

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672  
6694 SENATE STATE AFFAIRS

1098

Continuation of Fiscal Note/Bill Analysis

House Bill No. 50

Commission of the Future of the Permanent Fund

This fiscal note calls for the use of Alaska Permanent Fund Corporation program receipts to pay the costs of the Commission on the Future of the Permanent Fund as proposed in House Bill No. 50.

If this bill passes, it is the Corporation's understanding that the Commission would be established in the Department of Revenue, within the Alaska Permanent Fund Corporation. Only on this basis would it be appropriate for the Corporation to use Permanent Fund income to pay the costs of the Commission.

The Corporation strongly opposes and will not support the concept of disbursing Alaska Permanent Fund Corporation program receipts to support the unrelated functions of other agencies. To do so would be to establish a dangerous precedent.

**HB**

**54**

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER CS HB 54

SPONSOR ELLIS

BILL TITLE OAC GRANTS

DATE REFERRED 4.3.90

HEARING SCHEDULED 4.20.90

FISCAL NOTE PREPARED ~~O~~ OAC

SPONSOR CONTACTED ✓

INTERESTED PARTIES CONTACTED

COAC

OTHER

## 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						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>	0	0	0	0	0	0
<b>REVENUE</b>	0	0	0	0	0	0

**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: Connie J. Sipe, Executive Director *Francis B. Inland*  
 Division: Older Alaskans Commission  
 Approved by Commissioner: Frank Baxter *Frank 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 &amp; Community</u>	<u>No. of Clients</u> (Average Daily)	<u>OAC Funding</u>
Daybreak Day Care (Anchorage Community Mental Health)	23	\$ 165,513
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
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

# 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						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
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<b>REVENUE</b>	-0-	-0-	-0-	-0-	-0-	-0-
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-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)



## Older Alaskans Commission

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

### POSITION PAPER

### HOUSE BILL NO. 54

The Older Alaskans Commission (OAC) strongly urges the passage of HB 54. HB 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, HB 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, HB 54 allows the OAC and its grantees 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 HB 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 six day care centers and two in-home respite programs. In FY 89, the day care centers will serve 209 older Alaskans, and 75 other seniors will receive 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. HB 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.

SENATE COMMITTEE REPORT

DATE: 4/3/90

FURTHER: Finance

DATE TURNED INTO OFFICE: \_\_\_\_\_

State Affairs Committee considered CSHB 54 (Finance)

Authority of 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 \_\_\_\_\_  same title
- or adopt \_\_\_\_\_ CS \_\_\_\_\_  new title
- attached amendment(s)  technical title change (HB only)
- \_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

fiscal note(s) \_\_\_\_\_ Dept/Date: \_\_\_\_\_

fiscal note(s) \_\_\_\_\_ Dept/Date: \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) H.Rules 1-12-90

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

*Tom Kelly*  
*Rick Kelly*

*Al Adams - No Rec*

*[Signature]*

Chair: Signature and Recommendation

# **CORRECTION**

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



## Older Alaskans Commission

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

### POSITION PAPER

### HOUSE BILL NO. 54

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First, HB 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, HB 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 HB 54 does not require the OAC or any of its grantees to offer services to persons under 60.

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OLDER ALASKANS COMMISSION  
February 21, 1989

HOUSE BILL 54  
Position Paper

Although HB 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 HB 54.

APPROVED:

Connie A. Sipe, for:  
Mellie Terwilliger, Chair  
Older Alaskans Commission

DATED: February 17, 1989

REVIEWED:

John M. Andrews  
John M. Andrews, Commissioner  
Department of Administration

DATED: 2/21/89

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

SENATE COMMITTEE REPORT

DATE: 4/3/90

FURTHER: Finance

DATE TURNED INTO OFFICE: \_\_\_\_\_

State Affairs Committee considered CSHB 54 (Finance)

Authority of 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 \_\_\_\_\_  same title
- or adopt \_\_\_\_\_ CS \_\_\_\_\_  new title
- attached amendment(s)  technical title change (HB only)
- \_\_\_\_\_ letter of intent adopted

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:

fiscal note(s) Dept/Date: \_\_\_\_\_

zero fiscal note(s) H.R. 112-90

Governor's bill w/fiscal note

SIGNING DO PASS:

*Tom Kelly*  
*Paul Kelly*

OTHER RECOMMENDATIONS:

*All added - No Re*

*[Signature]*  
Chair: Signature and Recommendation

CS HB 54, OAC grants

TO TESTIFY;

Representative Ellis

OAC: Fran Toland

AARP: Bob Pavitt may wish to testify

NOTES;

The only question that came up on the house side was "Will this take money away from district money?" NO. It will allow for third party payments in and any grant money is specified for adult day care.

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

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.

# The Salvation Army

## Alaska Divisional Headquarters

Founded in 1865  
By William Booth

Eva Burrows  
General

Willard S. Evans  
Territorial Commander

Alfred R. Van Cleef  
Divisional Commander

Mailing Address: P.O. Box 101459  
726 E. Ninth Avenue  
Anchorage, Alaska 99510  
Telephone: (907) 276-2515



March 7, 1989

Representative Johnny Ellis  
House State Affairs Committee  
P.O. Box V  
Juneau, AK 99811

REC'D MAR 10 1989

### HOUSE BILL 54

Dear Mr. Ellis:

The Salvation Army is involved in the lives of people of all economic levels in the state of Alaska. We are aware of House Bill 54 and its positive potential impact upon those who are under the age of sixty, however, find themselves affected with disease and difficulty such as strokes, Alzheimer's disease and other physical ailments that impede their ability to enjoy life at its fullest.

House Bill 54 would enable senior projects to extend services to people under the age of sixty affected by particular illnesses and diseases. This would enable the individuals to have proper care, assist families to have a respite and to enable us to fully maximize our programs.

Your help in putting forth our expressed concern will be appreciated. If there is anything we can do to assist please let us know.

Sincerely,

*Alfred R. Van Cleef*  
Alfred R. Van Cleef  
Major  
DIVISIONAL COMMANDER

ARVC/beh



ALASKA STATE LEGISLATIVE COMMITTEE

CHAIRMAN  
Mr. R. W. "Bob" Pavitt  
130 Seward Street, #205  
Juneau, AK 99801  
(907) 586-2066

VICE CHAIRMAN  
Mrs. Marie C. MacKenzie  
1620 Crescent  
Anchorage, AK 99508  
(907) 562-4895

SECRETARY  
Ms. June A. Robinette  
P O. Box 870797  
Wasilla, AK 99687  
(907) 376-2092

March 7, 1989

Representative Johnny Ellis  
Pouch V  
Juneau, Alaska 99811

Dear Rep. Ellis:

As you know, the two major priorities of the legislative program adopted for 1989 by the **AARP Alaska State Legislative Committee** are to "Strengthen programs that foster independence and dignity for older Alaskans" and to "Increase access to appropriate and affordable health care for all Alaskans".

House Bill 54 outlines a program that works toward reducing the need for institutional care through adult day care and respite services to caregivers.

The **AARP Alaska State Legislative Committee** wishes to go on record as enthusiastically supporting HB 54 as an important step in the State of Alaska's progress toward assuring that older Alaskans will continue to have the opportunity to live independently and contribute socially and economically to their communities.

As I will be out of town tomorrow and unable to testify on this bill, I am delivering this letter to Chairman Boucher's office with the request that our endorsement of HB 54 be read into the Committee records.

Respectfully,

Bob Pavitt  
Chairman



CITY OF KENAI

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**KENAI SENIOR SERVICES**

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361 SENIOR COURT      KENAI, ALASKA 99611  
(907) 283-4156

February 20, 1989

Ms. Connie Sipes, Executive Director  
Older Alaskan Commission  
Box C  
Juneau, Alaska 99811-0209

Dear Ms. Sipes,

As a provider of Adult Day Care services for the elderly I am very much interested in House Bill No. 54, as presented by Representative John Ellis.

House Bill No. 54 would allow for third party payment to Adult Day Care centers. As State and Federal funds shrink it is necessary for service providers to look to other funding sources to maintain their quality of care....or to just stay in business. I would encourage the support of the Older Alaskan Commission for passage of this bill.

By enabling the care centers to seek payment from third parties and to establish fee schedules it will offer a more dependable source of revenues into the programs.

My congratulations to Representative Ellis for the thought and concern he has for the aging programs.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Porter".

Patricia Porter  
Project Director

## 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.

3111<sup>c</sup> STREET, SUITE 455  
ANCHORAGE, ALASKA 99502  
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WHILE IN SESSION  
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JUNEAU, ALASKA 99811  
(907) 485-3704

# ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP

CHAIR  
HEALTH, EDUCATION & SOCIAL SERVICES

JUDICIARY

SPECIAL COMMITTEE ON  
FOREIGN & DOMESTIC TRADE

JAN 2 1990

## REPRESENTATIVE JOHNNY ELLIS

### MEMORANDUM

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

From: Rep. Johnny Ellis *JE*

Date: January 24, 1990

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

I respectfully request 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  
January 24, 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.

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling



P.O. Box V  
State Capitol  
Juneau, Alaska 99811

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members  
FROM: Senator Pat Pourchot  
RE: Friday, April 20 Committee Hearing  
DATE: April 19, 1990

On Wednesday, April 20 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SB 206. An Act relating to intrastate competition in telecommunications; continuing the existence of the APUC; and providing for an effective date. Rescheduled for Monday, April 23

CSSB 319. An Act providing for the issuance of general obligation bonds in the amount of \$45,450,000 for purpose of paying the cost of hospital and medical facility construction, reconstruction, renovation and expansion of hospitals at Kodiak, Seward, Soldotna, Ketchikan and Unalaska; and providing for an effective date. This bill allows for issuance of general obligation bonds in the amount of \$45,450,000 if authorized by voters of the state in the next general election. The following hospital and medical facility projects are included in the bill: New Hospital for Kodiak: \$14,500,000, New Hospital for Seward: \$9,500,000, Renovation to existing hospital in Seward: \$1,200,000, Expansion and remodeling of hospital in Soldotna: \$16,200,000, Construction of a medical facility assistance facility in Unalaska: \$3,000,000.

SB 517. An Act relating to initiative and referendum elections in home rule municipalities. Postponed.

SR 20. Relating to Armenian Genocide. Sponsored by Senator Kerttula, Legislative Budget and Audit Committee, this resolution is a statement of condemnation of genocide in any form and serves as a memorial to the victims of the Armenian Genocide 75 years ago.

CS HB 481. An Act relating to state procurement of recycled paper and other products and to the state's use of paper; relating to the disposition of state property that is recyclable; establishing a waste reduction and recycling task force; and providing for an effective date. The basic provisions of the bill are to establish a 5% preference for recycled products in state procurement, to require 15% (rising to 25% in 1994) of all paper purchased by the state be recycled paper unless the agency finds that recycled paper is not available or is not within the recycled product

price preference, to create a Waste Reduction and Recycling Task Force of twelve members from all three branches of government to identify areas in state government where waste can be reduced and reuse of materials can be increased and to set a policy for state agencies of using both sides of a sheet of paper, where feasible. Further Referral: Finance House Vote: 37 Yeas 0 Nays.

