

**ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672**

**6946 HOUSE JUDICIARY**

190

WALTER J. HICKEL  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

April 3, 1991

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

Dear Speaker Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill establishing the Alaska debt retirement fund. This bill is one of three measures that make up my Alaska debt retirement fund proposal; the others, which accompany this bill, are a proposed constitutional amendment and an appropriation bill.

The Alaska debt retirement fund has two major objectives: first, to set aside part of fiscal year 1991 surplus revenue to help pay Alaska's future general obligation debt service and municipal school debt reimbursement; and second, to establish a long-term source of revenue to pay for debt service and to finance capital projects that will broaden Alaska's economic base.

I hope that every member of the legislature will agree with me that, as stewards of Alaska's resource wealth, we must consider investing, rather than spending, most of the revenue surplus that the state receives this year. Of course, I expect there to be a wide range of opinions on the best way to invest the surplus, but if we can concur that this unexpected revenue should be invested soundly, we will have reached an important point of agreement. I am willing to give all proposals for investing the revenue surplus fair consideration, and I hope that the legislature will accord the Alaska debt retirement fund the same fair hearing.

The first goal of the Alaska debt retirement fund is to help retire state and municipal debt. The State of Alaska will spend nearly \$250,000,000 over the next nine years to repay our general obligation debt. In addition, the legislature authorized the reimbursement of Alaska's municipal governments in an amount exceeding \$735,000,000 in school debt service over the next 23 years. These two budget items total nearly \$1,000,000,000.

The Honorable Ben Grussendorf -2-

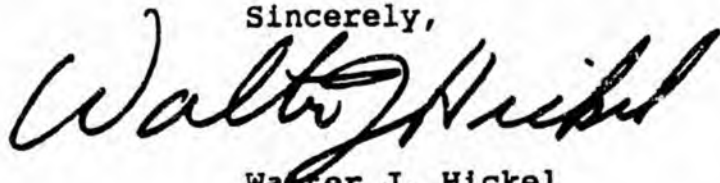
The Alaska debt retirement fund would allow us to save part of our surplus revenue to help pay off our general obligation debt and reimburse Alaska's municipal governments for their school debt payments. By doing so, we would substantially improve Alaska's ability to maintain a balanced budget as petroleum revenue declines over the next 20 years.

The second goal of the Alaska debt retirement fund is to establish a long-term source of revenue to pay for debt service, and to use the remaining balance of the fund to finance capital projects that will diversify and strengthen Alaska's economy. The companion joint resolution to this bill proposes a constitutional amendment that would dedicate a portion of our ownership revenue -- mineral lease rentals, royalties, royalty sale proceeds, and other resource revenues -- to the fund.

Alaska's economic infrastructure -- its port, transportation and energy systems -- are inadequate to support the broad economic foundation on which the future of the state depends. The Alaska debt retirement fund would provide the means to finance responsible expansion of the state's infrastructure, enhancing the viability and competitiveness of Alaska's industries.

The time for the Alaska debt retirement fund is now. This year's surplus revenue gives Alaska the opportunity to establish a fund with a statewide purpose. This revenue surplus is expected to be a one time event. With the declining production at Prudhoe Bay, we must commit to retiring our debt and building a broader, value-added economy. The Alaska debt retirement fund will serve that purpose. I urge your support for the fund.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter J. Hickel". The signature is fluid and cursive, written over the typed name below.

Walter J. Hickel  
Governor

WALTER J. HICKEL  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

April 3, 1991

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

Dear Speaker Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill appropriating the surplus general fund revenue remaining at the end of fiscal year 1991 to the Alaska debt retirement fund. This bill is one of three legislative measures that make up my Alaska debt retirement fund proposal; the others, which accompany this bill, are a bill statutorily establishing the fund and a proposed constitutional amendment establishing the fund in the Constitution.

The objectives of the Alaska debt retirement fund are discussed in detail in the transmittal letter accompanying the bill mentioned above. Briefly, the fund has two purposes: first, to set aside part of this year's surplus revenue to help pay Alaska's future general obligation debt service and municipal school debt reimbursement; and second, to establish a long-term source of revenue to pay for debt service and to fund capital projects that will broaden Alaska's economic base.

This appropriation bill would reserve the fiscal year 1991 surplus revenue for the long-term benefit of all Alaskans. This revenue surplus is expected to be a one-time event. With the declining production at Prudhoe Bay, we must commit to retiring our debt and building a broader, value-added economy. The Alaska debt retirement fund will serve that purpose. The bill would also repeal a pending appropriation of the fiscal year 1991 general fund surplus to the statutory budget reserve fund (AS 37.05.540). I believe that a redesignation of the purpose of the appropriation will bring more lasting benefits to the state and its political subdivisions than the same money would provide in a general reserve fund.

I urge your support for this appropriation bill.

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Walter J. Hickel  
Governor

WALTER J. HICKEL  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

April 3, 1991

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

Dear Speaker Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a joint resolution proposing an amendment to art. IX of the Alaska Constitution. If adopted by you and the voters of the state, this amendment will establish the Alaska debt retirement fund in the Alaska Constitution and will dedicate certain resource revenue to the fund. This joint resolution is one of three legislative measures that make up my Alaska debt retirement fund proposal; the others, which accompany this resolution, are a bill statutorily establishing the fund and an appropriation bill.

The objectives of the Alaska debt retirement fund are discussed in detail in the transmittal letter accompanying the bill mentioned above. Briefly, the fund has two purposes: first, to set aside part of this year's surplus revenue to pay the state's future general obligation debt service and municipal school debt reimbursement; and second, to establish a long-term source of revenue to pay for debt service and to finance capital projects that will broaden Alaska's economic base.

This proposed constitutional amendment would dedicate a percentage of Alaska's mineral lease rentals, royalties, royalty sale proceeds, and other resource revenue to the Alaska debt retirement fund. This stream of revenue equals the current annual deposits to the Alaska permanent fund.

It is essential that the state broaden its economic base to reduce its dependence on petroleum revenue. This constitutional amendment would provide the means to finance responsible expansion of the state's infrastructure, enhancing the viability and competitiveness of Alaska's industries, and providing additional revenue to the state.

I urge your support for this joint resolution.

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Walter J. Hickel  
Governor

## Sectional Analysis HB 251, HB 252, and HJR 38 Relating to the Alaska Debt Retirement Fund

Governor Hickel's proposal to establish the Alaska Debt Retirement Fund includes two bills and a joint resolution: HB 235, establishing the Fund; HB 236, appropriating the FY 91 general fund surplus to the Fund; and HJR 38, proposing a constitutional amendment to incorporate the fund in the Constitution and dedicate a stream of future revenues to the Fund.

### HB 251

**Section 1.** States legislative findings that a mechanism is needed to ensure a long-term source of money for state and local debt service, and to strengthen the economy of the state. The section also states legislative intent that the Alaska Debt Retirement Fund be established to help meet the general fund debt obligations of the state and local governments, and to finance capital projects with money remaining after debt obligations are paid.

**Section 2.** Establishes the Alaska Debt Retirement Fund, to consist of all money appropriated to or otherwise allocated by law to the Fund. Requires the Fund to be invested by the Department of Revenue at competitive market rates. Authorizes money to be appropriated from the Fund for: (1) payment of debt service on the state's general obligation debt; (2) reimbursement of municipalities for debt service on school construction bonds; and (3) if funds remain after (1) and (2), financing the design and construction of capital projects.

**Section 3.** Amends the state bonding act (AS 37.15.012) to provide that annual appropriations for the state's general obligation debt service are made from the Alaska Debt Retirement Fund, rather than the General Fund. However, if the balance of the Debt Retirement Fund is insufficient to fully pay the state's debt service, the additional amounts required are appropriated from the General Fund.

**Section 4.** Adds three new requirements to the public notice which the state bond committee must publish prior to an election that includes a general obligation bond issue. The notice would be required to contain: (1) the projected unobligated debt service capacity available in the Debt Retirement Fund; (2) the estimated debt service requirements for the bond issue appearing on the ballot; and (3) whether the bond issue will be repaid with amounts from the Debt Retirement Fund.

**Section 5.** Amends AS 37.15.170 to change the date when the state bond committee is required to determine the state's general obligation debt service requirements, from January 1 to December 1. Also requires the bond committee to include reimbursements for municipal school debt in this determination.

**Section 6.** Defines the terms "fund" and "debt service capacity."

**Section 7.** This section would replace the provisions of Section 2 to reflect approval by the voters of the constitutional amendment establishing the Debt Retirement Fund. The section references the constitutional amendment and provides that money dedicated to the Fund shall be deposited into the fund when at least \$5 million has accumulated, and at least once each month.

**Section 8.** Makes sections 1-6 of the bill effective immediately.

**Section 9.** Makes section 7 effective when the constitutional amendment establishing the Debt Retirement Fund is approved by the voters.

#### **HB 252**

**Section 1.** Appropriates all surplus revenue at the end of fiscal year 1991 from the general fund to the Alaska Debt Retirement Fund.

**Section 2.** Provides that the appropriation made by this bill does not lapse.

**Section 4.** Repeals a 1990 appropriation of the FY 91 general fund surplus to the statutory budget reserve fund.

**Section 4.** Makes the act effective on the effective date of an act establishing the Debt Retirement Fund.

#### **HJR 38**

**Section 1.** Amends the Alaska Constitution to establish the Alaska Debt Retirement Fund and dedicate revenues to the Fund. The revenues which would be dedicated to the Debt Retirement Fund match those now going to the Alaska Permanent Fund. This section also provides that appropriations from the fund may be made only for (1) payment of debt service on the state's general obligation debt; (2) reimbursement of municipalities for debt service on municipal general obligations, if the reimbursement is authorized by law; and (3) if funds remain after (1) and (2), financing the design and construction of capital projects.

**Section 2.** Amends Article IX, sec. 7 of the Alaska Constitution to exclude the Alaska Debt Retirement Fund from the prohibition on dedicated funds.

**Section 3.** Provides that the amendments proposed by the resolution shall be placed on the next general election ballot.

CS FOR HOUSE BILL NO. 251 (STATE AFFAIRS)  
 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 5/17/91

Referred: Judiciary, Finance

Sponsor(s): HOUSE RULES/GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Alaska debt retirement fund; relating to the retirement of general  
 2 obligation bond debt of the state and municipalities; relating to the financing of capital  
 3 projects; and providing for an effective date."

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

5 \* Section 1. FINDINGS. The legislature finds that a mechanism is needed to ensure a long-term  
 6 source of money for the debt service obligations of the state and local governments, and to strengthen  
 7 and add to the economy of the state, in order to benefit all present and future generations of Alaskans.  
 8 It is the intent of the legislature that the Alaska debt retirement fund be established to help meet the  
 9 general fund debt obligations of the state and its political subdivisions, and to finance capital projects  
 10 with money remaining after debt obligations are paid.

11 \* Sec. 2. AS 37.15 is amended by adding a new section to read:

12           Sec. 37.15.011. ALASKA DEBT RETIREMENT FUND. (a) There is established as a  
 13           separate fund the Alaska debt retirement fund. The Alaska debt retirement fund consists of all  
 14           money appropriated to or otherwise allocated by law to the fund.

1 (b) The fund shall be invested by the Department of Revenue so as to yield competitive  
2 market rates, as provided in AS 37.10.071.

