

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

3214.77

HHESS

HB

191

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HB

209

WRANGELL 1983 SERIES C	\$50,577.50	\$25,288.75	\$30,346.50	\$35,404.25	\$40,462.00	\$45,519.75
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FY84 IMPACT			\$5,057.75	\$10,115.50	\$15,173.25	\$20,231.00
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DEBT RETIREMENT
FY85 50% REIMBURSEMENT

SCHOOL DISTRICT	FY85 PAYMENT BY MUNICIPALITY	REIMB. AT 50%	REIMB. AT 60%	REIMB. AT 70%	REIMB. AT 80%	REIMB. AT 90%
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WRANGELL 1983 SERIES C	\$115,386.25	\$57,693.13	\$69,231.75	\$80,770.38	\$92,309.00	\$103,847.63
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WRANGELL 1984 POOL/GYM COMPLEX	\$381,235.00	\$190,617.50	\$228,741.00	\$266,864.50	\$304,988.00	\$343,111.50
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KENAI 1984 SCHOOL BONDS	\$476,150.51	\$238,075.26	\$285,690.31	\$333,305.36	\$380,920.41	\$428,535.46
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TOTALS	\$972,771.76	\$486,385.88	\$583,663.06	\$690,940.23	\$778,217.41	\$875,494.58
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FY85 IMPACT			\$97,277.18	\$194,554.35	\$291,831.53	\$389,108.70
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DEBT RETIREMENT
FY86 50% REIMBURSEMENT

SCHOOL DISTRICT	FY86 PAYMENT BY MUNICIPALITY	REIMB. AT 50%	REIMB. AT 60%	REIMB. AT 70%	REIMB. AT 80%	REIMB. AT 90%
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WRANGELL 1983 SERIES C	\$118,592.50	\$59,296.25	\$71,155.50	\$83,014.75	\$94,874.00	\$106,733.25
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WRANGELL 1984 POOL/GYM COMPLEX	\$870,282.50	\$435,141.25	\$522,169.50	\$609,197.75	\$696,226.00	\$783,254.25
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KENAI 1984 SCHOOL BONDS	\$693,279.40	\$346,639.70	\$415,967.64	\$485,295.58	\$554,623.52	\$623,951.46
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HAT-SU 1985 (EST.)	\$2,200,000.00	\$1,100,000.00	\$1,320,000.00	\$1,540,000.00	\$1,760,000.00	\$1,980,000.00
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TOTALS	\$3,882,154.40	\$1,941,077.20	\$2,329,292.64	\$2,717,508.08	\$3,105,723.52	\$3,493,938.96
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FY86 IMPACT			\$388,215.44	\$776,430.88	\$1,164,646.32	\$1,552,861.76
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TOTAL IMPACT			\$490,550.37	\$981,100.73	\$1,471,651.10	\$1,962,201.46
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MEMORANDUM

State of Alaska

TO: Deborah Niedermeyer
Committee Aide
House Hess Committee

DATE: April 17, 1985

FILE NO: 85D-234

TELEPHONE NO: 465-3568

FROM: Margo W. Waring *MW*
Principal Analyst
Division of Strategic Planning
Office of Management and Budget

SUBJECT:

Committee members requested that I seek legal advice to find any legal or practical problems involved with language that would require municipalities to calculate potential interest earnings and, thus, to reduce the size of the bond by a corresponding sum.

The firm of Birch Horton Bittner is bond counsel to the State Bond Committee. The attorney in the Anchorage office, Suzanne Pestinger, consulted with Washington, DC co-counsel. Below is their recommended language.

The municipality shall agree to use an amount equal to the interest earned on investment of bond proceeds to pay the cost of construction of the project financed by such bond issue.

MWW/dmc

ALASKA DEPARTMENT OF EDUCATION

ELEMENTARY/SECONDARY AND COMBINED ELEMENTARY-SECONDARY SCHOOL SPACE GUIDELINES
(IN MINIMUM, IN AVERAGE, AND IN MAXIMUM GROSS SQUARE FEET OF FLOOR AREAS)¹

SCHOOL ²	ENROLLMENT									
	10-20	21-32	33-46	47-62	63-80	81-99	100-199	200-299	300-399	400-499 ³
ELEMENTARY (MIN GSF)	800	1,800	4,100	6,100	7,900	9,200	9,700	19,100	27,400	34,900
ELEMENTARY (AVG GSF)	1,500	2,700	5,700	7,900	9,900	11,300	20,400	27,400	31,800	42,900
ELEMENTARY (MAX GSF)	1,600	3,000	6,300	8,700	10,900	12,400	22,500	30,100	40,000	50,000
SECONDARY (MIN GSF)	3,000	5,000	7,300	10,600	13,900	15,200	28,500	35,500	49,600	72,500
SECONDARY (AVG GSF)	5,200	7,000	9,900	13,600	16,100	18,400	35,900	50,100	65,000	75,000
SECONDARY (MAX GSF)	5,700	7,300	10,800	14,900	17,800	20,300	39,500	55,100	72,200	80,000
COMBINED E/S (MIN GSF)	3,500	5,500	8,500	11,500	14,500	16,500	30,000	37,500	52,000	74,000
COMBINED E/S (AVG GSF)	5,500	8,000	11,500	15,000	17,500	20,000	40,000	52,500	68,500	80,000
COMBINED E/S (MAX GSF)	6,300	9,800	13,500	17,000	19,500	22,500	42,500	57,000	73,500	82,500

¹ Exclude exterior wall thickness from GSF calculation

² For all remote schools that are supplied annually, nonassignable space shall be 35-45 percent of building's GSF.

³ For elementary schools with a design enrollment of 500 or more, use 100 GSF per student; for secondary schools with a design enrollment of 500 or more, use 150 GSF per student.

AMENDMENT TO CSHB 191 (HESS)

BY REPRESENTATIVE ROBIN L. TAYLOR

Page 3 * Sec. 5. AS 14.11.00(a)(5) is amended to read:

(5) subject to (h), [AND] (i), and (j) of this section, 80 [50] percent of

(A) payments made by the municipality during the fiscal year two years earlier for the retirement of principal and interest on outstanding bonds, notes or other indebtedness authorized by the qualified voters of the municipality after June 30, 1983, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(11); and

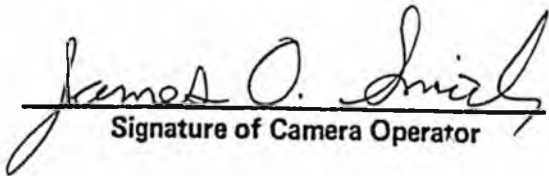
(B) cash payments made after June 30, 1983, by the municipality during the fiscal year one [two] year[s] earlier to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(11).

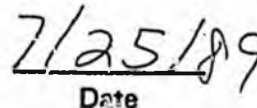


RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

HB

205

State of Alaska

COMMITTEES

HOUSE HEALTH, EDUCATION
AND SOCIAL SERVICES
(Co-Chairman)
HOUSE JUDICIARY
HOUSE COMMUNITY AND
REGIONAL AFFAIRS



POUCH V
JUNEAU, ALASKA 99811
(907) 465-4968

914 CLAY COURT
ANCHORAGE, ALASKA 99503
(907) 276-6844

Representative Max F. Gruenberg, Jr.
District 11
Spenard, Upper Midtown Anchorage

February 27, 1986

H. Prent Gazaway
1521 West 14th
Anchorage, Alaska 99501

Dear Prent:

Thank you for your public opinion message of January 29, and your kind letter of the same date. I'm really flattered!

With respect to HB 205, as you know, we held a hearing at the request of a number of Anchorage citizens. Although the testimony of some witnesses, mainly anecdotal, supported the bill, the testimony of the Department of Health and Social Services, Division of Family and Youth Services, provided figures refuting the testimonies of the families of victims. The facts and figures show that there is really no need for an automatic waiver of juveniles committing serious crimes.