CS HB 54. An Act 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 service that may be included in a service program for Older Alaskans. Sponsored by Representative Ellis, this bill would allow the Older Alaskans Commission (OAC) and its grantee providers to serve adults under the age of 60, if alternate funding to support the expanded service can be found. It also addresses the issue of expanding the respite and day care services for families with a "disabled" family member by allowing OAC to set fees for these services based on a sliding schedule formula, although no individual would be denied service if unable to pay. Further Referral: Finance. House Vote: 38 Yeas 0 Nays *& Fiscal Note*

CS HJR 65. Relating to taxation of certain student loans. This resolution was introduced by Representative Koponen in response to the IRS action in taxing students on the portion of their Alaska student loan which was discharged through the Alaska Student Loan forgiveness program. The resolution references the Legislature's assertion that the intent behind the forgiveness program was that it operate as a grant program and states that those who benefited from the student loan program were unaware of their tax liability. The resolution urges Congress to pass legislation allowing that portion of a student loan made by this state that qualifies for forgiveness to be excludable from gross income for purposes of federal income taxation. No further referral. House Vote: 35 Yeas 0 Nays.

CS HB 372. An Act relating to the Alaska marine highway system vessel replacement fund. Sponsored by Representative Ulmer, this bill would create a vessel replacement fund within the general fund and would allow the legislature to appropriate money for this fund from program receipts received from the AK. Marine Highway System and from settlement of the Dinkum Sands and Amerada Hess litigation. Further referral: Finance. House Vote: 39 Yeas 0 Nays.

**HB**

**57**

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER HB 57

SPONSOR Broaden definition of assault - Violent Crimes Comp. Bd.  
BILL TITLE Governor

DATE REFERRED 3-2-89

HEARING SCHEDULED 3-22-89

FISCAL NOTE PREPARED ✓

SPONSOR CONTACTED ~~Barbara Miklos~~ Nola Capp 3040  
*yes - will call victims who attended House meetings*

INTERESTED PARTIES CONTACTED

*yes* Nina Kinney Barbara Miklos, 4356

*yes* Cindy Smith Network Dom Violence  
586-3650

Hayden 4925

OTHER

# Floor Statement - HB 57

provided by Violent Crimes  
Compensation Board

AS 18.67, ESTABLISHING THE VIOLENT CRIMES COMPENSATION BOARD (VCCB), WAS ADOPTED BY THE STATE LEGISLATURE IN 1972. ITS PURPOSE WAS TO ALLEVIATE THE FINANCIAL HARDSHIPS CAUSED BY CRIME-RELATED MEDICAL EXPENSES OR LOSS OF INCOME SUSTAINED BY INNOCENT VICTIMS OF VIOLENT CRIMES IN ALASKA. SINCE ITS CREATION, THE VCCB HAS AWARDED COMPENSATION TO OVER 1,500 INNOCENT VICTIMS OF VIOLENT CRIMES (OR THEIR SURVIVORS).

PRESENT AS 18.67.101 LISTS THE TYPES OF CRIMES FOR WHICH THE VICTIM 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.

CSHB 57 (RULES) 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 ASSAULT, INCLUDING MOST DOMESTIC VIOLENCE CASES), OR THE MOST SERIOUS FIRST AND SECOND-DEGREE ASSAULTS.

# 246K

IN ADDITION TO BASIC FAIRNESS, THERE IS A FISCAL REASON TO ADOPT THIS BILL. 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 VCCB ESTIMATES THAT ABOUT 20 ADDITIONAL CLAIMS PER YEAR WILL BE APPROVED UNDER THE TERMS OF THIS BILL. AT AN ESTIMATED AMOUNT OF APPROXIMATELY \$1,000 PER CLAIM, THE FISCAL IMPACT OF THIS BILL IS LIKELY TO BE AROUND \$20,000 A YEAR.

HB 57 AUTHORIZING THE VIOLENT CRIMES COMPENSATION BOARD TO  
PAY COMPENSATION TO VICTIMS OF ASSAULT IN ANY DEGREE

TO TESTIFY

NOLA CAPP, ADMINISTRATOR, VIOLENT CRIMES COMPENSATION BOARD

NINA KINNEY, COUNCIL ON DOMESTIC VIOLENCE/SEXUAL ASSAULT

CINDY SMITH, NETWORK ON DOMESTIC VIOLENCE

OTHERS (SEE WITNESS LIST)

F.Y.I.

46 STATES HAVE SIMILAR PROGRAMS. PRIMARY DIFFERENCE IS THAT  
THEY'RE FUNDED BY PAYMENT OF FINES. ALASKA IS ONE OF ONLY THREE  
STATES THAT USES GENERAL FUNDS -- THIS IS BECAUSE OF OUR  
CONSTITUTIONAL PROHIBITION AGAINST DEDICATED FUNDS. THE BOARD IS  
AUTHORIZED IN STATUTE TO SEEK RESTITUTION FROM OFFENDERS -- DO  
THEY? MONEY WOULD HAVE TO BE DEPOSITED IN GENERAL FUND, BUT IT  
COULD STILL BE AN OFFSET.

LAST YEAR REP. BARNES AMENDED AS 43.23.005 - P.F.D. ELIBIGILITY.  
FELONS NOT ELIGIBLE -- I UNDERSTAND THIS IS BEING CHALLENGED IN  
COURT. HOWEVER, COWPER'S FY 90 BUDGET SHOWS P.F.D.s AS THE  
FUNDING SOURCE FOR THE \$201.5 INCREMENT.

FISCAL NOTE REQUESTS ADDITIONAL \$20.0 FOR BROADENING ELIGIBILITY.  
IF FUNDING INADEQUATE TO SATISFY ALL CLAIMS, BOARD CAN PRORATE  
AWARDS OR HOLD IN ABEYANCE. BOARD MEETS 4 TIMES A YEAR AND  
DECIDES AWARDS ON A CASE BY CASE BASIS.

1988 REAUTHORIZATION OF THE FEDERAL ACT ADDED 3 REQUIREMENTS:

- 1 COMPENSATION FOR VICTIMS OF DRUNK DRIVERS (WE ALREADY DO)
- 2 FOR VICTIMS OF DOMESTIC VIOLENCE (HB 57)
- 3 COMPENSATE ALASKANS HURT IN ANOTHER STATE IF THAT STATE  
DOESN'T HAVE A COMPENSATION PROGRAM (ONLY 4 SUCH STATES;  
SHOULDN'T BE A BIG DEAL)

PACKET CONTAINS STATUTORY DEFINITION OF DEGREES OF ASSAULT,  
GOVERNOR'S FY 90 BUDGET REQUEST AND FY 89 SUPPLEMENTAL REQUEST.  
(HOUSE FINANCE DELETED THE SUPPLEMENTAL)

MAXIMUM AWARD ALLOWABLE (PER STATUTE) \$25,000 PER VICTIM, EXCEPT  
\$40,000 IN CASE OF DEATH OF VICTIM WITH MANY ELIGIBLE DEPENDENTS.

FEDERAL LAW (THAT MATCHES 35% OF OUR PAYMENTS) IN EFFECT SINCE  
1984.

THE COUNCIL IS IN THE DEPT. OF PUBLIC SAFETY.

*Same as Kerthula's SB 113 (still in our committee; never heard).*

# Alaska State Legislature



Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members  
FROM: Senator Pat Pourchot, Chairman  
RE: March 22 Committee Hearing  
DATE: March 21, 1989

On Wednesday, March 22 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SB 28. An Act prohibiting salaries for certain employees from exceeding the governor's salary

SB 28 would prohibit state employees' salaries, including cost-of-living adjustments, geographical differentials, longevity increments, and bonuses from exceeding the governor's salary. The prohibition would apply to the executive, legislative, and judicial branches and to the University, school districts and political subdivisions.

The prohibition would also apply to the Alaska Railroad Corporation, boards, commissions, authorities, and recipients of state grants if they receive at least 50% of their annual budget from the state.

The governor's salary is statute at \$81,648.

SB 111, An Act relating to boating safety, boating accidents, and boat numbering

SB 111 would require the Department of Public Safety to establish a boat registration system and to offer public education programs designed to reduce boating accidents. By doing so, the state would be eligible for \$250,000 to \$300,000 annually in federal boating safety funds, to be matched dollar for dollar with state funds. To be eligible for the federal funds, the department must provide an adequate level of enforcement of boating safety laws.

SB 111 was heard by the committee on March 6. The department was asked to review the projected cost of the program and the ability

of boat registration fees to cover program costs. A revised fiscal note will be presented at the hearing.

The attached committee substitute makes the following changes:

- Changes the penalty for a violation of the boating safety requirements from a misdemeanor (maximum \$500 fine, 6 month imprisonment) to an infraction (maximum \$300 fine). The fine could be paid without a court appearance.
- Increases from \$200 to \$500 the amount of property damage that would need to occur before an accident must be reported. This change conforms SB 111 to federal law.
- Clarifies, at the U.S. Coast Guard's request, the numbering system that would be used in registering boats.
- Deletes, at the department's request, a provision for prorating registration fees. The fee structure would be established by regulation.

HB 57, An Act authorizing the Violent Crime Compensation Board to pay compensation for personal injury or death to the victim of an assault in any degree

HB 57 would broaden the eligibility for compensation for violent crimes to include assault in any degree, rather than only first and second degree as under current statute. This would bring Alaska into compliance with the 1988 reauthorization of the Federal Victims of Crime Act, which requires that states provide compensation to victims of domestic violence (4th degree assault). The federal act provides funds in an amount equal to 35% of what the state pays in compensation to victims.

The Violent Crimes Compensation Board was established in 1972 to alleviate the financial hardships of medical expenses or loss of income sustained by innocent victims of violent crimes. The board consists of three members appointed by the Governor.

HB 57 has a \$20,000 fiscal note. In FY 89 the board received \$399,900 in state funds; the Governor has requested \$198,500 in supplemental funding. The Governor's FY 90 budget requests \$604,600 in state funds, including \$201,500 of Permanent Fund dividends not paid to convicted felons (per AS 43.23.005). In FY 88 the board awarded \$504,489 to victims; \$392,500 was state funds.

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Falks, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling



P.O. Box V  
State Capitol  
Juneau, Alaska 99811

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members  
FROM: Senator Pat Pourchot, Chairman  
RE: Permanent Fund Dividends for Felons  
DATE: April 8, 1989

During consideration of HB 57, relating to the Violent Crimes Compensation Board, reference was made to litigation over the provision in current statute (AS 43.23.005(d)) which prohibits convicted felons from receiving Permanent Fund Dividends. At the request of the committee, staff spoke with Marilyn May of the Attorney General's Office in Anchorage and received the following report.

Two lawsuits were filed in 1987. They are being tried in the Palmer court under Judge Cutler.

Smith v. State argues that the prohibition violates the ex post facto provision of the state and federal constitutions, which, simply put, protects against an act becoming a crime after it was committed. Smith argues that at the time he committed his crime, he didn't know that his action would result in not receiving the dividend.

Anthony v. State argues that the prohibition violates the constitutional provisions of equal protection (by treating felons differently than others similarly situated), due process (by enactment without input from felons), ex post facto, and Section 1983, which deals with civil rights.

Since these suits were filed, 15 other felons have joined Anthony v. State. A motion to establish a class action suit is pending before the court.

The plaintiffs were to have filed summary judgment with the court by April 1, 1989 with the state responding by May 1. However, an extension of the April filing deadline is currently before the court so it is hard to predict when a final decision might occur. Ms. May assumes early fall as the judge has indicated her desire to rule prior to the distribution of Permanent Fund Dividends in October. Ms. May thinks that the decision will be appealed regardless of who wins.