3 (c) Money in the fund may be appropriated

4 (1) for the purposes set out in AS 37.15.012;

5 (2) to reimburse municipalities for obligations authorized under AS 14.11.100;

6 and

7 (3) to finance the acquisition of state facilities through lease-purchase agreements;

8 and

9 (4) if an unobligated balance remains, to finance the design and construction of  
10 capital projects.

11 \* Sec. 3. AS 37.15.011(a) is amended to read:

12 (a) Under art. IX, sec. 18, Constitution of the State of Alaska, there [THERE] is  
13 established as a separate fund the Alaska debt retirement fund. The Alaska debt retirement fund  
14 consists of the sources of revenue set out in art. IX, sec. 18(a), Constitution of the State of  
15 Alaska [ALL MONEY APPROPRIATED TO OR OTHERWISE ALLOCATED BY LAW TO  
16 THE FUND].

17 \* Sec. 4. AS 37.15.011 is amended by adding a new subsection to read:

18 (d) Money dedicated to the fund under art. IX, sec. 18, Constitution of the State of  
19 Alaska, shall be accumulated in an account in the state treasury and shall be deposited into the  
20 fund when the account is credited with at least \$5,000,000, but shall be deposited at least once  
21 each month.

22 \* Sec. 5. AS 37.15.012 is amended to read:

23 Sec. 37.15.012. CONTINUING DEBT SERVICE APPROPRIATION. The amounts  
24 required annually to pay the principal, interest, and redemption premium on all issued and  
25 outstanding general obligation bonds of the state are appropriated each fiscal year from the  
26 Alaska debt retirement [GENERAL] fund to the state bond committee to make all required  
27 payments of principal, interest, and redemption premium. If the balance of the Alaska debt  
28 retirement fund is insufficient to fully pay these amounts, the necessary additional amounts  
29 are appropriated from the general fund to the state bond committee to make all required  
30 payments of principal, interest, and redemption premium.

31 \* Sec. 6. AS 37.15.015(a) is amended to read:

1 (a) Before a general or special election in which a bond issue is offered for ratification,  
2 the state bond committee shall publish a notice of existing state bonded indebtedness at least once  
3 a week for three consecutive weeks in a newspaper of general circulation in each of the four  
4 judicial districts of the state. The first notice shall be published at least 20 days before the date  
5 of the election. A notice must contain

6 (1) the current total bonded indebtedness of the state;

7 (2) the cost of the debt service on the current indebtedness;

8 (3) the projected unobligated debt service capacity that is available in the  
9 Alaska debt retirement fund;

10 (4) the estimated debt service requirements for the bond issue offered for  
11 ratification; and

12 (5) whether the bond issue offered for ratification will be repaid with  
13 amounts from the Alaska debt retirement fund.

14 \* Sec. 7. AS 37.15.170(a) is amended to read:

15 (a) Before December [JANUARY] 1 of each year after bonds are issued, the state bond  
16 committee shall certify to the commissioner of administration the amount needed for the  
17 following calendar year to meet principal, interest, and reserve requirements on all bonds or  
18 issues or series of bonds then outstanding, including reimbursements authorized under  
19 AS 14.11.100.

20 \* Sec. 8. AS 37.15.170 is amended by adding a new subsection to read:

21 (c) Before December 1 of each year, the state bond committee shall report to the  
22 governor and the legislature the current fund balance in the Alaska debt retirement fund. The  
23 report must contain an estimate of the unobligated debt service capacity that is available in the  
24 Alaska debt retirement fund.

25 \* Sec. 9. AS 37.15 is amended by adding a new section to article 1 to read:

26 Sec. 37.15.230. DEFINITIONS. In AS 37.15.010 - 37.15.230,

27 (1) "debt service capacity" means the amount of state general obligation debt  
28 principal that could be issued as determined by the state bond committee;

29 (2) "fund" means the Alaska debt retirement fund.

30 \* Sec. 10. Sections 1, 2, and 5 - 9 of this Act take effect immediately under AS 01.10.070(c).

31 \* Sec. 11. Sections 3 and 4 of this Act take effect on the effective date of a constitutional amendment

1 establishing the Alaska debt retirement fund and directing the payment of mineral resource revenue into  
2 the fund.

CS FOR HOUSE BILL NO. 252 (STATE AFFAIRS)  
 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 5/17/91

Referred: Judiciary, Finance

Funding Information:	General Fund	\$209,000,000
	Other Funds	<u>-0-</u>
		\$209,000,000

Sponsor(s): HOUSE RULES/GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation to the Alaska debt retirement fund; and providing for  
 2 an effective date."

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

4 \* Section 1. The sum of \$209,000,000 is appropriated from the general fund to the Alaska debt  
 5 retirement fund (AS 37.15.011).

6 \* Sec. 2. The appropriation made by sec. 1 of this Act is not a one-year appropriation and does not  
 7 lapse.

8 \* Sec. 3. This Act takes effect on the effective date of a version of an Act establishing the Alaska  
 9 debt retirement fund enacted before the convening of the Second Regular Session of the Seventeenth  
 10 Alaska State Legislature.

**HOUSE JOINT RESOLUTION NO. 38**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**Introduced: 4/3/91**

**Referred: State Affairs, Judiciary, Finance**

**A RESOLUTION**

**1 Proposing amendments to the Constitution of the State of Alaska creating a debt  
2 retirement fund.**

**3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**4 \* Section 1. Article IX, Constitution of the State of Alaska, is amended by adding a new section to  
5 read:**

**6 SECTION 18. ALASKA DEBT RETIREMENT FUND. (a) The following revenue not  
7 dedicated to the permanent fund under section 15 of this article or the budget reserve fund under  
8 section 17 of this article shall be placed in a separate Alaska debt retirement fund in the state  
9 treasury:**

**10 (1) 25 percent of all mineral lease rentals, royalties, royalty sale proceeds, net  
11 profit shares, and federal mineral revenue sharing payments received by the state from mineral  
12 leases issued on or before December 1, 1979, and 25 percent of all bonuses received by the state  
13 from mineral leases issued on or before February 15, 1980; and**

**14 (2) 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net  
15 profit shares, and federal mineral revenue sharing payments received by the state from mineral  
16 leases issued after December 1, 1979, and 50 percent of all bonuses received by the state from  
17 mineral leases issued after February 15, 1980.**

1 (b) Interest earned by the state on money described in (a)(1) and (2) of this section  
2 before that money is deposited in the fund accrues to the fund. Interest earned on amounts in  
3 the fund accrues to the fund.

4 (c) Appropriations from the fund may be made only for

5 (1) the annual payment of principal, interest, and redemption premium on state  
6 general obligations;

7 (2) the reimbursement of municipalities for the annual payment of principal and  
8 interest on municipal general obligations, if the reimbursement is authorized by law; and

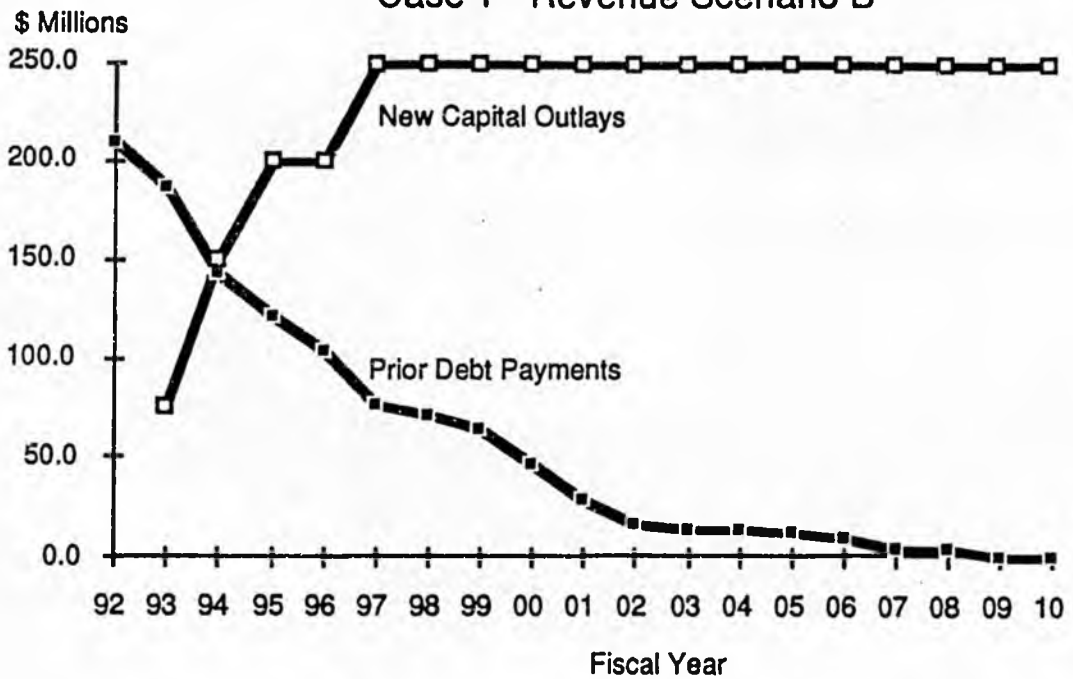
9 (3) if a balance remains after the payments authorized in (1) and (2) of this  
10 subsection, to finance the design and construction of capital projects.

11 \* Sec. 2. Article IX, sec. 7, Constitution of the State of Alaska, is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or license shall not  
13 be dedicated to any special purpose, except as provided in Sections [SECTION] 15, 17, and 18  
14 of this article or when required by the federal government for state participation in federal  
15 programs. This provision shall not prohibit the continuance of any dedication for special  
16 purposes existing upon the date of ratification of this section by the people of Alaska.

17 \* Sec 3. The amendments proposed by this resolution shall be placed before the voters of the state  
18 at the next general election in conformity with art. XIII, sec. 1, Constitution of the State of Alaska, and  
19 the election laws of the state.

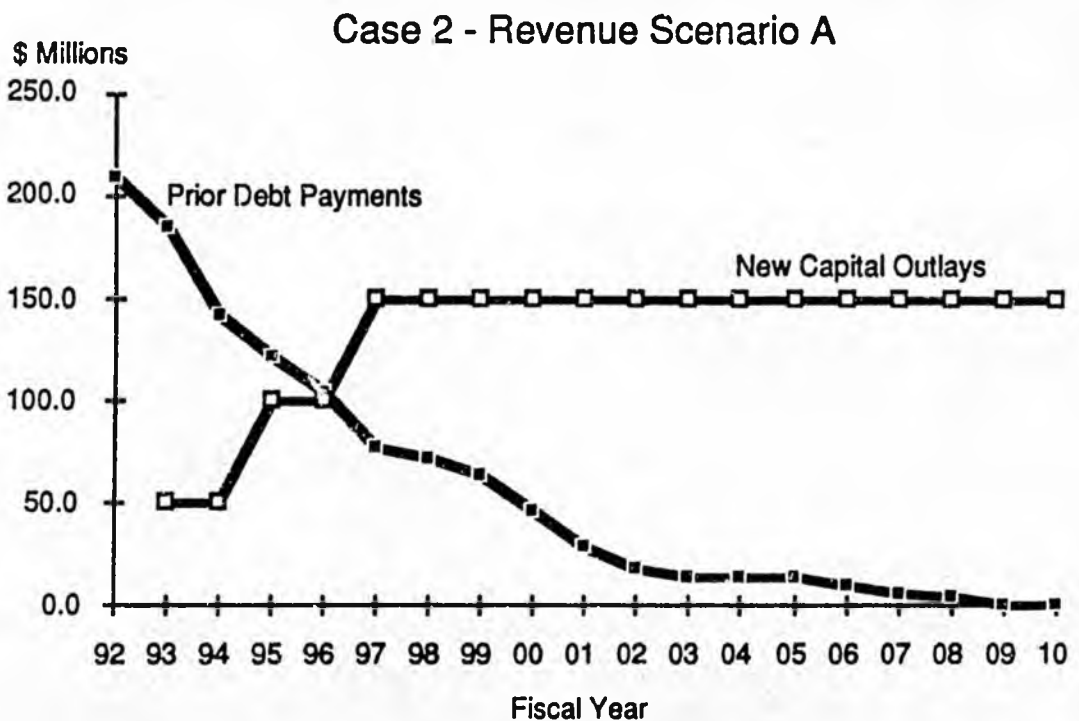
## Alaska Debt Retirement Fund Prior Debt Payments and New Capital Outlays Case 1 - Revenue Scenario B



