

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6284 SENATE HEALTH, EDUCATION AND SOCIAL SERVICES

488

ABSTRACTS/REVIEWS

Richter-Snapp K., Boyer D.B., Peterson L.C., and Svare C.W. The contribution of dental amalgam to mercury in blood. *J Dent Res.* 68:314, Abstract 1059, Mar 1989. (Dows Inst for Dent Res., Univ of Iowa, IA).

ABSTRACT:

The purpose of this study was to determine if dental amalgams do result in mercury exposure and, if so, the amount of exposure. This was done by comparing the concentration of mercury in blood of 10 subjects before and after removing all amalgam restorations. Baseline concentration of mercury in whole blood was measured weekly for a minimum of 6 weeks prior to amalgam removal by means of an ultraviolet spectrophotometer. Once baseline levels were established, all existing amalgams were removed. After the amalgams were removed, weekly blood sampling was continued and the duration of sampling was determined using the sequential method described by Dixon and Massey. The mean baseline concentration for all subjects was 2.18 ± 0.90 ng Hg/ml prior to amalgam removal. After removal, 9 of the 10 subjects exhibited a statistically significant decrease in blood mercury at the 95% level of confidence and the mean decrease was 1.13 ± 0.60 ng Hg/ml. The baseline mercury levels were related to the number of amalgam surfaces. The linear correlation coefficient was 0.724 with number of occlusal surfaces and 0.433 with total number of surfaces. The half time for elimination of mercury from blood after amalgam removal was 25.9 ± 9.1 days. The daily intake of mercury from amalgams in the subjects was estimated to be at least 1.5 ug.

Hursh J.B., Sichak S.P. and Clarkson T.W. In vitro oxidation of mercury by the blood. *Pharmacol Toxicol.* 63(4):266-273. Oct 1988.

ABSTRACT:

A method is described for studying the in vitro oxidation of mercury vapour by red blood cells at short times and with diminishing mercury vapour concentrations. It is found that for 40% red blood cell suspensions and 37 degrees at concentrations greater than about 6 ng mercury vapour/ml, the oxidation rate is zero order, and that at lower concentrations the rate changes to first order. The effect of temperature and of added hydrogen peroxide are studied. Results are considered in terms of the generally accepted belief that the catalase-compound I system is the main path of oxidation. If the results obtained in vitro in these experiments apply in vivo to man, it follows that inhaled mercury is carried in the blood to the brain and other organs primarily as dissolved vapour rather than as inorganic mercury ions.

BIO-PROBE COMMENT: This represents additional confirmation of earlier work by Magos (1967). It would also confirm findings of the four recent autopsy studies showing a direct correlation between the numbers and surfaces of amalgam dental fillings and mercury brain levels.

Aschner M. and Clarkson T.W. Distribution of mercury 203 in pregnant rats and their fetuses following systemic infusions with thiol-containing amino acids and glutathione during late gestation. *Teratology* 38(2):145-155, Aug 1988.

ABSTRACT

To investigate the effect of amino acids and the tripeptide glutathione (GSH) on tissue uptake of methylmercury (MeHg) in the developing rat fetus in utero, pregnant rats were continuously infused into the external jugular vein with 0.1 mM L-cysteine, 0.1 mM L-leucine, 0.1 mM GSH or saline commencing on day 17 of gestation. This was followed at 24, 38, and 72 hours by external jugular infusion of 50 microM [²⁰³Hg]-MeHgCl administered in 1 ml over 1 hour. Pups were surgically removed from the uterus on gestational day 21. Whole body, brain, kidney, liver, and placental ²⁰³Hg radioactivity was

measured by means of gamma-spectrometry. Brain ^{203}Hg concentration in pups exposed in utero to L-cysteine was significantly higher compared with pups exposed to saline (P less than 0.05). Brain ^{203}Hg concentration in pups exposed in utero to L-leucine and GSH was significantly depressed compared with pups exposed to saline (P less than 0.05). Kidney ^{203}Hg concentration was not affected by any treatment compared with controls. These effects occurred despite no difference in total ^{203}Hg body burden among pups, irrespective of the treatment. In addition, infusion with L-cysteine resulted in a significant increase in ^{203}Hg brain concentration in dams compared with controls, and ^{203}Hg brain concentration in L-leucine- and GSH-treated dams was significantly depressed compared with controls. Thus ^{203}Hg distribution in both adult and developing animals is altered by chronic amino acid or GSH infusions and suggests that MeHg uptake may be mediated through the formation of a cysteine-MeHg complex which is transported across the blood-brain barrier by the neutral amino acid carrier transport system.

BIO-PROBE COMMENT: This study and other recent work raise the question of should L-cysteine be a part of any mercury detoxification protocol? It is a scientific fact that mercury binds with the cysteine molecule as further evidenced by this study. Although the L-cysteine caused an increased uptake of brain mercury the question remains whether the complex resulting from mercury combining with cysteine is non-toxic. It appears to be a Catch-22 situation. Cysteine is required for the production of glutathione and mercury reduces available cysteine. One question that needs to be answered is can we supplement with methionine to produce enough cysteine for an adequate supply of glutathione without taking supplemental cysteine? It would appear from the scientific data available that if the body has an adequate supply of cysteine two things would occur: 1) methyl mercury reaching the brain would be complexed with cysteine and would be non-toxic in comparison to uncomplexed methylmercury and would remain such until normal metabolic conversion to inorganic mercury. 2) adequate metabolic levels of cysteine would provide for adequate levels of glutathione which in turn would inhibit the amount of mercury transportable across the blood brain barrier. In which case, we should be supplementing with cysteine.

Mahler D.B. and Aday J.D. Sn in the Ag-Hg phase of dental amalgam. J Dent Res. 67(10):1275-1277, Oct 1988.

ABSTRACT:

In a recent study, Sarkar and Eyer (1986) studied an amalgam which was formed using a unique procedure. Based on their results, they concluded that the solubility of Sn in the Ag-Hg (gamma 1) phase of dental amalgam was virtually nil (less than 0.25 wt%). This finding is contrary to the published results of other investigations. The purpose of the present study was to clarify these disparate findings. A low-copper dental amalgam was examined by electron probe microanalysis. This amalgam was selected because it exhibits unusually large gamma 1 grains (10 microns). Because the influence of the electron-analyzing beam can be completely contained within these large grains, grain boundaries or peripheral phases would not be excited, and a valid analysis of the gamma 1 grains themselves could be made. The analyses showed significant Sn contents of 2.0-3.0 wt%. Analyses of areas which contained grain boundaries showed slight or no differences in Sn content compared with that for the grains alone. Furthermore, secondary electron scans of this dental amalgam failed to reveal the intergranular precipitates of Sn-Hg observed by Sarkar and Eyer (1986) in their amalgam. These different results can be explained by the fact that the unique amalgam investigated by Sarkar and Eyer does not exhibit the same diffusional patterns as does dental amalgam, and that the composition of the gamma 1 in the two amalgams is not the same. The final conclusion is that the Ag-Hg (gamma 1) phase in dental amalgam does indeed contain a significant amount of Sn.

BIO-PROBE COMMENT: Other research has demonstrated that the release of mercury from amalgam is preceded by that of tin (Sn).

Bayne S.C., Taylor D.F., Roberson T.M., Wilder A.D., Studevart J.R., Heymann H.O. and Lisk M.W. Long term clinical failures in posterior composites. J Dent Res 68:Abstract 32, page 185, Mar 1989. (U of North Carolina, Chapel Hill, NC).

ABSTRACT:

Dental amalgam failure rates have been reported as 20% at 5 years and 50% at 10 years. The current perception is that the failure rate for composites is considerably higher! The objective of this work was to measure the incidence and type of failure for several categories of posterior composites over 5 to 10 years.

17 posterior composite materials (SC, UV, VL cured and/or midfills, hybrids, microfills) were examined using direct (USPHS) and indirect evaluations (Leinfelder method) at 0,1,2,3,4,5, and more years. Clinical failures were categorized as excessive wear, recurrent caries, fracture, or other causes. Failure was compared statistically across materials types and failure causes by using Poisson regression methods with proportional hazards structure.

The failure level for 899 restorations (all composites pooled) at 5 years was 9.2% from all causes (wear = 0.4%, caries = 3.2%, fracture = 2.8%, other = 2.8%). Failures varied among products from 0% to 11.8% for caries and 0% to 11.2% fracture. The total failure level was less than half of that for conventional amalgam. Although the restorations in this study may represent better than average clinical practice conditions, the low failure levels still seems to establish that posterior composites can provide excellent long term clinical service.

BIO-PROBE COMMENT: There were a multitude of other abstracts reflecting successful positive results of two to five year studies of different composites. We selected this abstract because we feel it places the entire issue in proper perspective. Further, we are going to insure that the Swedish Parliament is made aware that "a suitable replacement to amalgam" is presently available and that there is no real reason to delay the demise of amalgam.

Leary R., Kilgus G., and Leinfelder K.F. In-vitro microleakage of glass ionomers and dentin bonding agents. J Dent Res. 68:Abstract 44, page 187, Mar 1989. (Sch of Dentistry, Univ of Alabama at Birmingham).

ABSTRACT:

The purpose of this study was to measure the microleakage of glass ionomer as a liner and restorative material, a new polyamide sealing agent (Barrier) and a new dentin bonding agent (Scotchbond II) Also evaluated was the effect of insertion technique on microleakage. Both hydroxyl ion detection and basic fuchsin techniques were used to monitor microleakage. Only Class V cavity preparations were employed. The results of the study demonstrated that of all variables included, glass ionomer was the most effective in reducing microleakage. Using Retief's method of scoring, the mean value for glass ionomer as a liner or restorative material was 0.5 When used as a liner, any microleakage initiated at the gingival margin progressed no further than the restoration/glass ionomer interface. The polyamide liner was effective in reducing microleakage in the occlusal area only. Finally, the microleakage (OH-) of Silux (3M Co.) was significantly less than Durafill (Kulzer, Inc.). The use of Scotchbond II had only a limited effect (25% reduction) on the microleakage of Durafill. The difference in leakage rates can be attributed to water sorption. On the basis of this study, the most effective method of reducing microleakage was on incorporation of glass ionomers as a liner or base.

Ferracane J.L., Mafiana P.N. and Okabe T. Rate of mercury dissolution from amalgam/alloy galvanic couples. J Dent Res. 68:Abstract 223, page 209, Mar 1989. (Baylor College of Dentistry, Dallas TX).

ABSTRACT:

Galvanically coupling amalgam to more noble alloys is suggested to cause an increased release of mercury. The purpose of this study was to determine the rate of mercury release into saline from amalgam coupled to three dental alloys. Amalgam (D=Dispersalloy-J&J) specimens were aged one day and then electrically coupled by silver paste to: 1) Type III gold (Au-"G" Cast, Degussa), 2) Co-Cr (Vitallium-Austenite) and 3) 316L stainless steel (SS-Allegheny Ludlum). Specimen edges (n=3) were coated with epoxy, leaving two polished surfaces (#600 SiC) exposed and immersed in 10 ml of 0.9% NaCl (pH=6.9) for 3 hours, 24 hours and 6 days at 37°C. Specimens were re-polished before immersion in fresh solutions at each time. Mercury was evaluated with a Jerome 511, and aqua regia was used to recover Hg adsorbed to the gold surface. Total Hg loss was greatest from the Au-D couples (30 ug/cm²; 70% recovered by aqua regia). The CoCr-D (10 ug/cm²) and SS-D couples (12 ug/cm²) released less Hg than D (20 ug/cm²) in 7 days. Dissolution was equivalent at 3 hours and 24 hours and was slightly reduced at 7 days for all but Au-D, which increased dramatically. Hg dissolution from amalgam alone or galvanically coupled to steel or Co-Cr occurs rapidly and is self limiting. Although mercury release is greater from amalgam coupled to gold, little Hg remains in solution due to adsorption onto the gold.

BIO-PROBE COMMENT: Other in vitro studies have shown that the release of mercury from amalgam is greater in natural saliva. Had this experiment been done in saliva the dissolution and coupling should have been greater. We wonder why our dental schools are still teaching the placement of amalgam cores under gold crowns, or the placement of amalgam fillings opposing gold restorations? As Dr. Hanson brought out in his article, the prohibition against such practices, that is so routinely ignored and which can be so devastating to the patient, is in the primary dental materials text book.

