDED TO READ:

MOSQUITO LAKE SCHOOL AND TEACHER HOUSING DESIGN AND CONSTRUCTION AND SCHOOL RENOVATION PROJECTS	APPROPRIATION ITEMS \$1,450,000	GENERAL FUND \$1,450,000
--	------------------------------------	-----------------------------

3. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES:

SECTION \_\_\_\_\_. SEC. 79, CH. 101, SLA 1982, BETWEEN LINES 19 AND 20, IS AMENDED BY ADDING THE FOLLOWING:

THE APPROPRIATION OF \$4,586,500 FOR SOCIAL SERVICES, FOSTER CARE, WILL NOT LAPSE UNTIL JUNE 30, 1984.

4. FROM SENATOR MOSS:

DELETE EXISTING SECTION 2 AND SUBSTITUTE:

SECTION 2. THE SUM OF \$350,000 IS APPROPRIATED FROM THE GENERAL FUND TO THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT, AGRICULTURAL ACTION COUNCIL, TO SUPPLEMENT THE FISCAL YEAR 1982 APPROPRIATION FOR LIVESTOCK FACILITY LOANS.

5. DELETE SECTION 40 AND SUBSTITUTE:

SECTION 40. SEC. 80, CH. 101, SLA 1982, PAGE 107, LINE 19 IS AMENDED TO READ:

COPPER VALLEY COMMUNITY [DAY CARE] CENTER	APPROPRIATION ITEM	GENERAL FUND
--	--------------------	--------------

6. DELETE EXISTING SECTION 41 AND SUBSTITUTE:

GLENALLEN - FIRE EQUIPMENT- PUMPER/TANKER [BULK FUEL STORAGE]	APPROPRIATION ITEM \$45,000	GENERAL FUND \$45,000
---	--------------------------------	--------------------------

AMENDMENTS FOR SB 158 - PAGE 2

7. FROM THE MUNICIPALITY OF ANCHORAGE:

SECTION \_\_\_\_ . SECTION 30, CHAPTER 82, SLA 1981, LINES 18-21, IS AMENDED BY ADDING THE FOLLOWING:

	APPROPRIATION ITEMS	GENERAL FUND
ED 7-12 ANCHORAGE DOWNTOWN PARKING GARAGE (ED 7-12) [WITH 4TH AVENUE ON THE NORTH, 8TH AVENUE ON THE SOUTH, BARROW ON THE EAST AND D STREET ON THE WEST]	10,000,000	10,000,000

8. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES:

SECTION \_\_\_\_ . SEC. 3, CHAPTER 138, SLA 1982, PAGE 373, LINES 1-2, IS AMENDED TO READ:

BETHEL RECEIVING HOME (BETHEL)	95.00 [75.52]
BETHEL GROUP HOME (BETHEL)	95.00 [59.06]

9. SECTION \_\_\_\_ . SEC. 79, CH.101. SLA 1982, PAGE 30, LINE 25 IS AMENDED TO READ:

	APPROPRIATION ITEMS	GENERAL FUND
MEDICAL ASSISTANCE	64,740,100 [61,479,900]	37,334,700 [34,074,500]

10. SECTION \_\_\_\_ . SEC. 79, CH. 101, SLA 1982, PAGE 31, LINE 17 IS AMENDED TO READ:

ALLOCATIONS

CATASTROPHIC	5,418,600 [2,158,400]
--------------	-----------------------

THE APPROPRIATION OF 5,418,600 FOR CATASTROPHIC, MEDICAL ASSISTANCE WILL NOT LAPSE UNTIL JUNE 30, 1984.

AMENDMENT

Sen. Vic Fischer

*after Sec. 52*

CSSB 158 - Add new section to read:

\* Section \_\_\_ The sum of \$130,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Alaska Consumer Advocacy Program.

~~\* Sec 7 delete \$1,500,000 and  
insert \$~~

\* Sec 52 delete 1,078,000  
insert 948,000

# BETHEL GROUP HOME



P.O. BOX 385  
BETHEL,  
ALASKA 99559

## Cost of Care Statement:

Cost of care is based upon the gross salaries involved, divided by units of service provided for a fiscal year.