There is obviously a problem with juvenile delinquency in Anchorage and elsewhere. I do not, however, believe that automatic waiver, as provided in HB 205 is the answer. I remain, however, concerned and interested in seeking a legislative solution, if a just one can be found. Senator Pat Rodey has introduced SB 264, (copy enclosed) which provides a slightly different approach. A copy is enclosed. That bill has not yet reached the House.

With respect to the other points made in your January 29 letter, I will not respond to all of them, but you have a great number of good ideas and I shall certainly keep them in mind.

One suggestion that really caught my eye was contained in your November 13 letter to Barbara Shaffer. You proposed an incentive to encourage prompt repayment of student loans. You suggested a 5% cash discount for each loan payment made on or before the due date with a shifting of funds by lowering the forgiveness to those returning to Alaska upon graduation.

I have talked to other representatives more directly involved in the student loan program and relayed your suggestion to them. I'll keep the idea in mind as we continue to work on the student loan legislation.

Thanks again for writing.

Cordially,



Max F. Gruenberg, Jr.

MFG/ddl

Enclosure

*
* DELIVER TO: JFOM *
* *
* ORIGINAL *
* SENT: 01/29/86 TIME: 10:55 *
* FROM: BARBARA NORRELL *
* SUBJECT: FOM *
* PRINT DATE: 01/29/86 TIME: 11:12 *
*

TO: HOUSE HEALTH, EDUCATION, AND SOCIAL SERVICES COMMITTEE
REPS. KOPONEN, GRUENBERG, TAYLOR, HURLEY, THOMPSON,
PETTYJOHN, HANLEY
FROM: H. PRENT GAZAWAY, 1521 W. 14 TH, ANCHORAGE, AK 99501
277-2073
SUBJECT: HB205, CRIMINAL PROSECUTION OF 16 AND 17 YEAR OLDS

I URGE AND PLEAD WITH YOU TO DEFEAT THIS BILL IN COMMITTEE AND TO VIGOROUSLY OPPOSE THIS BILL IF IT REACHES THE FLOOR. MINORS ARE NOT ADULTS IF 18 YEARS OR YOUNGER. TO TREAT THEM AS SUCH AND NOT GIVE EVEN THE MOST VICIOUS A SECOND CHANCE IS THE MOST CRUEL AND MOST OBSCURE FORM OF CHILD ABUSE . I THANK YOU FOR THE OPPORTUNITY TO BE HEARD.

1/29/86

Prent & Vera Gazaway

1521 W. 14th Avenue Anchorage, AK 99501 (907) 277-2073

Dear Max:

I intended but failed to call to tell you before this session started. As chair of HB205 Anchorage hearings you are superb. The best at state or federal ^{level} we heard in 35 years.

Other HESS Members also were outstanding, as evidenced by their interest, concern and calmness.

In recent years a few Alaska members of legislative committees, unintentionally to be sure, fail to put witnesses at ease and appear to interrogate and argue with them.

I have many and diverse legislative interests not the least of which is

Conitd

to be opposed to the mandatory sentencing and the death penalty bills and to favor and urge support of the Senate right to die bill.

This session the most pressing thing the legislature must do is to carefully trim the Governor's Budget - operating by at least 5% and the Capital by 10% or more and not to dip into the reserve (?) funds unless oil levels off at less than \$20 bbl. I doubt if the budget reductions can be skillfully but judiciously accomplished in much less than 150 days.

I'm disappointed in the Legislative salary commission recommendations, especially referring out setting up another Commission. I favor

doubling legislators present salaries if there is evidence it is likely to raise effectiveness 1%. Other than retirement benefits and possibly other fringes I don't know about, present salaries are reasonable. The Senate campaign funding bill, though clearly and concisely drafted, has provisions that detract rather than improve the current situation.

The student loan program is the state's best loan and economic development program. It has been shortfunded the past three years and the same is proposed for FY87. I suggest a minimum of \$65-70 million and urge your support. Enclosed a copy of my letter to the Commission. I appreciate your good work.

Sincerely
H. Kent,

1521 W 14th Ave
Anchorage, AK 99501

November 13, 1985

Ms. Barbara Shaffer, Chairman
Alaska Commission on Postsecondary Education
Pouch FP
Juneau, AK 99811

Your recent notices in Anchorage newspapers and the All Alaska Weekly (Enclosure 1) are appreciated. They were well-placed, in bold-print, easy to notice and read.

Before you make the proposed or other major changes in the Alaska student loan program I urge you to hold hearings on the Anchorage, Fairbanks and possibly other campuses. Each present and prospective borrower under this program is entitled to a reasonable chance to be heard before you cut or slash their program.

Instead of requiring each loan applicant to have \$500 a year, plus transportation costs; and reducing his maximum loan by this amount (\$500) a year, why not reduce the maximum total loan from present (4 years x \$6,000 = \$24,000) to \$22,000? A maximum total loan reduction of of \$2,000 for undergraduates, Vocational/Technical applicants? And, for graduates reduce the total loan amount from (3 years x \$7,000 = \$21,000) to \$19,000 maximum. This will be less abruptive, offer students more flexibility and reduce the total that can be loaned to each student.

The first change in the present loan program I would consider is to offer an incentive to encourage prompt repayment on or before the due date. This could be done with a limited loss in loans collected by shifting 5% of the 10% a year loan subsidy for those returning to Alaska to live. Then use this to give 5% cash discount for each loan payment made on or before the date due.

If quoted correctly, what is your basis for implying that the Alaska student loan is overgenerous (Enclosure 2, Anchorage Daily News clipping 11/7/85)? As compared to what? From \$2,000 to \$10,000 a year for housing and \$5,000 to \$75,000 or more each year for farm loan subsidies, each running for twenty to thirty years. Are these sources reported to be out of loan funds? Their loan delinquency rates most likely are higher than those for student loans.

Alaska students who should have the highest priority for limited loan funds are those who must go out of state for the type education they seek - Medicine, pharmacy, denistry, veterinary, etc., and most M.S. and Ph.D. programs.

If other states like Alaska were receiving \$7,000 to \$15,000 per capita each year in oil revenues it is entirely possible one or more states would have a more generous state loan program.

If notified their loan funds were exhausted or drastically reduced, supporters of other state loans - Home, farm, fishery or industrial programs - you would have experienced a ground swell of support and opposition to change. Regretably for themselves, students borrowers are widely dispersed and unorganized.

Q Do they have the funding to compose, reproduce testimony, send delegates to meeting, hire lobbyist or otherwise make their desires and wishes known to legislators, program administrators and the Governor.

I started this intending to ask a few questions and offer comments on Voc/Tech loans but I've gone on and on for far too long.

Yours sincerely,



H. Prent Gazaway

February 19, 1986

Mr. Glenn Thompson
7216 Lake Otis Pkwy
Anchorage, Alaska 99507

RE: Senate Bill 140

Dear Mr. Thompson:

Thank you for your public opinion message concerning SB 140, the "living will" bill. A copy of the House Judiciary Committee substitute is enclosed. I agree with you that the two provisions recently added: (1) requiring the will be signed in front of a judge or magistrate, and (2) prohibiting the declarant from requesting that no nutrition or hydration be given, should be stricken.

I am hopeful that amendments will be offered on the House floor to accomplish these two purposes. If they are, I shall do what I can to assist in their passage.

Cordially,

Max F. Gruenberg, Jr.

MFG/ddl

Enclosure

*
 * DELIVER TO: SPSN 61 *
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 * ORIGINAL *
 * SENT: 02/20/86 TIME: 09:20 *
 * FROM: BARBARA NORRELL *
 * SUBJECT: POM *
 * PRINT DATE: 02/20/86 TIME: 09:20 *
 *

TO: ALL LEGISLATORS

FROM: GLEN F. THOMPSON, 7216 LAKE OTIS PARKWAY, ANCHORAGE, AK 99507, 344-2615

SUBJECT: SB 140, RIGHTS OF THE TERMINALLY ILL

I URGE YOUR SUPPORT OF AN AMENDED VERSION OF SB 140. DELETE THE PROVISIONS FOR A JUDGES SIGNATURE AND THE FORCED FEEDING CLAUSE. THESE TWO PROVISIONS NULLIFY THE EFFECTIVENESS OF AND THE ORIGINAL INTEND OF THE BILL AND THEREFORE SHOULD BE OMITTED.