Nimmo A., Werley M.S., Tansy M.F., and Martin J.S. Profile of respirable particulate produced during amalgam removal. J Dent Res. 68:Abstract 334, page 223, Mar 1989. (Temple Univ, School of Dentistry, Philadelphia, PA).

ABSTRACT:

Dentists frequently remove existing amalgam restorations with a high-speed handpiece utilizing water spray along with high-velocity evacuation. The purpose of this study was to evaluate the size and range of fully respirable (u) amalgam particles produced under the conditions listed above.

The patient model consisted of a manikin head and dentoform (Columbia Dentoform) connected to an Andersen Cascade Impactor particle sizer. The dentist model consisted of a particle sizer placed in the dentist's breathing zone. Nine MOD amalgam restorations were placed in maxillary premolar ivory teeth with Tytin (Kerr) amalgam. The restorations were removed using a high-speed handpiece with water spray and high-velocity evacuation. The particle sizers were used to evaluate patient and dentist particulate inhalation for each restoration.

The patient model collected 4.00 ± 2.60 mg of particulates ranging from <0.10 to 10 u, and having a mean particle size of 1.44 ± 0.60 u. The dentist model collected 4.40 ± 4.20 mg over a similar range with a mean particle size of 1.88 ± 1.83 u.

These results suggest that both patient and dentist are subjected to similar particulate exposures during amalgam removal. Particle mass distribution was approximately equal across the range.

Nimmo A., Werley M.S., Tansy M.F. and Martin J.S. Filtration efficiency of dental face masks during amalgam removal. J Dent Res. 68:Abstract 333, page 223, Mar 1989.

ABSTRACT:

Dentists are exposed to moderate amounts of fully respirable particulates during amalgam removal (Nimmo et al. J Dent Res 67:335, 1988). The purpose of this study was to evaluate the in vitro filtration efficiency of two types of dental face masks during amalgam removal.

MOD amalgam restorations were placed in 40 ivorine premolar teeth using Tytin (Kerr) amalgam. Restorations were removed from two teeth during a 14 min period using a high-speed handpiece without water spray. The aerosol produced was analyzed by two Anderson Cascade Impactor samplers; one served as the control (C), while the other was equipped with a dental face mask. The two face masks tested were a tie-on (TO) mask (3M Tie-on Surgical Mask, model 1818), and a molded cup type (CT) mask (3M Aseptex Face Mask, Model 1942). These procedures were repeated for a total of 10 samples of two amalgams removed for each mask type. Paired t-test analyses were done.

The TO mask reduced the amount of particulates collected from 4.10 ± 3.62 mg (C) to 0.98 ± 1.58 mg. The CT mask reduced the amount of particulates collected from 5.36 ± 7.05 mg (C) to 0.45 ± 0.77 mg. The average size of particles collected was 3.76 ± 3.10 u (C) compared to 0.68 ± 0.91 u (TO) and 3.71 ± 3.91 u (C) compared to 0.47 ± 0.82 u (CT). The TO mask demonstrated a significant reduction ($p < 0.05$) in the amount and size of fully respirable particulates produced during amalgam removal.

McGlynn F.D., Wruble M., and Ray R. Nocturnal bruxing and sleep posture. *J Dent Res.* 68:225, Abstract 350, Mar 1989. (Univ of Missouri-Kansas City, Univ of Florida, Gainesville, and Rollins College, Florida).

ABSTRACT:

Knowledge about relationships between nocturnal bruxing and sleep posture is of clinical and theoretical value. This work sought to develop a sleep-posture coding system and to describe connections between amounts of nocturnal bruxing and posture categories in the code.

Four nocturnal bruxers slept for 4 nights each in a laboratory. Infrared videotapes of the sleeper were computer interfaced to a continuous record of unilateral masseter EMG activity. Each posture category was a constellation of mutually exclusive and exhaustive sub-categories that described in two dimensional space and angular positions of the head, arms, and trunk. Brux events were defined in terms of duration, mean EMG amplitude, and rhythmicity and were expressed as rate per time in each posture. Brux rates were not different across the global posture categories. Among several error-protected ANOVAs involving posture subcategories, a $2 \times 2 \times 4$ (torso position x head position x subject) analysis showed that subjects bruxed more while on their backs ($p < 0001$), that some subjects showed this association more than did others ($p < 0001$), and that head position did not influence rate of bruxing.

Schwartz J.L. and Shklar G. Beta Carotene decreases growth and GGT activity in human carcinoma. *J Dent Res.* 68:227, Abstract 366, Mar 1989. (Harvard School of Dental Medicine, Boston, MA).

ABSTRACT:

Previous studies have shown that beta carotene could inhibit, in vivo, the growth and GGT activity of carcinoma. It has also been shown that a decrease in GGT was related to the inhibition of carcinogenesis by beta carotene, (Suda, Schwartz, Shklar. *Eur. J Cancer.* 23:43-46, 1987). This study proposed the use of beta carotene, in vitro, to inhibit human oral carcinoma (4 cell lines). In addition, the GGT level was noted. Beta carotene (1,6,60,250,350 ug/well, in 0.1% ethyl alc+DMEM+10.0% FCS) was added to cells that were plated into tissue culture wells (104 cell/wells) for 24 hours to 15 days. The number of cells were counted per mm^2 area of well. The amount of DNA present in the well was used to verify relative numbers of cells. The level of GGT was determined for carcinoma and normal cells. Normal cells were also incubated with DMBA, (2-10 days) to observe if normal cells would exhibit premalignant changes. The results indicated that beta carotene inhibited the growth parameters of the carcinoma cells, and the GGT level. The normal epidermal cells were not inhibited in growth, and the GGT% remained lower than the tumor cells. Normal cells, treated with DMBA, initially showed an increase in growth, then a marked decrease, with an increase in GGT. Beta carotene decreased GGT, and the epidermal cells did

not show a decrease in growth. Beta carotene may selectively alter the growth and metabolism of human oral carcinoma.

Trickler D., Shklar G., Schwartz J., and Reid S. Experimental cancer regression by oral administration of combined alpha tocopherol - B Carotene. J Dent Res. 68:227, Abstract 367, Mar 1989. (Harvard School of Dental Medicine. Boston, MA).

ABSTRACT:

Beta carotene and alpha tocopherol have been shown to be capable of regressing epidermoid carcinoma of hamster buccal pouch, when injected into the pouch tissue (Schwartz et al: Biochem Biophys Res Comm 1986) (Shklar et al: JNCI 1987). Neither has yet been shown capable of regressing oral cancers when administered orally. Eighty adult male hamsters (*Mesocricetus auratus*) had the right buccal pouches painted 3 times weekly with a 0.5% solution of 7,12 dimethylbenz(a) - anthracene in oil. After 12 wks cancers had developed, DMBA painting was stopped, and the animals were divided into 4 equal groups, Group 1 animals were untreated. Group 2 animals received 10 mg/ml beta carotene and 1 gm/ml dl-alpha tocopherol acid succinate combined in vegetable oil. Animals received 0.2 ml of the mixture daily by mouth, using a 1 cc syringe. Group 3 animals received only beta carotene and Group 4 animals received only tocopherol, in similar doses. Tumor size was recorded weekly. The animals in Groups 1, 3, and 4 were all sacrificed after 22 weeks because the tumors were large and necrotic and the animals cachectic. Tumor burden in groups 3 and 4 was slightly lower than in group 1. After 22 weeks the tumors in group 2 animals were small in 15 of the 20 animals. This is the first demonstration that nontoxic agents given orally can regress established cancer. The combination of agents may act synergistically.

FORUM

The 1989 Annual Scientific Meeting of the International Academy of Oral Medicine and Toxicology will be held in Detroit, Michigan September 15-17, 1989 at the Somerset Inn. IAOMT special room rates are \$70.00 (single or double occupancy) and \$90.00 for an Executive room. In addition, contractual arrangements have been made with Northwest Airlines for a 40% reduction in normal coach fares and a 5% reduction on Supersaver fares. As usual, the meeting promises to provide the latest scientific data available on many different subjects: Trevor Lyons, LDS. Fungi & protozoan and their role in periodontal disease; James Masi, Ph.D. Bio-engineering factors in dentistry; Bob McMahon DDS, MS. Atypical facial pain caused by residual bony defects "Alveolar bony cavitation osteopathosis"; David Kennedy, DDS. OSHA Guidelines in relation to the dental environment; Michael F. Ziff, DDS. Update on the scientific literature; and last but not least, Murray J. Vimy, DMD, will update us on the tremendously important research on the safety of mercury amalgam being done by he and his colleagues at the University of Calgary. For more information please write to IAOMT, P.O. Box 458, Ortonville, MI 48462, Attn: Sandy, or call her at Dr. Regiani's office (313) 627-4934.

The National Center For Homeopathy will be hosting their 1989 Annual Conference in Baltimore, Maryland April 21-23, 1989. Whether you are new to homeopathy or have been a longtime homeopathic practitioner, you will acquire much new information from some of the leading practitioners and scholars in the field. For more information call the National Center For Homeopathy (202) 223-6182, or write to them at 1500 Massachusetts Ave., N.W., Suite 42, Washington D.C. 20005.

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Original sponsors(s): REP. ELLIS, Koponen, Gruenberg, Boucher

1 IN THE HOUSE BY THE HESS COMMITTEE
2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (HESS)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act relating to forgiveness of student loans
7 of certain health care professionals, to taxation of
8 student loans, and to student financial assistance;
9 and providing for an effective date."

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

11 * Section 1. AS 14.43.120(b) is amended to read:

- 12 (b) Scholarship loans may only be used to attend a
 - 13 (1) career education program that has been approved by the
 - 14 commission before July 1, 1986, or has been operating for at least one - 15 year [TWO YEARS] before the borrower attends; or
 - 16 (2) a college or university that
 - 17 (A) has been approved by the commission before July 1,
 - 18 1986, or has been operating for at least two years before the
 - 19 borrower attends;
 - 20 (B) is accredited by a national or regional accredita-
 - 21 tion association recognized by the Council on Postsecondary
 - 22 Accreditation or is approved by the commission; and
 - 23 (C) if the loans are federally insured, is approved by
 - 24 the United States Secretary of Education.

25 * Sec. 2. AS 14.43.120 is amended by adding new subsections to read:

26 (s) If a borrower meets the conditions provided in this section,
27 meets the condition imposed under AS 14.43.950, if the borrower has
28 received a tuition differential subsidy, and is employed as a health
29 care professional in a geographical area of the state determined to

1 have a health care professional shortage for the borrower's profession
2 by the Department of Health and Social Services under AS 44.29.020(b),
3 a portion of the loan shall, subject to appropriation by the legisla-
4 ture, be paid by the state equal to the following percentages of the
5 total loan received plus interest up to a total of 70 percent of the
6 total loan: (1) one year employment, 10 percent; (2) two years em-
7 ployment, an additional 12 percent; (3) three years employment, an
8 additional 14 percent; (4) four years employment, an additional 16
9 percent; (5) five years employment, an additional 18 percent. In this
10 subsection, "health care professional" means a person who is licensed
11 as a physician or osteopath under AS 08.64.230, as a physical thera-
12 pist or occupational therapist under AS 08.84, as a registered nurse
13 under AS 08.68.190 or 08.68.200, a person practicing medicine as a
14 physician's assistant, or a person employed as a medical technician.

15 (t) Notwithstanding any other provision of law, while a person's
16 loan is being paid by the state under (s) of this section, that person
17 may not receive forgiveness of a loan under any other section of this
18 chapter.

19 (u) The commission shall adopt regulations that permit a borrow-
20 er to exclude a forgiven portion of a loan from the gross income of
21 the borrower as allowed under the Internal Revenue Code.

22 * Sec. 3. AS 14.43 is amended by adding a new section to read:

23 Sec. 14.43.950. EMPLOYMENT CONDITION FOR PARTICIPANTS IN CERTAIN
24 EDUCATION PROGRAMS. As a condition of eligibility for receiving a
25 tuition differential subsidy under a program offered by the Western
26 Interstate Commission for Higher Education or the Alaska Commission on
27 Postsecondary Education under AS 14.42.030(d), a program participant
28 shall agree to be employed in the state for a period of at least six
29 months for each school year of participation in the program. A person

1 who does not meet the employment requirements of this section within
2 four years after completing the person's subsidized education shall
3 pay to the state 50 percent of the tuition differential subsidy re-
4 ceived by the person plus interest at the rate provided for scholar-
5 ship loans under AS 14.43.120(f). Interest under this section begins
6 to accrue one year after the person completes the subsidized education
7 program.