Felons' PFDs  
April 8, 1989  
Page 2

Smith has requested an injunction against state expenditure of the felons' PFDs prior to a ruling in the lawsuit. Ms. May thinks it unlikely that the court will grant an injunction. Should the state spend the PFDs and lose the lawsuit, the state will likely have to repay the felons.

The Governor's FY 90 budget proposes appropriation of an anticipated \$1.5 million in felons' PFDs. Each of the following proposals represents an increase to the FY 89 funding level:

201.0	Violent Crimes Compensation Board
1073.5	Dept. Corrections rehabilitation programs
200.0	vocational/postsecondary education
200.0	substance abuse treatment
123.5	sex offender treatment
150.0	anger management
400.0	forensic halfway house
225.0	Dept. Corrections gate money

Based on the number of incarcerated felons, the Department of Revenue estimated that their PFDs would total \$2 million. OMB chose to program only \$1.5 million, anticipating that not all felons would apply for the PFD and that not all who applied would be eligible. The Governor's budget reduction plan, presented to the Budget Summit on April 4, deleted the increments in the rehabilitation programs and used the PFD money to fund existing sex offender and alcohol treatment programs.

A copy of the law prohibiting felons from receiving Permanent Fund Dividends is attached. Section 5 contains legislative intent providing for an amount equal to the felons' PFDs to be annually appropriated from the dividend fund to the Violent Crimes Compensation Board.

cc: Senator Uehling  
    Senator Binkley  
    Senator Frank

## Chapter 53

for the interest deposited in  
The annual estimated balance  
the legislature to the public

ly under AS 01.10.070(c).

## Chapter 54

## AN ACT

Relating to permanent fund dividends for individuals  
incarcerated after conviction for a felony; and pro-  
viding for an effective date.

\* Section 1. AS 43.23.005 is amended by adding a new subsection to  
read:

(d) Notwithstanding the provisions of (a) - (c) of this section,  
an individual who has been convicted of a felony is not eligible for a  
permanent fund dividend for a year when, during all or part of the  
fiscal year ending June 30 of the current year, as a result of the  
conviction the individual is incarcerated. This subsection applies  
whether or not the individual has applied for the dividend.

43.23.005(d)

\* Sec. 2. AS 43.23.025 is amended by adding a new subsection to read:

(b) For the purpose of calculating the amount of a permanent  
fund dividend under (a) of this section, an individual who is ineli-  
gible to receive a dividend under AS 43.23.005(d) is counted as an  
eligible individual whether or not the individual has applied for the  
dividend.

43.23.025(b)

\* Sec. 3. AS 43.23.055 is amended to read:

Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

43.23.055

(1) annually pay permanent fund dividends from the dividend  
fund;

(2) adopt regulations under the Administrative Procedure  
Act (AS 44.62) that establish procedures and time limits for claiming

Chapter 54

1 a permanent fund dividend; the department shall set the time limit for  
 2 applications for permanent fund dividends so that the number of eli-  
 3 gible applicants is determined by October 1 of the year for which the  
 4 dividend is declared and permanent fund dividends for a year are paid  
 5 before April 30 of the year following that year;

6 (3) adopt regulations under the Administrative Procedure  
 7 Act (AS 44.62) that establish procedures and time limits for an indi-  
 8 vidual upon emancipation or upon reaching majority to apply for perma-  
 9 nent fund dividends not received during minority because the parent,  
 10 guardian, or other authorized representative did not apply on behalf  
 11 of the individual; [AND]

12 (4) assist residents of the state, particularly in rural  
 13 areas, who because of language, disability, or inaccessibility to  
 14 public transportation need assistance to establish eligibility and to  
 15 apply for permanent fund dividends;

16 (5) annually determine, in cooperation with the Department  
 17 of Corrections, the number and identity of individuals ineligible for  
 18 a permanent fund dividend under AS 43.23.005(d); and

19 (6) adopt regulations that are necessary to implement  
 20 AS 43.23.005(d).

21 \* Sec. 4. This Act applies only to eligibility for permanent fund  
 22 dividends for years after 1988.

23 \* Sec. 5. It is the intent of the legislature that an amount approxi-  
 24 mately equal to the money that would otherwise be paid as permanent fund  
 25 dividends to individuals determined to be ineligible under AS 43.23.005(d),  
 26 as enacted by sec. 1 of this Act, be appropriated annually from the divi-  
 27 dend fund to the crime victim compensation fund (AS 18.67.162) to carry out  
 28 the purposes of AS 18.67.

29 \* Sec. 6. This Act takes effect immediately under AS 01.10.070(c).  
 CSHR 245(Jud) -2-

Eff. 5/26/88

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STATE OF ALASKA  
1989 LEGISLATIVE SESSION

BILL VERSION: HB 57  
PUBLISH DATE: HOUSE 1/9/89

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: "An Act expanding eligibility for violent crimes compensation"  
Sponsor: Rules Committee  
Requestor: Governor Cowder

Agency Affected: Dept. of Administration  
BRU: Public Defender Agency  
Components: Third Judicial District

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: John B. Salemi, Acting Public Defender Phone: 279-7541  
Division: Public Defender Agency Date: 10/25/88

Approved by Commissioner: John Andrews Date: \_\_\_\_\_  
Agency: Department of Administration

Distribution (by preparer):

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

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Administration  
 Title: "An Act expanding eligibility for violent crimes compensation..." BRU: Office of Public Advocacy  
 Sponsor: Rules Committee Components: \_\_\_\_\_  
 Requestor: Governor

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						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Erant McGee, Public Advocate Phone: 274-1684  
 Division: Office of Public Advocacy Date: 10/24/88

Approved by Commissioner: John Andrews Date: 11/10/88  
 Agency: Department of Administration

Distribution (by preparer):

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

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

RECEIVED

STATE OF ALASKA  
1989 LEGISLATIVE SESSION

BILL VERSION: CS HB 57 (RULES)  
PUBLISH DATE: \_\_\_\_\_

REQUEST:

FISCAL NOTE

Revision Date: 03/23/89  
Title: EXPANDING ELIGIBILITY FOR  
VIOLENT CRIMES COMPENSATION  
Sponsor: HOUSE RULES  
Requestor: SENATE STATE AFFAIRS

Agency Affected: Public Safety  
BRU: VIOLENT CRIMES COMPENSATION  
BOARD

EXPENDITURES/REVENUES: (Thousands of Dollars)(Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	20.0	20.0	20.0	20.0	20.0
MISCELLANEOUS						
TOTAL OPERATING	-0-	20.0	20.0	20.0	20.0	20.0

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	20.0	20.0	20.0	20.0	20.0
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	20.0	20.0	20.0	20.0	20.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 18.67.101 to allow victims of third and fourth-degree assaults to apply for violent crimes compensation. This change is expected to increase the number of eligible compensation claims by about 20 per year, at an average estimated cost of \$1,000.00 per claim.

To be eligible for federal funding, victims of fourth-degree assaults must be eligible for Violent Crimes Compensation by October of 1990. The Board received federal funds of \$246.0 in FY '88, is receiving \$149.0 in FY '89, and will receive \$144.0 in FY '90.

Prepared by: Nola K. Capp, Administrator  
Division: Violent Crimes Compensation Brd.  
Approved by Commissioner: Arthur English  
Agency: Department of Public Safety

Phone: 465-3040  
Date: 03/23/89  
Date: 3-23-89

BILL NO: SB 113

DATE: 02/07/89

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

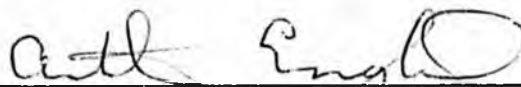
DEPARTMENT OF  
PUBLIC SAFETY

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 victim 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.



Arthur English  
Commissioner

RECEIVED  
FEB 10 1989  
DEPARTMENT OF  
PUBLIC SAFETY

REQUEST: \_\_\_\_\_ FISCAL NOTE

Revision Date: \_\_\_\_\_ Agency Affected: Public Safety

Title: EXPANDING ELIGIBILITY FOR  
VIOLENT CRIMES COMPENSATION BRU: VIOLENT CRIMES COMPENSATION  
BOARD

Sponsor: KERTTULA

Requestor: SENATE STATE AFFAIRS

EXPENDITURES/REVENUES: (Thousands of Dollars)(Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	20.0	20.0	20.0	20.0	20.0
MISCELLANEOUS						
TOTAL OPERATING	-0-	20.0	20.0	20.0	20.0	20.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	20.0	20.0	20.0	20.0	20.0
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	20.0	20.0	20.0	20.0	20.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 18.67.101 to allow victims of third and fourth-degree assaults to apply for violent crimes compensation. This change is expected to increase the number of eligible compensation claims by about 20 per year, at an average estimated cost of \$1,000.00 per claim.

*JMK  
2/7/89*

Prepared by: Nola K. Capp, Administrator Phone: 465-3040

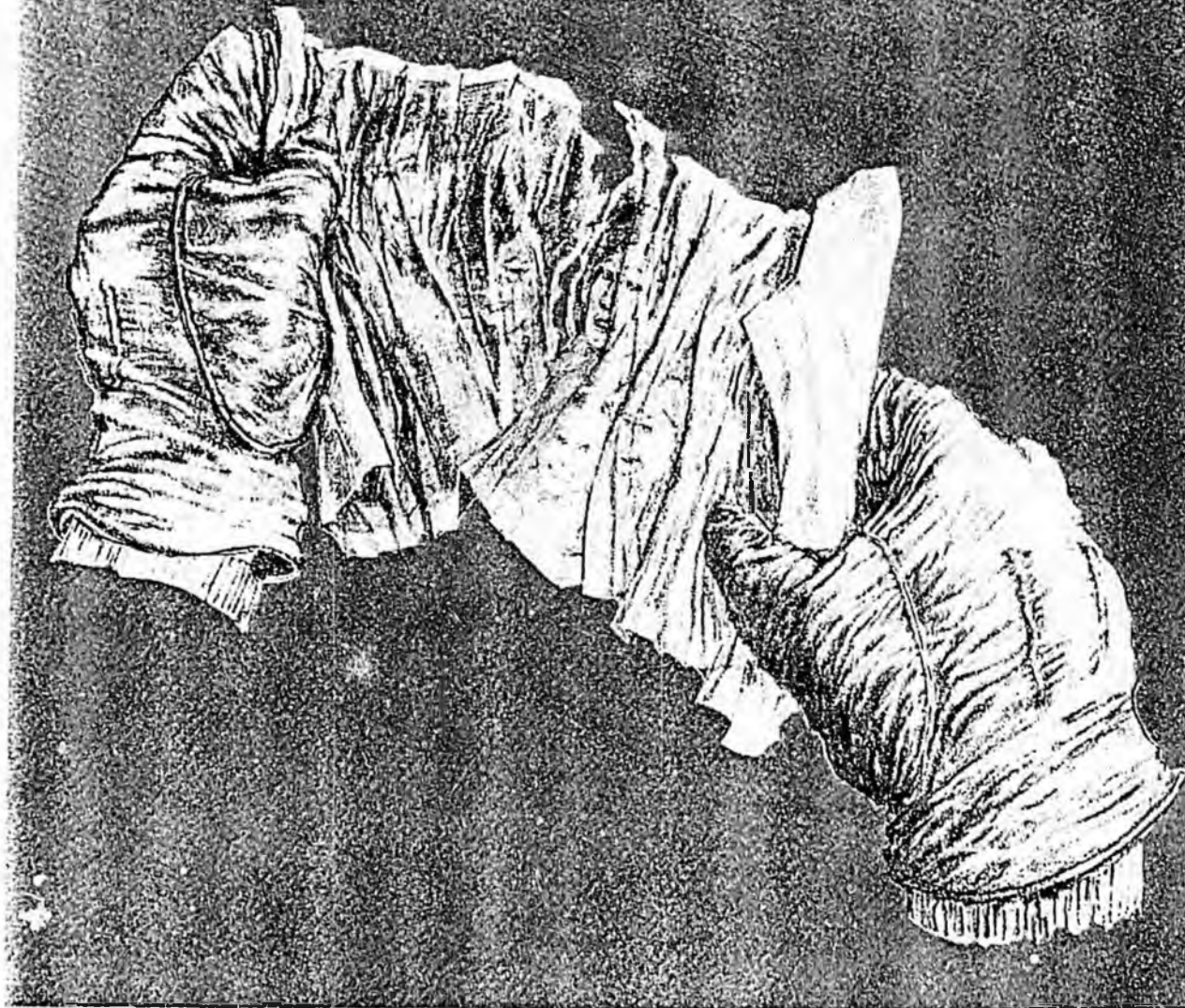
Division: Violent Crimes Compensation Brd. Date: 02/07/89