POSITION PAPER

HOUSE BILL NO. 205

For an Act entitled: "An Act relating to minors charged with felonies; and amending the children's proceedings waiver provisions."

In Alaska, as in most other states, the age of criminal responsibility coincides with the age of majority - 18 years of age. This reflects a recognition of the fundamental differences between children and adults and is expressed in numerous laws limiting the rights, privileges and responsibilities of children. However, because the designated age of majority is necessarily an arbitrary standard, legal mechanisms have been established to identify and properly address the inevitable exception. Waiver of juvenile jurisdiction is the mechanism generally established for differentiating between the vast majority of youthful offenders and those few whose traits and behavior identify them more closely with adult criminals than juvenile delinquents.

Present Law

As in 45 other states, waiver of juvenile jurisdiction occurs in Alaska through a formal court process and is a judicial determination. Unlike most other states, Alaska's law (AS 47.10.060) does not establish a minimum age below which youth cannot be transferred to adult criminal jurisdiction. AS 47.10.060 allows "waiver" of a youth of any age for any delinquent act, if the court finds the youth to be "not amenable to treatment" as a juvenile. A youth is considered unamenable to treatment if the youth "probably cannot be rehabilitated" by treatment under juvenile jurisdiction before reaching 20 years of age. In determining amenability to treatment, existing law suggests, but does not require, consideration by the court of four factors: (1) the seriousness of the offense alleged; (2) the youth's history of delinquency, if any; (3) probable cause of the youth's delinquent behavior and; (4) facilities available for treating the youth.

In recent years sensational publicity surrounding a few exceptional violent crimes committed by juveniles has led to the common but mistaken belief that violent juvenile crime is widespread and increasing, and that Alaska's present waiver law is so stringent that waiver of a juvenile is virtually impossible to achieve. Neither of these perceptions is supported by facts.

Total juvenile arrests for the crimes of murder, manslaughter, rape and robbery have averaged 39 per year from 1977 to 1983 ranging from a high of 48 in 1979 to a low of 33 in 1981. Those arrests comprise less than one percent of the total juvenile arrests for any of those years. The rate of juvenile arrest for violent crime has also remained relatively constant, averaging 2.7 arrests per 10,000 persons under age 18 and ranging from a high of 3.63 in 1977 to a low of 2.30 in 1981 and 1982. From 1981 to the present 26 youth were waived to stand trial as adults

for a range of offenses including first degree murder (10), first and second degree sexual assault or attempts (5), burglary (4), second degree theft, second degree criminal mischief, possession of marijuana, and minor consuming (1 each). Information for the years 1983 to 1985 indicates that 75% of the petitions for waiver have been granted.

Effects of HB 205

This bill would make several changes in Alaska law relating to waiver of juvenile jurisdiction over minors accused of offenses. It would:

1. establish a presumptive waiver based on age (16 and 17 years) and alleged offense (unclassified felony);
2. limit application of the judicial waiver mechanism to youths charged with felonies;
3. change the standard for discretionary (judicial) waiver from "unamenable to treatment" by age 20 to "no substantial likelihood of successful rehabilitation" under juvenile jurisdiction;
4. establish eleven specific factors judges must consider in determining the likelihood of successful rehabilitation but allow waiver decisions to be based on any one of the factors or any combination;
5. establish a mechanism allowing return to juvenile jurisdiction of presumptively waived juveniles who were convicted of lesser included charges that would not have made them eligible for presumptive waiver;
6. exempt waived juveniles from mandatory minimum and presumptive sentences; and
7. define procedures for confinement of waived juveniles.

Analysis

The critical issues in structuring a waiver law are:

1. establishing an effective and impartial method of applying a standard to specific cases; and
2. determining a satisfactory standard with relevant considerations for making waiver decisions.

Under present Alaska law, the method of applying the waiver standard is a formal court proceeding at which all evidence bearing on the waiver decision is fully examined. This method of making waiver decisions -- the judicial or discretionary waiver -- is universally supported by

advisory and standard setting organizations including: The Institute of Judicial Administration and American Bar Association in a joint report titled, Juvenile Justice Standards; the National Advisory Committee for Juvenile Justice and Delinquency Prevention in its report, Standards for the Administration of Juvenile Justice; and the National Advisory Committee on Criminal Justice Standards and Goals, Report of the Task Force on Juvenile Justice and Delinquency Prevention.

Waiver decisions made by judges require a threshold finding of probable cause to determine the accused juvenile committed the alleged offense, are guided by statutorily established criteria and standards, are fully reviewable, and allow consideration of factors defined in law as relevant to the waiver decision.

Under the presumptive waiver method proposed in Section 1 of HB 205, sole responsibility for making a presumptive waiver decision falls to the prosecutor, who determines the offense to be alleged. No threshold finding of probable cause is required. Waiver is accomplished with the filing of an initial charge. Review of a prosecutor's presumptive waiver decision occurs only indirectly through grand jury and trial proceedings which focus only on the probability that the alleged offense was committed. The need for or appropriateness of the waiver decision is not addressed in those proceedings.

The standard for making waiver decisions under a judicial or discretionary waiver is legislatively determined and applied by the judiciary. Factors to be considered in determining which cases meet the standard for waiver are also legislatively established. Factors used in applying judicial waiver standards include those considered relevant in balancing societal interests in public protection, deterrence, reinforcing norms, and rehabilitation of accused youth -- factors predictive of danger, likelihood of rehabilitation, and those bearing on the nature of the alleged offense.

Presumptive waiver laws such as Sec. 2 of HB 205 predicate waivers on two factors only -- age at the time of the alleged offense and the offense charged. No standard is established for the decision which determines waiver -- the decision of the prosecutor to allege an offense which is subject to presumptive waiver. The standard for the waiver/charging decision is determined by prosecutorial policy and individual prosecutor discretion.

Department Position

The Department supports a strengthened judicial waiver such as proposed in Section 7 of HB 205 but opposes the presumptive waiver proposed in Section 1.

Section 7 would clarify the standard for making waiver decisions and would require consideration by judges of specifically defined factors in determining if the standard for waiver had been met. This approach

provides far greater direction and guidance for judges and directly addresses the concerns that Alaska's present standard is too difficult to meet and allows for disparity in waiver decisions. The Department recommends minor modifications in the factors to increase their relevance to the goals of public protection, rehabilitation and deterrence and to make the factors more objective.

The Department opposes the presumptive waiver in Section 1 of the bill. This provision removes the responsibility for making waiver decisions from the court and places it on prosecutors without providing a standard for making the decision and without direct review of the decision. It also bases waivers on only two factors, which provide little basis for predicting future criminal behavior or rehabilitative potential. This approach bases waiver solely on alleged culpability and is justifiable only if society's primary interest is retribution. A single violent act is not predictive of a continuing criminal career or future violence. Studies show that many youths commit only one serious offense and cease to be criminally active. The best predictor of future criminal behavior is a chronic history of delinquency. A presumptive waiver attempts to mechanize a difficult decision in which society has competing interests. There must be a balancing of the goals of public protection, deterrence and rehabilitation.

Recommended Amendments to the Bill

The attached draft incorporates changes to HB 205 recommended by the Department. These recommendations maintain the emphasis of the bill on strengthening Alaska's waiver law, but avoid the problems inherent in a presumptive waiver approach. With the suggested changes, the Department believes HB 205 would provide an effective and equitable means of carefully identifying those few exceptional juveniles who require sanctions and treatment qualitatively and quantitatively different from those available within juvenile jurisdiction.