The following figures for raising our present cost of care are as follows. All are based upon a gross salary (2 counselors) of \$60,000.00.

<u>Basis for Rate</u>	<u>Occupancy*</u>	<u>Additional Needed</u>	<u>Total Rate</u>
Historical, 1978-82	75%	\$27.40	\$86.46
Full Occupancy	100%	\$20.54	\$79.64
Past Years Census 7/1/81-6/30/82	58%	\$35.37	\$94.43
Based on Past 6 months 7/1/72-12/31/82	66%	\$31.25	\$90.31
Average of Figures	75%	\$27.40	\$86.46

\*The capacity of the Bethel Group Home is 8 residents.

It is worth noting that our present cost of care, \$59.06, is the lowest of any facility in the State of Alaska providing residential treatment.

# MEMORANDUM

# State of Alaska

TO: Emil Notti, Legislative Assistant      DATE: April 13, 1983  
Office of the Governor

FILE NO:

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch  
Attorney General

SUBJECT: Litigation funding

By: Thomas M. Jahnke *Jm*  
Assistant Attorney General  
Governmental Affairs-Juneau

The Department of Law is currently defending a lawsuit challenging certain personnel practices of the Department of Health & Social Services and the Department of Administration. Potential liability is \$1-2 million immediately and \$750,000 every year thereafter.

In sec. 35, ch. 101, SLA 1982, the legislature appropriated \$75,000 to finance the defense of the suit. Since that time, the trial has been put off to a time beyond the June 30, 1983 lapse date for the appropriation. See sec. 78, ch. 101, SLA 1982. If the state is to successfully defend this suit and avoid very high liability, it is imperative that the lapse date be extended.

The following is suggested lapse date language for incorporation in an appropriation bill, perhaps SB 158, HB 309, or the budget bill:

Sec. \_\_\_\_ . The appropriation made in sec. 35, ch. 101, SLA 1982 is not a one-year appropriation and does not lapse in accordance with AS 37.25.-010, notwithstanding the terms of sec. 78, ch. 101, SLA 1982.

TMJ/pjg

Enc.

cc: Peter McDowell, Director  
Office of Management & Budget  
Office of the Governor

Gene Dusek, Associate Director  
Division of Budget Review  
Office of Management & Budget

MEMORANDUM

TO: JOE  
FROM: NANCY  
RE: SB 158

80 158

PROPOSED AMENDMENTS IN THE PACKET

1. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

TO CREATE A NEW POSITION OF A SOCIAL WORKER FOR CHILD ABUSE IN THE PRINCE OF WALES AREA WITH MONEY ANTICIPATED TO BE LEFT OVER IN THE FOSTER CARE BRU.

2. FROM SENATOR ELIASON

LANGUAGE CHANGE TO ALLOW HAINES SCHOOL DISTRICT TO BUILD TEACHER HOUSING AT THE MOSQUITO LAKE SCHOOL. (NO NEW FUNDS)

3. SENATOR FISHER WILL BRING HIS AMENDEMENT IN

CONCERNS:

SECTION 10 APPROPRIATS MONEY TO CREATE THE NEW DEPARTMENT OF CORRECTIONS - THAT MONEY IS INCLUDED IN THE FISCAL NOTE FOR HB 103.

SECTION 13 APPROPRIATES \$4.2 MILLION FOR THE UNIVERSITY LAND SETTLEMENT. THAT MONEY IS IN SB 40 (SENATOR FAHRENKAMP'S PRIORITY LEGISLATION) ESSENTIALLY IT SEEMS THAT THAT MONEY IS COMING OUT OF H&SS.

I THINK THAT MONEY COULD BE WELL SPENT IN THE CATASTROPHIC ILLNESS PROGRAM WHERE IT IS SORELY NEEDED. SENATOR FAHRENKAMP SUPPORTS THIS TOTALLY AND HAS RECEIVED CONFIRMATION FROM SENATORS BENNETT, RAY AND SACKETT THAT SB 40 WILL PASS THIS SESSION.