Approved by Commissioner: Arthur English Date: \_\_\_\_\_

Agency: Department of Public Safety

# VIOLENT CRIME

*Can Tear You Apart.*



## 15th Annual Report

State of Alaska

VIOLENT CRIMES COMPENSATION BOARD • 1988

STATE OF ALASKA  
VIOLENT CRIMES COMPENSATION BOARD  
FIFTEENTH ANNUAL REPORT

1988



MILLARD F. INGRAHAM  
CHAIRMAN

MRS. CAROL EASTAUGH  
MEMBER

JOHN H. SCHWARTZ, M.D.  
MEMBER

MRS. NOLA K. CAPP  
ADMINISTRATOR

# The Fifteenth Annual Report of the Violent Crimes Compensation Board

## AS 18.67.010 PURPOSE

*It is the purpose of this chapter to facilitate and permit the payment of compensation to innocent persons injured, to dependents of persons killed, and to certain other persons who by virtue of their relationship to the victim incur actual and reasonable expenses as a result of certain serious crimes or in attempts to prevent the commission of a crime or to apprehend suspected criminals.*

## General Information

Alaska Statute 18.67, establishing a Violent Crimes Compensation Board, was adopted by the State Legislature in 1972. Its purpose was to alleviate the financial hardships caused by crime-related medical expenses or loss of income sustained by innocent victims of violent crimes in Alaska. Additionally, it provides for the payment of pecuniary loss to dependents of deceased victims to mitigate the loss of a loved one.

The need for this legislation is reflected in the fact that almost daily there is a report of some act of violence against a person in this state. If the offender is apprehended, the concern for his dignity and rights as an accused are not forgotten and, after his imprisonment the concern continues as to rehabilitation and training programs. The efforts are praiseworthy, however, the problems and needs of the victim are overlooked. To address this need, the Violent Crimes Compensation Board was established.

The Board is appointed by the Governor and consists of three members who are compensated on a per diem basis for meetings only. It is mandatory to have a licensed medical doctor and an attorney on the Board, thus providing the expertise in these fields necessary to determine claims.

The original statute provided a maximum payment of \$10,000 and other collateral source receipts were required to be deducted from any award the Board determined. Other collateral receipts were defined as life insurance payments, medical and hospital insurance, VA benefits, Social Security, and Workmen's Compensation, to mention just a few. Due to this restriction, many needy victims received only a partial award, or in some cases, no award because they had already received benefits in excess of the \$10,000. The Ninth Legislature recognized the inadequacy in this area of the statute and remedied it through an amendment permitting the payment of expenses or losses over and above the amount received from other sources to the maximum allowable under the amendment, and exempted consideration of life insurance proceeds.

The first amendment further provides for the increase in the maximum award allowable per victim per incident to \$25,000; however, in the case of death of a victim who has numerous eligible dependents, the maximum allowable is \$40,000. The Board feels the increase in the maximums is compatible with today's increased medical expenses, increased earnings and the general increase in the cost of daily living.

The additional compensation for multiple dependents of deceased victims is most commendable. In the majority of claims involving minor dependents, the Board suggests that, if necessary, the award be used for support and maintenance or any medical emergencies that might arise, but the primary purpose of the award is for future education and, if not so used, that it be given to each child upon reaching the age of majority.

Modifications included in the first amendment:

- (a) Attorney fees to be paid in addition to an award rather than deducted from the award;
- (b) An increase in the Emergency Award from \$500 to \$1,500;
- (c) Exemption of life insurance proceeds received by the survivors of deceased victims;

- (d) Compulsory display of information by hospitals and law enforcement agencies;
- (e) Law enforcement agencies required to advise victims of the availability of compensation;
- (f) Reimbursement of expenses incurred because of the death of the victim, to persons who were responsible for the victim's support;
- (g) The Board was given the discretion of making or denying an award without a hearing on the claim, but allowing the claimants the right to request a hearing if they disagree with the determination.

Modifications included in the second amendment, which was enacted in Fiscal Year 1979:

- (a) The Violent Crimes Compensation Board was transferred from the Department of Health and Social Services to the Department of Public Safety. This has allowed the Board to have access to the original police reports, and law enforcement agencies have become more familiar with the program;
- (b) A new section was added which prevents convicted criminals from profiting from the sale of books, magazine articles, movie, radio or television presentations, live entertainment of any kind, or any expression of that person's thoughts, feelings, opinions or emotions regarding the crime. The profits from such sales go to the victim through an escrow account set up by the Board. This is commonly referred to as the "Son of Sam" law.

Modifications included in the third amendment, which was also enacted in Fiscal Year 1979:

- (a) Adds Aggravated Assault as a compensable crime under Section AS 18.67.100.

The Thirteenth Legislature recognized there were several classes of victims not included in the statute or who had previously been excluded which should be compensated and enacted legislation to correct these inadequacies. This bill was signed by the Governor and became effective October 23, 1983.

The class of victims has been expanded to include victims of drunk drivers. This has expanded the program and dramatically increased the number of claims.

The other two classes now recognized, that were previously excluded, are victims who are related to the offender and victims living with the offender at the time of the incident.

The Legislature, to prevent abuse of the program, inserted a paragraph stating in the discretion of the Board, the applicant must cooperate with law enforcement and prosecution officials to further prosecution of the offender if appropriate and to avoid further injury by the offender to the applicant and injury to persons in the care of the applicant who are exposed to possible injury by the offender.

This law allows the Board to make direct payments to the providers. Prior to this, the Board had to make any payments to the providers in a joint warrant which was cumbersome to the claimant and the provider.

Another major change in the statute was the deletion of the sentence that all payments shall be made in a lump sum. Because that was deleted, it is now possible for the Board to pro-rate the payments in the few cases where they feel it is advisable.

A paragraph was added creating a compensation fund which shall be administered by the Board, consisting of money appropriated to it by the legislature. It is unknown at this time, how this fund will function.

## **Processing of Claims**

Upon receipt of a claim, it is necessary to initially determine minimal eligibility. Therefore, compliance with the following statutory requirements must be in evidence within the claim application:

- (a) A crime, as defined in Section AS 18.67.100, must have been committed.
- (b) The crime must have been reported to proper authorities within the time period designated in Section AS 18.67.130.
- (c) The claim must have been filed within the two-year limit set by the law in Section AS 18.67.130.

If the claim does not meet the above standards, it is determined to be ineligible and the claimant is so notified.

When the claim meets these initial tests, it is then necessary to:

- (a) acknowledge receipt of the claim and request any additional documentation which the claimant did not attach, such as doctor's reports, hospital reports, and employment information, and advise the claimant that such material must be received prior to any action on the claim;
- (b) check with the respective District Attorney's office to determine if proceedings against the offender are imminent and, if so, to determine the advisability of a request to suspend the Violent Crimes Compensation Board investigation until the case is adjudicated; request copies of the judgment;
- (c) obtain a detailed description of the incident from police records to determine if any provocation by the victim is indicated and, if so, to contact any witnesses to the incident for their statements. (If the offender has been prosecuted, a review of the transcript of the trial might be advisable);
- (d) verify the victim's relationship, if any, to the alleged offender;
- (e) verify the dependence of the claimant in the case of death of the victim, to determine eligibility; and finally, to
- (f) consider other collateral sources reported as received by the claimant as a result of the incident; for example, Workers' Compensation, Social Security, private insurance, etc.

Upon receipt of the requested information, further investigation is necessary to verify:

- (a) the employment of the victim and/or the claimant;
- (b) the income reported and documentation, if the victim is/was self-employed;
- (c) hospital and doctor bills which were paid by insurance and their relevance to the claim;
- (d) that a crime as defined in Section AS 18.67.100 is the basis for the claim and the application is an innocent victim thereof.

When the Administrator certifies the claim complete, the file is copied and submitted to the Board for their review and recommendations. They in turn may:

- (a) find the claim cannot be determined due to lack of documentation or information which the Board feels necessary to make a decision;
- (b) find the claim eligible under the statute for the award requested and advise a warrant be issued;
- (c) find the claim eligible under the statute for a lesser amount than requested and advise the claimant be so notified indicating he or she may request a hearing;
- (d) find the claim cannot be determined due to conflicting data therein and advise that a hearing is required prior to a final decision;
- (e) find the claim ineligible under the statute and advise the claimant be so notified, indicating he or she may request a hearing.

Upon being informed of the Board's actions, the Administrator carries out their request through:

- (a) making the additional contacts in order to obtain further documentation;
- (b) requesting a warrant, if an award is determined, in the amount specified, or upon the Board's recommendation, if outstanding balances are due to a hospital, doctor or other service agency as a result of the incident;
- (c) writing a letter to the claimant enclosing the warrant and explaining the Board's decision, noting the claimant's right to request a hearing in the event the award granted is less than acceptable to the claimant;
- (d) scheduling a hearing if the Board finds conflicting data in a claim or is in doubt about any part of the claim;
- (e) notifying the claimant by letter if the claim is found ineligible, stating the reason for ineligibility and advising the claimant of the opportunity to request a hearing. The request for a hearing is to be received in the Board office with thirty (30) days.

In order to schedule a hearing, the volunteer hearing officer is contacted to establish a date at his or her convenience. Arrangements are made and all parties are notified of the date and location of the hearing twenty (20) days prior to the date set. Subpoenas are issued if witness testimony is necessary to establish eligibility, or to clear up any contradictions.

Within seven (7) days after the hearing, the Administrator furnishes the hearing officer with a transcript of the hearing and he or she has a reasonable time (within thirty (30) days) to submit his or her findings and conclusions to the Board. The Board reviews the hearing officer's report and makes a final decision on the claim.

The Board is subrogated to the cause of action of the applicant against the person responsible for the injury or death of the victim and can also bring an action against the offender for the amount of the damages sustained to the applicant. The Board encourages claimants to institute civil proceedings where, if after an investigation, it appears there may be a chance of recovery; however very few recoveries are made due to the financial position of most offenders.