8 * Sec. 4. AS 44.29.020 is amended by adding a new subsection to read:

9 (b) The department shall, by September 30 of each year, prepare
10 a report that (1) lists by profession those geographic areas of the
11 state that have a health care professional shortage, (2) identifies
12 the number of health care professionals employed in each area of
13 shortage, and (3) recommends changes to the health care professional
14 loan forgiveness program under AS 14.43.120(s). The report prepared
15 under this subsection shall be provided to the Alaska Commission on
16 Postsecondary Education. The commissioner of health and social ser-
17 vices shall adopt regulations regarding the determination of geo-
18 graphic areas with a health care professional shortage. In this
19 subsection "health care professional" has the meaning given in AS 14.-
20 43.120(s).

21 * Sec. 5. APPLICABILITY. (a) Sections 2 and 4 of this Act apply to a
22 person's employment as a health care professional that occurs after July 1,
23 1990.

24 (b) Section 3 of this Act applies to a person who begins an education
25 program and who receives a tuition differential subsidy on or after
26 January 1, 1991.

27 * Sec. 6. This Act takes effect July 1, 1990.
28
29

Original sponsors(s): PEP. ELLIS, Koponen, Gruenberg, Boucher

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12 the number of health care professionals employed in each area of
13 shortage, and (3) recommends changes to the health care professional
14 loan forgiveness program under AS 14.43.120(s). The report prepared
15 under this subsection shall be provided to the Alaska Commission on
16 Postsecondary Education. The commissioner of health and social ser-
17 vices shall adopt regulations regarding the determination of geo-
18 graphic areas with a health care professional shortage. In this
19 subsection "health care professional" has the meaning given in AS 14.-
20 43.120(s).

21 * Sec. 5. APPLICABILITY. (a) Sections 2 and 4 of this Act apply to a
22 person's employment as a health care professional that occurs after July 1,
23 1990.

24 (b) Section 3 of this Act applies to a person who begins an education
25 program and who receives a tuition differential subsidy on or after
26 January 1, 1991.

27 * Sec. 6. This Act takes effect July 1, 1990.
28
29

6-0168J
Ford
4/16/90

Original sponsors(s): REP. ELLIS, Koponen, Gruenberg, Boucher

1 IN THE HOUSE

BY THE HESS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to forgiveness of student loans
7 of certain health care professionals, to taxation of
8 student loans, and to student financial assistance;
9 and providing for an effective date."

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

11 * Section 1. AS 14.43.120(b) is amended to read:

12 (b) Scholarship loans may only be used to attend a

13 (1) career education program that has been approved by the
14 commission before July 1, 1986, or has been operating for at least one
15 year [TWO YEARS] before the borrower attends; or

16 (2) a college or university that

17 (A) has been approved by the commission before July 1,
18 1986, or has been operating for at least two years before the
19 borrower attends;

20 (B) is accredited by a national or regional accredita-
21 tion association recognized by the Council on Postsecondary
22 Accreditation or is approved by the commission; and

23 (C) if the loans are federally insured, is approved by
24 the United States Secretary of Education.

25 * Sec. 2. AS 14.43.120 is amended by adding new subsections to read:

26 (s) If a borrower meets the conditions provided in this section,
27 meets the condition imposed under AS 14.43.950, if the borrower has
28 received a tuition differential subsidy, and is employed as a health
29 care professional in a geographical area of the state determined to

1 have a health care professional shortage for the borrower's profession
2 by the Department of Health and Social Services under AS 44.29.020(b),
3 a portion of the loan shall, subject to appropriation by the legisla-
4 ture, be paid by the state equal to the following percentages of the
5 total loan received plus interest up to a total of 70 percent of the
6 total loan: (1) one year employment, 10 percent; (2) two years em-
7 ployment, an additional 12 percent; (3) three years employment, an
8 additional 14 percent; (4) four years employment, an additional 16
9 percent; (5) five years employment, an additional 18 percent. In this
10 subsection, "health care professional" means a person who is licensed
11 as a physician or osteopath under AS 08.64.230, as a physical thera-
12 pist or occupational therapist under AS 08.84, as a registered nurse
13 under AS 08.68.190 or 08.68.200, or a person practicing medicine as a
14 physician's assistant.

15 (t) Notwithstanding any other provision of law, while a person's
16 loan is being paid by the state under (s) of this section, that person
17 may not receive forgiveness of a loan under any other section of this
18 chapter.

19 (u) The commission shall adopt regulations that permit a borrow-
20 er to exclude a forgiven portion of a loan from the gross income of
21 the borrower as allowed under the Internal Revenue Code.

22 * Sec. 3. AS 14.43 is amended by adding a new section to read:

23 Sec. 14.43.950. EMPLOYMENT CONDITION FOR PARTICIPANTS IN CERTAIN
24 EDUCATION PROGRAMS. As a condition of eligibility for receiving a
25 tuition differential subsidy under a program offered by the Western
26 Interstate Commission for Higher Education or the Alaska Commission on
27 Postsecondary Education under AS 14.42.030(d), a program participant
28 shall agree to be employed in the state for a period of at least six
29 months for each school year of participation in the program. A person

1 who does not meet the employment requirements of this section within
2 four years after completing the person's subsidized education shall
3 pay to the state 50 percent of the tuition differential subsidy re-
4 ceived by the person plus interest at the rate provided for scholar-
5 ship loans under AS 14.43.120(f). Interest under this section begins
6 to accrue one year after the person completes the subsidized education
7 program.

8 * Sec. 4. AS 44.29.020 is amended by adding a new subsection to read:

9 (b) The department shall, by September 30 of each year, prepare
10 a report that (1) lists by profession those geographic areas of the
11 state that have a health care professional shortage, (2) identifies
12 the number of health care professionals employed in each area of
13 shortage, and (3) recommends changes to the health care professional
14 loan forgiveness program under AS 14.43.120(s). The report prepared
15 under this subsection shall be provided to the Alaska Commission on
16 Postsecondary Education. The commissioner of health and social ser-
17 vices shall adopt regulations regarding the determination of geo-
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STATE OF ALASKA

STEVE COWPER, GOVERNOR

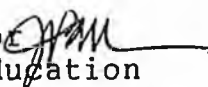
ALASKA COMMISSION ON POSTSECONDARY EDUCATION

P.O. BOX 4P
JUNEAU, ALASKA 99811-0599
PHONE: (907) 465-2854

M E M O R A N D U M

TO: Members of the Senate Health, Education, and Social
Services Committee

The Honorable Paul Fischer, Chair
The Honorable Jim Duncan, Vice Chair
The Honorable Al Adams
The Honorable Lloyd Jones
The Honorable Tim Kelly

FROM: Jane Byers Maynard, Executive Director 
Alaska Commission on Postsecondary Education

SUBJECT: CSHB 10: An Act Relating to Forgiveness of
Student Loans of Certain Health Care Professionals

DATE: April 30, 1990

This memo is in response to the Committee's April 25 request for additional information concerning CSHB 10.

1. Cost Per Student. The attached table shows the potential cost per student for each year of forgiveness assuming maximum student loan debt incurred over the number of years of study necessary to complete the professional degree in each field.

Please note that these amounts are shown up to the maximum 70% forgiveness versus more conservative fiscal note costs which assume that the average forgiveness received will be 36% (i.e., 3 of 5 years of eligible forgiveness).

2. Source of Funds to Cover Forgiveness. It was asked in Committee if forgiveness costs could be covered by bond proceeds or loan program receipts in lieu of general fund support. Our Alaska Student Loan Bond Counsel states that legislation cannot be enacted which would impair contract rights of bond holders. Bond proceeds can be used only for loan originations. Program receipts from loan repayments which end up in the carry forward fund can be withdrawn once every six months subject to 1) AMBAC insurance approval and 2) cash flow analysis to insure at least 150% debt coverage. These funds are used to originate more loans and to cover program expenses.

Members of the Senate Health,
Education, and Social Services Committee
April 30, 1990
Page 2

As a matter of policy, the Bond Counsel states that it would be unwise to use these funds for a purpose such as forgiveness coverage which does not create additional revenue (unlike loan origination which does). Instead, such useage would have the ultimate effect of reducing debt service coverage at a faster rate and will delay the date the loan program will become self-sustaining.

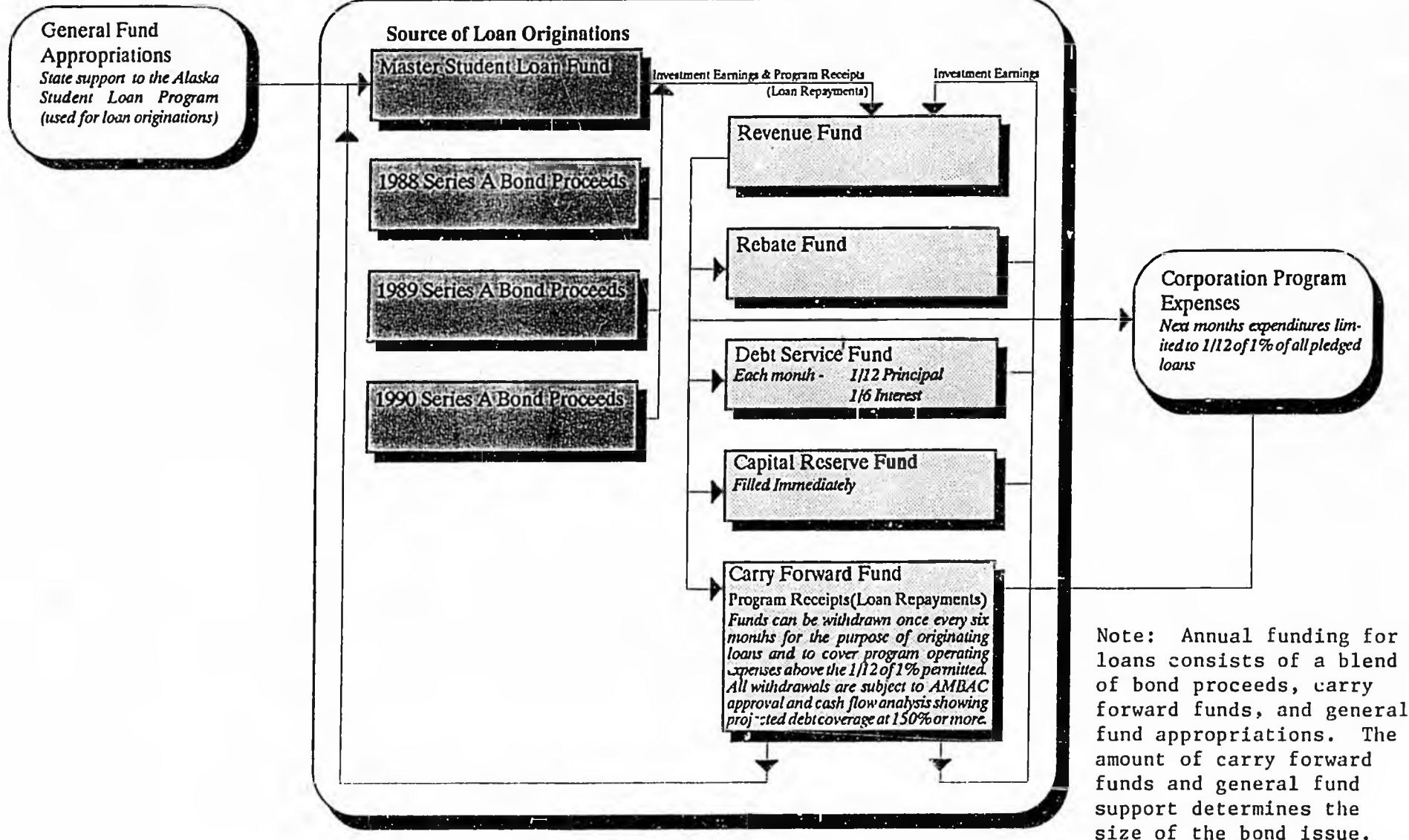
3. Letter of Intent. The letter of intent accompanying the bill insures that our Agency will notify borrowers that forgiveness is subject to legislative appropriation. This would be done in borrower promissory notes.