Office of Management and Budget

4/30/91

## Alaska Debt Retirement Fund Prior Debt Payments and New Capital Outlays Case 2 - Revenue Scenario A



Office of Management and Budget

4/30/91

# Alaska Debt Retirement Fund

4/30/91

## Case #1

### Revenue Scenario B

**Assumptions**

Revenue Forecast: Spring 1991, Scenario B  
 FY 91 Deposit (Projected): \$314 million  
 Earnings Rate (Avg. Balance) 8.0%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Fiscal Year	Beginning Balance	Prior Year Budget Surplus	Dedicated Resource Revenue	Prior Debt Service Payments	Capital Project and New Debt Service Outlays	Ending Earnings Base	Annual Earnings	Ending Balance
92	314.0	314.0		209.2		104.8	16.8	121.6
93	121.6		141.8	185.6	75.0	2.8	5.0	7.7
94	7.7		304.6	142.6	150.0	19.7	1.1	20.8
95	20.8		321.1	121.4	200.0	20.5	1.7	22.2
96	22.2		327.3	103.9	200.0	45.6	2.7	48.3
97	48.3		353.9	76.9	250.0	75.3	4.9	80.2
98	80.2		348.7	71.5	250.0	107.4	7.5	114.9
99	114.9		328.8	63.7	250.0	130.0	9.8	139.8
00	139.8		307.9	46.6	250.0	151.1	11.6	162.8
01	162.8		289.7	28.7	250.0	173.8	13.5	187.2
02	187.2		278.7	17.4	250.0	198.5	15.4	214.0
03	214.0		267.3	13.5	250.0	217.8	17.3	235.0
04	235.0		260.4	13.5	250.0	231.9	18.7	250.6
05	250.6		252.5	13.3	250.0	239.8	19.6	259.4
06	259.4		238.8	10.4	250.0	237.8	19.9	257.7
07	257.7		224.5	5.2	250.0	227.0	19.4	246.4
08	246.4		216.2	4.1	250.0	208.5	18.2	226.7
09	226.7		205.5	0.3	250.0	181.9	16.3	198.3
10	198.3		193.8	0.3	250.0	141.8	13.6	155.4
<b>Total:</b>			<b>4,861.5</b>	<b>1,128.1</b>	<b>4,125.0</b>			

Note D - Equivalent to dedications to the Permanent Fund (Spring 1991 Revenue Forecast). FY 93 dedication is 50% (6 months).

Note E - Includes G.O. debt, school debt, lease purchases, and ASHA debt payments.

Note H - Earnings are on the Fund's average balance (Beginning Balance plus Ending Earnings Base, divided by two).

Office of the Governor, Office of Management and Budget

# Alaska Debt Retirement Fund

4/30/91

## Case #2

### Revenue Scenario A

Assumptions

Revenue Forecast: Spring 1991, Scenario A  
 FY 91 Deposit (Projected): \$314 million  
 Earnings Rate (Avg. Balance) 8.0%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Fiscal Year	Beginning Balance	Prior Year Budget Surplus	Dedicated Resource Revenue	Prior Debt Service Payments	Capital Project and New Debt Service Outlays	Ending Earnings Base	Annual Earnings	Ending Balance
92	351.0	314.0		209.2		141.8	19.7	161.5
93	161.5		96.0	185.6	50.0	21.9	7.3	29.2
94	29.2		210.7	142.6	50.0	47.3	3.1	50.4
95	50.4		222.3	121.4	100.0	51.3	4.1	55.3
96	55.3		225.6	103.9	100.0	77.0	5.3	82.3
97	82.3		221.5	76.9	150.0	76.9	6.4	83.3
98	83.3		216.0	71.5	150.0	77.8	6.4	84.2
99	84.2		199.8	63.7	150.0	70.3	6.2	76.5
00	75.5		184.3	46.6	150.0	64.2	5.6	69.8
01	69.8		203.7	28.7	150.0	94.8	6.6	101.4
02	101.4		192.6	17.4	150.0	126.6	9.1	135.7
03	135.7		183.0	13.5	150.0	155.2	11.6	166.9
04	166.9		177.9	13.5	150.0	181.3	13.9	195.2
05	195.2		170.6	13.3	150.0	202.5	15.9	218.4
06	218.4		160.0	10.4	150.0	218.0	17.5	235.5
07	235.5		125.0	5.2	150.0	205.3	17.6	222.9
08	222.9		117.6	4.1	150.0	186.4	16.4	202.8
09	202.8		109.0	0.3	150.0	161.5	14.6	176.1
10	176.1		99.5	0.3	150.0	125.3	12.1	137.3
<b>Total:</b>			3,115.1	1,128.1	2,400.0			

Note D - Equivalent to dedications to the Permanent Fund (Spring 1991 Revenue Forecast). FY 93 dedication is 50% (6 months).

Note E - Includes G.O. debt, school debt, lease purchases, and ASHA debt payments.

Note H - Earnings are on the Fund's average balance (Beginning Balance plus Ending Earnings Base, divided by two).

Office of the Governor, Office of Management and Budget

**Alaska Debt Retirement Fund  
Fiscal Projections  
Case #1B**

5/12/91

**\$209 Million Deposit in FY 92  
Revenue Scenario B**

Assumptions

Revenue Forecast: Spring 1991, Scenario B  
 FY 91 Deposit (Projected): 209.2  
 Earnings Rate (Avg. Balance): 8.0%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Fiscal Year	Beginning Balance	Prior Year Budget Surplus	Dedicated Resource Revenue	Prior Debt Service Payments	Capital Project and New Debt Service Outlays	Ending Earnings Base	Annual Earnings	Ending Balance
92	209.2	314.0		209.2		0.0	8.4	8.4
93	8.4		141.8	141.8 *	0.0	8.4	0.7	9.0
94	9.0		304.6	142.6	150.0	21.0	1.2	22.2
95	22.2		321.1	121.4	200.0	21.9	1.8	23.7
96	23.7		327.3	103.9	200.0	47.1	2.8	49.9
97	49.9		353.9	76.9	250.0	76.9	5.1	82.0
98	82.0		348.7	71.5	250.0	109.2	7.6	116.9
99	116.9		328.8	63.7	250.0	132.0	10.0	141.9
00	141.9		307.9	46.6	250.0	153.2	11.8	165.0
01	165.0		289.7	28.7	250.0	176.0	13.6	189.7
02	189.7		278.7	17.4	250.0	201.0	15.6	216.6
03	216.6		267.3	13.5	250.0	220.4	17.5	237.9
04	237.9		260.4	13.5	250.0	234.8	18.9	253.7
05	253.7		252.5	13.3	250.0	242.9	19.9	262.7
06	262.7		238.8	10.4	250.0	241.1	20.2	261.3
07	261.3		224.5	5.2	250.0	230.6	19.7	250.3
08	250.3		216.2	4.1	250.0	212.4	18.5	230.9
09	230.9		205.5	0.3	250.0	186.1	16.7	202.8
10	202.8		193.8	0.3	250.0	146.3	14.0	160.2
<b>Total:</b>			<b>4,861.5</b>	<b>1,084.3</b>	<b>4,050.0</b>			

\* Note D1 - An FY 92 deposit of \$209 million would leave an insufficient fund balance in FY 93 to fully pay prior debt service requirements. An additional \$43.8 million from the general fund would be necessary to fully fund general obligation and municipal school debt.  
 Note D2 - Equivalent to dedications to the Permanent Fund (Spring 1991 Revenue Forecast). FY 93 dedication is 50% (6 months).  
 Note E - Includes G.O. debt, school debt, lease purchases, and ASHA debt payments.  
 Note H - Earnings are on the Fund's average balance (Beginning Balance plus Ending Earnings Base, divided by two).

**Alaska Debt Retirement Fund  
Fiscal Projections  
Case #2B**

5/12/91

**\$209 Million Deposit in FY 92**

Revenue Scenario A

**Assumptions**

Revenue Forecast: Spring 1991, Scenario A  
 FY 91 Deposit (Projected): 209.2  
 Earnings Rate (Avg. Balance): 8.0%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Fiscal Year	Beginning Balance	Prior Year Budget Surplus	Dedicated Resource Revenue	Prior Debt Service Payments	Capital Project and New Debt Service Outlays	Ending Earnings Base	Annual Earnings	Ending Balance
92	209.2	314.0		209.2		0.0	8.4	8.4
93	8.4		96.0	96.0 *	0.0	8.4	0.7	9.0
94	9.0		210.7	142.6	50.0	27.1	1.4	28.6
95	28.6		222.3	121.4	100.0	29.5	2.3	31.8
96	31.8		225.6	103.9	100.0	53.5	3.4	56.9
97	56.9		221.5	76.9	150.0	51.5	4.3	55.9
98	55.9		216.0	71.5	150.0	50.4	4.2	54.6
99	54.6		199.8	63.7	150.0	40.7	3.8	44.5
00	44.5		184.3	46.6	150.0	32.2	3.1	35.3
01	35.3		203.7	28.7	150.0	60.3	3.8	64.1
02	64.1		192.6	17.4	150.0	89.3	6.1	95.4
03	95.4		183.0	13.5	150.0	114.9	8.4	123.4
04	123.4		177.9	13.5	150.0	137.8	10.4	148.2
05	148.2		170.6	13.3	150.0	155.5	12.1	167.7
06	167.7		160.0	10.4	150.0	167.3	13.4	180.7
07	180.7		125.0	5.2	150.0	150.5	13.2	163.7
08	163.7		117.6	4.1	150.0	127.2	11.6	138.8
09	138.8		109.0	0.3	150.0	97.5	9.5	107.0
10	107.0		99.5	0.3	150.0	56.2	6.5	62.7
Total:			3,115.1	1,038.5	2,350.0			

\* Note D1 - An FY 92 deposit of \$209 million would leave an insufficient fund balance in FY 93 to fully pay prior debt service requirements.

An additional \$89.6 million from the general fund would be necessary to fully fund general obligation and municipal school debt.

Note D2 - Equivalent to dedications to the Permanent Fund (Spring 1991 Revenue Forecast). FY 93 dedication is 50% (6 months).

Note E - Includes G.O. debt, school debt, lease purchases, and ASHA debt payments.

Note H - Earnings are on the Fund's average balance (Beginning Balance plus Ending Earnings Base, divided by two).

FISCAL NOTE

No. 2

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

Bill Version: HB 251

(H) Publish Date: 4/3/91

Revision Date: \_\_\_\_\_ Department Affected: Administration

Title: A Bill establishing a Debt Retirement Fund. BRU: Central Services

Component: Finance

Sponsor: Governor Hickel

Requestor: Governor Hickel COMPONENT SERIAL NO. 