Few claims are received that can be immediately determined as eligible. Many perplexing situations have to be considered by the Board in arriving at their decision, for example: Should a person who has sustained permanent disability through a criminal incident in which he bears some of the responsibility of provocation be considered for an award? Did the actual provocation warrant the final result of permanent disability? This is just one of the problems encountered by the Board.

It is not difficult to reach an immediate decision as to eligibility on a claim where a widow and her children have lost their main support through an entirely innocent set of circumstances, but the amount of the award to be given poses a problem. All factors must be considered to be certain the award will be helpful in maintaining an adequate living standard as a supplement to receipts from other sources. The Board must always bear in mind the appropriation available and the cost to the State, but if the program is to fulfill its objectives, compensation must be more than nominal.

The Board soon realized it would be unfair, as well as very costly, to reimburse for actual wages lost, therefore a set of Standards of Compensation was developed. The standards are based on a percentage of the rates established under Worker's Compensation, applicable to permanent partial, temporary partial, or total disability. Reimbursement for loss of wages is based on a percentage of the average weekly wage in Alaska as established periodically by the Department of Labor.

<b>TYPES OF CRIMES</b>													
Number of Claims Filed													
Fiscal Year	76	77	78	79	80	81	82	83	84	85	86	87	88
Homicide	14	31	23	13	25	28	25	44	58	44	53	53	29
ADW													
Stabbing	7	14	5	6	5	7	15	13	10	14	15	15	5
ADW													
Shooting	5	5	16	7	14	20	13	16	12	23	20	17	10
Armed													
Robbery	0	1	2	3	5	0	0	1	1	1	2	0	0
Other													
Assaults	34	30	38	29	29	31	49	43	44	68	57	53	37
Sexual													
Assault*	5	9	9	12	18	22	21	33	51	91	98	90	63
No Evidence													
of a Crime	3	3	7	0	3	0	2	1	2	11	3	4	1
Hit & Run	0	0	0	0	0	3	4	0	3	1	14	0	3
D.W.I.									38	30	30	19	14

\*66 of the 90 claims were sexual abuse of minors in FY87.

42 of the 63 claims were sexual abuse of minors in FY88.

Note: The foregoing chart merely indicates the trend in crime by the applications filed. It is difficult to compare and relate claims against crimes as claimants have two years to file claims and our statistics are on a fiscal year basis, while crime figures are on a calendar year basis.

## Claims and Awards

FY	Claims Received	Claims Heard	Total Amount Awards Granted	Pending Claims At End of FY
73	15	0	\$ 0	13
74	50	37	36,025.60	38
75	71	51	125,266.20	44
76	68	82	272,948.29	8
77	93	81	120,968.07	28
78	100	99	285,672.63	33
79	70	95	225,638.82	18
80	98	93	249,968.06	17
81	111	93	237,100.00	31
82	129	132	415,685.30	29
83	159	165	464,932.71	36
84	219	168	552,704.71	67
85	283	270	751,250.85	57
86	292	272	683,521.96	103
87	252	259	633,481.89	126
88	162	234	504,488.93	78

The Legislature approved a supplemental appropriation of \$75,000 for awards in FY78. The original FY78 appropriation was \$250,000. The Legislature approved a supplemental appropriation of \$248,600 for awards in FY82. The original FY82 appropriation was \$243,300. An additional \$200,000 was approved by the Legislature in FY83. In FY84, \$287,000 was allocated due to the enactment of the amended statute. In FY85, the Legislature approved a supplemental appropriation of \$300,000. In FY86, \$55,500 of the federal appropriation was expended plus \$64,310.41 of FY85 incumbered funds.

### Public Awareness

The Board has stressed publicity of the program through the continued distribution of brochures and posters throughout the state. With the additional requirement placed on law enforcement agencies to alert victims of crimes to the program and the requirement that hospitals display information, it is anticipated victims of violent crimes will become aware of this program. Printed cards, the size of business cards, giving information and basic eligibility requirements were distributed to all law enforcement agencies (both State Troopers and municipal police) and magistrates to be given to victims of violent crimes.

The Board will continue to inform the public, setting as their goal statewide awareness of the program. New posters and brochures were printed and distributed to reflect the expanded classes of victims.

### Acknowledgements

In the past year, the Board has enjoyed the help and support of many individuals and agencies.

To make a final determination on any claim, the direct help of the law enforcement agency is vital and the Board has had excellent cooperation from the many municipal police departments throughout the state, and

Special recognition is given to State Troopers in Anchorage and Fairbanks, and  
units of these two cities, as the majority of claims originate in these areas.

Special thanks to the Social Service Directors of Providence Hospital, Humana Hospital,  
Hospital who have referred victims to the program and have, in many instances,  
facilitated the application. They have been most accommodating in responding to  
and following those requests through the various departments to insure they

are available to the Attorney General's and District Attorney's offices throughout the state,  
informing innocent victims of the program and in responding to the Board's  
request for information and basic information necessary to make final determinations on

the services of the attorneys who have served as hearing officers on a

part-time basis. The Board would be required to hold the hearings as, thus  
cannot support the engagement of attorneys on their regular fee basis.

Special thanks to the State and Federal, as well as individuals who have given their time  
in helping victims of crime and helping to publicize the program. The Board,  
expresses their appreciation to them.

The Board passed the Victims of Crime Act of 1984 in October of 1984. This federal  
act was signed on November 12, 1984, and establishes a Crime Victims Fund which will provide  
for federal victim assistance programs.

Each year, the amount of federal grant monies available will be determined by a  
percentage of the amount of monies paid out for awards the prior fiscal year.

The compensation program has qualified for grants in the amounts of \$283,000,  
of which a portion has been used to satisfy claims for compensation submitted by victims

the Alaska State Troopers. Special recognition is given to State Troopers in Anchorage and Fairbanks, and the municipal police departments of these two cities, as the majority of claims originate in these areas.

Special recognition is also given to the Social Service Directors of Providence Hospital, Humana Hospital, and the Fairbanks Memorial Hospital who have referred victims to the program and have, in many instances, aided the victim in completing the application. They have been most accommodating in responding to requests for medical records, and following those requests through the various departments to insure they are sent to the Board office.

The Department of Law, through the Attorney General's and District Attorney's offices throughout the state, has been most cooperative in informing innocent victims of the program and in responding to the Board's many requests for legal interpretation and basic information necessary to make final determinations on claims.

Further, the Board recognizes the services of the attorneys who have served as hearing officers on a voluntary basis.

Without their help the program would be hindered. The Board would be required to hold the hearings as, thus far, the appropriation level does not support the engagement of attorneys on their regular fee basis.

There are numerous other agencies, both State and Federal, as well as individuals who have given their time and support to the Board, informing victims of crime and helping to publicize the program. The Board, through this report, expresses their appreciation to them.

## **Federal Legislation**

The United States Congress passed the Victims of Crime Act of 1984 in October of 1984. This federal legislation became effective November 12, 1984, and establishes a Crime Victims Fund which will provide for crime victim compensation and victim assistance programs.

For victim compensation programs, the amount of federal grant monies available will be determined by a formula based on 35 percent of the amount of monies paid out for awards the prior fiscal year.

As a result of this Act, the Alaska compensation program has qualified for grants in the amounts of \$283,000, \$246,000 and \$143,000. This amount has been used to satisfy claims for compensation submitted by victims of crime.

# Gov's Supplemental FY 89

1 fund to the Department of Labor, workers' compensation program, to pay for  
2 unmet costs associated with lump-sum settlements for the fiscal year ending  
3 June 30, 1989.

4 \* Sec. 27. The sum of \$53,700 is appropriated from the general fund to  
5 the Department of Military and Veterans' Affairs for additional costs of  
6 the veterans' burial allowance program for the fiscal year ending June 30,  
7 1989.

8 \* Sec. 28. The sum of \$3,557 is appropriated from the general fund to  
9 the Department of Military and Veterans' Affairs for additional utility  
10 costs for the fiscal year ending June 30, 1988.

11 \* Sec. 29. The sum of \$50,000 is appropriated from the general fund to  
12 the Department of Natural Resources, division of land and water management,  
13 to conduct land and timber appraisals needed to complete the Kachemak Bay  
14 land exchange for the fiscal year ending June 30, 1989.

15 \* Sec. 30. The sum of \$20,000 is appropriated from the general fund to  
16 the Department of Natural Resources, division of parks and outdoor recre-  
17 ation, for legal services in the Blanas Investments, Inc., claim for the  
18 fiscal year ending June 30, 1989.

19 \* Sec. 31. The sum of \$16,624 is appropriated from the general fund to  
20 the Department of Natural Resources for miscellaneous fiscal year 1988  
21 overexpenditures.

22 \* Sec. 32. The sum of \$300,000 is appropriated from the general fund to  
23 the Department of Fish and Game, division of administration, for the cost  
24 of administering the fish and game licensing program for the fiscal year  
25 ending June 30, 1989.

26 \* Sec. 33. The sum of \$198,500 is appropriated from the general fund to  
27 the Department of Public Safety, violent crimes compensation board, for  
28 payment of claims for the fiscal year ending June 30, 1989.

29 \* Sec. 34. The sum of \$85,000 is appropriated from the general fund to

*deleted by  
H Finance*

07-12-12-00-00 (0-12-46724-0520 )

STATE OF ALASKA -- COMPONENT BUDGET SUMMARY

SALSFRMA 15:28 1/03/89

AGENCY: DEPARTMENT OF PUBLIC SAFETY  
CATEGORY: ADMINISTRATION OF JUSTICE

PROGRAM: VIOLENT CRIMES COMP BOARD  
SUB-PROGRAM:

LEG. FIN.

FISCAL YEAR 1990

EXPENDITURES & FUNDING	(01) FY88 ACT	(02) FY89 CC	(03) COL 03	(24) FY89 ATH	(25) FY90BASE	(26) FY90ADJB	(27) FY90 AGY	(28) FY90 GOV	(09) HOUSE	(10) SENATE	(11) C. C.	(12) BILLS	(13) LEG.REC.
01 PERS. SERV.	105.0	104.9		104.9	108.1	108.1	112.1	112.1					
02 TRAVEL	10.8	15.7		15.7	15.7	15.7	15.7	15.7					
03 CONTRACTUAL	17.4	20.1		20.1	20.1	20.1	20.1	20.1					
04 COMMODITIES	.8	.7		.7	.7	.7	.7	.7					
05 EQUIPMENT													
06 LANDS/BLDGS													
07 GRANTS, CLMS	504.5	407.5		407.5	407.5	407.5	600.0	600.0					
08 MISC.													
** TOTAL EXPEND	638.5	548.9		548.9	552.1	552.1	748.6	748.6					
09 I-A TRANSFER													
1002 FED RCPTS	246.0	149.0		149.0	149.0	149.0	144.0	144.0					
1004 GEN FUND	392.5	399.9		399.9	403.1	403.1	604.6	403.1					
1050 PFD FUND								201.5					
15 FULL TIME	2.0	2.0		2.0	2.0	2.0	2.0	2.0					
16 PART TIME													
17 TEMPORARY													
18 STAFF MONTHS	24.0	24.0		24.0	24.0	24.0	24.0	24.0					

Gen's FY90  
Operating Budget  
Request

Per AS 42.23.005 which prohibits convicted felons from receiving Permanent Fund Dividends. Currently being challenged in court.