Attachments

cc: The Honorable Johnny Ellis
Alaska House of Representatives

Alaska Student Loan Corporation

INDENTURE



CS HB10 POTENTIAL COST PER STUDENT

FIELD	ASL DEBT*	FORGIVENESS INCREMENTS**					
		10% 1st year	12% 2nd year	14% 3rd year	16% 4th year	18% 5th year	70% 5 year total
Doctor (8 years)	\$48,000	\$5,428	\$6,388	\$7,348	\$8,308	\$9,268	\$36,740
Nurse LPN (2 years)	11,000	1,244	1,464	1,684	1,904	2,124	8,420
Nurse RN (4 years)	28,500	3,223	3,793	4,363	4,933	5,503	21,815
Occupational Therapy (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Physical Therapy BS (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Physical Therapy MS (5 years)	28,500	3,223	3,793	4,363	4,933	5,503	21,815
Physician's Assistant (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Medical Technician AS (2 years)	11,000	1,244	1,464	1,684	1,904	2,124	8,420
Medical Technician BS (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840

* Principle only

** Including interest

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION


STEVE COWPER, GOVERNOR

P.O BOX FP
JUNEAU, ALASKA 99811-0599
PHONE: (907) 465-2854

MEMORANDUM

TO: Members of the Senate Health, Education, and Social Services Committee

The Honorable Paul Fischer, Chair
The Honorable Jim Duncan, Vice Chair
The Honorable Al Adams
The Honorable Lloyd Jones
The Honorable Tim Kelly

FROM: Jane Byers Maynard, Executive Director 
Alaska Commission on Postsecondary Education

SUBJECT: CS.B 10: An Act Relating to Forgiveness of Student Loans of Certain Health Care Professionals

DATE: April 30, 1990

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Members of the Senate Health,
Education, and Social Services Committee
April 30, 1990
Page 2

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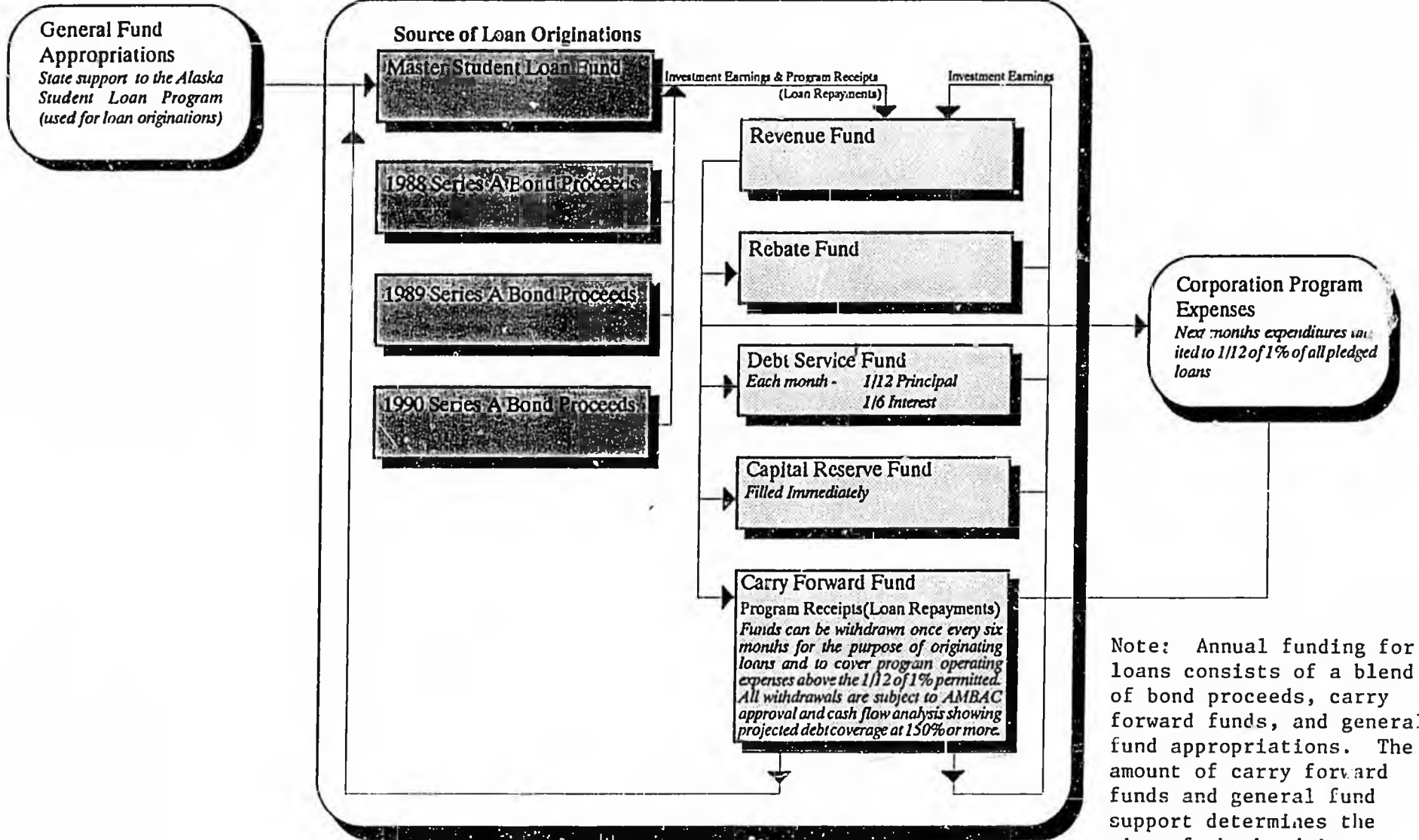
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Attachments

cc: The Honorable Johnny Ellis
Alaska House of Representatives

Alaska Student Loan Corporation

INDENTURE



Note: Annual funding for loans consists of a blend of bond proceeds, carry forward funds, and general fund appropriations. The amount of carry forward funds and general fund support determines the size of the bond issue.

CS HB10 POTENTIAL COST PER STUDENT

FIELD	ASL DEBT*	FORGIVENESS INCREMENTS**					
		10% 1st year	12% 2nd year	14% 3rd year	16% 4th year	18% 5th year	70% 5 year total
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* Principle only

** Including interest

CS HB 10 (HESS) AM

For an Act entitled: "An act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date.

CS HB 10 (HESS) would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in designated area, up to five years, at which point the entire loan would be forgiven by the state.

Recruitment and retention of health care professionals for rural areas is often difficult and expensive. Agencies and communities providing services in these areas are faced with the ongoing problem of obtaining qualified individuals who will live in rural areas for an extended period of time. This chronic turnover results in substantial cost increases and service disruption due to vacancies.

Eligible professionals providing health services in designated areas would benefit economically from this program. This economic incentive will enhance the ability of communities and agencies to recruit and retain health care providers. In addition, rural Alaskans would be encouraged to obtain advanced education and return to practice in their communities.

Position

The Department of Health and Social Services, while deferring the cost analysis of this legislation to the Department of Education, supports the economic incentives in assisting rural areas to recruit and retain qualified health professionals.

Recommended by: Katherine A. Kelley
Katherine A. Kelley, Dr.P.H.
Director
Division of Public Health

Date:

Approved by: Myra V. Munson
Myra V. Munson
Commissioner
Department of Health and
Social Services

Date:

April 26, 1990
UPDATER

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Health & Social Services
 Title: Relating to forgiveness of BRU: State Health Services
student loans of health care prof.
 Sponsor: Ellis, et al. Components: Public Health Administration
 Requester: Senate HESS

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
Personal Services						
Travel						
Contractual		21.5				
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0.0	21.5	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

General Funds	0.0	21.5	0.0	0.0	0.0	0.0
Federal Funds						
Other						
TOTAL	0.0	21.5	0.0	0.0	0.0	0.0

POSITIONS

Full-Time	0				
Part-Time	0				
Temporary	0				

ANALYSIS: (attach a separate page if necessary)

No fiscal impact in FY 90.

See attached analysis for FY 91.

Prepared By: Katherine A. Kelly, Dr. P.H.
 Division: PUBLIC HEALTH
 Approved By Commissioner: Myra M. Munson
 Agency: HEALTH & SOCIAL SERVICES

Phone: 465-3090
 Date: 04/26/90
 Date: 4/26/90

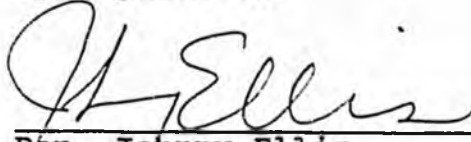
Distribution (by preparer):

Legislative Finance, Legislative Sponsor, Requestor,
Office of Management & Budget, Impacted Agency(ies)



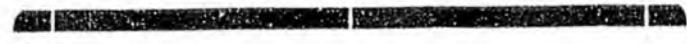
HOUSE HESS COMMITTEE
LETTER OF INTENT CSHB 10 (HESS)

It is the intent of the 16th Alaska State Legislature in passing HB 10, that the Commission on Postsecondary Education in writing clearly inform borrowers potentially eligible under A.S. 14.43.120(s) that forgiveness is subject to legislative appropriation.



Rep. Johnny Ellis
Chairman

March 6 1989
Date of Adoption



FISCAL NOTE

REQUEST:

Revision Date: March 12, 1990
 Title: Forgiveness of student loans of Health Care Providers
 Sponsor: Ellis
 Requestor: House Finance

Agency Affected: Education
 BRU: Postsecondary Ed Student Loan Corp
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	36.6	80.5	131.8	136.2	140.1
MISCELLANEOUS						
TOTAL OPERATING						

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	36.6	80.5	131.8	136.2	140.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: March 13, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Analysis of Fiscal Impact

A. Assumptions

1. The current student loan population is representative of the future attendance patterns for students of selected health care fields.
2. Only a small proportion of health care graduates will actually qualify for the benefits of CS HB 10. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing, physician assistant, physical therapy, and occupational graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is, 3-of-5 years of eligible forgiveness).
3. Borrowing years will vary by health care field. For this fiscal analysis, the following are assumed:

<u>Fields</u>	<u>Years of Borrowing</u>
Medical Profession	8 years
Nursing	3 years
Occupational Therapy	4 years
Physical Therapy	4 years
Physician Assistant	4 years

B. Projections

Graduates by Field

<u>Field</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>94-95</u>
Medical Profession	32	32	31	32	33	34	35
Nursing	67	67	68	70	71	72	73
Occupational Therapy	2	3	3	3	3	4	4
Physical Therapy	4	4	4	4	5	5	5
Physician Assistant	2	2	2	2	3	3	3
Total	107	108	108	111	116	118	120

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	36,600
1991-92	80,520
1992-93	131,760
1993-94	136,160
1994-95	140,120

FISCAL NOTE

REQUEST:

Revision Date: March 13, 1990
 Title: "Forgiveness of student loans/
 health professionals"
 Sponsor: Ellis
 Requestor: _____

Agency Affected: HSS
 BRU: State Health Svcs.
 Components: Public health Admin.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	21.5	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	21.5	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	21.5	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	21.5	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: 3/13/90

Approved by Commissioner: *Lyman Hoffman* Date: 3/13/90
 Agency: Co-Chairmen, House Finance

Distribution (by preparer):

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

In order for the Department of Health and Social Services to establish the health professional shortage designation system in a timely manner, limited contractual services would be required during the first year. This additional cost would be necessary due to limited availability of Division of Public Health Staff to focus on developing a information system which could be readily maintained to provide the Alaska Commission on Post Secondary Education the necessary information.

It is anticipated that once a computerized system was established, the information could be updated on annual basis utilizing existing personnel and equipment.

Contractual Line 73000

Professional Services: Personal Services contract for the purpose of developing the health professional shortage designation regulations, conducting the public review and adoption of the regulations, establishing a data base to be updated and monitored by department staff, and developing the initial shortage area designation for the Alaska Commissioner on Post Secondary Education. 4 months at \$5.0 per month \$20.0

Communication: Printing of regulations, public notification of regulations and program availability, teleconference for public hearings in the regulation adoption process. \$ 1.5

Total Contract Line \$ 21.5

For an Act entitled: "An act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date.