59			
----	--	--	--

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

This Act will not have a fiscal impact on the Division of Finance or the Department of Administration. Accounting procedures are in place to establish the Debt Retirement Fund and deposit revenue to the fund.

Prepared By: Weldon L. Blackwell *WLB* 3/27/91 Phone: 465-2240

Division: Finance Date: 03/27/91

Approved by Commissioner: Millett Keller *Millett Keller*

Agency: Administration Date: 03/27/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 3  
 Bill Version: HB 251  
 (H) Publish Date: 4/3/91

STATE OF ALASKA  
 1991 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: Education  
 Title: Establishing the Alaska Debt Retirement Fund BRU: School Construction Debt Retirement  
 Component: School Construction Debt Retirement  
 Sponsor: Rules  
 Requestor: Governor COMPONENT SERIAL NO. 

--	--	--	--

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
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						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

This fiscal note assumes that the responsibility for disbursement of school construction debt retirement funds remain within the Department of Education.

Prepared By: Mary Hakala Phone: 465-2800  
 Division: Commissioner's Office Date: 3/27/91  
 Approved by Commissioner: Steve Hole, Acting Commissioner  
 Agency: Education Date: 3/27/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 1  
 Bill Version: HB 251  
 (H) Publish Date: 4/3/91

STATE OF ALASKA  
 1991 LEGISLATIVE SESSION

Revision Date: March 27, 1991  
 Title: Alaska Debt Retirement Fund

Department Affected: Revenue  
 BRU: Revenue Operations  
 Component: Treasury Management

Sponsor: Rules request of Governor  
 Requestor: Office of the Governor

Component Serial No.

	1	2	1
--	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

<b>CAPITAL</b>						
----------------	--	--	--	--	--	--

<b>REVENUE</b>	(63,240)	(132,350)	(207,130)	(263,040)	(306,740)	(389,330)
----------------	----------	-----------	-----------	-----------	-----------	-----------

FUNDING: (Thousands of Dollars)

GENERAL FUND	(63,240)	(132,350)	(207,130)	(263,040)	(306,740)	(389,330)
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	(63,240)	(132,350)	(207,130)	(263,040)	(306,740)	(389,330)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

**ANALYSIS:** Treasurys' operations would not experience a fiscal impact. If bill passes and the constitutional amendment is not adopted there would not be a revenue impact. If the constitutional amendment is adopted general fund revenues will be reduced by the above numbers. This assumes interest earnings on unspent residual amounts. See attached spread sheet analysis for details.

Prepared by: Brian C. Andrews Phone: 465 - 2350  
 Division: Treasury Date: \_\_\_\_\_  
 Approved by Commissioner: by Daniel Reardon  
 Agency: \_\_\_\_\_  
 Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Alaska Debt Retirement Fund  
(millions)

Dedicated Revenue	State GO Debt	School Debt	Net	Investment Return	Total Revenue Impact
242.86	68.20	116.10	58.56	4.68	63.24
283.56	59.70	106.00	117.86	14.49	132.35
304.60	33.90	93.40	177.30	29.83	207.13
321.12	23.10	84.30	213.72	49.32	263.04
327.30	21.50	71.10	234.70	72.04	306.74
353.85	16.70	48.70	288.45	100.88	389.33

- 1/ Gross Revenue from DOR Spring '91 revenue forecast scenario B
- 2/ State GO & School debt from DOR's Ak Public Debt March '90
- 3/ Inv't return assumed at 8%

(13)	(14)	(15)	(16)	(17)	(18)	(19)
TOTAL REVS W/PERM FND DEDICATION	PUB SCH FUND	NPR-A FUND	OTHER FUNDS	PERM FUND DEDICATION	BUDGET RESERVE FUND	NET GEN FUND UNRESTRICTED REVENUES
4110.80	7.50	0.00	74.30	385.10	0.00	3718.20
4516.90	8.00	0.00	0.00	400.50	0.00	4108.40
4061.40	9.40	0.00	0.00	421.00	0.00	3631.00
3765.30	9.00	0.00	0.00	366.20	0.00	3390.10
3640.50	7.10	5.40	0.00	368.00	0.00	3260.00
3446.40	6.50	41.00	0.00	323.40	0.00	3075.50
1983.20	3.30	9.90	0.00	170.60	0.00	1799.40
2747.10	6.60	1.00	15.80	417.90	0.00	2305.80
2419.70	4.30	0.80	0.00	228.40	0.00	2186.20
2780.06	5.13	0.60	0.00	267.10	0.00	2507.23
3532.97	0.55	0.60	0.00	414.97	284.85	2826.00
2375.84	4.65	0.60	3.00	242.86	0.00	2124.73
2709.21	5.44	0.50	7.00	283.56	0.00	2412.71
2827.36	5.84	0.50	7.00	304.60	0.00	2509.42
2943.28	6.16	0.30	7.00	321.12	0.00	2608.70
2961.47	6.28	0.10	7.00	327.30	0.00	2620.79
3113.95	6.79	0.00	7.00	353.85	0.00	2746.31
3035.90	6.69	0.00	10.00	348.67	0.00	2670.54
2827.79	6.31	0.00	10.00	328.76	0.00	2482.73
2624.88	5.91	0.00	10.00	307.92	0.00	2301.05
2461.49	5.56	0.00	10.00	289.71	0.00	2156.22
2348.23	5.35	0.00	10.00	278.72	0.00	2054.17
2239.17	5.13	0.00	0.00	267.34	0.00	1966.70
2175.43	5.00	0.00	0.00	260.39	0.00	1910.05
2090.83	4.85	0.00	0.00	252.52	0.00	1833.46
1960.78	4.58	0.00	0.00	238.76	0.00	1717.44
1820.89	4.31	0.00	0.00	224.47	0.00	1592.11
1728.61	4.15	0.00	0.00	216.21	0.00	1508.25
1630.89	3.94	0.00	0.00	205.47	0.00	1421.48
1531.81	3.72	0.00	0.00	193.76	0.00	1334.34

TABLE 3.2

State of Alaska  
Debt Service on State-Supported Debt  
(\$ Millions)

Fiscal Year	(1) State GO	(2) UA	(3) ASHA	(4) Lease-Purchase Obligations (Lease)	(5) School Debt (Muni)	Total Debt Service
79	\$60.0	\$1.7	\$10.1	\$0	\$22.3	\$94.1
80	75.1	1.8	10.1	0	24.1	111.1
81	97.6	2.2	10.0	0	38.4	148.2
82	97.5	2.3	10.0	0	38.3	148.1
83	143.6	2.3	9.9	0	36.2	192.0
84	166.3	2.0	9.9	0	90.6	268.0
85	169.5	2.0	9.9	.8	93.2	275.4
86	163.2	1.8	9.9	.5	106.3	281.7
87	154.9	1.8	6.5	4.7	115.8	283.7
88	147.9	1.5	6.5	.7	109.5	266.1
89	135.5	2.2	6.5	5.2	109.5	258.8
90	120.3	2.2	6.5	5.5	107.8	242.3
91	95.5	2.2	6.5	5.5	120.2	229.9
92	68.2	2.1	6.5	5.5	116.1	198.4
93	59.7	2.1	5.9	5.5	106.0	179.2
94	33.9	1.9	3.1	5.5	93.4	137.8
95	23.1	2.0	1.5	5.5	84.3	116.4
96	21.5	1.9	0	5.5	71.1	100.0
97	16.7	1.9	0	5.5	48.7	72.8
98	14.4	1.9	0	5.5	45.7	67.5
99	0	1.9	0	5.5	43.2	59.6
00	5	1.9	0	4.7	34.8	44.0
01	0	1.8	0	4.7	21.2	27.7
02	0	1.2	0	4.7	9.1	15.0
03	0	1.0	0	4.7	5.4	11.1
04	0	1.1	0	4.7	5.4	11.2
05	\$0	\$1.0	\$0	\$4.7	\$5.3	\$11.0

- (1) State of Alaska general obligation bonds
- (2) University of Alaska bonds
- (3) Alaska State Housing Authority lease revenue bonds
- (4) Debt issued to finance Seward Student Service Center, Spring Creek Correctional Center, and Palmer Court-house
- (5) State reimbursement of municipal general obligation debt issued to finance school construction for debt issued through December 31, 1989

FISCAL NOTE

No. 2  
 Bill Version: HJR 38  
 (H) Publish Date: 4/3/91

STATE OF ALASKA  
 1991 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: Administration  
 Title: An amendment to Article IX of the BRU: Central Services  
 State Constitution creating a Debt Retirement Fund. Component: Finance  
 Sponsor: Governor Hickel  
 Requestor: Governor Hickel COMPONENT SERIAL NO. 59         

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

This Act will not have a fiscal impact on the Division of Finance or the Department of Administration. Accounting procedures are in place to establish the Debt Retirement Fund and deposit revenue to the fund.

Prepared By: Weldon L. Blackwell *[Signature]* 3/27/91 Phone: 465-2240  
 Division: Finance Date: 03/27/91

Approved by Commissioner: Millett Keller *[Signature]* Date: 03/27/91  
 Agency: Administration

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 3

Bill Version: HJR 38

(H) Publish Date: 4/3/91

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: Education  
 Title: Proposing Amendments to the BRU: School Construction Debt Retirement  
Constitution of the State of Alaska Component: School Construction Debt Retirement  
 Sponsor: Rules  
 Requestor: Governor COMPONENT SERIAL NO. 

--	--	--	--

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

<b>CAPITAL</b>						
----------------	--	--	--	--	--	--

<b>REVENUE</b>						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Mary Hakala Phone: 465-2800  
 Division: Commissioner's Office Date: 3/27/91  
 Approved by Commissioner: Steve Hole, Acting Commissioner  
 Agency: Education Date: 3/27/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 1

Bill Version: HJR 38

(H) Publish Date: 4/3/91

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

Revision Date: March 27, 1991  
Title: Alaska Debt Retirement Fund

Department Affected: Revenue  
BRU: Revenue Operations  
Component: Treasury Management

Sponsor: Rules request of Governor  
Requestor: Office of the Governor

Component Serial No.

	1	2	1
--	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

REVENUE	(63,240)	(132,350)	(207,130)	(263,040)	(306,740)	(389,330)
---------	----------	-----------	-----------	-----------	-----------	-----------

FUNDING: (Thousands of Dollars)

GENERAL FUND	(63,240)	(132,350)	(207,130)	(263,040)	(306,740)	(389,330)
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>(63,240)</b>	<b>(132,350)</b>	<b>(207,130)</b>	<b>(263,040)</b>	<b>(306,740)</b>	<b>(389,330)</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

**ANALYSIS:** Treasurys' operations would not experience a fiscal impact. If bill passes and the constitutional amendment is not adopted there would not be a revenue impact. If the constitutional amendment is adopted general fund revenues will be reduced by the above numbers. This assumes interest earnings on unspent residual amounts. See attached spread sheet analysis for details.