AS 11.41

**Sec. 11.41.200. Assault in the first degree.** (a) A person commits the crime of assault in the first degree if

(1) that person recklessly causes serious physical injury to another by means of a dangerous instrument;

(2) with intent to cause serious physical injury to another, the person causes serious physical injury to any person; or

(3) the person knowingly engages in conduct that results in serious physical injury to another under circumstances manifesting extreme indifference to the value of human life.

(b) Assault in the first degree is a class A felony. (§ 3 ch 166 SLA 1978; am § 2 ch 143 SLA 1982; am § 2 ch 66 SLA 1988)

**Sec. 11.41.210. Assault in the second degree.** (a) A person commits the crime of assault in the second degree if

(1) with intent to cause physical injury to another person, that person causes physical injury to another person by means of a dangerous instrument; or

(2) that person recklessly causes serious physical injury to another person.

(b) Assault in the second degree is a class B felony. (§ 3 ch 166 SLA 1978; am § 4 ch 102 SLA 1980; am § 3 ch 143 SLA 1982)

**Sec. 11.41.220. Assault in the third degree.** (a) A person commits the crime of assault in the third degree if that person recklessly

(1) places another person in fear of imminent serious physical injury by means of a dangerous instrument; or

(2) causes physical injury to another person by means of a dangerous instrument.

(b) Assault in the third degree is a class C felony. (§ 5 ch 102 SLA 1980; am § 4 ch 143 SLA 1982)

**Sec. 11.41.230. Assault in the fourth degree.** (a) A person commits the crime of assault in the fourth degree if

(1) that person recklessly causes physical injury to another person;

(2) with criminal negligence that person causes physical injury to another person by means of a dangerous instrument; or

(3) by words or other conduct that person recklessly places another person in fear of imminent physical injury.

(b) Assault in the fourth degree is a class A misdemeanor. (§ 3 ch 166 SLA 1978; am § 6 ch 102 SLA 1980; am § 5 ch 143 SLA 1982)



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 9, 1989

The Honorable Sam Cotten  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

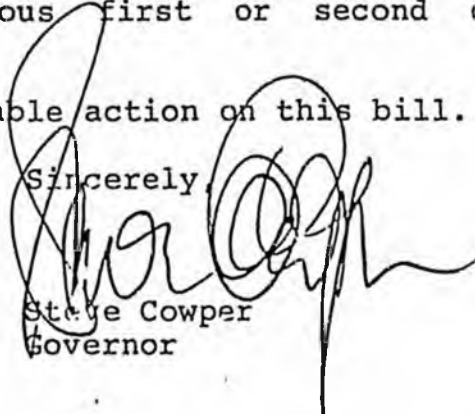
Dear Representative Cotten:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill expanding eligibility for violent crimes compensation.

The current law governing eligibility for violent crimes compensation is based in large part on the specific type of crime committed. By specifically referring to "assault in the first or second degree," AS 18.67.101 permits compensation in physical assault cases for only the most serious felonies. Because the degree of assault is often dependent on a complex legal analysis, the characterization of an assault as any particular degree often has more to do with the offender's state of mind (or state of intoxication) than with the overall harm suffered by the victim, much of which might not be manifested by physical injury. This bill seeks to remedy this injustice by permitting 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 or second degree, assaults.

I urge your prompt and favorable action on this bill.

Sincerely,



Steve Cowper  
Governor

How define 1st degree?  
2nd ?  
OTHER?

doesn't know.  
Will get  
back to  
me.  
(Beth)  
Paula 3771

BY KERTTULA

1 IN THE SENATE

2

SENATE BILL NO. 113

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act authorizing the Violent Crime Compensation

7

Board to pay compensation for personal injury or

8

death to the victim of an assault in any degree."

9

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

10

\* Section 1. AS 18.67.101 is amended to read:

11

Sec. 18.67.101. INCIDENTS AND OFFENSES TO WHICH AS 18.67.010 -

12

18.67.180 APPLY. The board may order the payment of compensation in

13

accordance with the provisions of this chapter for personal injury or

14

death that resulted from

15

(1) an attempt on the part of the applicant to prevent the

16

commission of crime, or to apprehend a suspected criminal, or aiding

17

or attempting to aid a police officer to do so, or aiding a victim of

18

crime; or

19

(2) the commission or attempt on the part of one other than

20

the applicant to commit any of the following offenses:

21

(A) murder in any degree; [,]

22

(B) manslaughter; [,]

23

(C) criminally negligent homicide; [,]

24

(D) assault in any [THE FIRST OR SECOND] degree; [,]

25

(E) kidnapping; [,]

26

(F) sexual assault in any degree; [,]

27

(G) sexual abuse of a minor; [,]

28

(H) robbery in any degree; [,]

29

(I) threats to do bodily harm; [,] or

30

SP 023a

Same House bill  
introduced by  
Governor - Jay  
wants to go  
ahead.

HB 57  
passed today

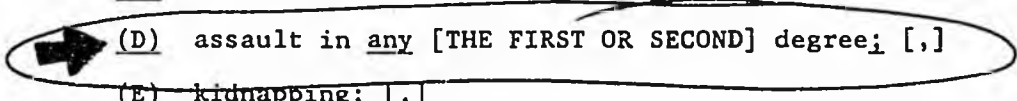
CS same  
as SB 113

AS 11.41.200

Also  
3rd + 4th  
↓  
felony

misdeemeanor

Previously  
charged w/ 3rd  
or 4th rather than  
45 other states do  
all assaults



1                    (J) driving while intoxicated or another crime result-  
2                    ing from the operation of a motor vehicle, boat, or airplane when  
3                    the offender is intoxicated.

4       \* Sec. 2. APPLICABILITY. The provisions of this Act apply to offenses  
5 that qualify for payment of compensation under AS 18.67.010 - 18.67.180 and  
6 that are committed or attempted on or after the effective date of this Act.

# Alaska State Legislature



Sen. Pat Pourchot, Chairman  
Sen. Jan Faiks, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling

P.O. Box V  
State Capitol  
Juneau, Alaska 99811  
907-465-3712

## Senate State Affairs Committee

MEMORANDUM

TO: Senator Tim Kelly, President  
Alaska State Senate

FROM: Senator Pat Pourchot, Chairman  
Senate State Affairs Committee

RE: Committee Referrals on HB 57

DATE: February 15, 1989

A handwritten signature in cursive script, appearing to read "Pat", written over the "FROM" line of the memorandum.

I would like to call to your attention the committee referrals on HB 57, An Act authorizing the Violent Crimes Compensation Board to pay compensation for personal injury or death to the victim of an assault in any degree.

HB 57 has been referred to the Senate Health, Education and Social Services Committee and the Senate Finance Committee. However, the Violent Crimes Compensation Board is in the Department of Public Safety, which is under the purview of the State Affairs Committee.

In addition, SB 113, which is identical to HB 57, is in the Senate State Affairs Committee. In fact, we had it scheduled for a hearing on February 13 but removed it from our schedule when we learned that HB 57 was on its way over from the House. We are prepared, therefore, to take prompt action on the House bill.

I would appreciate your review of the referrals on HB 57, and would be happy to discuss this with you at your convenience.

# Judge rules felons in prison qualify for dividend checks

MB 57

6-12-89 Inu Empire

THE ASSOCIATED PRESS

**ANCHORAGE** — An Anchorage judge says incarcerated felons are entitled to Permanent Fund dividend checks, contrary to a law the Alaska legislature passed last year.

About 1,700 inmates stand to benefit from the decision Palmer Superior Court Judge Beverly Cutler issued Friday. Prior to Cutler's ruling, it had been anticipated \$1.5 million in dividend money transferred from inmates would go to prison programs and crime victims' compensation.

Attorneys in the case said Cutler found the language of the law left open the possibility of unequal, thus unfair, treatment of prisoners. Situations favoring some felons over others in the distribution of checks can occur when offenders receive sentences that allow credit for time spent in jail before their convictions.

Cutler "misread the law entirely," said Rep. Ramona Barnes, R-Anchorage, who sponsored the legislation to withhold checks from imprisoned felons.

"All felons were treated the same," Barnes said. "And it's the legislature that grants rights to ownership of the fund. The law that created the fund gave that power to the legislature."

But an attorney for inmates who filed a class-action suit attacking the

## ALASKA NEWS

law last year described Cutler as "one intellectually courageous judge."

Attorney Pete Ehrhardt said that "there will be some people who will feel that felons are getting more rights again. But, the truth is, you cannot take things away from people without providing adequate constitutional protections."

None of the inmates now eligible for dividends under Cutler's ruling was denied a check last year.

The attorney general's office has 30 days to decide whether to appeal Cutler's decision to the Alaska Supreme Court.

Although the judge determined prisoners should receive checks, her ruling may deny money to the victims of crime. Of the \$1.5 million expected as a result of the law, \$736,600 was to go to the Violent Crimes Compensation Board.

"The whole purpose was that I think we all believe criminals should pay for their crimes," said Nola Capp, administrator of the board. "It

appalls me that the criminals have all the rights."

The compensation program received \$399,000 from the state and \$149,000 from the federal government last year. Capp said that without the dividend transfers, she is not sure how the state portion will be paid this year.

Another \$763,400 was to go the Alaska Department of Corrections.

Corrections Commissioner Susan Humphrey-Barnett said \$628,400 was earmarked for sex-offender treatment programs. The rest was to serve as walking-around cash for inmates once they're released.

"Unless we can get a supplemental (appropriation), I'm not sure what we'll do" about the funding gap Cutler's decision leaves, Humphrey-Barnett said.

Opponents of the law said when it was debated more than a year ago that dividend payments to prisoners often provided support for their families or children. The money also is a source of cash for the Child Support Enforcement Division, the state student loan program and others wanting money from criminals.

It has been estimated each qualified Alaskan will receive \$840 this year from the dividend program. Distribution of the first checks is expected in October.

***HB***

***66***

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER HB 66

SPONSOR Governor

BILL TITLE Establish AK Commission on Children  
& Youth

DATE REFERRED 4-25-89

HEARING SCHEDULED 5-1-89

FISCAL NOTE PREPARED ✓

SPONSOR CONTACTED, Carla

INTERESTED PARTIES CONTACTED

✓ Sherri Goll

Carla Timpone

Caren Robinson

Jim Ayers

✓ Duvin Jones 232<sup>3</sup>

OTHER

Amended: 4/24/89

go0239hG

Offered: 3/31/89  
Referred: Rules

*Commission administer Children's Trust Fund  
until 6-30-94*

Original sponsor: Rules/Governor

1 IN THE HOUSE

*DO NOT oppose check off.*

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 66 (Finance) am

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 Children and Youth; abolishing the Office of Child Advocacy; relating to the Alaska children's trust fund; and providing for an effective date."

8

9

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

11 \* Section 1. AS 37.14.200 is amended by adding a new subsection to  
12 read:

13

(d) The Department of Revenue shall prepare the permanent fund dividend application to allow applicants to designate that \$10 of the dividend be subtracted from their check and contributed to the Alaska children's trust fund. Permanent fund dividend contributions made under this subsection shall be deposited in the fund. The Department of Revenue may use money in the fund to pay administrative costs incurred under this subsection.