YOU MUST ASK JOHN PUGH ABOUT FINANCIAL OBLIGATIONS OF EITHER \$32,000 OR \$ 35,000 TO PRESBYTERIAN HOSPITALITY HOUSE IN FAIRBANKS. IT IS A HOME FOR JUVENILES IN CUSTODY OF THE STATE AND THEY ARE OWED MONY FROM AN AUDIT OF 1981 EXPENDITURES WHICH IS VALID AND THEY DESPERATELY NEED. JOHN REQUESTED THE GOV'S PERMISSION TO ASK US TO PUT THIS AMENDMENT IN BUT WAS REFUSED.

PROPOSED AMENDMENT TO SB 158  
by Sen. Eliason

Add new section to read:

Section \_\_\_\_\_ . Section 30, chapter 82, SLA 1981, page 114, line 4,  
is amended to read:

Mosquito Lake School and teacher housing design and construction and school renovation projects	Appropriation Items	General Fund
	\$1,450,000	\$1,450,000

---

The original appropriation of \$1,450,000 was designated simply as "Mosquito Lake School". The school has been constructed and approximately \$130,000 is left over. The school district (Haines Borough) had originally intended that teacher housing be included as part of the project but the the language in the appropriation was too narrow to allow it. The Mosquito Lake School is located in a very isolated area approximately 30 miles from Haines so that construction of teacher housing at the school site is important not only for convenience of the teachers, but also for the security of the school.

The renovations for which this wording change would make money available are items which the Haines Borough School District submitted as requests to the Department of Education. However the items were not included in the Governor's FY '84 budget. They include:

High school open area renovation	70,000
Retubing boiler #1	16,000
Complete installation of upside-down roof	100,000

All three projects are district priorities and can be begun immediately upon notification of availability of funds.

This proposed change in the original school appropriation language would not enable the district to do all of the renovations and teacher housing, but would enable the district to prioritize the needs and build all or part of whichever projects are most urgent.

# STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES  
OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH H 01  
JUNEAU, ALASKA 99811  
PHONE:

Document Number 83-135

April 4, 1983

The Honorable Tony Vaska  
Representative  
Pouch V  
Juneau, Alaska 99811

Dear Representative Vaska:

Re: Bethel Prematernal Home  
Bethel Group Home  
Bethel Model Clinic

You have asked for the funding status for the above named programs for last year and this year. In FY 82, the Bethel Prematernal Home received funds through the Division of Public Health under a contract in the amount of \$67,000. This year the funding for the program was in the form of a grant to the municipality of Bethel in the amount of \$78,000. The Department of Administration, which administers these grants, reported that the funds have been received by the Bethel Pre-Maternal Home.

The Bethel Model Clinic also received funding through the grants to municipalities program, in the amount of \$60,000. These funds have also been received by the Model Clinic. This is a new program which has become necessary due to IHS no longer providing medical services to non-beneficiaries.

The Bethel Group Home is funded on the basis of a daily rate per child, according to AS 47.40. Their per day cost is currently frozen at \$59.06/day while a study of residential child care costs is conducted. This rate is one of the lowest rates in the state: costs currently average \$110/ day statewide, with the range being from \$40.66/day to \$168.35/day.

The current rates for the Bethel Group Home were set based on misinformation provided to the Department and the Legislature last year. Having the rates frozen at this amount has created a hardship for the Bethel Group Home. The group Home relies on staffing by volunteers except for the paid Director. The youth needing placement at the Group Home are considerably more disturbed and older than they used to be when the Group Home was established. The Group Home needs to hire two counselors, for which the Director estimates the costs would run, for salary and benefits, approximately \$60,000. If this need were calculated into the daily rate, the rate would need to be raised to approximately \$95/day.

Honorable Tony Vaska

-2-

The amount the Division of Family and Youth Services paid the Bethel Group Home in FY82 was \$100,224.82 for 1,697 days of care, and in FY 83 (7/1/82--2/28/83) \$79,553.82 has been paid for 1,347 days of care.

I hope this information has been of help to you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert London Smith".