Prepared by: Brian C. Andrews Phone: 465 - 2350  
 Division: Treasury Date: \_\_\_\_\_  
 Approved by Commissioner: [Signature]  
 Agency: \_\_\_\_\_  
 Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Alaska Debt Retirement Fund  
 (millions)

Dedicated Revenue	State GO Debt	School Debt	Net	Investment Return	Total Revenue Impact
242.86	68.20	116.10	58.56	4.68	63.24
283.56	59.70	106.00	117.86	14.49	132.35
304.60	33.90	93.40	177.30	29.83	207.13
321.12	23.10	84.30	213.72	49.32	263.04
327.30	21.50	71.10	234.70	72.04	306.74
353.85	16.70	48.70	288.45	100.88	389.33

- 1/ Gross Revenue from DOR Spring '91 revenue forecast scenario B
- 2/ State GO & School debt from DOR's Ak Public Debt March '90
- 3/ Inv't return assumed at 8%

(13)	(14)	(15)	(16)	(17)	(18)	(19)
TOTAL REVS W/PERM FND DEDICATION	PUB SCH FUND	NPR-A FUND	OTHER FUNDS	PERM FUND DEDICATION	BUDGET RESERVE FUND	NET GEN FUND UNRESTRICTED REVENUES
4110.80	7.50	0.00	74.30	385.10	0.00	3718.20
4516.90	8.00	0.00	0.00	400.50	0.00	4108.40
4061.40	9.40	0.00	0.00	421.00	0.00	3631.00
3765.30	9.00	0.00	0.00	366.20	0.00	3390.10
3640.50	7.10	5.40	0.00	368.00	0.00	3260.00
3446.40	6.50	41.00	0.00	323.40	0.00	3075.50
1983.20	3.30	9.90	0.00	170.60	0.00	1799.40
2747.10	6.60	1.00	15.80	417.90	0.00	2305.80
2419.70	4.30	0.80	0.00	228.40	0.00	2186.20
2780.06	5.13	0.60	0.00	267.10	0.00	2507.23
3532.97	6.55	0.60	0.00	414.97	284.85	2826.00
2375.84	4.65	0.60	3.00	242.86	0.00	2124.73
2709.21	5.44	0.50	7.00	283.56	0.00	2412.71
2827.36	5.84	0.50	7.00	304.60	0.00	2509.42
2943.28	6.16	0.30	7.00	321.12	0.00	2608.70
2961.47	6.28	0.10	7.00	327.30	0.00	2620.79
3113.95	6.79	0.00	7.00	353.85	0.00	2746.31
3035.90	6.69	0.00	10.00	348.67	0.00	2670.54
2827.79	6.31	0.00	10.00	328.76	0.00	2482.73
2624.88	5.91	0.00	10.00	307.92	0.00	2301.05
2461.49	5.56	0.00	10.00	289.71	0.00	2156.22
2348.23	5.35	0.00	10.00	278.72	0.00	2054.17
2239.17	5.13	0.00	0.00	267.34	0.00	1966.70
2175.43	5.00	0.00	0.00	260.39	0.00	1910.05
2090.83	4.85	0.00	0.00	252.52	0.00	1833.46
1960.78	4.58	0.00	0.00	238.76	0.00	1717.44
1820.89	4.31	0.00	0.00	224.47	0.00	1592.11
1728.61	4.15	0.00	0.00	216.21	0.00	1508.25
1630.89	3.94	0.00	0.00	205.47	0.00	1421.48
1531.81	3.72	0.00	0.00	193.76	0.00	1334.34

TABLE 3.2

State of Alaska  
Debt Service on State-Supported Debt  
(\$ Millions)

Fiscal Year	(1) State GO	(2) UA	(3) ASHA	(4) Lease-Purchase Obligations (Lease)	(5) School Debt (Muni)	Total Debt Service
79	\$60.0	\$1.7	\$10.1	\$0	\$22.3	\$94.1
80	75.1	1.8	10.1	0	24.1	111.1
81	97.6	2.2	10.0	0	38.4	148.2
82	97.5	2.3	10.0	0	38.3	148.1
83	143.6	2.3	9.9	0	36.2	192.0
84	166.3	2.0	9.9	0	90.6	268.0
85	169.5	2.0	9.9	.8	93.2	275.4
86	163.2	1.8	9.9	.5	106.3	281.7
87	154.9	1.8	6.5	4.7	115.8	283.7
88	147.9	1.5	6.5	.7	109.5	266.1
89	135.5	2.2	6.5	5.2	109.5	258.8
90	120.3	2.2	6.5	5.5	107.8	242.3
91	95.5	2.2	6.5	5.5	120.2	229.9
92	68.2	2.1	6.5	5.5	116.1	198.4
93	59.7	2.1	5.9	5.5	106.0	179.2
94	33.9	1.9	3.1	5.5	93.4	137.8
95	23.1	2.0	1.5	5.5	84.3	116.4
96	21.5	1.9	0	5.5	71.1	100.0
97	16.7	1.9	0	5.5	48.7	72.8
98	14.4	1.9	0	5.5	45.7	67.5
99	9.0	1.9	0	5.5	43.2	59.6
00	2.6	1.9	0	4.7	34.8	44.0
01	0	1.8	0	4.7	21.2	27.7
02	0	1.2	0	4.7	9.1	15.0
03	0	1.0	0	4.7	5.4	11.1
04	0	1.1	0	4.7	5.4	11.2
05	\$0	\$1.0	\$0	\$4.7	\$5.3	\$11.0

(1) State of Alaska general obligation bonds

(2) University of Alaska bonds

(3) Alaska State Housing Authority lease revenue bonds

(4) Debt issued to finance Seward Student Service Center, Spring Creek Correctional Center, and Palmer Court-house

(5) State reimbursement of municipal general obligation debt issued to finance school construction for debt issued through December 31, 1989

**THE PRECEDING PAGES  
WERE TREATED AS A UNIT  
IN THE ORIGINAL FILE**

# HOUSE COMMITTEE REPORT

(7)

Date Referred: May 17, 1991

FURTHER REFERRALS:

Finance

Date of Committee Action: \_\_\_\_\_

The JUDICIARY Committee considered:

HB 252

HOUSE BILL NO. 252

APPROP: DEBT RETIREMENT

"An Act making an appropriation to the Alaska debt retirement fund; repealing an appropriation to the statutory budget reserve fund; and providing for an effective date."

**RECOMMENDATIONS:**

be replaced with CS HB 252 (STA)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(s): \_\_\_\_\_ (Dept)

APPROVES PREVIOUS: \_\_\_\_\_ (Dept/Date)

fiscal impact \_\_\_\_\_

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

zero fiscal note \_\_\_\_\_

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Terry Martin</i>	✓	<i>Don Dooly</i>		✓	
<i>Mike Miller</i>	✓	<i>Don Dooly</i>		✓	

*Don Dooly*  
 \_\_\_\_\_  
 CHAIRMAN'S SIGNATURE

HOUSE COMMITTEE REPORT

(7)

Date Referred: April 3, 1991

FURTHER REFERRALS:

Judiciary  
Finance

Date of Committee Action: 5-17-91

The STATE AFFAIRS Committee considered:

HB 252

HOUSE BILL NO. 252

APPROP: DEBT RETIREMENT

"An Act making an appropriation to the Alaska debt retirement fund; repealing an appropriation to the statutory budget reserve fund; and providing for an effective date."

RECOMMENDATIONS:

be replaced with

CS HB 252 (STA)

the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact \_\_\_\_\_

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

zero fiscal note \_\_\_\_\_

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

SIGNING <u>DO</u> PASS	DP	<u>OTHER</u> RECOMMENDATIONS	DNP	NR	AM
<i>David Ragsdale</i>		<i>Tommy</i>		<input checked="" type="checkbox"/>	
<i>John W. Baker</i>	<input checked="" type="checkbox"/>	<i>Bob Gendron</i>		<input checked="" type="checkbox"/>	
<i>Mike Miller</i>	<input checked="" type="checkbox"/>	<i>Gene Kubisa</i>		<input checked="" type="checkbox"/>	

*Gene Kubisa*  
CHAIRMAN'S SIGNATURE

HB

262



# Alaska State Legislature

Session  
State Capitol  
Juneau, AK 99801  
(907) 465-4949

Member

Randy Phillips  
State Representative  
House District 15

Interim  
P.O. Box 142  
Eagle River AK 99577  
(907) 694-4949

House Finance Committee

## Memorandum

TO: Representative Pat Carney, CoChair  
Representative Georgianna Lincoln, CoChair  
House, Health Education and Social Services Committee

FROM: Representative Randy Phillips ~~REP~~

DATE: April 27, 1992

RE: House Bill 262, "An Act relating to persons under 21 years of age."

According to the Alaska Department of Health and Social Services, over 3,500 youth runaway from home each year in Alaska. Many of these youths end up on the streets or in the homes of exploitive adults where they engage in prostitution, drug trafficking and property crimes to support themselves.

House Bill 262 was proposed as a means of addressing the growing problem of "runaway" children in Alaska, the inability of parents to deal with these children under existing laws and the inability of the state and local governments to protect these children. House Bill 262 changes several statutes relating to persons under the age of twentyone.

Section 1 changes the definition of contributing to the delinquency of a minor. Current statute provides that a person over the age of 19 may not aid, induce, cause or encourage a child under the age of 16 to be absent from the custody of a parent, guardian. HB262 would raise that age from 16-18.

Section 2 raises the age for purchase and possession of firearm from 16 to 21 years of age.

*SPONSOR STATEMENT*

Section 3 prohibits an unemancipated minor from working without the permission of the minor's legal custodian and from working after 10:00 pm on school nights.

Sections 4 and 5 provide limitations on parental financial liability for the acts of runaway minors.

Sections 6 and 7 direct the Department of Health and Social Services to conduct a statewide conference on runaway youth and to conduct a pilot project to identify, assist, and return runaway youths to their homes.

The concepts in this bill are supported by the Chiefs of Police in Anchorage and Palmer as well as the Mayor of Anchorage. As well as several thousand individuals who have signed petitions in support of the Parent and Child Protection Initiative, which is attached.

This bill is intended as a first step in a comprehensive look at statutes that apply to runaway children. Thank you for your support in addressing this important issue.

# Municipality of Anchorage



OFFICE OF THE MAYOR

P.O. BOX 196650  
ANCHORAGE, ALASKA 99519-6650  
(907) 343-4431

TOM FINK,  
MAYOR

December 6, 1990

Ms. Candace Hullett  
P.O. Box 672064  
Chugiak, AK 99567

Dear Ms. Hullett:

I am in receipt of your letter and package of November 13 in regard to runaway children. I am totally supportive of the thrust of your package.

We certainly do need changes in the law as well as changes in attitudes. Some of the state people are working on these problems. We have turned the world a little bit upside down so that when any child gets in trouble it's the parent's fault, yet we don't want to allow the parent the authority to discipline his or her child. Often the child abuse laws and child sexual abuse laws are tools improperly used to stop the parent from fulfilling his or her responsibilities. The pendulum has swung too far and needs to be brought back in the center.

I am very supportive of what you are attempting to do.

Sincerely,

Tom Fink

1 letters of support.

January 11, 1991

Representative Randy Phillips  
State of Alaska  
Juneau, Alaska

Dear Representative Phillips:

During this past year the undersigned have put together this broad and comprehensive legislative package in hopes of solving some very serious problems in our communities through out the State of Alaska. In brief the problems are: the lack of control of our children, the tremendous growth of "Parent Abuse" by children, and the alarming numbers of crimes committed by children and against children. As parents and future parents we must protect the most cherished part of our lives "Our Children".

This year the Anchorage Municipal Assembly has recognized that this problem requires very high priority. This package is supported and has been enthusiastically endorsed by local law enforcement people, Mayor Tom Finl, churches, family support groups and parents from all over the State of Alaska.

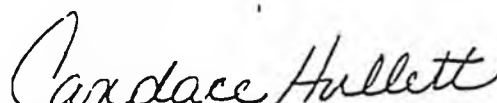
We would appreciate your support and would be delighted if you would sponsor this package.