14

15

16

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

21

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

23

\* Sec. 3. AS 37.14.220 is repealed and reenacted to read:

24

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

25

(a) The Alaska Children's Trust Fund Board is established in the Office of the Governor. The board is composed of

27

(1) the governor or a designee of the governor;

28

(2) the commissioner of health and social services or the

29

commissioner's designee;

*Hess added  
child members;  
increase public  
members 37 [3]*

*added  
H Fin*

*efd  
6/30/94*

*37.14.240 - other utilization  
of fund*

1 (3) a member of the Council on Domestic Violence and Sexual  
2 Assault elected by the council;

3 (4) the director of the office of public advocacy or the  
4 director's designee;

5 (5) the commissioner of education or the commissioner's  
6 designee;

7 (6) a member of the senate appointed by the president of  
8 the senate;

9 (7) a member of the house of representatives appointed by  
10 the speaker of the house of representatives; and

11 (8) three members appointed by the governor as follows:

12 (A) a licensed physician with a specialty in pediat-  
13 rics who has practiced medicine in the state for at least five  
14 years and who is an expert in the subject of child abuse and  
15 neglect; and

16 (B) two public members, one of whom is a recognized  
17 expert in the subject of child abuse and neglect.

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

19 (c) The Office of the Governor shall provide staff for the  
20 board. *was staff of Office of Child Advocacy*

21 \* Sec. 4. AS 37.14.230 is amended to read:

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

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

28 (2) award grants from the net income of the fund to commu-  
29 nity-based programs and projects that the commission [BOARD] finds

1 will aid in the prevention of child abuse and neglect;

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

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

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

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

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

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

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

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

21 \* Sec. 5. AS 37.14.230 is amended to read:

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

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

27 (2) award grants from the net income of the fund to commu-  
28 nity-based programs and projects that the board [COMMISSION] finds  
29 will aid in the prevention of child abuse and neglect;

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

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

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

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

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

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

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

18 (B) the annual level of contributions, income, and  
19 expenses of the fund.

20 \* Sec. 6. AS 37.14.240(a) is amended to read;

21 (a) Except as provided in AS 37.14.200(d) and (d) of this sec-  
22 tion, the [THE] principal of the fund and any capital gains or losses  
23 realized on the principal shall be retained perpetually in the fund  
24 for investment as specified in AS 37.14.210, and may not be used for  
25 the awarding of grants.

26 \* Sec. 7. AS 37.14.240 is amended by adding a new subsection to read:

27 (d) Up to \$150,000 per year may be appropriated from the princi-  
28 pal of the fund for the administrative expenses of the commission.

29 \* Sec. 8. AS 37.14.240(d) is amended to read:

1 (d) Up to \$150,000 per year may be appropriated from the princi-  
2 pal of the fund for the administrative expenses of the board [COMMIS-  
3 SION].

4 \* Sec. 9. AS 37.14.270 is amended by adding a new paragraph to read:

5 (5) "commission" means the Alaska Commission on Children  
6 and Youth established under AS 44.19.521.

7 Sec. 10. AS 37.14.270 is amended by adding a new paragraph to read:

8 (6) "board" means the Alaska Children's Trust Fund Board.

9 \* Sec. 11. AS 39.05.100(a) is amended to read:

10 (a) A person appointed to a board or commission of the state  
11 government shall be and have been before the last general election,  
12 (1) a registered voter in the state, if the appointment is made at  
13 large or (2) a registered voter from the judicial district, if the  
14 appointment is made from a specific judicial district. The student  
15 member of the Board of Regents of the University of Alaska appointed  
16 under AS 14.40.150(b), [AND] the student member of the Alaska Commis-  
17 sion on Postsecondary Education appointed under AS 14.42.015(e), and a  
18 member of the Alaska Commission on Children and Youth appointed under  
19 AS 44.19.521, are exempt from the requirement of this subsection if  
20 the member was not old enough to be a registered voter in the last  
21 general election.

22 \* Sec. 12. AS 39.05.100(a) is amended to read:

23 (a) A person appointed to a board or commission of the state  
24 government shall be and have been before the last general election,  
25 (1) a registered voter in the state, if the appointment is made at  
26 large or (2) a registered voter from the judicial district, if the  
27 appointment is made from a specific judicial district. The student  
28 member of the Board of Regents of the University of Alaska appointed  
29 under AS 14.40.150(b) and [,] the student member of the Alaska

*efd 6-30-94*

*efd 6-30-94*

*child*

1 Commission on Postsecondary Education appointed under AS 14.42.015(e)  
2 [, AND A MEMBER OF THE ALASKA COMMISSION ON CHILDREN AND YOUTH AP-  
3 POINTED UNDER AS 44.19.521,] are exempt from the requirement of this  
4 subsection if the member was not old enough to be a registered voter  
5 in the last general election.

6 \* Sec. 13. AS 39.50.200(b) is amended by adding a new paragraph to  
7 read:

8 (50) Alaska Commission on Children and Youth (AS 44.19.521).  
*conflict of interest*

9 \* Sec. 14 AS 44.19 is amended by adding new sections to read:

10 ARTICLE 17. ALASKA COMMISSION ON CHILDREN AND YOUTH.

11 Sec. 44.19.521. CREATION OF COMMISSION. (a) There is created  
12 in the Office of the Governor the Alaska Commission on Children and  
13 Youth.

14 (b) The commission consists of four executive-branch members and  
15 seven public members, who are appointed by, and serve in that capacity  
16 at the pleasure of, the governor. At least one of the public members  
17 must be under the age of 21 at the time of appointment. The com-  
18 mission shall elect one of its members as chair. The chair may ap-  
19 point other officers as necessary.

20 Sec. 44.19.523. TERMS OF OFFICE; COMPENSATION. (a) The term of  
21 office of a member of the commission is three years.

22 (b) A vacancy shall be filled in the same manner as the original  
23 appointment. A person appointed to a vacancy serves for the unexpired  
24 portion of the term.

25 (c) Public members of the commission serve without compensation  
26 for their services but are entitled to per diem and travel allowances  
27 authorized under AS 39.20.180.

28 Sec. 44.19.525. POWERS OF THE COMMISSION. The commission may

29 (1) use legal, technical, secretarial, and administrative

1 services as may be provided by the governor;

2 (2) use voluntary and uncompensated services of private  
3 persons and organizations as may be made available to the commission;

4 (3) receive, and use for operating purposes, money from the  
5 federal government or other sources;

6 (4) hold public hearings;

7 (5) establish and maintain an office in Anchorage, or at a  
8 location determined to be the most appropriate location by a majority  
9 vote of the commissions, and hire an executive director and technical  
10 and clerical staff that are necessary to perform the duties of the  
11 commission; and

12 (6) take other actions reasonably necessary to carry out  
13 the duties of the commission.

14 Sec. 44.19.527. DUTIES OF THE COMMISSION. (a) The commission  
15 shall develop a comprehensive statewide plan that identifies the needs  
16 of children and youth, individually and as they relate to their fam-  
17 ilies, and makes recommendations to enhance their quality of life. In  
18 meeting this charge, the commission may

19 (1) recommend the services and programs that should be  
20 available for children and families in the areas of child care,  
21 health, social services, education, special education, child protec-  
22 tion, parent and staff training, nutrition, poverty, mental health,  
23 safety, and employment of youth;

24 (2) identify the service needs of children and where gaps  
25 and overlaps in services exist;

26 (3) monitor the emerging needs of and problems facing  
27 children, and develop effective, comprehensive, and coordinated strat-  
28 egies to address those needs and problems;

29 (4) develop and recommend adoption of a process for

1 monitoring and evaluating children's programs;

2 (5) provide opportunities for the public to participate in  
3 the planning and development of children's programs and policies;

4 (6) receive and act upon requests for recommendations from  
5 parents, state officials, members of state advisory committees, legis-  
6 lators, representatives of the state court system, and providers of  
7 children's services on matters related to children and youth;

8 (7) meet with and make recommendations to state officials  
9 and members of advisory committees who are responsible for the expen-  
10 diture of state and federal money and provide recommendations to the  
11 legislature and the department on structural and procedural changes,  
12 contracting of services, establishment of standards, and the consoli-  
13 dation of efforts designed to deliver services in a more cost-effec-  
14 tive manner;

15 (8) serve as a statewide clearinghouse for government and  
16 nongovernment programs and resources relating to children, youth, and  
17 families;

18 (9) serve as an advocate for the interests of children by  
19 informing the public, including leaders of the business community,  
20 educators, local and state officials, the legal system, and the commu-  
21 nications media of the nature and scope of problems faced by children;

22 (10) coordinate efforts and consult and cooperate with  
23 persons, departments, organizations, and groups, including other  
24 boards and commissions, interested in the problems and concerns of  
25 children and youth; and

26 (11) make recommendations to the governor, legislature, and  
27 state officials with respect to legislation, regulations, and appro-  
28 priations for programs or services that benefit children and youth.

29 (b) In formulating the strategy to address the needs of and

1 problems facing children, the commission shall actively solicit advice  
2 and information from children and youth of all ages and socioeconomic  
3 backgrounds. The commission shall also seek advice and information  
4 from parents and children's services providers, including those with  
5 expertise in the areas of mental health, health care, prenatal care,  
6 adolescent drug and alcohol treatment, education, special education,  
7 early childhood education, early childhood special education, non-  
8 profit funding sources, child abuse and neglect, domestic violence,  
9 child care, dependence, delinquency and the justice system, minority  
10 issues, and family support systems.

11 (c) The commission shall prepare and publish an annual report on  
12 the status of children in the state and its recommendations and pro-  
13 posals for change. The commission shall provide the governor and the  
14 legislature with copies of the report by the 15th day of each regular  
15 legislative session.

16 Sec. 44.19.529. TECHNICAL ASSISTANCE AND STAFF SUPPORT. The  
17 executive branch departments shall cooperate with the commission and  
18 provide technical assistance to the commission upon the request of the  
19 commission.

20 \* Sec. 15. TEMPORARY USE OF PRINCIPAL. Notwithstanding AS 37.14.230  
21 and 37.14.240, as amended by secs. 4, 6, and 7 of this Act, until July 1,  
22 1991, the Alaska Commission on Children and Youth may use not more than  
23 \$50,000 from the principal of the Alaska children's trust fund for the  
24 purposes specified in AS 37.14.240(b)(2) and (3).

25 \* Sec. 16. REVISOR'S INSTRUCTION. To be consistent with the changes  
26 made by secs. 2, 4, 7, and 9 of this Act, wherever in AS 37.14.200 - 37.-  
27 14.270 and in the regulations adopted under those statutes "Alaska Chil-  
28 dren's Trust Fund Board" or "board" is used, they shall be read as refer-  
29 ring to the Alaska Commission on Children and Youth and the commission,

1 respectively. Under AS 01.05.031, the revisor of statutes shall implement  
2 this section in the statutes and under AS 44.62.125(b)(6), the regulations  
3 attorney shall implement this section in the administrative regulations.

4 \* Sec. 17. REVISOR'S INSTRUCTION. To be consistent with the changes  
5 made by secs. 3, 5, 8, and 10 of this Act, wherever in AS 37.14.200 -  
6 37.14.270 and in the regulations adopted under those statutes "Alaska Com-  
7 mission on Children and Youth" or "commission" is used, they shall be read  
8 as referring to the Alaska Children's Trust Fund Board and the board,  
9 respectively. Under AS 01.05.031, the revisor of statutes shall implement  
10 this section in the statutes and under AS 44.62.125(b)(6), the regulations  
11 attorney shall implement this section in the administrative regulations.