The recommendations include:

1. delete the proposed presumptive waiver provision;
2. maintain provisions defining procedures for confinement of judicially waived youth;
3. correct language in Sec. 5, proposed AS 12.80.060, to commit waived juveniles to the Department of Corrections upon sentencing;
4. alter language in Sec. 7, proposed AS 47.10.060 (a), reverting to present language allowing initiation of waiver petition by other than a prosecutor;

5. include an age limit of 20 in Sec. 7, proposed AS 47.10.060 (a) (2), in the standard for determining the likelihood of rehabilitation under juvenile jurisdiction;
6. include modifications to factors proposed in Sec. 7 to make the factors more objective and relevant to the goals of public protection and rehabilitation; and
7. change Sec. 7, proposed AS 47.10.060 (c), to require waiver decisions to be based on consideration of all factors in combination rather than on any single factor. This reduces the potential for disparity by eliminating the possibility that courts could base a decision on a single factor only, and by reducing the impact of waiver decisions which might result from differing emphasis placed by judges on any single factor.

RECOMMENDED: Michael E. Price
Michael E. Price, Director
Division of Family
and Youth Services

DATE: March 21, 1986

APPROVED: John R. Pugh
John R. Pugh, Commissioner
Department of Health
and Social Services

DATE: 3/21/86

RECOMMENDED AMENDMENTS TO HB 205

Sections 1, 5 & 7

* Section 1. AS 12.05 is amended by adding a new section to read:

Sec. 12.05.020. JURISDICTION OVER CERTAIN MINORS CHARGED WITH SERIOUS FELONIES. (a) If the court has waived children's court jurisdiction over a person under the age of 18 under AS 47.10.060, that person shall be prosecuted as an adult.

(b) Unless referred to children's court for disposition after a hearing under AS 12.55.007(b), a person who has been convicted of an offense after being prosecuted as an adult under this section shall be prosecuted as an adult for any subsequent criminal offense.

(c) References in this section to a person's age refer to the person's age at the time of the offense.

* Sec. 5. AS 12.80 is amended by adding a new section to read:

Sec. 12.80.060. CONFINEMENT OF CERTAIN MINORS. (a) A person under 18 years of age, who is held in custody for an offense that would be a crime if committed by an adult, shall be confined to a facility for juvenile offenders unless children's court jurisdiction over the person has been waived under AS 47.10.060, and the person has been indicted for, held to answer following a preliminary hearing on, or charged by complaint or information following a waiver of indictment for a felony offense. Following indictment, preliminary hearing, or waiver of indictment, the person, if held in custody, shall be confined to a facility for adult offenders.

(b) If a person under 18 years of age who is subject to the jurisdiction of the court under AS 12.05.020 is confined to custody

while awaiting sentencing, or is sentenced to a period of incarceration upon conviction, the person shall be committed to the custody of the Department of Corrections for confinement in a correctional facility for adult offenders. (c) The department shall provide a person confined to custody in an adult facility under sections (a) or (b) with sleeping quarters that are separate from the sleeping quarters for adult offenders until the person reaches 18 years of age.

* Sec. 7. AS 47.10.060 is repealed and reenacted to read:

Sec. 47.10.060. WAIVER OF JURISDICTION. (a) The court shall waive children's court jurisdiction over a person under 18 years of age if, after a hearing on a petition, the court finds based upon the preponderance of the evidence,

(1) that there is probable cause to believe that the person has committed an offense which would be a felony if committed by an adult; and

(2) that there is no substantial likelihood that the person can be successfully rehabilitated under children's court proceedings before reaching 20 years of age.

(b) In determining the likelihood of successful rehabilitation under children's court proceedings, the court shall consider

(1) the seriousness of the alleged offense;

(2) whether the offense constituted a substantial danger to the public;

(3) whether the offense was committed in an aggressive, violent, premeditated, or willful manner;

(4) the person's role in the commission of the offense;

(5) whether the offense is part of a repetitive pattern of delinquent acts, even though previous offenses may have been less serious;

(6) the maturity and sophistication of the person as indicated by the person's age, intellectual capacity, and pattern of living;

(7) the success of any previous attempts to rehabilitate the person;

(8) whether children's court jurisdiction over the person can be retained long enough to allow for effective treatment or rehabilitation;

(9) the treatment resources available under children's court proceedings; and

(10) whether the protection of the community can be achieved through procedures, services and facilities available under children's court proceedings.

(c) The court shall determine the weight to be given to each of the factors listed in (b) of this section and shall issue a written decision. A finding that there is no substantial likelihood of successful rehabilitation of the person under children's court proceedings must be based on all factors in combination. If the court waives children's court jurisdiction over a person, the court shall order the children's court proceeding closed and the person shall be prosecuted as an adult.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 205
 Title : An Act relating to minors charged with felonies
 Sponsor : Pettyjohn, et. al.
 Requestor : _____
 Date of Request : 3/12/86

FISCAL DETAIL

Agency Affected : Health & Social Services
 BRU : Youth Services
 Components : McLaughlin Youth Center

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES			840.5	840.5	840.5	840.5
TRAVEL			4.4	4.4	4.4	4.4
CONTRACTUAL			72.5	72.5	72.5	72.5
SUPPLIES			76.2	76.2	76.2	76.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS			42.8	42.8	42.8	42.8
MISCELLANEOUS						
TOTAL OPERATING		-0-	1,036.4	1,036.4	1,036.4	1,036.4

CAPITAL		2,216.2				
----------------	--	---------	--	--	--	--

REVENUE		-0-				
----------------	--	-----	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		2,216.2	1,036.4	1,036.4	1,036.4	1,036.4
FEDERAL FUNDS						
OTHER						
TOTAL		2,216.2	1,036.4	1,036.4	1,036.4	1,036.4

POSITIONS :

FULL-TIME		-0-	19	19	19	19
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See Attached

Prepared by : Michael L. Price Phone : 465-3170
 Division : Family & Youth Services Date : _____

Approved by Commissioner : John R. Pugh Date : 3/21/86
 Agency : Department of Health & Social Services

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 205

Based on analysis of arrest data, waiver data, and sentencing information, this fiscal note assumes 14 youth waived annually who would be sentenced to serve a period of incarceration in DHSS facilities, and for whom additional facility capacity would be required.

Assumptions

1. Analysis of arrest data yields an expected frequency of 16 arrests annually of 16 and 17 year old youth for offenses subject to presumptive waiver under HB 205.
2. HB 205 would also amend the judicial waiver mechanism establishing a less stringent test for judicial waiver. Based on analysis of 1981-85 waiver data and 77-82 arrest data, and a presumed increase in efforts of prosecutors to achieve waiver of serious offenders, it is assumed that waiver would be attempted in 1 in 10 arrests of 16 and 17 year old youth charged with a class A felony. This yields an expected six additional waiver attempts annually and, presuming a continuation of at least the historic 75% success rate under the existing judicial waiver mechanisms, four additional waivers annually.
3. Based on analysis of past waiver attempts and a less stringent test for judicial waiver, it is assumed that waiver would be attempted in 1 in 50 cases of 12-15 year olds accused of class A or unclassified felony offenses. Analysis of arrest and waiver data indicates an expected frequency of two such waiver attempts annually. Assuming 50% success in waiving these youth because of lower age, one additional waiver annually would be predicted.
4. An 80% conviction rate is assumed because of the historically higher conviction rate for juveniles, and the high conviction rate for most serious crimes. The following expected frequencies of waived and subsequently convicted youth is predicted.

Sentences are predicted on the basis of exemption of waived youth from mandatory minimum and presumptive sentences under HB 205, and an assumed likelihood of lesser sentences imposed on waived juveniles than would be true for adult offenders. The range of sentences which may be imposed and actual sentences of previously waived youth were used as a guide.