On behalf of our children, we thank you.

Sincerely,



Fred Dyson  
Anchorage Assemblyman  
12239 Lugene Lane  
Eagle River, Alaska 99577



Candace Hullett  
P.O. Box 672064  
Chugiak, Alaska 99567



# Palmer Police Department

423 SOUTH VALLEY WAY  
PALMER, ALASKA 99645



RONALD L. OTTE  
CHIEF OF POLICE

PHONE: (907) 745-4811

December 27, 1990

Sandy Pevan  
P.O. Box 871256  
Wasilla, Alaska 99687

Dear Ms. Pevan:

As we discussed by phone, Palmer is a small community that does not generate a large number of calls in any category. When combined with the information from the rest of the Valley, however, you should get a good picture of the runaway problem in this area of the State.

During 1989 and 1990 there have been 42 reported runaways in Palmer. I am sure there are actually more that do not get reported for one reason or another. The runaway problem in the Valley is serious and appears to be getting worse.

I wish you luck in your efforts to effect a change in the way we all must deal with runaways. If I can be of further assistance please let me know.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ronald L. Otte".

Ronald L. Otte  
Chief of Police

RLO/lp



# ANCHORAGE POLICE DEPARTMENT

4501 SOUTH BRAGAW STREET • ANCHORAGE, ALASKA 99507-1599  
TELEPHONE (907) 786-8500



TOM FINK  
MAYOR

December 12, 1990

Candace Hullett  
P.O. Box 672064  
Chugiak, Alaska 99567

Dear Ms Hullett:

Thank you for your letter of November 15, 1990, and for this opportunity to express my support for your cause.

There is a delicate relationship between the right of a child to grow and the authority of the parents to give direction to that growth. I agree with your premise that this relationship is currently out of balance - that we have unfairly given our children "rights", hence obligations, with which they may not be equipped to cope. There are additional considerations:

- > Parents can be held responsible for a failure over which they had no control,
- > The police, and others, try to operate in an environment of convoluted, and often contradictory, rules and procedures.

Given this, I would support any effort to return balance to this most important issue.

Sincerely,

Kevin M. O'Leary  
Chief of Police

KMO:lz

RECEIVED  
APR 20 P.M.

HEALTH ED. & SOCIAL SERVICES

Legislator: Georgianna Lincoln

4-24-91

I understand that some of the wording of this bill  
HB #262 can be misinterpreted, our concerns are addressed in  
this memorandum, dated 12-18-90. Subject: Laws Relating to Minors  
(Work Order No. 7LS-1346A) TO: Representative Randy Phillips  
FROM: Terri Lauterbach Legislative Counsel

Our intent with HB #262 is to address the problems of  
nonabused runaways. Then to return these children back to their  
families. It is not our intent to have these children  
incarcerated as long as these children have not violated the  
current laws; E.G. drugs, alcohol, robbery or murder.

The parents at this point are not allowed this  
protection with our current "Non Law". The police and  
D.Y.F.S can not currently address this problem. We as parents  
understand the many problems that we face in our daily lives,  
but with your help we can make a positive change and protect  
our children that are in danger.

If I can help in anyway please contact me. Thank you for  
your help in addressing this problem.

Sandy Pevan

*Sandy Pevan*

PO BOX 871256  
Wasilla, Alaska 99687  
Phone - 373-6198

HOUSE COMMITTEE REPORT

(7)

Date Referred: April 5, 1991

FURTHER REFERRALS:

Judiciary  
Finance

Date of Committee Action: 5/5/92

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 262

HOUSE BILL NO. 262

MISC. LAWS RELATING TO MINORS

"An Act relating to persons under 21 years of age."

RECOMMENDATIONS:

be replaced with CS HB 262 (HES)

the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact \_\_\_\_\_

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

zero fiscal note Labor LAW

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

SIGNING <u>DO</u> PASS	DP	<u>OTHER</u> RECOMMENDATIONS	DNP	NR	AM
		Cheri Davis		✓	
		<del>Cheri Davis</del>		✓	
<i>Patricia Lee</i>	✓	<i>Cheri Davis</i>		✓	
<i>J. A. Gonzales</i>	✓	<i>Betty Davis</i>		✓	
<i>Mary Miller</i>	✓				

*Patricia Lee*  
 \_\_\_\_\_  
 CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO : HB 262

Revision Date: \_\_\_\_\_  
Title: "An Act relating to persons under 21 years of age."  
Sponsor: Representative R. Phillips  
Requestor: House HES

Department Affected: Labor  
BRU: Labor Standards & Safety  
Component: Wage & Hour  
COMPONENT SERIAL NO. 345

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Randy Carr, Acting Director Phone: 264-2452  
Division: Labor Standards & Safety Date: 4/27/92  
Approved by Commissioner: C. W. Mahler  
Agency: Department of Labor Date: 4/27/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
Title: "An Act relating to persons under 21 years of age."  
Sponsor: Representative R. Phillips  
Requestor: House HESS Committee

Department Affected: Department of Law  
BRU: Prosecution  
Component: All

COMPONENT SERIAL 

--	--	--	--

Expenditures/Revenues: (Thousands of Dollars)

85 through 91

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

This bill makes changes in laws concerning persons under 21 years of age, including making possession of a firearm more restrictive, that may cause more local law enforcement effort. However, these changes should not have a fiscal impact on the Department of Law.

Prepared by: Richard I. Peques, Director  
Division: Administrative Services  
Approved by Commissioner: Charles E. Cole, Attorney General  
Agency: Department of Law

Phone: 465-3672  
Date: April 27, 1992  
Date: April 27, 1992

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

7-LS0346G  
Lauterbach  
4/27/92

CS FOR HOUSE BILL NO. 262 ( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES R.PHILLIPS, M.A.Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to persons under 21 years of age."

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

3 \* Section 1. AS 11.51.130(a) is amended to read:

4 (a) A person commits the crime of contributing to the delinquency of a minor if, being  
5 19 years of age or older, the person

6 (1) aids, induces, causes, or encourages a child under 18 years of age to do any  
7 act prohibited by state law;

8 (2) [REPEALED

9 (3)] aids, induces, causes, or encourages a child under 18 years of age to enter  
10 or remain in the same room in a building where the unlawful sale of a drug occurs; or

11 (3) [(4) REPEALED

12 (5)] aids, induces, causes, or encourages a child under 18 [16] years of age to be  
13 absent from the custody of a parent, guardian, or custodian or to be repeatedly absent from  
14 school, without just cause. unless the child's disabilities of minority have been removed for

1 general purposes under AS 09.55.590.

2 \* Sec. 2. AS 11.61.220(a) is amended to read:

3 (a) A person commits the crime of misconduct involving weapons in the third degree if  
4 the person

5 (1) knowingly possesses a deadly weapon, other than an ordinary pocket knife or  
6 a defensive weapon, that is concealed on the person;

7 (2) knowingly possesses a loaded firearm on the person in any place where  
8 intoxicating liquor is sold for consumption on the premises;

9 (3) being a person [AN UNEMANCIPATED MINOR] under 21 [16] years of  
10 age, possesses a firearm without the written consent of a parent or guardian of the person  
11 [MINOR];

12 (4) knowingly possesses a firearm

13 (A) within the grounds of or on a parking lot immediately adjacent to a  
14 public or private preschool, elementary, junior high, or secondary school, without the  
15 permission of the chief administrative officer of the school or district or the designee of  
16 the chief administrative officer, except that a person 21 years of age or older may possess  
17 an unloaded firearm in the trunk of a motor vehicle or encased in a closed container in  
18 a motor vehicle; or

19 (B) within the grounds of or on a parking lot immediately adjacent to a  
20 center, other than a private residence, licensed under AS 47.35.010 - 47.35.075 or  
21 recognized by the federal government for the care of children; [OR]

22 (5) possesses or transports a switchblade or a gravity knife; or

23 (6) with criminal negligence sells or delivers or offers to sell or deliver a  
24 firearm to a person under 21 years of age without the written consent of a parent or  
25 guardian of the person.

26 \* Sec. 3. AS 12.62.035(f)(1) is amended to read:

27 (1) "contributing to the delinquency of a minor" means a conviction for a  
28 violation or attempted violations of AS 11.51.130(a) [AS 11.51.130(a)(1), (3), OR (5)]; former  
29 AS 11.40.130; or the laws of another jurisdiction if the offense would have been a crime in this  
30 state under AS 11.51.130(a) [AS 11.51.130(a)(1), (3), OR (5)] or former AS 11.40.130 if  
31 committed in the state;

1 . \* Sec. 4. AS 23.10.350 is amended by adding a new subsection to read:

2 (c) A minor for whom the disabilities of minority have not been removed for general  
3 purposes under AS 09.55.590 may not be employed or allowed to work

4 (1) without the written permission of the minor's legal custodian; or

5 (2) after 10:00 p.m. on the night before school is in session unless the minor has  
6 graduated from secondary school or its equivalent.

7 \* Sec. 5. AS 34.50.020(a) is amended to read:

8 (a) Except as provided in (c) of this section. a [A] person, municipal corporation,  
9 association, village, school district, or religious or charitable organization, incorporated or  
10 unincorporated, may recover damages in a civil action in an amount not to exceed \$2,000 and  
11 court costs, from either parent or both parents or the legal guardian or person having the legal  
12 custody of an unemancipated minor under the age of 18 years, who maliciously or wilfully  
13 destroys real or personal property belonging to the person, municipal corporation, association,  
14 village, school district, or religious or charitable organization.

15 \* Sec. 6. AS 34.50.020 is amended by adding new subsections to read:

16 (c) A parent, legal guardian, or person having the legal custody of an unemancipated  
17 minor under the age of 18 years, is not liable under (a) of this section if

18 (1) the destructive acts of the minor occurred while the minor was evading the  
19 custody and control of the parent, guardian, or person having legal custody of the minor; and

20 (2) the parent, legal guardian, or person having legal custody of the minor  
21 demonstrates by clear and convincing evidence that specific reasonable efforts were made before  
22 the destructive acts occurred to control the behavior of the minor.

23 (d) In this section, "unemancipated minor" means a minor for whom the disabilities of  
24 minority have not been removed for general purposes under AS 09.55.590.

25 \* Sec. 7. CONFERENCE ON RUNAWAY YOUTH. (a) Before November 1, 1992, the Department  
26 of Health and Social Services shall conduct a public conference at which interested individuals and  
27 groups can present and receive information and recommend changes, or comment on recommended  
28 changes, in state policies, regulations, and laws relating to the prevention of runaway youth problems,  
29 assistance for runaway youths, and reunification of families from which youths have run away.

30 (b) After the conference held under this section, the Department of Health and Social Services  
31 shall develop legislative and regulatory proposals to respond to the problem of runaway youth in the

1 state. By January 30, 1993, the department shall submit its recommended legislative proposals to the  
2 legislature.

3 \* Sec. 8. PILOT PROJECT. (a) The Department of Health and Social Services shall conduct a pilot  
4 project whose purpose is to identify, assist, and return to their homes runaway youths in the state.

5 (b) By January 30, 1994, the department shall report to the legislature about the effectiveness  
6 of the pilot project and the department's recommendations for statewide application of the project's  
7 programmatic components.

7-LS0346J ✓  
Lauterbach  
4/29/92

CS FOR HOUSE BILL NO. 262 ( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES R.PHILLIPS, M.A.Miller

A BILL  
FOR AN ACT ENTITLED

1 "An Act relating to persons under 21 years of age; providing for designation of 'safe  
2 homes' for runaway minors; and providing for an effective date."