HB 10 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in designated area, up to five years, at which point the entire loan would be forgiven by the state.

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Position

The Department of Health and Social Services, while deferring the cost analysis of this legislation to the Department of Education, supports the economic incentives in assisting rural areas to recruit and retain qualified health professionals.

Recommended by: Elizabeth Ward
Elizabeth Ward, M.N.
Director
Division of Public Health

Date: 1/19/89

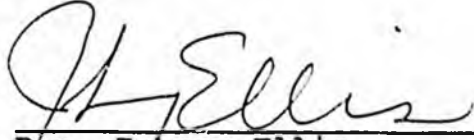
Approved by: Myra M. Munson
Myra M. Munson
Commissioner
Department of Health and
Social Services

Date: 1/24/89



HOUSE HESS COMMITTEE
LETTER OF INTENT CSHB 10 (HESS)

It is the intent of the 16th Alaska State Legislature in passing HB 10, that the Commission on Postsecondary Education in writing clearly inform borrowers potentially eligible under A.S. 14.43.120(s) that forgiveness is subject to legislative appropriation.



Rep. Johnny Ellis
Chairman

March 6 1989
Date of Adoption

FISCAL NOTE

REQUEST:

Revision Date: March 12, 1990
 Title: Forgiveness of student loans of Health Care Providers
 Sponsor: Ellis
 Requestor: House Finance

Agency Affected: Education
 BRU: Postsecondary Ed Student Loan Corp
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	36.6	80.5	131.8	136.2	140.1
MISCELLANEOUS						
TOTAL OPERATING						

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	36.6	80.5	131.8	136.2	140.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: March 13, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

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

A. Assumptions

1. The current student loan population is representative of the future attendance patterns for students of selected health care fields.
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Physical Therapy	4 years
Physician Assistant	4 years

B. Projections

Graduates by Field

<u>Field</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>94-95</u>
Medical Profession	32	32	31	32	33	34	35
Nursing	67	67	68	70	71	72	73
Occupational Therapy	2	3	3	3	3	4	4
Physical Therapy	4	4	4	4	5	5	5
Physician Assistant	2	2	2	2	3	3	3
Total	107	108	108	111	116	118	120

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	36,600
1991-92	80,520
1992-93	131,760
1993-94	136,160
1994-95	140,120

FISCAL NOTE

Revision Date: March 13, 1990
 Title: "Forgiveness of student loans/
 health professionals"
 Sponsor: Ellis
 Requestor: _____

Agency Affected: HSSS
 BRU: State Health Svcs.
 Components: Public health Admin

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	21.5	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	21.5	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	21.5	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	21.5	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: 3/13/90
 Approved by Commissioner: *Lyman Hoffman* Date: 3/13/90
 Agency: Co-Chairmen, House Finance

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)

In order for the Department of Health and Social Services to establish the health professional shortage designation system in a timely manner, limited contractual services would be required during the first year. This additional cost would be necessary due to limited availability of Division of Public Health Staff to focus on developing a information system which could be readily maintained to provide the Alaska Commission on Post Secondary Education the necessary information.

It is anticipated that once a computerized system was established, the information could be updated on annual basis utilizing existing personnel and equipment.

Contractual Line 73000

Professional Services: Personal Services contract for the purpose of developing the health professional shortage designation regulations, conducting the public review and adoption of the regulations, establishing a data base to be updated and monitored by department staff, and developing the initial shortage area designation for the Alaska Commissioner on Post Secondary Education. 4 months at \$5.0 per month \$20.0

Communication: Printing of regulations, public notification of regulations and program availability, teleconference for public hearings in the regulation adoption process. \$ 1.5

Total Contract Line \$ 21.5

For an Act entitled: "An act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date.

HB 10 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in designated area, up to five years, at which point the entire loan would be forgiven by the state.

Recruitment and retention of health care professionals for rural areas is often difficult and expensive. Agencies and communities providing services in these areas are faced with the ongoing problem of obtaining qualified individuals who will live in rural areas for an extended period of time. This chronic turnover results in substantial cost increases and service disruption due to vacancies.

Eligible professionals providing health services in designated areas would benefit economically from this program. This economic incentive will enhance the ability of communities and agencies to recruit and retain health care providers. In addition, rural Alaskans would be encouraged to obtain advanced education and return to practice in their communities.

Position

The Department of Health and Social Services, while deferring the cost analysis of this legislation to the Department of Education, supports the economic incentives in assisting rural areas to recruit and retain qualified health professionals.

Recommended by: Elizabeth Ward
Elizabeth Ward, M.N.
Director
Division of Public Health

Date: 1/19/89

Approved by: Myra M. Munson
Myra M. Munson
Commissioner
Department of Health and
Social Services

Date: 1/24/89

FISCAL NOTE

REQUEST:

Revision Date: April 25, 1990
 Title: Forgiveness of student loans of Health Care Providers
 Sponsor: Ellis
 Requestor: Senate HESS

Agency Affected: Education
 BRU: Postsecondary Education Student Loan Corp.
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars) *phy.*

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	41.2	83.8	137.3	142.1	145.3
MISCELLANEOUS						
TOTAL OPERATING						

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	41.2	83.8	137.3	142.1	145.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

50/100 -

Prepared by: Jane Byers Maynard, Executive Director Phone: 2854
 Division: Alaska Commission on Postsecondary Education Date: April 25, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

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

Wiche →

Not gen funds

APR 23 1990

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. JONES

TO: SCS CSHB 10(HESS)

Page 2, line 13, after "08.68.200":

Delete "or"

Page 2, line 14, after "assistant":

Insert ", or employed as a medical technologist"

Physicians
P.A. ← WAMI
Wicki

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

FISCAL NOTE

REQUEST:

Revision Date: April 25, 1990
 Title: Forgiveness of student loans of Health Care Providers
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EXPENDITURES/REVENUES: (Thousands of Dollars) *phy.*

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
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SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	41.2	83.8	137.3	142.1	145.3
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	41.2	83.8	137.3	142.1	145.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

50/100 -

Prepared by: Jane Byers Maynard, Executive Director Phone: 2854
 Division: Alaska Commission on Postsecondary Education Date: April 25, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

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

Wiche →

Not gen funds

Analysis of Fiscal Impact

A. Assumptions

1. The current student loan population is representative of the future attendance patterns for student of selected health care fields.
2. Only a small proportion of health care graduates will actually qualify for the benefits of CS HB 10. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing, physician assistant, physical therapy, occupational therapy and medical technology graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is, 3-of-5 years of eligible forgiveness).
3. Borrowing years will vary by health care field. For this fiscal analysis, the following are assumed:

<u>Fields</u>	<u>Years of Borrowing</u>
Medical Profession	8 years
Nursing	3 years
Occupational Therapy	4 years
Physical Therapy	4 years
Physician Assistant	4 years
Medical Technology	3 years

B. Projections

Graduates by Field

<u>Field</u>	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Medical Profession	32	32	31	32	33	34	35
Nursing	67	67	68	70	71	72	73
Occupational Therapy	2	3	3	3	3	4	4
Physical Therapy	4	4	4	4	5	5	5
Physician Assistant	2	2	2	2	3	3	3
Medical Technologist	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total	109	110	110	113	119	121	123

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	41,220
1991-92	83,820
1992-93	137,370
1993-94	142,160
1994-95	145,330

APR 23 1990

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. JONES

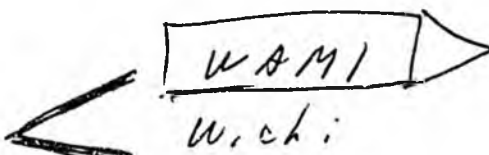
TO: SCS CSHB 10 (HESS)

Page 2, line 13, after "08.68.200":

Delete "or"

Page 2, line 14, after "assistant":

Insert ", or employed as a medical technologist"

Physicians
P.A.  WAMI
Wicki

from the College of American Pathologists upon completion of each inspection.

(d) In this section, "nationally recognized proficiency test program" means a proficiency test program that is recognized by the American Association of Bioanalysts, Center for Disease Control, College of American Pathologists, or any other nationally recognized testing authority.

(e) In this section, "successfully" means at least three out of four survey-set results for each testing service are graded as acceptable by proficiency testers. (Eff. 11/19/83, Register 88)

Authority: AS 18.05.040
AS 18.20.010
AS 18.20.060

7 AAC 12.830. MAILING OF LABORATORY SPECIMENS. A laboratory specimen may be referred and mailed only to an approved laboratory. The mailing containers to be used must be provided by the laboratory to which the specimens are sent. (Eff. 11/19/83, Register 88)

Authority: AS 18.05.040
AS 18.20.010
AS 18.20.060

7 AAC 12.840. SUPERVISION AND DIRECTION OF LABORATORY SERVICE. (a) A laboratory must be under the supervision and direction of one of the following:

(1) a physician who meets the requirements of (e) of this section, and who is employed by the laboratory or who is a consulting physician under contract to the laboratory;

(2) a laboratory specialist who meets the requirements of (g) of this section and who is employed by the laboratory or who is under contract to the laboratory; or

(3) a medical technologist employed by the laboratory who meets the requirements of (f) of this section.

(b) If a medical technologist described in (a)(3) of this section is supervising the laboratory under contract, then a consulting physician supervising the laboratory or a laboratory specialist supervising the laboratory under contract must make quarterly visits to the laboratory, and prepare a written evaluation with recommendations to the administrator and medical staff of the facility following each visit. For a consulting physician, up to two of the required visits and evaluations may be made by his or her representative who is a medical technologist competent in one or more laboratory specialties. If a medical technologist described in (a)(3) of this section supervises a laboratory, then either a consulting physician under (a)(1) of this section or a

contracted labor at least biannually and recordation and recording.

(c) A person must meet at least the level of proficiency set forth in this section.

(d) A medical technician.

(e) A physician

(1) be certified by the American Board of Pathology or by the department;

(2) be certified in one or more specialties, such as: American Osteopathic Association specialties, clinical microbiology, the Board of Biochemistry, or the department;

(3) after a minimum of five years general laboratory experience, at least two years were spent in the specialty in which the person is employed;

(f) A medical technologist must meet the following requirements:

(1) have completed at least two years of working with medical technology, and

(2) participate in and manage at least one testing service.

(g) A laboratory specialist of this section must be in agreement with a consulting physician and

(1) be certified by the American Association of Bioanalysts, the department;

(2) after a minimum of five years general laboratory experience, at least two years were spent in the specialty in which the person is employed.

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11/19/83, Register

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contracted laboratory specialist under (a)(2) of this section must make at least biannual visits to the laboratory and prepare a written evaluation and recommendations following the visits.

(c) A person who exercises supervisory responsibility must have at least the level of training of a medical technologist described in (i) of this section.

(d) A medical technologist must provide direct supervision to technicians.

(e) A physician described in (a)(1) of this section must

(1) be certified in anatomical and clinical pathology by the American Board of Pathology or the American Osteopathic Board of Pathology or be eligible for board certification, as determined by the department;

(2) be certified by the American Board of Pathology or the American Osteopathic Board of Pathology in at least one of the laboratory specialties, or be certified by the American Board of Medical Microbiology, the American Board of Clinical Chemistry, the American Board of Bioanalysis, or other national accrediting board acceptable to the department in one of the laboratory specialties; or

(3) after graduation, have had four or more years of full-time general laboratory training and experience, of which at least two years were spent acquiring proficiency in one of the laboratory specialties in an approved laboratory.

(f) A medical technologist who supervises a laboratory under (a)(3) must meet the following requirements:

(1) have at least six years of full-time laboratory experience working with human body fluids, after the date of qualifying as a medical technologist, of which not less than two years was spent working in a particular laboratory specialty in an approved laboratory; and

(2) participate in continuing education in laboratory supervisory and management skills and laboratory testing skills in at least one testing service as described in 7 AAC 12.850, offered by the laboratory.

(g) A laboratory specialist who supervises a laboratory under (a)(2) of this section must have a doctoral degree from an accredited institution with a chemical, physical, or biological science as a major subject, and

(1) be certified by the American Board of Medical Microbiology, the American Board of Clinical Chemistry, the American Board of Bioanalysis, or other national accrediting board acceptable to the department in one of the laboratory specialties, or

(2) after graduation, have had four or more years of full-time general clinical laboratory training and experience, of which at least two years were spent acquiring proficiency in one of the laboratory specialties in an approved laboratory.