<u>Age</u>	<u>Offense</u>	<u>#</u>	<u>Estimated Sentence</u>	<u>Time in DHSS Facility</u>
17	Murder	1	50 years	1 year
16	Murder	1	30 years	2 years
17	Sexual Assault 1° w/a firearm or injury	2	1- 5 years 1- 4 years	1 year 1 year
16	Sexual Assault 1° w/a firearm or injury	1	4 years	2 years

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 205

17	Sexual Assault 1° w/o firearm or injury	2	1- 4 years 1- 3 years	1 year 1 year
16	Sexual Assault 1° w/o firearm or injury	1	3 years	3 years
16	Sexual Abuse of a Minor	1	Probation	0 years
17	Misconduct Involving a Controlled Substance 1°	2	1- 2 years 1- Probation	1 year 0 years
16	Misconduct Involving a Controlled Substance 1°	2	1- 2 years 1- Probation	2 years 0 years
17	Manslaughter	1	2 years	2 years
17	Robbery w/firearm	1	Probation	0 years
16	Robbery w/firearm	1	3 years	3 years
16	Aggravated Assault	1	2 years	2 years
12-15	Unclassified or Class A Felony	1	5 years	<u>5 years</u>

27 person/yrs.

Note: This does not include waiver of chronically delinquent youth for less serious offenses (e.g. burglary, theft, criminal mischief, etc.). Information indicates that such youth comprised 30% of youth waived during period 1981-85. However, sentencing data is insufficient to predict sentences for youth waived for these lesser offenses.

Program Summary

Pre-adults waived to the adult system cannot be colocated with other juveniles for two reasons. First, pre-adults who have longer sentences pose a greater security risk; the physical design and arrangement of a maximum security unit must meet the needs of a higher risk population than existing youth facilities are designed to accommodate. Secondly, this population is less motivated to participate in treatment. The average length of stay for a resident currently in a state treatment program is 10 months, pre-adults waived to the adult system will have sentences of several years. Hence, completely different programs are required to respond to this group.

FY 87 Capital Project - One 25 bed detention unit would be built at McLaughlin Youth Center, utilizing the core facilities (gym, kitchen and core services). This unit would be similar to existing housing units at McLaughlin Youth Center. This unit would require some relocation/remodeling of existing site and building and would be located near the current McLaughlin Youth Center detention

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 205

circulation spine. It is estimated that it would be 7,776 square feet at a cost per square foot of \$285 for a total cost of \$2,216.2.

FY 88 The operation of the pre-adult unit would consist of the following staff and costs. Since this is a maximum security unit, three shifts are required. Since this facility is a maximum security unit, a maintenance worker is required to maintain the security systems. An additional cook is necessary because of the requirement of 20% more meals in McLaughlin Youth Center because of the pre-adult unit.

Personal Services

one Unit Leader	\$46,072
one Clerk-Typist III	29,896
one Maint. Worker II	48,022
one Cook II	42,850
three Youth Counselor III's	143,127
twelve Youth Counselor II's	<u>530,520</u>
	\$840,487

Travel

Field Travel - Transportation
of staff to pre-adults rural homes:

\$435 x 10 pre-adults = \$4,350

Assumption 15 pre-adults would come from Anchorage area.

Contractual

Professional Services:

Dental Care	\$452 x 20 pre-adults	\$ 9,040
Medical/Psych.	\$396 x 20 pre-adults	<u>7,920</u>
		\$ 16,960

Communication:

\$420 per staff x 19 staff	\$ 7,980
----------------------------	----------

Advertising, Printing & Binding:

\$ 2,000

Public Utilities:

\$13,983 month x .20% (1/5 size of MYC)	
x 12 months =	\$ 33,559

Other Expenditures & Services:

Laundry Services	\$31,205 x .20% =	\$ 6,241
Risk Management	\$28,591 x .20% =	<u>5,718</u>
		\$ 11,959

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 205

Interagency transfer, Dept. of Admin.,
Risk Management non-add \$5,718

\$ 72,458

Supplies

Office Supplies: $\$20,300 \times 20\% =$	\$ 4,060
Agricultural Supplies: $\$5,700 \times 20\% =$	\$ 1,140
Household & Institutional Supplies: $\$318,100 \times 20\% =$	\$ 63,620
Professional & Scientific Supplies: $\$3,600 \times 20\% =$	\$ 720
Other Operating Supplies: $\$8,600 \times 20\% =$	\$ 1,720
Repair & Maintenance Supplies: $\$24,600 \times 20\% =$	\$ 4,920
	<u>\$ 76,180</u>

Grants

Travel costs for pre-adults to and from facility: $\$32,487 \times 20\% =$	\$ 6,497
Gratuities for pre-adults: @ $\$1.25 \times 10 \text{ hrs/mo} \times 20 \text{ residents} \times 12 =$	\$ 3,000
Commissary items: $\$.45 \text{ day} \times 20 \text{ residents} \times 365 \text{ days} =$	\$ 3,285
Clothing purchases for pre-release items: $\$17,021 \times 20\% =$	\$ 3,404
Hospital and psychiatric care: $\$132,966 \times 20\% =$	\$ 26,593
	<u>\$ 42,779</u>

Position Title Unit Leader			No. of Positions 1	Range/Step 177A	Barg. Unit S	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Anchorage		Election District	Leg.		
Type of Expenditure			Justification					
1		2	3					
Salary	34,740	This position is necessary to provide operational services to a pre-adult unit for teen-agers who have committed unclassified felonies. The pre-adult unit is a maximum security unit requiring three complete shifts to operate it.						
Benefits	11,332							
Premium Pay								
Other								
Total Personal Services	46,072.00							
Travel	275.00							
Contractual	3,816.00							
Commodities	4,010.00							
Equipment								
Other								
Total Cost	54,173.00							
Receipt Code	Funding Source							
	Federal Receipts 1002							
	G. F. Match 1003							
	General Funds 1004		54,173.00					
	I-A Receipts 1005							
	Program Receipts 1028							
	CIP Receipts 1061							
	Other							
For B&M Use Only								
Key Number								

Request For
New Position

Agency Health and Social Services
 BRU Youth Services
 Component McLaughlin Youth Center

FY 87

Page 1 of 1
 Revised Date

Position Title Cook II			No. of Positions 1	Range/Step 57/C	Barg. Unit L	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Anchorage	Election District	Leg.			
Type of Expenditure			Justification					
Amount			This position is necessary to provide operational services to a pre-adult unit for teen-agers who have committed unclassified felonies. The pre-adult unit is a maximum security unit requiring three complete shifts to operate it.					
1	2	3						
Salary	29,698.00							
Benefits	10,857.00							
Premium Pay	2,295.00							
Other								
Total Personal Services		42,850.00						
Travel								
Contractual		3,815.00						
Commodities		4,010.00						
Equipment								
Other								
Total Cost		50,675.00						
Receipt Code	Funding Source							
	Federal Receipts 1002							
	G. F. Match 1003							
	General Funds 1004		50,675.00					
	I-A Receipts 1005							
	Program Receipts 1028							
	CIP Receipts 1061							
	Other							
For B&M Use Only Key Number _____								

**Request For
New Position**

Agency Health and Social Services
 BRU Youth Services
 Component McLaughlin Youth Center

FY 87

Page 1 of 1
 Revised Date _____

Position Title Youth Counselor III			No. of Positions 3	Range/Step 15/A	Barg. Unit G	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Anchorage		Election District	LCB		
Type of Expenditure			Amount					
1			2		3			
Salary			90,648.00					
Benefits			30,750.00					
Premium Pay			21,729.00					
Other								
Total Personal Services					143,127.00			
Travel					825.00			
Contractual					11,448.00			
Commodities					12,030.00			
Equipment								
Other								
Total Cost					167,430.00			
Receipt Code			Funding Source					
			Federal Receipts 1002					
			G. F. Match 1003					
			General Funds 1004		167,430.00			
			I-A Receipts 1005					
			Program Receipts 1028					
			CIP Receipts 1061					
			Other					
For B&M Use Only								
Key Number								

Justification
 These positions are necessary to provide operational services to a pre-adult unit for teen-agers who have committed unclassified felonies. The pre-adult unit is a maximum security unit requiring three complete shifts to operate it.