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

4 \* Section 1. LEGISLATIVE FINDINGS; INTENT. (a) The legislature finds that licensed programs  
5 for runaway minors need not be the only sources of government-encouraged assistance for runaway  
6 minors. There exist many concerned citizens in the state who, with appropriate oversight and certain  
7 limitations of their liability, would volunteer to assist runaway minors in their private residences. It  
8 would be in the public interest to encourage properly qualified private citizens to seek designation of  
9 their homes as "safe homes" where runaway minors could seek temporary, short-term shelter and other  
10 care.

11 (b) It is the intent of legislature that the Department of Health and Social Services, in  
12 implementing secs. 16 - 19 of this Act, adopt regulations under which interested nonprofit corporations  
13 could be approved by the department for the purpose of designating "safe homes." Oversight of the safe  
14 homes by the nonprofit corporations and the state should involve less regulation than is required for

1 (f) The court may remove the disabilities of minority as requested in the petition if found  
2 to be in the best interest of the minor [PETITIONER], after a hearing. The removal may be for  
3 general purposes or the limited purposes specified in the decree.

4 \* Sec. 8. AS 11.51.130(a) is amended to read:

5 (a) A person commits the crime of contributing to the delinquency of a minor if, being  
6 19 years of age or older, the person aids, induces, causes, or encourages a child

7 (1) [AIDS, INDUCES, CAUSES, OR ENCOURAGES A CHILD] under 18 years  
8 of age to do any act prohibited by state law;

9 (2) [REPEALED]

10 (3) AIDS, INDUCES, CAUSES, OR ENCOURAGES A CHILD] under 18 years  
11 of age to enter or remain in the same room in a building where the unlawful sale of a drug  
12 occurs;

13 (3) [OR (4) REPEALED

14 (5) AIDS, INDUCES, CAUSES, OR ENCOURAGES A CHILD] under 16 years  
15 of age to be [ABSENT FROM THE CUSTODY OF A PARENT, GUARDIAN, OR  
16 CUSTODIAN OR TO BE] repeatedly absent from school, without just cause; or

17 (4) under 18 years of age to be absent from the custody of a parent.  
18 guardian. or custodian without just cause. unless the child's disabilities of minority have  
19 been removed for general purposes under AS 09.55.590 or the person has immunity under  
20 AS 47.10.398(a).

21 \* Sec. 9. AS 11.61.220(a) is amended to read:

22 (a) A person commits the crime of misconduct involving weapons in the third degree if  
23 the person

24 (1) knowingly possesses a deadly weapon, other than an ordinary pocket knife or  
25 a defensive weapon, that is concealed on the person;

26 (2) knowingly possesses a loaded firearm on the person in any place where  
27 intoxicating liquor is sold for consumption on the premises;

28 (3) being a person [AN UNEMANCIPATED MINOR] under 21 [16] years of  
29 age, possesses a firearm without the written consent of a parent or guardian of the person  
30 [MINOR];

31 (4) knowingly possesses a firearm

# **CORRECTION**

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

7-LS0346J ✓  
Lauterbach  
4/29/92

CS FOR HOUSE BILL NO. 262 ( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES R.PHILLIPS, M.A.Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to persons under 21 years of age; providing for designation of 'safe  
2 homes' for runaway minors; and providing for an effective date."

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

4 \* Section 1. LEGISLATIVE FINDINGS; INTENT. (a) The legislature finds that licensed programs  
5 for runaway minors need not be the only sources of government-encouraged assistance for runaway  
6 minors. There exist many concerned citizens in the state who, with appropriate oversight and certain  
7 limitations of their liability, would volunteer to assist runaway minors in their private residences. It  
8 would be in the public interest to encourage properly qualified private citizens to seek designation of  
9 their homes as "safe homes" where runaway minors could seek temporary, short-term shelter and other  
10 care.

11 (b) It is the intent of legislature that the Department of Health and Social Services, in  
12 implementing secs. 16 - 19 of this Act, adopt regulations under which interested nonprofit corporations  
13 could be approved by the department for the purpose of designating "safe homes." Oversight of the safe  
14 homes by the nonprofit corporations and the state should involve less regulation than is required for

1 licensed programs for runaways under AS 47.10.310 while still requiring the homes to meet health and  
2 safety standards designed to protect the runaway minor in the safe home.

3 \* Sec. 2. AS 09.55.590(a) is amended to read:

4 (a) A minor who is a resident of this state and is at least 16 years of age, who is living  
5 separate and apart from the parents or guardian of the minor, capable of self-support and of  
6 managing one's own financial affairs, or the legal custodian of such a minor, may petition the  
7 superior court to have the disabilities of minority removed for limited or general purposes.

8 \* Sec. 3. AS 09.55.590(b) is amended to read:

9 (b) A minor or the legal custodian of a minor may institute a [THIS] petition under  
10 this section in the name of the minor.

11 \* Sec. 4. AS 09.55.590(c) is amended to read:

12 (c) The petition for removal of disabilities of minority must state [:]

13 (1) the name, age, and residence address of the minor [PETITIONER];

14 (2) the name and address of each living parent;

15 (3) the name and address of the guardian of the person and the guardian of the  
16 estate, if any;

17 (4) the reasons why removal would be in the best interest of the minor [CHILD];

18 and

19 (5) the purposes for which removal is sought.

20 \* Sec. 5. AS 09.55.590(d) is amended to read:

21 (d) The person who institutes a petition under this section [PETITIONER] must obtain  
22 the consent of each living parent or guardian having control of the person or property of the  
23 minor [PETITIONER]. If the person who is to consent to the petition is unavailable or the  
24 whereabouts of that person are unknown, or if a parent or guardian unreasonably withholds  
25 consent, the court, acting in the best interest of the minor [PETITIONER], may waive this  
26 requirement of consent as to that parent or guardian.

27 \* Sec. 6. AS 09.55.590(e) is amended to read:

28 (e) The court may appoint an attorney or a guardian ad litem to represent the interests  
29 of the minor [PETITIONER] at the hearing. Appointment of an attorney or guardian ad litem  
30 shall be made in accordance with AS 25.24.310.

31 \* Sec. 7. AS 09.55.590(f) is amended to read:

1 (f) The court may remove the disabilities of minority as requested in the petition if found  
2 to be in the best interest of the minor [PETITIONER], after a hearing. The removal may be for  
3 general purposes or the limited purposes specified in the decree.

4 \* Sec. 8. AS 11.51.130(a) is amended to read:

5 (a) A person commits the crime of contributing to the delinquency of a minor if, being  
6 19 years of age or older, the person aids, induces, causes, or encourages a child

7 (1) [AIDS, INDUCES, CAUSES, OR ENCOURAGES A CHILD] under 18 years  
8 of age to do any act prohibited by state law;

9 (2) [REPEALED]

10 (3) AIDS, INDUCES, CAUSES, OR ENCOURAGES A CHILD] under 18 years  
11 of age to enter or remain in the same room in a building where the unlawful sale of a drug  
12 occurs;

13 (3) [OR (4) REPEALED

14 (5) AIDS, INDUCES, CAUSES, OR ENCOURAGES A CHILD] under 16 years  
15 of age to be [ABSENT FROM THE CUSTODY OF A PARENT, GUARDIAN, OR  
16 CUSTODIAN OR TO BE] repeatedly absent from school, without just cause; or

17 (4) under 18 years of age to be absent from the custody of a parent,  
18 guardian, or custodian without just cause, unless the child's disabilities of minority have  
19 been removed for general purposes under AS 09.55.590 or the person has immunity under  
20 AS 47.10.398(a).

21 \* Sec. 9. AS 11.61.220(a) is amended to read:

22 (a) A person commits the crime of misconduct involving weapons in the third degree if  
23 the person

24 (1) knowingly possesses a deadly weapon, other than an ordinary pocket knife or  
25 a defensive weapon, that is concealed on the person;

26 (2) knowingly possesses a loaded firearm on the person in any place where  
27 intoxicating liquor is sold for consumption on the premises;

28 (3) being a person [AN UNEMANCIPATED MINOR] under 21 [16] years of  
29 age, possesses a firearm without the written consent of a parent or guardian of the person  
30 [MINOR],

31 (4) knowingly possesses a firearm

1 (A) within the grounds of or on a parking lot immediately adjacent to a  
2 public or private preschool, elementary, junior high, or secondary school, without the  
3 permission of the chief administrative officer of the school or district or the designee of  
4 the chief administrative officer, except that a person 21 years of age or older may possess  
5 an unloaded firearm in the trunk of a motor vehicle or encased in a closed container in  
6 a motor vehicle; or

7 (B) within the grounds of or on a parking lot immediately adjacent to a  
8 center, other than a private residence, licensed under AS 47.35.010 - 47.35.075 or  
9 recognized by the federal government for the care of children; [OR]

10 (5) possesses or transports a switchblade or a gravity knife; or

11 (6) with criminal negligence sells or delivers or offers to sell or deliver a  
12 firearm to a person under 21 years of age without the written consent of a parent or  
13 guardian of the person.

14 \* Sec. 10. AS 12.62.035(f)(1) is amended to read:

15 (1) "contributing to the delinquency of a minor" means a conviction for a  
16 violation or attempted violations of AS 11.51.130(a) [AS 11.51.130(a)(1), (3), OR (5)]; former  
17 AS 11.40.130; or the laws of another jurisdiction if the offense would have been a crime in this  
18 state under AS 11.51.130(a) [AS 11.51.130(a)(1), (3), OR (5)] or former AS 11.40.130 if  
19 committed in the state;

20 \* Sec. 11. AS 23.10.350 is amended by adding a new subsection to read:

21 (c) A minor for whom the disabilities of minority have not been removed for general  
22 purposes under AS 09.55.590 may not be employed or allowed to work

23 (1) without the written permission of the minor's legal custodian; or

24 (2) after 10:00 p.m. on the night before school is in session unless the minor has  
25 graduated from secondary school or its equivalent; however, a minor under 16 years of age may  
26 not be employed to work after 9:00 o'clock in the evening, as provided in AS 23.10.340.

27 \* Sec. 12. AS 34.50.020(b) is amended to read:

28 (b) A state agency or its agents, including a person working in or responsible for the  
29 operation of a foster, receiving, or detention home, or children's institution, is not liable for the  
30 acts of unemancipated minors in its charge or custody. A state agency or an agent of a state  
31 agency, including a nonprofit corporation that designates safe homes under AS 47.10.392 -

1 47.10.399 and employees of or volunteers with that corporation. is not liable for the acts of  
2 a minor sheltered in a safe home. as defined in AS 47.10.399.

3 \* Sec. 13. AS 47.10 is amended by adding new sections to read:

4 ARTICLE 4A. SAFE HOMES FOR RUNAWAY MINORS.

5 Sec. 47.10.392. CERTIFICATE REQUIRED. A private residence may not be held out  
6 publicly as a safe home for runaway minors unless the residence

7 (1) is designated a safe home by a nonprofit corporation that is licensed to make  
8 the designation under AS 47.35.085; and

9 (2) has a valid permit from the department signifying that designation.

10 Sec. 47.10.394. OPERATION OF SAFE HOME. (a) A safe home may not shelter a  
11 runaway minor for more than seven days unless the department determines that

12 (1) the minor is the subject of exceptional circumstances; or

13 (2) another appropriate setting is not available for the minor.