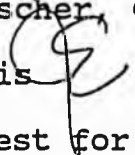
HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES

P.O. BOX V, JUNEAU 99811
(907) 465-3759



MEMORANDUM

TO: Senator Paul Fischer, Chair, Senate HESS Committee
FROM: Rep. Johnny Ellis 
RE: Scheduling request for HB 10
DATE: April 2, 1990

I would sincerely appreciate if you could schedule HB 10 at your earliest possible convenience. This bill contains several important provisions regarding assistance for Alaskan post-secondary students.

House Bill 10 provides for the forgiveness of student loans for students who return to Alaska to work in certain health care professions in areas of the state which are medically underserved. I can provide your committee with ample documentation and testimony proving that there are severe shortages in the health care professions throughout Alaska. While this bill will not fully solve this problem it will provide some relief.

There were two important amendments added to HB 10 on the House floor. Representative Gruenberg offered an amendment that would require the Commission on Post-Secondary Education to adopt regulations permitting student loan recipients to exclude the forgiven portions of their loans from taxation by the IRS. Under section 108(f) of the internal revenue code, forgiven loans are not taxable "if the individual worked for a certain period of time in certain professions for any of a broad class of employers". The intent of HB 10 is to require the Commission to develop a mechanism so that Alaska student loan recipients could qualify under this provision.

Another important amendment to HB 10 was offered by Representative Hanley. As amended, HB 10 would require WAMI and WICHE program participants to return to Alaska to work in their fields (health fields are the only ones currently offered), or else they would have to pay back part of the state subsidy for their education. This amendment is an additional means of encouraging trained Alaskans to help alleviate the health care professional shortage in Alaska.

Thank you for your consideration of this request.



HEALTH CARE COALITION OF ALASKA

April 10, 1990

Honorable Paul Fischer
Chairman
Health, Education and Social Services Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Fischer:

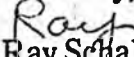
The Health Care Coalition of Alaska urges your support and quick passage of House Bill 10.

The Health Care Coalition endorses the concept that provides for the forgiveness of student loans for certain health care professionals choosing to practice in the state of Alaska. The difficulty in retaining and attracting health care professionals continues to be extremely difficult.

The Health Care Coalition (HCC) would, however, seek to extend the definition of health care professionals covered under this legislation to include licensed dentists, registered pharmacists, and health care administrators.

We would encourage you to consider an amendment including the above health care professionals so as to more comprehensively foster the return of needed providers to our state.

Sincerely,


Ray Schalow
Chairman

Letters of Support

ALASKA ACADEMY OF PHYSICIANS ASSISTANTS • ALASKA PHARMACEUTICAL ASSOCIATION • ALASKA PUBLIC HEALTH ASSOCIATION
ALASKA STATE MEDICAL ASSOCIATION • HEALTH ASSOCIATION OF ALASKA • ALASKA NATIVE HEALTH BOARD • ALASKA NURSES ASSOCIATION • ALASKA DENTAL SOCIETY

working together . . . caring together

4107 Laurel Street

Anchorage, AK 99508

(907) 562-2662

Fax 561-2063

APR 03 1990

Fairbanks, Ak.
March 31, 1990

Senator Paul Fischer
Alaska State Senate
Capitol, Room 508
Juneau, Ak. 99811

Dear Senator Fischer,

I recently read in the March 24th issue of the Anchorage Daily News that the House of Representatives approved HB 10, which would allow doctors, nurses, doctor's assistants, and physical or occupational therapists to earn forgiveness on up to 70% of their student loans by working in Alaska for at least 5 years after graduation. The bill has now gone on to the Senate for approval.

I would like to see Medical Technologists (Clinical Laboratory Scientists) added to that list of health care professionals included in HB 10. There is an acute shortage of laboratory professionals nationwide. Statistics show that the employment of new graduates is virtually 100%, indication that the available worker pool is significantly less than the number of jobs open. (CLS-Jan. 1990).

The shortage is expected to grow. There are fewer people entering into our profession due to the AIDS scare. The increase in drug testing and other laboratory procedures are increasing the workload. There is a dramatic increase in the number of job ads and employment inducements offered in our professional magazines.

I believe it would be to our advantage to encourage our students to not only enter into the laboratory field, but also to stay in Alaska to work. I would hope that you would suggest an amendment of HB10 to include Medical Technologists.

Sincerely,



Elaine LaParle MT(ASCP)(ASMT)

Microbiologist, Fairbanks Memorial Hospital

Ketchikan General Hospital

3100 TONGASS AVE.
KETCHIKAN, ALASKA 99901
PHONE 907-225-5171
FAX 907-225-2173

March 30, 1990

APR 02 1990

Senator Lloyd Jones
Alaska State Senate
Capitol, Room 9
P.O. Box V
Juneau, Alaska 99811

Dear Senator:

It has come to my attention that the Senate has received from the House of Representatives a bill (HB 10) aimed at encouraging health professionals to practice in Alaska. By returning to Alaska to work, a substantial portion of their student loans would be forgiven. I heartily agree with this proposal, but I feel it is essential to include laboratory professionals. We may not be as visible as nurses or doctors but our services are indispensable - just ask any physician - and our need is great.

Laboratory professionals are in short supply and that shortage is becoming more critical every year. When I advertised a position in 1983, I received 125 responses; when I advertised in 1988, I received only a dozen responses. Because laboratory workers are constantly dealing with blood, the risk of exposure to blood-borne infectious agents (such as the AIDS & hepatitis viruses) is high. Many people are not willing to take that risk. In addition, reimbursement cut-backs have forced many hospitals to close their medical technology internship programs for lack of funds.

It takes 4-5 years to become a medical technologist (depending upon whether your hospital internship is part of, or in addition to, your 4-year degree program). We need to encourage people to enter the profession as well as to bring their skills back to Alaska to practice. HB 10 will do both, and I urge you to include laboratory professionals in this bill.

Sincerely,



Fern T. Jarrett, M.S., MT(ASCP)
Laboratory Director

FTJ:cj

cc: Myra Munson, AK HSS Commissioner
Jane Byers Maynard, Director, Student Loan Program
Paul Fischer, Chairman, Senate Health, Educ. & Social Services Committee

KGH

APR 07 1989

April 5, 1988

To whom it may concern:

I am writing this letter on my own behalf, and the behalf of others considering entering a nursing program. This is in regard to House Bill #10 that would forgive up to 70% of an Alaska student loan for registered nurses, physical and occupational therapists, and physicians assistants, if one continues to remain in Alaska and work upon graduation for a minimum of five years.

I am presently pursuing a degree in nursing and plan on remaining in Alaska upon graduation. I would personally benefit highly if HB #10 passes, as would those others already actively or considering pursuing a nursing degree. House Bill #10 is a good incentive for people who are on low income or who are considering returning to school. I sincerely hope that this bill is given serious consideration as it passes before you, and that you keep in mind all those who would like to return to school but cannot afford to.

Sincerely,

Mary E. Robertson

Mary E. Robertson
P.O. Box 210626
Wike Bay, AK. 99821-0626
739-1784

HB

54

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Relating to the Older
Alaskans Commission
 Sponsor: Ellis
 Requestor: House Rules Committee

Agency Affected: None
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS: N/A

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Fiscal Note updated from previous year.

Prepared by: Rep. Ben Grussenorf, Chairman
 Division: House Rules Committee

Phone: 465-3764
 Date: 1/12/90

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by preparer):

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

SENATE COMMITTEE REPORT

DATE: January 16, 1990

FURTHER: State Affairs
Finance

DATE TURNED INTO OFFICE: 4/2/90

H E S S, Committee considered CS FOR HOUSE BILL 54 (Fin)

Expanding the authority of the Older Alaskans Commission to make grants for adult day care programs and family respite care services for frail older persons and other similarly disabled adults; and changing the categories of services that may be included in a service program for older Alaskans.

and recommended:

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

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

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

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

Governor's bill w/fiscal note

SIGNING DO PASS:

[Signature]

OTHER RECOMMENDATIONS:

[Signature] (No Rec)
[Signature] (no Rec.)

Dave Fitch (Do Pass)
Chair: Signature and Recommendation

MOST FREQUENTLY ASKED QUESTIONS AND ANSWERS

What does this legislation accomplish?

HB 54 makes important amendments to the statutes governing the Older Alaskans Commission. This bill would allow the OAC to make grants to non-profit adult day care and family respite care service providers in order to serve adults under the age of 60 in need of care. Such grants would be made subject to the availability of private, local, state, and federal funding.

Is there a need for this legislation?

This bill addresses a critical need to serve adults under the age of 60 in need of day care service. HB 54 recognizes the need for adult day care and respite services for a mixed group of clients, including seniors over 60 with general health problems, adults with Alzheimer's disease, victims of dementia, stroke victims, and the developmentally disabled.

How much will this legislation cost/save?

This bill expands the authority of the OAC in providing grant funding to adult day care and respite services to include funding for service to adults under the age of 60. Such grants would be made subject to the availability of private, local, state, and federal funding. Please note the zero dollar fiscal note submitted by the Department of Administration for this bill.

It is also important to note that HB 54 allows the OAC to set fees for these services based on a sliding scale formula, taking the client's income into consideration. At present clients of day care and respite providers ask for voluntary contributions. HB 54 allows providers to capture third-party payments, such as from long term care insurance. No individual would be denied service if unable to pay.

What are the benefits generated to the state?

Meeting the needs of community-based services which provide adult day care and family respite care can greatly increase the ability of seniors and disabled people to remain at home, thereby delaying or eliminating the need for costlier, state-funded forms of institutional care.

It is also important to note that this enabling legislation promotes less duplication of services by providing grant monies, as available, to existing adult day care and respite programs to serve a mixed age group of clients. It makes good sense, particularly from a cost perspective, for large and small communities to avoid duplication of services to different groups. House Bill 54 encourages the OAC to seek available funds to more efficiently serve adults with Alzheimer's disease, developmental disabilities, or other related disorders

3111 C STREET, SUITE 455
ANCHORAGE, ALASKA 99503
(907) 561-7628

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

JUDICIARY

SPECIAL COMMITTEE ON
FOREIGN & DOMESTIC TRADE

*Adult Day
Care*

FEB 20 1990

REPRESENTATIVE JOHNNY ELLIS

MEMORANDUM

TO: Sen. Paul Fischer, Chair, Senate HESS Committee

From: Rep. Johnny Ellis *JE*

Date: February 20, 1990

RE: CSHB 54(FIN); grants for adult day care and respite care services

I respectfully request once again that you schedule CSHB 54(FIN) for a committee hearing at your earliest possible convenience.

I have introduced this legislation in response to the enormous need for adult day care programs and family caregiver respite in Alaska. CSHB 54(FIN) makes important amendments in the statutes governing the Older Alaskans Commission. These changes are necessary to allow the commission to make grants to non-profit adult day care and family respite care service providers in order to serve adults under the age of 60 who are in need of care. Such grants are made subject to the funding availability of private, local, state, and federal funding.

Presently, the OAC is the only funding source for adult day care. However, there are many adults in need of day care who are not seniors. CSHB 54(FIN) recognizes the need for day care services for a mixed group of clients, including seniors over 60 with general health problems, adults with Alzheimer's disease, victims of dementia, stroke victims, and the developmentally disabled. This bill addresses a critical need to serve these adults under the age of 60.

This bill also addresses the need for "time out" or respite care for families who care for disabled adults or seniors. Respite care can indefinitely extend the ability of a family to continue in-home care. It provides family members with periodic breaks to alleviate stress created by the demands of caring for adults with special needs. While respite care is available in certain areas of the state for families of the developmentally disabled, it is currently available for seniors only in the Fairbanks area.

Memorandum
February 20, 1990
Page Two

It is important to note that CSHB 54(FIN) allows OAC to set fees for these services based on a sliding scale formula that considers the client's income. No individual would be denied service if unable to pay for such a service.

Upon introduction, CSHB 54(FIN) was referred to the Health, Education & Social Services Committee, the State Affairs Committee, and the Finance Committee. The HESS Committee adopted a HESS substitute for HB 54 which amended the title, added "indoor and outdoor recreational" (services) to the definition of "adult day care" in Section 6 on page 4, and deleted a reference to time, ("within the next six months"), in the definition of "at the risk of institutional placement" as well. The State Affairs Committee moved the HESS CS for HB 54.