**Request For
New Position**

Agency Health and Social Services
 BRU Youth Services
 Component McLaughlin Youth Center

Page 1 of 1
 Revised Date

FY 87

Position Title Youth Counselor II			No. of Positions 12	Range/Step 13/B	Barg. Unit G	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Anchorage		Election District	Leg.		
Type of Expenditure			Justification					
		Amount	These positions are necessary to provide operational services to a pre-adult unit for teen-agers who have committed unclassified felonies. The pre-adult unit is a maximum security unit requiring three complete shifts to operate it.					
1	2	3						
Salary	327,456.00							
Benefits	131,664.00							
Premium Pay	71,400.00							
Other								
Total Personal Services		574,730.00 530,520.						
Travel		3,300.00						
Contractual		45,789.00						
Commodities		48,130.00						
Equipment								
Other								
Total Cost		671,949.00 627,739.						
Receipt Code	Funding Source							
	Federal Receipts 1002							
	G. F. Match 1003							
	General Funds 1004		671,949.00 627,739.					
	I-A Receipts 1005							
	Program Receipts 1028							
	CIP Receipts 1061							
	Other							
For B&M Use Only Key Number _____								

**Request For
New Position**

Agency Health and Social Services
 BRU Youth Services
 Component McLaughlin Youth Center

Page 1 of 1
 Revised Date

FY 87



The Drawing Board™

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CALL: 1-800-527-9530, IN TEXAS 1-800-442-7580

NOTE-O-GRAM®

REORDER ITEM # N-N73U

WALT & ELSA L. PEDERSEN
STAR ROUTE BOX 222 • STERLING, ALASKA 99672
PLEASE WRITE - WE HAVE NO PHONE

MESSAGE

REPLY

TO Rep. Mike Navarre
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

DATE

DATE January 6, 1986

Dear Rep. Navarre:

Enclosed is a copy of a "Petition for Better Juvenile Laws" with 20 signatures, for your consideration in this session.

We also request further consideration of the speed limit through Sterling, as we are not satisfied with the DOT's argument that 45 mph is safer than 35 mph! If this is true then why does Moose Pass have a 35 mph limit?

As you have probably seen in today's CLARION, the State does not pay much attention to public requests for sensible speed limits through crowded areas.

We appreciate your help with our problems.

Sincerely,

Walt Pedersen

SIGNED

Item # N-N73U © Wheeler Group Inc.

INSTRUCTIONS TO SENDER:

1. KEEP YELLOW COPY. 2. SEND WHITE AND PINK COPIES INTACT.

INSTRUCTIONS TO RECEIVER:

1. WRITE REPLY. 2. DETACH STUB, KEEP PINK COPY, RETURN WHITE COPY TO SENDER.

PETITION FOR BETTER JUVENILE LAWS

1. All persons 16 years or over charged with an offense designated as a felony (rape, murder, felony assault) shall be prosecuted as an adult.
2. All minors under 16 committing a non-felony offense shall: A. Pay a fine commensurate with the offense and/or do public service if they are a first offenders.
B. Be institutionalized and compelled to do physical work, if they are a second offenders.
3. All juveniles under 16 contained for a felony should be re-evaluated at 18.

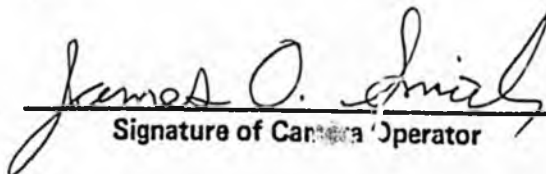
NAME	ADDRESS	PHONE
1. <u>Walt Pedersen</u>	<u>S.R. Box 222, Sterling, AK 99672</u>	<u>(no phone)</u>
2. <u>Elsa J. Pedersen</u>	<u>SR Box 222, Sterling, AK 99672</u>	<u>no phone</u>
3. <u>Donald F. Millerton</u>	<u>PO Box 793 Sterling AK 99672</u>	<u>262-5843</u>
4. <u>Barbara R. Pinner</u>	<u>SR Box 221 Sterling, AK 99672</u>	<u>262-6123</u>
5. <u>Genissa Walker</u>	<u>PO Box 612 Sterling AK 99672</u>	<u>282 5058</u>
6. <u>Melissa C. Rader</u>	<u>P.O. Box 847 Sterling AK 99672</u>	<u>262-2411</u>
7. <u>Henry M. Donald</u>	<u>PO Box 1412 Soldotna AK 99669</u>	
8. <u>M. Fay</u>	<u>Brainerd Box 71 Sterling AK 99672</u>	
9. <u>Lance McDonald</u>	<u>S.R. Box 221 Sterling AK 99672</u>	
10. <u>Elizabeth A. Bolatich</u>	<u>SR # 2 Box 246 Sterling Alaska 99672</u>	
11. <u>Donald J. Walker</u>	<u>WALKER BOX 806 Sterling AK 99672</u>	
12. <u>Laura L. Jensen</u>	<u>Box 223 Sterling AK 99672</u>	
13. <u>Susan J. Richardson</u>	<u>P.O. Box 793 Sterling AK 99672</u>	
14. <u>William R. Rumble</u>	<u>Box 3533 Soldotna AK 99669</u>	
15. <u>Tracey Rene Chaitrie</u>	<u>P.O. Box 3867 Soldotna AK 99669</u>	
16. <u>Ron Cole</u>	<u>Box 367 Sterling AK 99672</u>	
17. <u>Kathi Merton</u>	<u>Box 393 Sterling AK 99672</u>	
18. <u>Jane Fischer</u>	<u>Box 784 Soldotna AK 99669</u>	
19. <u>Frederick A. Abbott</u>	<u>ABOTT Box 75 Sterling Alaska 99672</u>	
20. <u>Goy Baldwin</u>	<u>Box 337 Sterling Alaska 99672</u>	

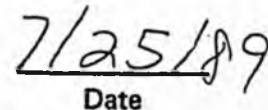


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I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

HPB

209

COMMITTEE REPORT

HOUSE

(7)

FURTHER: FINANCE

2/18/85

Date: 25 March 1985

Mr. Speaker:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had HB 209

"An Act relating to pharmaceutical medical assistance for needy persons; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 209 same title
- new title
- and recommends individual recommendations
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING DO PASS

[Signature]

MEMBERS HAVING OTHER RECOMMENDATIONS:

Kaine - no rec.
(vice chair) Robert Taylor (NO PASS)
David M. Thompson - NO REC
[Signature] - NO REC
[Signature] - NO REC
Alice Hanley - Do Not Pass
[Signature]
[Signature]
Co. CHAIRMAN
[Signature]
Co. Chair

POSITION PAPER

HB 209

"An Act relating to pharmaceutical medical assistance for needy persons; and providing for an effective date."

I. Purpose of HB 209:

HB 209 will allow the Department of Health & Social Services to increase federal revenue by funding prescribed drugs for Medicaid recipients under the Medicaid Program instead of under the 100% state funded General Relief Medical Program (GRM).

II. Sectional Analysis:

Section 1 of HB 209 places prescribed drugs under Medicaid and allows the Department to claim 50 percent federal Medicaid funding. This alone will result in a \$1.4 million dollar savings in state funds each year. Additional savings of \$250,000 will be realized annually through the adoption of federal rules for purchasing prescribed drugs.

Section 2 adds prescribed drugs to AS 47.07.035 and provides the Department with legislative direction on the priority of prescribed drugs in the event of a funding shortfall.

Section 3 makes it clear that the Department will adopt federal Medicaid procedures for purchasing prescribed drugs in the future.

All states except Alaska have imposed limits on pharmaceutical reimbursement and have chosen to fund prescription drugs through the state administered federal Medicaid Program. There is no indication that this has in any way harmed medical assistance recipients or resulted in withdrawal of pharmacies from participation as medical assistance providers.

III. Recommendation:

The Department strongly recommends passage of HB 209 so that the state may begin to receive 50 percent federal financial participation for prescribed drugs through the Medicaid Program. The Governor's FY86 budget request assumes passage of HB 209 to the extent that the \$1.4 million state fund savings are already reflected in the FY86 Medical Assistance BRU, General Relief Medical component. The enclosed fiscal note would transfer remaining state funds for drugs to Medicaid and combine them with available federal funds.