12 \* Sec. 18. AS 37.14.270(5), AS 39.50.200(b)(50), AS 44.19.521, 44.19.-  
13 523, 44.19.525, 44.19.527, and 44.19.529 are repealed June 30, 1994. *6/30/94 sunset*

14 \* Sec. 19. AS 37.14.270(1), AS 47.50.010, 47.50.020, 47.50.030, 47.50.-  
15 040, and 47.50.050 are repealed. *Office Child Advocacy*

16 \* Sec. 20. TERMS OF INITIAL APPOINTEES. Notwithstanding AS 44.19.523,  
17 enacted by sec. 14 of this Act, the governor shall set the terms of the  
18 members initially appointed to the Alaska Commission on Children and Youth  
19 so that four members serve three-year terms, four members serve two-year  
20 terms, and three members serve one-year terms.

21 \* Sec. 21. REVIEW OF LAWS RELATING TO CHILDREN. The Alaska Commission  
22 on Children and Youth, established under sec. 14 of this Act, may review  
23 the laws of the state with regard to matters involving children. If a  
24 review is done, the commission shall prepare and publish a report of its  
25 findings and recommendations and provide the governor and the legislature  
26 with copies by January 1, 1991.

27 ✓ \* Sec. 22. Sections 3, 5, 8, 10, 12, and 17 of this Act take effect  
28 June 30, 1994.

29 ✓ \* Sec. 23. Except as provided in sec. 22 of this Act, this Act takes

1 effect July 1, 1989.

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
<b>OPERATING</b>						
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-
<b>TOTAL OPERATING</b>	-0-	35.3	23.1	23.1	23.1	23.1
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>	-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
<b>TOTAL</b>	-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  
Division: Permanent Fund Dividend Division

Phone: 465-2323  
Date: April 11, 1989

Approved by Commissioner: Hugh Halone  
Agency: Revenue

Date: 4/11/89

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

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 this nature 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.

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

		<u>FY 90</u>	<u>FY 91</u>
1 PPT Analyst/Programmer V, R21 @ \$6,110.86/Mo including salary and benefits for 2 months	=	\$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.

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 Expenditures:</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>	\$0.2	\$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

year?

AN ACT

Establishing the Alaska children's trust fund to provide a continuing source of revenue for grants to community-based programs for the prevention of child abuse and neglect; and providing for an effective date.

Section 1. AS 37.14 is amended by adding new sections to read:

ARTICLE 4. ALASKA CHILDREN'S TRUST FUND.

Sec. 37.14.200. ALASKA CHILDREN'S TRUST FUND ESTABLISHED. (a)

The Alaska children's trust fund is established as a separate endowment trust fund of the state.

(b) The principal of the fund consists of

(1) legislative appropriations to the fund; and

(2) gifts, bequests, and contributions of cash or other

assets from a person.

(c) The net income of the fund shall be determined by the commissioner of revenue in accordance with investment accounting principles and in a manner that preserves the distinction between principal and income.

Sec. 37.14.210. POWERS AND DUTIES OF THE COMMISSIONER OF REVENUE. The commissioner of revenue is the treasurer of the fund and has the following powers and duties under this section:

(1) to act as official custodian of the cash and investments belonging to the fund by securing adequate and safe custodial

facilities;

(2) to receive all items of cash and investments belonging to the fund;

(3) to collect the principal and income from investments owned or acquired by the fund and deposit the amounts in separate principal and income accounts for the fund;

(4) to invest and reinvest the assets of the fund as provided in this section and as provided for the investment of surpluses in pension funds under AS 39.35.110(a), (c), (e), (f), (h) and (i);

(5) to exercise the powers of an owner with respect to the assets of the fund;

(6) to do all acts, whether or not expressly authorized that the commissioner of revenue considers necessary or proper in administering the assets of the fund;

(7) to maintain accounting records of the fund in accordance with investment accounting principles and with distinction between the principal and income accounts of the fund;

(8) to engage an independent firm of certified public accountants to annually audit the financial condition of the fund's investments and investment transactions;

(9) to enter into and enforce contracts or agreements considered necessary for the investment purposes of the fund;

(10) to report to the board the condition and investment performance of the fund.

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

(a) The Alaska Children's Trust Fund Board is established in the Office of the Governor. The board is composed of

(1) the governor or a designee of the governor;

(2) the commissioner of health and social services or the

commissioner's designee;

(3) a member of the Council on Domestic Violence and Sexual Assault elected by the council;

(4) the director of the office of public advocacy or the director's designee;

(5) the commissioner of education or the commissioner's designee;

(6) a member of the senate appointed by the president of the senate;

(7) a member of the house of representatives appointed by the speaker of the house of representatives; and

(8) three members appointed by the governor as follows:

(A) a licensed physician with a specialty in pediatrics who has practiced medicine in the state for at least five years and who is an expert in the subject of child abuse and neglect; and

(B) two public members, one of whom is a recognized expert in the subject of child abuse and neglect.

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

(c) The staff of the office of child advocacy serves as the staff of the board.

Sec. 37.14.230. POWERS AND DUTIES OF BOARD. The board shall

(1) hold regular meetings and special meetings it considers necessary; the board may hold meetings by teleconference;

(2) award grants from the net income of the fund to community-based programs and projects that the board finds will aid in the prevention of child abuse and neglect;

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

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

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

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

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

(8) submit to the governor and the legislature by February 1 each year a report describing

(A) the child abuse and neglect prevention services that were provided by the programs and projects to which the board awarded grants; and

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

Sec. 37.14.240. FUND UTILIZATION. (a) The principal of the fund and any capital gains or losses realized on the principal shall be retained perpetually in the fund for investment as specified in AS 37.14.210, and may not be used for the awarding of grants.

(b) The net income of the fund may be appropriated only for the following purposes:

(1) the awarding of grants;

(2) obtaining private and federal grants for the fund;

(3) soliciting contributions, gifts, and bequests for the fund; and

(4) reimbursement to the Department of Revenue for the costs of establishing the fund.

(c) Realized net income that has not been appropriated, or that has been appropriated but not expended, shall be invested until appropriated and expended.

Sec. 37.14.250. GRANTS. (a) In awarding grants from the net income of the fund, the board shall consider the proposals of a qualified applicant only after the applicant has submitted a detailed proposal in the form prescribed by the board. The board may not award a grant unless the board makes written findings that

(1) the proposed project, if successful, will help prevent child abuse or neglect;

(2) the application for financial assistance contains an adequate plan for project implementation, including both financial feasibility and project effectiveness;

(3) the applicant demonstrates that sufficient technical expertise is available to accomplish the objectives of the proposed program or project; and

(4) the applicant has identified costs associated with and ancillary to the project, additional governmental costs, future obligations generated by the program or project, and necessary operating, maintenance, or other support costs for the life of the program or project.

(b) The board may establish other requirements for the award of grants under this section if necessary to carry out the purpose of the fund.

(c) The board shall award grants in amounts that

(1) are appropriate to the conditions of the applicant and the proposed program or project; and

(2) will make the most effective use of the money available.

(d) The amount of all grants awarded by the board during a 12-month period to a single project or program may not exceed \$50,000. The board may not finance more than 75 percent of the cost of a program or project during each of the first two years for which the program or project receives a grant, 50 percent during each of the third and fourth years, and 25 percent during each year thereafter.

(e) A recipient of a grant may not use more than 10 percent of the grant for administration of the program or project.

(f) To the extent consistent with the terms or conditions of a grant, a private or federal grant awarded to the board shall be distributed in the same manner as provided for grants under this section and AS 37.14.260.

Sec. 37.14.260. ELIGIBILITY FOR GRANTS. The board may award a grant to an applicant if

(1) the applicant has submitted a proposal that is acceptable to the board; and

(2) programs and projects, if any, of the applicant that have previously received a grant from the board have complied with requirements of that assistance and have performed with sufficient success or promise to warrant further financial assistance.

Sec. 37.14.270. DEFINITIONS. In AS 37.14.200 - 37.14.270

(1) "board" means the Alaska Children's Trust Fund Board;

(2) "child abuse and neglect" has the meaning given in AS 47.17.070;

(3) "fund" means the Alaska children's trust fund established under AS 37.14.200;

(4) "prevention of child abuse and neglect" includes primary and secondary prevention programs;

(5) "primary prevention program" means an educational

training program intended to raise the awareness of and change attitudes concerning child abuse and neglect and its prevention;

(6) "secondary prevention program" means a service intended to reach high-risk groups and to prevent the occurrence or recurrence of child abuse and neglect.

\* Sec. 2. Notwithstanding the provisions of AS 37.14.230 and 37.14.240 as enacted by sec. 1 of this Act, until July 1, 1989, the Alaska Children's Trust Fund Board may use not more than \$50,000 from the principal of the Alaska children's trust fund for the purposes specified in AS 37.14.240(b)(2) and (3) as enacted by sec. 1 of this Act.

\* Sec. 3. This Act takes effect July 1, 1988.

SENATE COMMITTEE REPORT

FURTHER

HESS  
FIN

4/25/89

DATE TURNED INTO OFFICE 5-1-89

Mr. President:

STATE AFFAIRS

Committee considered

CSHB 66 (FIN) am

establishing the Alaska Commission on Children and Youth; abolishing the Office of Child Advocacy; relating to the Alaska children's trust fund; 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

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*Ge Adams - No Rec.*  
*Jan - No Rec.*  
*Tim Kelly - Do Pass if amended*

*[Signature]*  
 Chair signature and recommendation

Committee Backup attached

### FISCAL NOTE

**REQUEST:**

Revision Date: \_\_\_\_\_  
Title: An Act Establishing the Alaska  
Commission on Children and Youth  
Sponsor: Rules Committee  
Requestor: \_\_\_\_\_

Agency Affected: Office of the Governor  
BRU: Commissioners/Special Offices  
Components: \_\_\_\_\_

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

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		103.7	107.9	110.2	113.8	116.1
TRAVEL		22.7	22.7	22.7	22.7	22.7
CONTRACTUAL		22.9	23.9	23.9	23.9	23.9
SUPPLIES		1.5	1.5	1.5	1.5	1.5
EQUIPMENT		1.0	1.0	1.0	1.0	1.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>152.8</b>	<b>157.0</b>	<b>159.3</b>	<b>162.9</b>	<b>165.5</b>

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

GENERAL FUND		152.8	157.0	9.3	12.9	15.5
FEDERAL FUNDS						
OTHER *				150.0 *	150.0*	150.0*
<b>TOTAL</b>		<b>152.8</b>	<b>157.0</b>	<b>159.3</b>	<b>162.9</b>	<b>165.5</b>

**POSITIONS:**

FULL-TIME		1	1	1	1	1
PART-TIME		2	2	2	2	2
TEMPORARY						

**ANALYSIS : (Attach a separate page if necessary)**

Analysis Attached

\* FUNDS TO COME FROM THE ALASKA CHILDREN'S TRUST FUND.

Prepared by: House Finance Committee Phone: 465-3757  
Division: Ronald Larson, Co-chair Date: March 30, 1989  
Lyman Hoffman, Co-chair

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

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