Robert London Smith, Ph. D.  
Commissioner

SENATE AMENDMENT

By MOSS

To: \_\_\_\_\_ SENATE BILL No. 158

To: \_\_\_\_\_ HOUSE BILL No. \_\_\_\_\_

PAGE: 7      LINE: 26 - 29

Delete existing section 40 and replace with the following language:

Sec. 40. Sec. 80, ch. 101, SLA 1982, page 107, line 19 is amended to read:

APPROPRIATION      GENERAL FUND

ITEMS

Copper Valley - Community

[DAY CARE] Center

Delete existing sec. 41 and replace with following language:

APPROPRIATION      GENERAL FUND

ITEMS

Glennallen - Fire equipment - pumper/      45,000      45,000

tanker [BULK FUEL STORAGE]

Add new section 42 to read:

Sec. 42. This Act takes effect immediately in accordance with AS 01.10.070(c).

SENATE AMENDMENT

By MOSS

To: \_\_\_\_\_ SENATE BILL No. 158

To: \_\_\_\_\_ HOUSE BILL No. \_\_\_\_\_

PAGE: 1      LINE: 12 - 14

Delete existing Section 2 and replace with following language:

Sec. 2. The sum of \$350,000 is appropriated from the general fund to the Department of Commerce and Economic Development, Agricultural Action Council, to supplement the fiscal year 1982 appropriation for livestock facility loans.

# MEMORANDUM

State of Alaska

TO: Emil Notti, Legislative Assistant  
Office of the Governor

DATE: April 13, 1983

FILE NO:

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch  
Attorney General

SUBJECT: Litigation funding

By: Thomas H. Jahnke  
Assistant Attorney General  
Governmental Affairs-Juneau

*DOL  
amendment  
SB 158*

The Department of Law is currently defending a lawsuit challenging certain personnel practices of the Department of Health & Social Services and the Department of Administration. Potential liability is \$1-2 million immediately and \$750,000 every year thereafter.

In sec. 35, ch. 101, SLA 1982, the legislature appropriated \$75,000 to finance the defense of the suit. Since that time, the trial has been put off to a time beyond the June 30, 1983 lapse date for the appropriation. See sec. 78, ch. 101, SLA 1982. If the state is to successfully defend this suit and avoid very high liability, it is imperative that the lapse date be extended.

The following is suggested lapse date language for incorporation in an appropriation bill, perhaps SB 158, HB 339, or the budget bill:

Sec. \_\_\_\_ . The appropriation made in sec. 35, ch. 101, SLA 1982 is not a one-year appropriation and does not lapse in accordance with AS 37.25.-010, notwithstanding the terms of sec. 78, ch. 101, SLA 1982.

TWJ/pjg

Enc.

cc: Peter McDowell, Director  
Office of Management & Budget  
Office of the Governor

Gene Dusck, Associate Director  
Division of Budget Review  
Office of Management & Budget

SB 158 AMENDMENT #1 By V. Fischer

Page 7, line 26 add new sections, renumber accordingly:

1. \* Sec. \_\_\_\_\_. Section 270, Ch. 141, SLA 1982 is amended to read:

*Makes  
Weatherization  
Money Capital  
(Non-Lapse)*

\* Sec. 270. the appropriations made in Secs. 103, 127, 129, 137, 237, 238, 239, 241, 242, 246, 256, 258, 260(3), 261, and 262, of this Act are for capital projects and are subject to AS 37.25.020.

2. \* Sec \_\_\_\_\_. Section 30, ch. 82, SLA 1981, page 159, line 17 is amended to read:

	Appropriation Items	Appropriation fund sources	
		General Fund	Other Funds
Fairview [LIBRARY/MUSIC ROOM] <u>Community Center rehabilitation</u>	95,000	95,000	

3. \* Sec. \_\_\_\_\_. Section 35, ch 90, SLA 1981 page 7, line 6 is amended to read:

*Dept.  
Cut Program*

\* Sec. 35 The sum of [\$10,000,000] \$5,000,000 is appropriated from the general fund to the Department of Commerce and Economic Development, Division of Energy and Power Development, for energy conservation refunds, grants, and residential energy audits.