The Finance Committee adopted a Finance substitute for HB 54, which deleted language in Section 4 (c) on page 3, referring to the income of the client's immediate caregiver family in determining the fee schedule for adult day care and family respite care. As amended, the sliding scale fee formula will take into account the client's income in determining any appropriate fees to be assessed.

You are welcome to contact me or Rex Gist of my staff if you have any questions. I appreciate your time and consideration.

Older Alaskans Commission

Box C
Juneau, Alaska 99811-0209
907/465-3250

POSITION PAPER COMMITTEE SUBSTITUTE HOUSE BILL 54

The Older Alaskans Commission (OAC) strongly urges the passage of CSHB 54. CSHB 54 contains two major changes which pave the way for developing an expanded funding base for the adult day care and respite services offered by grant programs funded through the OAC.

First, CSHB 54 allows adult day care and respite providers to capture third-party payments, such as from long term care insurance, by authorizing the OAC to set fees for these services, along with a sliding fee schedule. (Clients are now asked to make voluntary contributions for service.)

Secondly, CSHB 54 allows the OAC and its grantee providers to serve adults under the age of 60, if alternate funding or third-party sources to support the expanded service can be found e.g., Alzheimer's victims younger than 60 might be served with funding from community mental health grants).

Although some day care centers or respite providers might choose to restrict their client population to seniors, providers in smaller communities might be able to open an economically viable day care service only if they accept a broader group of clients. For example, a day care center in a town the size of Homer could serve a majority of seniors (over 60), stroke victims or Alzheimer's victims ranging in age from 45 to 60, and a few developmentally disabled adults. Note however, that CSHB 54 does not require the OAC or any of its grantees to offer services to persons under 60.

The Older Alaskans Commission has funded adult day care centers since 1980, and currently funds eight day care centers and two in-home respite programs. In FY 89, the day care centers served 209 older Alaskans, and 75 other seniors received respite service. So far, these programs have been based in larger communities, but the need is growing in smaller communities as well. Also, many "similarly disabled adults" who are not 60 are in need of day care or respite services. CSHB 54 authorizes the OAC to seek creative ways to meet these needs for community-based services--services which keep people in their homes, and which enable family caregivers to maintain home care for a longer period of time.

Although CSHB 54 will assist in the maintenance and possible expansion of adult day care centers and respite programs, it actually contains the first state statutory reference to these particular types of service. Until now, the OAC has operated such programs under the definitions contained in the federal Older Americans Act, or the general category of "health services" in AS 47.65.060 (3)(D). By inserting adult day care and respite as separately authorized services, at page 3, lines 22 and 23, the legislature will give recognition to the importance of these services. (At the same time, deletion of reference to leisure-time and recreational activities recognizes and sanctions the OAC's priority to fund home and community services to promote independent living, and to leave leisure-time activities, valuable as they are, to local efforts.)

The Older Alaskans Commission believes strongly in the value of adult day care and family respite care services. They are an integral part of the OAC's policy to promote independent living which, for many seniors or other disabled persons, can delay or eliminate the need for costly and restrictive institutional placements. Therefore, the Older Alaskans Commission supports the passage of CSHB 54.

APPROVED:

Francis B. Toland
Peggy Burgin, Chair
Older Alaskans Commission

DATED: 1/16/90

REVIEWED:

Frank Baxter
Frank Baxter, Commissioner
Department of Administration

DATED: 1/17/90

[NOTE: A chart showing current OAC adult day care and family respite care providers, clients, and funding is attached.]

FISCAL NOTE

REQUEST:

Revision Date: 1/12/90
Title: Expanding authority of the OAC to make grants for adult day care
Sponsor: Ellis
Requestor: Ellis

Agency Affected: Dept. of Administration
BRU: Older Alaskans Commission

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Connie J. Sipe, Executive Director *for* Francis B. Inland
Division: Older Alaskans Commission
Approved by Commissioner: Frank Baxter *Baxter*
Agency: Department of Administration

Phone: 465-3250
Date: 1/16/90
Date: 1/17/90

Distribution (by preparer):

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

OLDER ALASKANS COMMISSION

CSHB 54
Attachment to
Position Paper

ADULT DAY CARE CENTERS AND FAMILY RESPITE PROGRAMS
FUNDED BY THE OAC -- FY 90

<u>Project Name & Community</u>	<u>No. of Clients</u> (Average Daily)	<u>OAC Funding</u>
Daybreak Day Care (Anchorage Community Mental Health)	23	\$ 165,518
Serendipity Day Care-Anchorage (Salvation Army)	24	138,775
Rendezvous Day Care--Ketchikan (Easter Seal)	16	97,403
The Bridge Day Care--Juneau (Southeast Senior Services)	33	64,600.
Forget-Me-Not Day Care-- (City of Kenai)	12	79,883
Palmer/Mat-Su Day Care	12	51,300
<i>Local ? mat Su</i> Caring and Sharing Day Care (Chugiak Senior Center)	19	109,878
Fairbanks Resource Agency Day Care	20	75,300
Senior Respite Care--Fairbanks Resource Agency	44	74,918
Respite Care -- Anchorage (Home Health Care)	12	19,824
Homer Day Care Development		12,000
PROJECTED TOTAL CLIENTS SERVED	FFY 89: 284	TOTAL: \$ 889,399

ESTIMATE OF PER CLIENT COST -- FY 88

Exact client costs are difficult for the OAC to calculate, as some day care clients attend the center five days a week, others only once to twice. Similarly, the Fairbanks respite program offers up to 40 hours per month of respite care, but families vary in their actual hourly usage.

	<u>Adult Day Care</u>	<u>Respite Care</u>
Approx. Unit Cost in OAC funds	\$ 3.52 hour	\$ 8.53 hour
Annualized Cost in OAC funds per client	\$1,917 per year	\$1,582 per year

HB

57



Senate Health, Education and
Social Services Committee

Senator Paul Fischer, Chairman

~~§~~
CSHB 57 allows the violent
Crimes Compensation Board to
award compensation for any
degree of assault.

VCCB Distributes Federal
funds - Has until 1990
to comply with federal law.

\$ 246,000 Dist. last year.



Senate Health, Education and
Social Services Committee

Senator Paul Fischer, Chairman

2/10/89

Barbara M. Kilan

Domestic and Sex assault

4354

Support it.

Alaska State Legislature



SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811-3100
(907) 465-4766

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

MEMORANDUM

FEBRUARY 17, 1989

TO: SENATOR PAUL FISCHER, CHAIR
SENATE HEALTH, EDUCATION & SOCIAL SERVICES COMMITTEE

FROM: SENATOR ~~JIM DUNCAN~~

SUBJECT: HOUSE BILL 57, AN ACT EXPANDING ELIGIBILITY FOR
VIOLENT CRIMES COMPENSATION

I REQUEST THAT YOU SCHEDULE HB 57, EXPANDING ELIGIBILITY FOR VIOLENT CRIMES COMPENSATION FOR A HEARING IN THE SENATE HEALTH EDUCATION & SOCIAL SERVICES COMMITTEE AS SOON AS POSSIBLE.

HOUSE BILL 57 AMENDS THE ELIGIBILITY FOR COMPENSATION FOR VIOLENT CRIMES TO INCLUDE ASSAULT IN ANY DEGREE RATHER THAN ONLY ASSAULT IN THE FIRST OR SECOND DEGREE. CURRENTLY VICTIMS OF THIRD AND FOURTH DEGREE ASSAULT ARE NOT ELIGIBLE FOR COMPENSATION EVEN THOUGH INJURIES TO VICTIMS CAN BE QUITE SEVERE. MANY DOMESTIC VIOLENCE ASSAULTS ARE THIRD AND FOURTH DEGREE CRIMES. BECAUSE THE DEGREE OF ASSAULT IS PRIMARILY BASED ON THE STATE OF MIND OF THE ASSAULTER AND OTHER LEGAL ISSUES RATHER THAN UPON THE INJURIES SUSTAINED BY THE VICTIM AN INEQUITABLE RESULT OCCURS.

CONGRESS IN 1988 ADDED NEW ELIGIBILITY CONDITIONS TO ITS FEDERAL VICTIMS OF CRIME ACT WHICH REQUIRE THAT COMPENSATION PROGRAMS INCLUDE VICTIMS OF DOMESTIC VIOLENCE. TO MAINTAIN ELIGIBILITY TO RECEIVE AND DISTRIBUTE FEDERAL FUNDS FROM THAT SOURCE WE MUST AMEND OUR PROGRAM PRIOR TO OCTOBER 1, 1990.

I URGE YOU TO SCHEDULE THIS BILL FOR A HEARING AS SOON AS POSSIBLE.

ATTACHMENTS

BILL NO: HB 57

DATE: January 18, 1989


TITLE: An Act expanding
eligibility for
violent crimes
compensation

CONTACT: Barbara Miklos
Executive Director
Council on Domestic
Violence and Sexual
Assault

DEPARTMENT OF
PUBLIC SAFETY
/

HB57 amends the eligibility for compensation for violent crimes to include assault in any degree rather than only assault in the first or second degree. Currently victims of third- and fourth-degree assault are not eligible to be compensated. Many domestic violence assaults are charged as third- or fourth-degree assaults, even though the injuries to the victims can be quite severe. This is because the degree of assault is determined not only by the extent of injury to the victim, but also by the offender's state of mind or state of intoxication. Thus the victims may have suffered serious injuries, causing loss of earnings and medical and other expenses which they may not be compensated for under the current statute.

The Council on Domestic Violence and Sexual Assault supports the passage of HB 57.



Arthur English
Commissioner

Viol.

BILL NO: HB 57

DATE: 01/13/89

VIOLENT CRIMES
COMPENSATION BO/

TITLE: An Act expanding eligibility for violent crimes compensation
CONTACT: Nola K. Capp
465-3040

JAN 13 1989

OF
ET
SAFETY
PUBLIC

The Violent Crimes Compensation Board (VCCB) awards compensation for medical expenses and other documented financial losses suffered by innocent victims of certain crimes. Present AS 18.67.101 lists the types of crimes for which victims may be eligible for compensation, and specifically refers to "Assault in the First or Second Degree".

The "degree" of assault charged in a specific incident is often dependent on a complex legal analysis, and is not determined solely by the extent of the injuries to the victim. This bill would allow the Violent Crimes Compensation Board to award compensation in any assault case, regardless of whether it is third degree (class "C" felony assaults involving dangerous instruments), fourth degree (misdemeanor assaults, including most domestic violence cases), or the most serious first and second degree assaults.

In reauthorizing the Federal Victims of Crime Act (VOCA) in 1988, Congress added new eligibility conditions. One of the new requirements is that compensation programs must include victims of domestic violence (fourth degree assault). Programs have until October 1, 1990 to comply with this requirement to continue to be eligible for the Federal funds. Last year the VCCB received \$246.0 in Federal funds, which it was able to award as compensation to victims.

The Department of Public Safety strongly supports passage of this legislation.

Wayne G. English
for Arthur English
Commissioner

HB

65

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX H
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030

APR 13 1989

April 12, 1989

The Honorable Paul Fischer
Alaska State Senate
P.O. Box V
Juneau, Alaska 99811

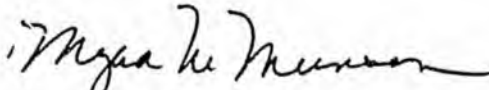
Dear Senator Fischer:

First, I would like to thank you for scheduling SB 189 and SB 239 so promptly in the HESS committee. I realize that it is rapidly becoming a very busy time of the session and as a result, committee time is increasingly valuable.

The Department of Health and Social Services has another bill, HB 65, which has reached the committee. House Bill 65 allows an individual who is temporarily institutionalized in a public institution (pioneer home or Alaska Psychiatric Institute) and is maintaining and providing for the expenses of a living arrangement to continue to receive Adult Public Assistance (APA) benefits during the institutionalization. To qualify for this benefit, a physician must certify in advance that the institutional stay will be for less than 90 days. The APA benefit will allow individuals to maintain their living arrangement to which they can return. This should help to prevent premature institutionalization.

We would appreciate Senate HESS's consideration of this legislation at the earliest date possible. Again, thank you for your help.