Recommended By:

Rod Betit
Rod Betit, Director
Division of Medical Assistance

Date:

2/25/85

Approved By:

John R. Pugh
John R. Pugh, Commissioner
Department of Health and
Social Services

Date:

2/28/85

**STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: 2/25/85

REQUEST

Bill/Resolution No.: HB 209
 Title: An Act relating to Pharmaceutical Med. Asst. for needy persons
 Sponsor: Rules Committee
 Requestor: _____
 Date of Request: 2/19/85

FISCAL DETAIL

Agency Affected: Health & Social Services
 Program Category Affected: Social Economic Assistance for the General Population
 BRU, Program or Subprogram(s) Affected: Medical Assistance

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		1,150.0	1,219.0	1,292.0	1,370.0	1,452.0
800 MISCELLANEOUS						
TOTAL OPERATING		1,150.0	1,219.0	1,292.0	1,370.0	1,452.0

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

REVENUE		1,150.0	1,219.0	1,292.0	1,370.0	1,452.0
----------------	--	---------	---------	---------	---------	---------

FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS		1,150.0	1,219.0	1,292.0	1,370.0	1,452.0
OTHER						
TOTAL		1,150.0	1,219.0	1,292.0	1,370.0	1,452.0

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED ANALYSIS

Prepared By: Rod Betit, Director 
 Division: Medical Assistance

Phone: 465-3355

Date: 2/25/85

Approved by Commissioner: John W. By
 Agency: Health & Social Services

Date: 2/25/85 *JCC*

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget

ANALYSIS

"An Act relating to pharmaceutical medical assistance for needy persons"

FY86 Governor Request

	<u>GF</u>	<u>TOTAL</u>
General Relief Medical	10,769.1	10,769.1
Remove Pharmacy	[1,100.0]	[1,000.0]
GRM Balance	<u>9,669.1</u>	<u>9,669.1</u>

	<u>FED</u>	<u>GFM</u>	<u>I.A.</u>	<u>TOTAL</u>
Medicaid	32,909.5	33,696.5	633.3	67,239.3
Add Pharmacy	1,150.0	1,100.0	-0-	2,250.0
Medicaid Balance	<u>34,059.5</u>	<u>34,496.5</u>	633.3	<u>69,489.3</u>

With a move of prescription drugs from General Relief Medical Component to Medicaid Component, Medicaid funds would become available at a 50/50 ratio. However, attendant to the federal funds would come mandatory federal regulations defining which pharmaceuticals are allowable and the prices to be paid for each.

6% is assumed as annual inflation for prescription drugs.

This fiscal note replaces the fiscal note dated 2/13/85 which shows overall program savings. This fiscal note reflects budget changes needed to the Governor's proposed FY86 budget and does not show the \$1,400.0 state G.F. savings already incorporated into the Governor's G.R. Medical budget.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 18, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the provision of prescribed drugs to needy persons through the state Medicaid program.

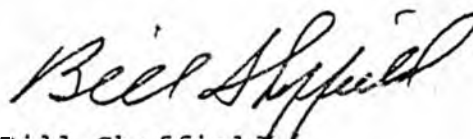
Currently, prescribed drugs for eligible needy persons are provided under the state General Relief Assistance program (AS 47.25.120, et seq.) wholly from state money. Because federal financial participation for the cost of prescribed drugs is available to the state if it instead offers prescribed drugs through the state Medicaid program, a substantial cost savings to the state will be realized by simply offering prescribed drugs through another assistance mechanism. As you may know, the Medicaid program imposes limits on the amount that may be charged for certain services, whereas the General Relief Assistance program does not. The attached fiscal note shows that projected revenue to the state, if the recommended program change is enacted, will be \$1,150,000 for FY 86 alone, and will increase each year after that.

This bill is a companion to HB 98, also introduced at my request, in that it seeks to amend some of the same sections in AS 47, although for a different reason. HB 98 is a housekeeping bill to bring the state Medicaid program into conformity with recent amendments to the Social Security Act. If both bills are enacted, they can be consolidated by the revisor of statutes. (AS 01.05.031.) If that happens, it is our intent that "prescribed drugs," added to AS 47.7.030 in sec. 1 of the attached bill, appear in the list of optional services in AS 47.07.030(b), as proposed in sec. 2 of HB 98. It is also our intent that "prescribed drugs," added as AS 47.07.035(9) in sec. 2 of the attached bill, appear as AS 47.07.035(b)(11), as AS 47.07.035 is repealed and reenacted in sec. 3 of HB 98;

AS 47.07.035(b)(11) -- (16), as they appear in HB 98, would then be renumbered accordingly.

The benefit of this bill is the substantial cost savings to the state with no adverse effect whatsoever on needy persons served. Your favorable action on this measure will significantly improve the financial handling of this service.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield". The signature is written in dark ink and is positioned above the printed name and title.

Bill Sheffield
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Page 1 of 2

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 209
 Title: An Act relating to Pharma-
 ceutical Med. Asst. for needy persons
 Sponsor: Rules Committee
 Requestor: _____
 Date of Request: 2/12/85

FISCAL DETAIL

Agency Affected: Health & Social Services
 Program Category Affected: Social Economic
 Assistance for the General Population
 BRU, Program or Subprogram(s) Affected: Medical Assistance

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		(250.0)	(265.0)	(281.0)	(298.0)	(316.0)
800 MISCELLANEOUS						
TOTAL OPERATING		(250.0)	(265.0)	(281.0)	(298.0)	(316.0)

CAPITAL						
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REVENUE		1,150.0	1,219.0	1,292.0	1,370.0	1,452.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	(1,400.0)	(1,484.0)	(1,573.0)	(1,667.0)	(1,767.0)
FEDERAL FUNDS	1,150.0	1,219.0	1,292.0	1,370.0	1,452.0
OTHER					
TOTAL	(250.0)	(265.0)	(281.0)	(298.0)	(316.0)

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED ANALYSIS

Prepared By: Rod Betit, Director *R Betit*
 Division: Division of Medical Assistance

Phone: 465-3355
 Date: 2/12/85

Approved by Commissioner: John R. Boyer
 Agency: Health & Social Services

Date: 2/13/85 *JCC*

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget

ANALYSIS

"An Act relating to pharmaceutical medical assistance for needy persons"

FY86 Governor Request

	<u>GF</u>	<u>TOTAL</u>
General Relief Medical	10,769.1	10,769.1
Remove Pharmacy	[2,500.0]	[2,500.0]
GRM Balance	<u>8,269.1</u>	<u>8,269.1</u>

	<u>FED</u>	<u>GFM</u>	<u>I.A.</u>	<u>TOTAL</u>
Medicaid	32,909.5	33,696.5	633.3	67,239.3
Add Pharmacy	<u>1,150.0</u>	<u>1,100.0</u>	-0-	<u>2,250.0</u>
Medicaid Balance	34,059.5	<u>34,496.5</u>	633.3	<u>69,489.3</u>

Move prescription drugs from General Relief Medical Component to Medicaid Component. This would result in a savings of \$1,400.0 in State General Funds: (2,500 General Relief Medical GF less the required GFM for Medicaid of 1,100.0). Medicaid funds would become available at a 50/50 ratio. However, attendant to the federal funds would come mandatory federal regulations defining which pharmaceuticals are allowable and the prices to be paid for each, which would result in a program reduction of \$250.0 paid for prescription drugs.

6% is assumed as annual inflation for prescription drugs.

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 209 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to substitution of generic drugs by
7 pharmacists; adding pharmaceuticals to the Medicaid
8 program; and providing for an effective date."