4. \* Sec. \_\_\_\_\_. Section 137, ch 141, SLA 1982, page 20, line 10 is amended to read:

*C7ED won't  
let the contract*

\* Sec. 137. The sum of \$200,000 is appropriated from the general fund to the Department of [COMMERCE AND ECONOMIC DEVELOPMENT] Community and Regional Affairs [DIVISION OF ENERGY AND POWER DEVELOPMENT] for design, construction, and testing of a three-kilowatt, free-piston Stirling engine generator for rural energy applications.

5. \* Sec. \_\_\_\_\_. The sum of \$85,000 is appropriated to the Department of Administration for payments to cover relocation expenses incurred by organizations forced to move from the site of the proposed new Anchorage state office building.

6. \* Sec. \_\_\_\_\_. The sum of \$3,000,000 is appropriated as a municipal grant to the Municipality of Anchorage for community services through non-profit agencies.

7. \* Sec. \_\_\_\_\_. Section 286, ch 50, SLA 1980, page 55, line 19 is amended to read:

	Appropriation Items	Appropriation Fund Sources	
		General Fund	
Anchorage - Alaska Treatment Center	180,000 [500,000]	180,000 [500,000]	

8. \* Sec. \_\_\_\_\_. The sum of \$60,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Older Persons Action Group.
8. \* Sec. \_\_\_\_\_. The Sum of \$600,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for construction of a sensory impairment center.
9. \* Sec. \_\_\_\_\_. The sum of \$105,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Alpine Alternatives program.
10. \* Sec. \_\_\_\_\_. The sum of \$102,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Alaska Health Project for operating expenses.
11. \* Sec. \_\_\_\_\_. The sum of \$72,000 is appropriated from the general fund as a municipal grant to the Municipality of Anchorage for for operating expenses of the Anchorage Neighborhood Health Center dental facility.
12. \* Sec. \_\_\_\_\_. The sum of \$120,000 is appropriated from the general fund as a municipal grant to the Municipality of Anchorage for the Alaska Treatment Center for operating expenses.
13. \* Sec. \_\_\_\_\_. The sum of \$1,176,000 is appropriated from the general fund as a municipal grant to the Municipality of Anchorage for the Anchorage School District for capital construction costs of phase I of an early childhood/Headstart facility.

alaska  
state  
hospital  
association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

Chairman of the Board  
Ronald A. Pavellas  
Humana Hospital Alaska  
Anchorage

Chairman-Elect  
Mark Hawkins  
Sitka Community Hospital  
Sitka

Immediate Past Chairman  
Tom Mingen  
Fairbanks Memorial  
Hospital  
Fairbanks

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Cordova Community  
Hospital  
Cordova

Delegate to the American  
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Al M. Camosso  
Providence Hospital  
Anchorage

Alternate Delegate to the  
American Hospital Assoc.  
Michael Lockwood  
Central Peninsula Hospital  
Soldotna

Delegate to the American  
Health Care Association  
Jack Buck  
St. Ann's Nursing Home  
Juneau

Alternate Delegate to the  
American Health Care  
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Hospitals  
Daniel Van Wieringon  
Kodiak Island Hospital  
Kodiak

Trustee Delegate to the  
American Hospital Assoc.  
Moe Kadish  
Trustee, Providence  
Hospital  
Anchorage

Alternate Trustee Delegate  
to American Hospital  
Association  
Robert Jensen  
Central Peninsula Hospital  
Soldotna

Physician Member of  
the Board  
Keith Brownsberger, M.D.  
Anchorage

President  
Dennis L. DeWitt  
Juneau

March 23, 1983

The Honorable Joe Josephson  
Senator  
Pouch V  
Juneau, Alaska 99811

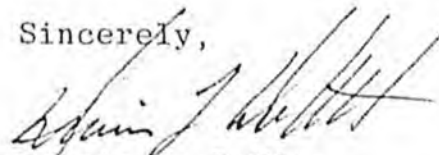
Dear Senator Josephson:

The Alaska State Hospital Association has reviewed SB 158 by the Rules Committee by request of the Governor and must inform you of our opposition.

While there are several meritorious sections, sections 25, 26, and 27 which transfers over \$8 million out of the Division of Public Assistance in the Department of Health & Social Services is unacceptable to us. That money should be applied to the needs already identified in the catastrophic illness program which is grossly underfunded for fiscal year 1983.