Sincerely,



Myra M. Munson
Commissioner

SENATE COMMITTEE REPORT

FURTHER

FIN

4/8/89

DATE TURNED INTO OFFICE 5/5/89

Mr. President:

HESS Committee considered CSHB 65 (HESS)

continuation of adult public assistance during mental health or other temporary institutionalization; efd

and recommended

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

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

FISCAL NOTE(S) zero fiscal impact appropriation no FN

new updated previous

same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Ray Jones

Al Adams

Tim Kelly

Paul Frick (Do Pass)
Chairman signature and recommendation

Committee Backup attached

15

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Continuation of APA during
temporary institutionalization
Sponsor: Rules Committee
Requester: Governor

Agency Affected: Health & Social Services
BRU: Assistance Payments
Components: Adult Public Assistance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	12.4	12.4	12.4	12.4	12.4
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	12.4	12.4	12.4	12.4	12.4

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	12.4	12.4	12.4	12.4	12.4
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	12.4	12.4	12.4	12.4	12.4

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

See analysis attached.

Prepared by: John R. Taber, Director
Division: Public Assistance

Phone: 465-3347
Date: 11/1/88

Approved by Commissioner: Myra B. Munson
Agency: Health and Social Services

Date: 11-14-88

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requester
 - Office of Management and Budget
 - Impacted Agency(ies)

ANALYSIS:

It has been determined that approximately 13 cases might be affected by this change. The average APA supplemental grant for FY 89, based on 4% cost of living adjustment due 1/1/89, is \$317. This average payment was multiplied by the number of persons who may benefit from this change times three (maximum months paid) to determine the annual cost to the State of Alaska to provide continued benefits to this group during short term institutionalization. It was determined that 13 persons admitted to API may benefit for a total fiscal impact of \$12,400 in 1989. It is probable that no one admitted to Pioneers Homes will qualify for continued APA benefits due to the nature of placements there. Most are for long-term care, thus, no fiscal impact is anticipated for this group. Future years will be impacted based on the annual Cost of Living Adjustment (COLA).

HB

66

FISCAL NOTE

REQUEST

Revision Date: April 11, 1989
Title: An Act establishing the Alaska Commission on Children and Youth
Sponsor: Rules/Governor
Requestor: _____

Agency Affected: Revenue
BRU: Permanent Fund Dividend Division
Components: Permanent Fund Dividend Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
OPERATING						
PERSONAL SERVICES	-0-	24.1	11.9	11.9	11.9	11.9
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	11.0	11.0	11.0	11.0	11.0
SUPPLIES	-0-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	35.3	23.1	23.1	23.1	23.1
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	35.3	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	23.1	23.1	23.1	23.1
TOTAL	-0-	35.3	23.1	23.1	23.1	23.1

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	2	2	2	2	2
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: See Attached.

Prepared By: Ervin Jones Phone: 465-2323
Division: Permanent Fund Dividend Division Date: April 11, 1989

Approved by Commissioner: Hugh Malone Date: 4/11/89
Agency: Revenue

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

According to my conversation with Commissioner Malone at 6:20 pm 5/8/89 by removing the Permanent Fund check off provision, this fiscal note is now zero. This fiscal note is now zero and adequate for the bill. David C. Moser Senate News 5/8/89

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
CS HB 66 (Finance)
April 11, 1989

Assumptions:

1. The bill will take effect for the 1990 permanent fund dividend year and application. The 1989 dividend application has already been printed.
2. Currently, the only "check-off" on the Permanent Fund Dividend application is the Winter Olympic check-off. During the last legislature, a total of 18 bills were introduced calling for specific check-offs, plus an omnibus check-off bill (SB 406) which would have required 3,600 organizations to be listed on the form as possible check-offs. If Section 1 of this bill [CSHB66(Fin)] receives favorable attention by the House, I think the floodgate will open and we will once again be faced with dozens of check-off requests. This fiscal note is prepared on the assumption that the subject bill is the only bill of ~~signature~~ which will become law. The passage of multiple bills with varying formulas (\$5, half of dividend, all or part of dividend, etc.) will inevitably have a compounding effect. Whereas there may be savings in some areas, there will be increased costs in others.
- 3) All FY90 costs of administering this law will be borne by the general fund, since no funds will be available to the trust account until October 1, 1990. Funding for administrative costs in FY91 and thereafter will be taken from the trust account as appropriated by the legislature.
- 4) The incremental cost of computer resources will result in a chargeback by the Department of Administration.
- 5) Whereas the cost of programming changes will be a one-time cost, the cost of document review, data capture, data processing chargeback, and the extra page in the dividend booklet will be continuing.
- 6) Contributions will only be honored to the extent of available funds. Garnishments and assignments will take precedence in the order established by statute. Contributions and elections will then be honored in the order listed on the form schedule, which will be in the order they become law.
- 7) Management of the AKSAS account, including accounting for transfers to the Children's Trust Fund account and reversing entries as a result of returned and cancelled warrants will be by the Administrative Services Division, Department of Revenue.

DCM Senate
New

Department of Revenue
 Permanent Fund Dividend Division
 Fiscal Note Analysis
 CS HB 66 (Finance)
 April 11, 1989

Program Summary:

The provision of a new contribution decision on the dividend application will cause additional administrative cost in several areas:

- a) An additional page added to each application, a schedule of contribution decisions with explanatory information on each check-off.
- b) The computer system will need to be changed to account for the change in the program, to establish new accounting controls and to provide for the transfer of funds to the trust account, and notification of AKSAS upon cancellation and reissue of warrants.
- c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.

1. Positions

1 PPT Analyst/Programmer V, R2
 @ \$6,110.86/Mo including salary
 and benefits for 2 months

FY 90 FY 91

= \$12.2

PCN 04-1125 would be funded for an additional two months, in accordance with Attachment A. Ongoing maintenance of new programs would be accomplished by existing staff.

DCM
S-HESS

1 PPT Document Processor I, R7
 @ \$2,340.37/Mo, including salary and
 benefits for 3 months

= \$7.0 \$7.0

This position would assist in the manual review and coding of 540,000 applications for the new contribution decision. This position represents the equivalent of the additional time and effort.

Department of Revenue
 Permanent Fund Dividend Division
 Fiscal Note Analysis
 CS HB 66 (Finance)
 April 11, 1989

	<u>FY 90</u>	<u>FY 91</u>
1 PPT Data Processing Clerk I, R8, @ \$2,446.08/Mo, including salary and benefits for 2 months =	\$4.6	4.6
<p>This position would assist in the data capture of the additional contribution decision. The position represents the equivalent value of the additional time and effort.</p>		
TOTAL Personal Services	\$24.1	\$11.9
2. <u>Other Expenditure:</u>		
a) <u>Travel:</u>	\$0.0	\$0.0
b) <u>Contractual:</u>		
Data Processing Chargeback	\$5.0	\$5.0
Add a page to the PFD Booklet	\$6.0	\$6.0
c) <u>Supplies:</u>	\$0.0	\$0.2
d) <u>Equipment:</u> Use existing equipment	<u>\$0.0</u>	<u>\$0.0</u>
TOTAL COST	<u>\$35.3</u>	<u>\$23.1</u>
3. <u>Funding:</u> General Fund.		
4. <u>Section Cost Analysis:</u> N/A.		

Computations: N/A.

Economic Impact: N/A.

Impact on Local Government: N/A.

Suggested Amendments: N/A.

Attachments: Attachment A: "Summary of DP Needs"

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
CS HB 66 (Finance)
Summary of Data Processing Requirements
April 11, 1989

Wang data entry processing	75.0 hours
Includes: Data entry	
Batch lists	
Corrections	
Wang to IBM transfer	
IBM Update jobs	30.0 hours
Includes: Edits	
Batch listings	
Log sheets	
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes: Printing warrants with different amounts. Include check stub messages	
Modify warrant registers as needed for balancing.	
Create new program(s) for transferring accumulated decisions to trust account and to account for the reserve necessary due to returned and cancelled PFD warrants	
Miscellaneous	45.0 hours
Includes: Setting up test files on IBM	
Systems testing	
Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.	
TOTAL HOURS	300.0 hours

DCM
Senate
Hess

go0239hI.
Lauterbach
5/8/89

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 66 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska Commission on Chil-
7 dren and Youth; abolishing the Office of Child Advo-
8 cacy; relating to the Alaska children's trust fund;
9 and providing for an effective date."

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

11 * Section 1. AS 37.14.220 is repealed and reenacted to read:

12 Sec. 37.14.220. ADMINISTRATION OF THE FUND. The fund shall be
13 administered by the Alaska Commission on Children and Youth.

14 * Sec. 2. AS 37.14.220 is repealed and reenacted to read:

15 Sec. 37.14.220. ALASKA CHILDREN'S TRUST FUND BOARD ESTABLISHED.

16 (a) The Alaska Children's Trust Fund Board is established in the
17 Office of the Governor. The board is composed of four executive
18 branch members and seven public members, who are appointed by, and
19 serve in that capacity at the pleasure of, the governor.

20 (b) The board shall elect a member to chair the board.

21 (c) The Office of the Governor shall provide staff for the
22 board.

23 * Sec. 3. AS 37.14.230 is amended to read:

24 Sec. 37.14.230. POWERS AND DUTIES OF THE COMMISSION [BOARD].
25 When acting as administrator of the fund, the commission [THE BOARD]
26 shall

27 (1) hold [REGULAR MEETINGS AND] special meetings it con-
28 siderers necessary; the commission [BOARD] may hold meetings by telecon-
29 ference;

1 (2) award grants from the net income of the fund to commu-
2 nity-based programs and projects that the commission [BOARD] finds
3 will aid in the prevention of child abuse and neglect;

4 (3) monitor approved programs and projects for compliance
5 with AS 37.14.200 - 37.14.270;

6 (4) before providing assistance to a program or project,
7 approve written findings on the program or project that include a
8 consideration of the means of measuring the effectiveness of the
9 program or project;

10 (5) apply for, and use net income from the fund to obtain,
11 private and federal grants for the prevention of child abuse and
12 neglect;

13 (6) solicit contributions, gifts, and bequests to the fund;

14 (7) keep audio tape recordings of each meeting of the
15 commission [BOARD] to be made available on request; and

16 (8) submit to the governor and the legislature by Febru-
17 ary 1 each year a report describing

18 (A) the child abuse and neglect prevention services
19 that were provided by the programs and projects to which the
20 commission [BOARD] awarded grants; and

21 (B) the annual level of contributions, income, and
22 expenses of the fund.

23 * Sec. 4. AS 37.14.230 is amended to read:

24 Sec. 37.14.230. POWERS AND DUTIES OF THE BOARD [COMMISSION].
25 The board [WHEN ACTING AS ADMINISTRATOR OF THE FUND, THE COMMISSION]
26 shall

27 (1) hold regular meetings and special meetings it considers
28 necessary; the board [COMMISSION] may hold meetings by teleconference;

29 (2) award grants from the net income of the fund to

1 community-based programs and projects that the board [COMMISSION]
2 finds will aid in the prevention of child abuse and neglect;

3 (3) monitor approved programs and projects for compliance
4 with AS 37.14.200 - 37.14.270;

5 (4) before providing assistance to a program or project,
6 approve written findings on the program or project that include a
7 consideration of the means of measuring the effectiveness of the
8 program or project;

9 (5) apply for, and use net income from the fund to obtain,
10 private and federal grants for the prevention of child abuse and
11 neglect;

12 (6) solicit contributions, gifts, and bequests to the fund;

13 (7) keep audio tape recordings of each meeting of the board
14 [COMMISSION] to be made available on request; and

15 (8) submit to the governor and the legislature by Febru-
16 ary 1 each year a report describing

17 (A) the child abuse and neglect prevention services
18 that were provided by the programs and projects to which the
19 board [COMMISSION] awarded grants; and

20 (B) the annual level of contributions, income, and
21 expenses of the fund.

22 * Sec. 5. AS 37.14.240(a) is amended to read:

23 (a) Except as provided in (d) of this section, the [THE] princi-
24 pal of the fund and any capital gains or losses realized on the prin-
25 cipal shall be retained perpetually in the fund for investment as
26 specified in AS 37.14.210, and may not be used for the awarding of
27 grants.

28 * Sec. 6. AS 37.14.240 is amended by adding a new subsection to read:

29 (d) Up to \$150,000 per year may be appropriated from the