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

10 * Section 1. AS 08.80.295(a) is amended to read:

11 (a) Unless the prescriber expressly states that a prescription
12 is to be dispensed only as written [EXCEPT AS LIMITED BY (b) AND (c)
13 OF THIS SECTION, WITH THE CONSENT OF THE PURCHASER], the pharmacist
14 may substitute a drug product with the same generic name in the same
15 strength, quantity, dose and dosage form as the prescription, provided
16 the substitute drug [PRESCRIBED DRUG WHICH] is, in the pharmacist's
17 professional opinion, therapeutically equivalent and meets the stan-
18 dards of (g) of this section. The [UPON SUBSTITUTION THE] pharmacist
19 shall notify the purchaser and the prescriber [PERSON WHO PRESCRIBED
20 THE DRUG] of the substitution, and shall record on the prescription
21 and keep a record of the name and manufacturer of the drug
22 substituted. If a substitution is permitted under this section but
23 the pharmacist does not make the substitution, the pharmacist shall
24 inform the purchaser that a substitution was not made and the reason
25 why it was not made.

26 * Sec. 2. AS 08.80.295 is amended by adding new subsections to read:

27 (i) A pharmacist who substitutes a drug in compliance with this
28 section incurs no greater liability in filling the prescription by
29 dispensing the equivalent drug product than would be incurred in

1 filling the prescription by dispensing the prescribed brand name drug.

2 (j) Every pharmacy shall post a sign in a location easily seen
3 by patrons at the counter where prescriptions are dispensed stating
4 that "Under Alaska law a therapeutically equivalent but less expensive
5 drug may, in some cases, be substituted for the drug prescribed by
6 your doctor. Please consult your pharmacist or physician." The
7 printing on the sign shall be in block letters not less than one inch
8 in height.

9 * Sec. 3. AS 17.20.105(b) is amended to read:

10 (b) In preparing a prescription, a pharmacist may [NOT] substi-
11 tute a drug only in accordance with AS 08.80.295 [FOR A REGISTERED
12 BRAND OR TRADE NAME PRODUCT SPECIFIED UNLESS THE PHARMACIST OBTAINS
13 PERMISSION FROM THE AUTHOR OF THE PRESCRIPTION; BUT IF THE PRESCRIBING
14 PHYSICIAN, OSTEOPATHIC PHYSICIAN, DENTIST OR VETERINARIAN IS TEMPO-
15 RARILY UNAVAILABLE, THE PHARMACIST MAY, IF UNABLE TO SUPPLY THE DRUG
16 REQUESTED, SUBSTITUTE A DRUG OR PREPARATION OF APPROXIMATELY EQUAL
17 THERAPEUTIC VALUE SO LONG AS THE PHARMACIST NOTIFIES THE AUTHOR OF THE
18 PRESCRIPTION AT AN EARLY OPPORTUNITY].

19 * Sec. 4. AS 47.07.030 is amended to read:

20 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical ser-
21 vices to be offered to eligible persons include inpatient hospital,
22 outpatient hospital, rural health clinic, outpatient surgical care
23 centers, laboratory and X-ray, refractions and eye examinations by
24 ophthalmologists or optometrists, eyeglasses prescribed by a physician
25 skilled in diseases of the eye or by an optometrist, inpatient psychi-
26 atric hospital for persons age 65 or older and persons under age 21,
27 skilled and intermediate nursing home, physician, nurse midwife, home
28 health care services, early periodic screening diagnosis and treatment
29 of persons under 21 years of age, clinic services, treatment of

1 speech, hearing and language disorders, physical therapy, occupational
2 therapy, prosthetic devices and medical supplies, long-term care
3 noninstitutional services, prescribed drugs, and reasonable transpor-
4 tation to and from the point of medical care. Additional services may
5 not be provided unless approved by the legislature.

6 * Sec. 5. AS 47.07.035 is amended to read:

7 Sec. 47.07.035. PRIORITY OF SERVICES. If the funding in a
8 fiscal year is inadequate to finance the total medical assistance
9 program under this chapter, the department shall, to the extent that
10 federal law and funding permits, provide medical assistance in the
11 following order:

12 (1) aged, blind, or disabled persons who

13 (A) do not receive supplemental security income under
14 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act) because
15 they do not meet income and resources requirements; and

16 (B) are eligible to receive an optional state supple-
17 mentary payment;

18 (2) persons in a medical or intermediate care facility

19 (A) whose income while in the facility does not exceed
20 300 percent of the supplemental security income benefit rate
21 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act);
22 and

23 (B) who would not be eligible for an optional state
24 supplementary payment if they left the facility;

25 (3) persons under 21 years of age

26 (A) who are under the supervision of the department;

27 (B) whose maintenance is paid in whole or in part from
28 public funds; and

29 (C) who are in foster homes or private child-care

1 institutions;

2 (4) persons under 21 years of age who

3 (A) receive treatment in a psychiatric hospital; and

4 (B) are financially eligible as determined by the
5 standards of 42 U.S.C. 601 - 615 (Title IV-A, Social Security
6 Act, Aid to Families with Dependent Children);

7 (5) persons under 21 years of age who are

8 (A) in an institution designated by the department as
9 an intermediate care facility for the mentally retarded; and

10 (B) financially eligible as determined by the stan-
11 dards of the federal aid to families with dependent children
12 program;

13 (6) women who are pregnant;

14 (7) persons under 21 years of age who do not qualify for
15 benefits under the federal aid to families with dependent children
16 program because they are not dependent children;

17 (8) intermediate nursing home services;

18 (9) prescribed drugs;

19 (10) eye examinations by an ophthalmologist or optometrist;
20 or eyeglasses prescribed by a physician skilled in the diseases of the
21 eye or by an optometrist;

22 (11) [(10)] treatment of speech, hearing, or language disor-
23 ders;

24 (12) [(11)] physical or occupational therapy;

25 (13) [(12)] care at an intermediate care facility for the
26 mentally retarded;

27 (14) [(13)] care at an inpatient psychiatric facility;

28 (15) [(14)] community mental health clinic services;

29 (16) [(15)] surgical care center services;

1 (17) [(16)] nurse midwife services;

2 (18) [(17)] medical supplies and equipment;

3 (19) [(18)] long-term care noninstitutional services.

4 * Sec. 6. AS 47.07 is amended by adding a new section to read:

5 Sec. 47.07.400. PAYMENT FOR PRESCRIBED DRUGS. Payment for
6 prescribed drugs must be made in accordance with 42 CFR 447.331,
7 447.332, 447.333, and 447.334.

8 * Sec. 7. AS 47.07.900 is amended by adding a new paragraph to read:

9 (7) "prescribed drugs" has the meaning given in 42 CFR
10 440.120.

11 * Sec. 8. AS 08.80.295(b), (c), and (f) are repealed.

12 * Sec. 9. This Act takes effect October 1, 1985.



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

OFFICIAL BUSINESS

POUCH V
JUNEAU, AK 99811
465-3759

TO: Members of the House HESS Committee
FROM: Deborah Niedermeyer, Committee Aide
DATE: 13 March, 1985
RE: HB 209, pharmaceutical medical assistance

Under HB 209, the state would follow the regulations of the federal Medicaid and would be paying for more generic prescription drugs and fewer brand-name drugs. Since generic drugs are less expensive, the Department of Health and Social Services expects a \$250,000/year savings. This is reflected in their fiscal note.

The Division of Occupational Licensing reports 116 licensed pharmacies of various kinds for February of this year. If these pharmacies shared equally the \$250,000 reduction in state expenditures for Medicaid prescriptions, each pharmacy would lose \$2,155 worth of business each year.

Attached is a letter from the Division of Occupational Licensing showing the number of each kind of pharmacy in the state.

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

BILL SHEFFIELD, GOVERNOR

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 455-2534

March 13, 1985

To whom it may concern:

Below are the current number of licensees for the Board of Pharmacy
as of 2/20/85:

Pharmacists - 297
Retail Pharmacy - 84
Wholesale Pharmacy - 3
Hospital Drug Room - 11
Hospital Pharmacy - 12
Nursing Home Drug Room - 5

Sincerely,



Barbara Branson
Licensing Supervisor