We will appreciate your consideration of our comments when the Senate Health Education & Social Services Committee reviews SB 158.

Sincerely,



Dennis L. DeWitt  
President

DLD:hb

cc: Governor Bill Sheffield

# MEMORANDUM

State of Alaska

TO: Robert London Smith, Ph.D.  
Commissioner

*attached*  
*LR 3/7/83*

DATE: March 7, 1983

FILE NO:

TELEPHONE NO:

FROM:

*J.R. Pugh*  
John R. Pugh  
Acting Deputy Commissioner  
Social Services

SUBJECT:

Child Protective Services  
for Rural Communities in  
House District #2

On March 7, 1983 a meeting was held to discuss various budget mechanisms which could be utilized to address critical child protective service needs in House District 2. Rep. Peter Goll, Gene Dusek, Allen Blume, Marsha Hubbard, and John Pugh attended the meeting.

There was general agreement in the group that Rep. Goll's concerns for his district are legitimate. This has been confirmed by the Department as well as various non-profit agency providers in southeast Alaska.

The group focused on the mechanism for responding to this crisis. The group agreed to the following actions:

- 1) A Revised Program will be prepared by the Department requesting the movement of funds in the Juvenile Custody Budget Review Unit - Foster Care Component to create a Social Worker position for Prince of Wales Island and to provide the necessary funds to contract for a one time project which will develop community awareness to child abuse and neglect issues, train providers such as health aides, village to respond appropriately, public safety officers and school teachers and enhance community networks to deal with the problem.
- 2) The Department will prepare a letter to OMB requesting an amendment to SB 158 which would extend the appropriation end date for the Juvenile Custody BRU to June 30, 1984.

This is a fine opportunity to use funds, for DHSS purposes which would otherwise lapse, and be used by some other department for their purposes.

Marsha will have all the necessary documents ready for review by tonight.


# MEMORANDUM

# State of Alaska

TO: Gene Dusek, Assoc. Director  
Office of Management & Budget  
Office of the Governor

DATE: March 7, 1983

FILE NO: 006-3-14-2 (RR)



FROM: Robert London Smith, Ph.D.  
Commissioner  
Dept. of Health & Social Services

TELEPHONE NO: 3030

SUBJECT: Foster Care Line Item  
Transfer \$214,000

Communities in Southeastern Alaska have expressed their concern that the social worker who travels from Ketchikan to Prince of Wales Island has a caseload of 78 (including cases from Kasaan, Hydaburg, Craig, and Klawock). Prince of Wales has experienced rapid growth within a relatively short period of time and the inhabitants are exhibiting corresponding stress due to the widespread economic difficulties experienced by the general populace. The agency in Ketchikan providing services to victims of domestic violence and sexual assault reports that they have received referrals from the Division of Family & Youth Services' Ketchikan office on twenty-five incest clients within the last six months. The influx of people seeking nonexistent jobs and poorly adjusted families joining family members who are employed in construction on Prince of Wales have caused the Regional caseloads to increase in both numbers and severity. The caseloads have reached a crisis level which warrants immediate attention and intervention.

In addition, other rural Southeast communities are experiencing similar problems of family violence and child abuse and the Division does not have permanent positions available to provide sufficient coverage. A one time contract is proposed which would focus on developing community awareness of the problems of child abuse/neglect and development of a network of persons presently living in these communities who will be trained to identify abuse and neglect and work with the Division of Family and Youth Services in providing community support for victims and their families.

This Revised Program Request for line item transfer of \$214,000 establishes a Social Worker III position in Craig to provide services to Prince of Wales Island for the Division of Family & Youth Services. It also allows contracting \$130,000 for a training program in Southeast Alaska dealing with the prevention and treatment of child abuse. This request provides funding for the 15 month period April 1, 1983 thru June 30, 1984 and is being submitted in conjunction with a suggested amendment to SB 183 extending the lapse date of the FY 83 Foster Care allocation to June 30, 1984. A currently projected lapse of \$297,200 for the Foster Care component allows us the freedom of requesting implementation of these needed services.

An expectation in change of output of the Foster Care component will be a decrease in foster care placements in Southeast Alaska starting in FY 84.

F Y 8 3 REVISED PROGRAM SUMMARY  
 BY  
 BUDGET COMPONENT

F  
 Y  
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 3

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOCIAL & ECON ASSISTANCE TO THE GEN. POP.
AGENCY	DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION	Family & Youth Services
APPROPRIATION	JUVENILE CUSTODY
ERU	JUVENILE CUSTODY
ALLOCATION	FOSTER CARE
COMPONENT	

BUDGET STRUCTURE 02-21-32-01  
 ALLOCATION CODE (S) 05-21-3-655

	APPROVAL PATH			Log# 182		Log# 217		Log#		Log#	
	SOS HB 148 (FIN)	GOV'S VETO	CH 101 SLA 82	RP VOS	BALANCE	RP VO	BALANCE	RP VO	BALANCE	RP VO	BALANCE
UNALLOCATED											
SOCIAL SVCS.						51.0	51.0				
TOTAL						4.0	4.0				
CONTRACTUAL				27.0	27.0	145.0	172.0				
COMMODITIES						.5	.5				
EQUIPMENT						13.5	13.5				
EXP. BUDS.											
STATE CLAIMS	4586.5		4586.5	<27.0>	4559.5	<214.0>	4345.5				
ETC.											
<b>TOTAL</b>	<b>4586.5</b>		<b>4586.5</b>	<b>-0-</b>	<b>4586.5</b>	<b>-0-</b>	<b>4586.5</b>				
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL TOTAL											
STATE MATCH											
GENERAL FUND	4586.5		4586.5	-0-	4586.5	-0-	4586.5				
1/A RECEIPTS											
DEFERRED REV.											
1/A RESTRICTED											
FULL TIME						1.0	1.0				
PT/SEASONAL											
EMPLOYMENT											
1/A AUTO.						15.0	15.0				



S B

160

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 160 Date on Bill: 3/4/83  
 Title: "An Act relating to the Board of Nursing; .....  
 Sponsor: Senator Josephson  
 Requestor: \_\_\_\_\_

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

			FY 83	FY 84	FY 85	FY 86
Capital						
Operating						
Total			0	0	0	

b. Revenues:

Revenue						
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2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

Funding for the Board of Nursing has been included in the FY '84 budget documents. This bill does not require added fiscal requirements as written.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Harry D. Treager, Director Phone: 465-2534  
 Division: Occupational Licensing Date: \_\_\_\_\_  
 Approved by Commissioner: Richard A. Lyon Date: \_\_\_\_\_  
 Department: Commerce and Economic Development

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

BOARD OF NURSING

CURRENT NUMBER OF LICENSEES 5,267

FY '82

Revenues	51.2
Expenditures	92.7

Personal Services	69.2
Board Travel & Per Diem	15.0
Contractual	8.0
Commodities	.5
TOTAL	<u>92.7</u>

FY '83 Allocated 21.1 (For Board travel and Per diem only)

Revenue (7/1/82 to 2/14/83)	99.2
Expenditures	39.5

Board Travel & Per Diem	5.7
Contractual	7.5
Personal Services (7/82 to 2/83)	26.3
	<u>39.5</u>

FY '84 (Board Component - Division Budget) Total 201.5

Nursing Board Allocation 22.3

\*Personal Services  
Contractual  
Commodities  
Equipment

\*The above are supported by the Administration component of the Division's budget.

A PERFORMANCE REVIEW OF THE  
BOARD OF NURSING

July 7, 1982

Audit Control Number  
08-112-0081-R

Commissioner, Department  
of Commerce and Economic  
Development

Charles R. Webber

Deputy Commissioner,  
Department of Commerce and  
Economic Development

Edward Eboch

Members of the  
Board of Nursing

Chairman  
Secretary  
Member  
Member  
Member  
Member  
Member

Sammye Rink, R.N.  
Keith B. Wise  
Betty Hodo, R.N.  
Marion E. Bayless, R.N.  
Jennifer A. Gleason, R.N.  
Eileen Montano, R.N.  
M. Gopinath