14 (b) The provider of a safe home shall promptly inform the department of a runaway  
15 minor in the home who claims to be the victim of child abuse or neglect, as defined in  
16 AS 47.17.290, or whom the provider has reasonable cause to suspect has been a victim of child  
17 abuse or neglect.

18 (c) The provider of a safe home shall make good faith efforts to ensure that notice of the  
19 minor's presence in a safe home is given to the minor's legal custodian as soon as possible after  
20 the minor is admitted to the home. The notice need not specify the location of the safe home.  
21 The provider may give the notice, or the provider may request the appropriate law enforcement  
22 agency to give the notice. If requested by the provider, the law enforcement agency shall make  
23 good faith efforts to give the notice required under this subsection.

24 Sec. 47.10.396. CONFIDENTIALITY. If the department requires record keeping by a  
25 safe home or by a nonprofit corporation that is licensed to designate safe homes, records of the  
26 home and the nonprofit corporation that identify a runaway minor who has been sheltered in a  
27 safe home or has sought assistance from a safe home are confidential and are not subject to  
28 inspection or copying under AS 09.25.110 - 09.25.120 unless

29 (1) after being informed of the minor's right to privacy, the minor consents in  
30 writing to the disclosure of the records;

31 (2) the records are relevant to an investigation or proceeding involving child abuse

1 or neglect or a child in need of aid petition; or

2 (3) disclosure of the records is necessary to protect the life or health of the minor.

3 Sec. 47.10.398. IMMUNITY FROM LIABILITY. (a) A person in a safe home, or in  
4 a home for which an application to be designated a safe home is being considered by a nonprofit  
5 corporation licensed for that purpose by the department, that is operated in a manner that is  
6 consistent with AS 47.10.392 - 47.10.399 and regulations adopted under those sections is not  
7 criminally liable under AS 11.51.130(a)(4).

8 (b) Except as provided in (c) of this section, the provider of a safe home, or of a home  
9 for which an application to be designated a safe home is being considered by a nonprofit  
10 corporation approved for that purpose by the department, and the members of the provider's  
11 household, other than a runaway minor, are not liable for civil damages as a result of an act or  
12 omission

13 (1) in admitting or refusing to admit a runaway minor to the home; or

14 (2) by a runaway minor who is sheltered in the home.

15 (c) The provisions of (b) of this section do not preclude liability for civil damages as a  
16 result of recklessness or intentional misconduct.

17 Sec. 47.10.399. DEFINITIONS. In AS 47.10.392 - 47.10.399,

18 (1) "runaway minor" has the meaning given in AS 47.10.390;

19 (2) "safe home" means a private residence whose legal occupant agrees to shelter,  
20 without compensation, a runaway minor accepted into the residence by the legal occupant and  
21 that

22 (A) is not simultaneously licensed under AS 47.10.310 as a program for  
23 runaway minors;

24 (B) has been designated a safe home by a nonprofit corporation licensed  
25 for that purpose under AS 47.35.085; and

26 (C) has a permit issued by the department under AS 47.35.085.

27 \* Sec. 14. AS 47.10.141(b) is amended to read:

28 (b) A peace officer shall take into protective custody a minor described in (a) of this  
29 section if the minor is not otherwise subject to arrest or detention. The peace officer shall honor  
30 the minor's preference to (1) return the minor to the legal custodian if the legal custodian  
31 consents to the return; (2) take the minor to a nearby location agreed to by the minor and the

1 legal custodian; or (3) take the minor to an office specified by the Department of Health and  
2 Social Services, a program for runaway minors licensed by the department under AS 47.10.310,  
3 a safe home that has a permit from the department under AS 47.35.085 that agrees to  
4 shelter the minor, or a facility or contract agency of the department. If an office specified by  
5 the department, a licensed program for runaway minors, a safe home that will accept the minor,  
6 or a facility or contract agency of the department does not exist in the community, the officer  
7 shall take the minor to another suitable location and promptly notify the department. A minor  
8 under protective custody may not be housed in a jail or other detention facility. Immediately  
9 upon taking a minor into protective custody, the officer shall advise the minor orally and in  
10 writing of the right to social services under AS 47.10.142(b), and, if known, the officer shall  
11 advise the legal custodian that the minor has been taken into protective custody and that  
12 counseling services for the custodian and the minor's household are available under  
13 AS 47.10.142(b).

14 \* Sec. 15. AS 47.10.142(b) is amended to read:

15 (b) A minor who has left home and is evading the person having legal custody of the  
16 minor may obtain the services of the department. The department shall assess the situation and  
17 furnish the minor with the social services it considers appropriate to protect the well-being of the  
18 minor and to preserve the minor's family life if preserving it is considered desirable under the  
19 circumstances. The department shall also offer counseling services to the person having legal  
20 custody of the minor and to the members of the minor's household if it determines that  
21 counseling services would be appropriate in the situation. If, after assessing the situation,  
22 considering the wishes of the minor, offering counseling services to the legal custodian and  
23 the minor's household, and furnishing appropriate social services to the minor, the department  
24 considers it necessary, the department may take emergency custody of the minor.

25 \* Sec. 16. AS 47.35.020 is amended to read:

26 Sec. 47.35.020. LICENSE OR PERMIT REQUIRED FOR CERTAIN CARE  
27 FACILITIES. A person may not, without a license or permit to do so,

28 (1) maintain or conduct, for more than 90 days, a boarding home, foster home,  
29 group home, institution, or other place for the regular reception or care of children under 16 years  
30 of age, or a foster home, group home, or institution for the care of dependent adults; [OR]

31 (2) engage in the business of receiving or caring for children under 14 years of

1 age, with or without compensation, in a nursery in which five or more children not related by  
2 blood or marriage, or legal adoption, to the owner, operator, or manager of the business are  
3 lodged; or

4 (3) hold out publicly that the person's residence is a safe home for runaway  
5 minors.

6 \* Sec. 17. AS 47.35 is amended by adding a new section to read:

7 Sec. 47.35.085. SAFE HOMES FOR RUNAWAY MINORS. (a) The department shall  
8 adopt regulations under which a nonprofit corporation may apply for a license to designate and  
9 supervise safe homes for runaway minors.

10 (b) The department shall also adopt regulations setting health and safety standards for  
11 safe homes. The regulations adopted under this subsection must

12 (1) involve less regulation than is required for programs for runaways licensed  
13 under AS 47.10.310 and foster homes licensed under this chapter;

14 (2) provide that they will be enforced by persons licensed under (a) of this section  
15 except as provided in (d) of this section; and

16 (3) require that a nonprofit corporation licensed under (a) of this section inspect  
17 the safe homes, perform criminal background checks of its residents, keep records, and meet  
18 other requirements only to the extent that they are necessary to ensure the health and safety of  
19 a runaway minor in the home.

20 (c) If a person licensed under (a) of this section certifies to the department that a home  
21 meets the standards set under (b) of this section, the department shall issue the home a permit  
22 authorizing it to be a safe home for runaway minors. The permit may not be transferred to a  
23 different facility or owner.

24 (d) Upon notice from a person licensed under (a) of this section that a safe home is not  
25 in compliance with AS 47.10.392 - 47.10.399 or the regulations of the department adopted under  
26 (b) of this section, the department may revoke a permit issued under this subsection or modify  
27 it to provisional status. The department shall give written notice of revocation or modification  
28 under this subsection at least 30 days before the effective date of the action. However, if the  
29 health or well-being of a child is in jeopardy, the revocation or modification action is effective  
30 immediately upon the issuance of written notice by the department.

31 \* Sec. 18. AS 47.35.100(a) is amended to read:

1 (a) Without a license issued by the department in accordance with its regulations a person  
2 may not operate an agency providing any of the following services:

- 3 (1) the placement of children for foster home care;  
4 (2) the placement of children for adoption; [OR]  
5 (3) individual and family counseling; or  
6 (4) designation and supervision of safe homes for runaway minors under  
7 AS 47.35.085.

8 \* Sec. 19. AS 47.35.900 is amended by adding new paragraphs to read:

- 9 (7) "runaway minor" has the meaning given in AS 47.10.390;  
10 (8) "safe home for runaway minors" or "safe home" means a private residence  
11 whose legal occupant agrees to shelter, without compensation, a runaway minor accepted into the  
12 residence, subject to the limitations imposed under this chapter and AS 47.10.392 - 47.10.399.

13 \* Sec. 20. This Act takes effect immediately under AS 01.10.070(c).

# *Children in Crisis*

A REPORT ON RUNAWAY AND  
HOMELESS YOUTH IN ALASKA

JANUARY 1992



State of Alaska  
Department of Health and Social Services  
Division of Family and Youth Services

Walter J. Hickel  
Governor

Theodore A. Mala, MD, MPH  
Commissioner

# CONTENTS

<b>Executive Summary</b>	<b>3</b>
<b>Introduction</b>	<b>5</b>
<b>Runaway Youth</b>	<b>9</b>
<b>Homeless Youth</b>	<b>15</b>
<b>Strategies</b>	<b>19</b>
<b>Consultant Recommendations</b>	<b>25</b>
<b>Participant Lists</b>	<b>27</b>
<b>Program Models</b>	<b>37</b>
<b>Alaska Statutes</b>	<b>41</b>

## Executive Summary

The Division of Family & Youth Services (DFYS) convened a conference on November 7 & 8, 1991, in Palmer, to discuss with citizens and consultants the growing runaway and homeless youth crisis in the state. In addition, DFYS held similar community meetings on the Kenai Peninsula and on Kodiak Island as they were not represented at the Palmer conference. Over 100 professionals and citizens from across the state who attended the conferences concluded that runaway and homeless youth are a serious problem in all parts of the state. They estimated that:

- \*\*\* Over 3,500 Alaska youth run away from home each year;
- \*\*\* There are over 13,000 runaway incidents in the state each year; and
- \*\*\* Over 1,800 Alaskan adolescents are homeless annually.

Most of these youth have no access to safe shelter, family reunification assistance, or programs to help them become productive adults. Consequently, they:

- \*\*\* Run to city streets, out-of-state, friends' homes or exploitive adults;
- \*\*\* May find shelter in abandoned buildings, tents, or vehicles;
- \*\*\* Cycle in and out of unstable living situations creating a lifestyle of chaos, insecurity and unrealistic expectations; and
- \*\*\* May engage in prostitution, drug trafficking and property crimes to support themselves.

Conference participants concluded that additional services for runaway and homeless youth are needed in Alaska. Currently, DFYS programs are designed to meet the needs of either neglected and abused children, or delinquent youth. While some runaway and homeless youth fall into these two categories, most fall through a large gap in the social services system that fails to address their specific needs. Consequently, youth behaviors often escalate to the level of services they can access. In other words, youth must commit law violations or reach an observable level of abuse and neglect before the service system can respond.

Only Juneau, Anchorage and Fairbanks have programs designed specifically to meet the needs of Runaway and Homeless Youth. These programs are not adequate to meet the runaway and homeless need in the urban areas they serve. Aside from some local grass-roots efforts to house runaway and homeless youth, services in rural Alaska are seriously lacking.

Each region represented at the conferences identified several options for addressing the runaway and homeless youth problem in their areas.

- \*\*\* Participants from the Matanuska-Susitna Valley have already begun work on establishing a 6-to-12 bed Safe Home shelter and a Host Home Network.
- \*\*\* Anchorage representatives feel their area needs 40 more beds, perhaps half designated for younger teens (12-15) and half designated as supervised or unsupervised apartments. In addition, Anchorage seeks a 15 bed, short-term "cool down" shelter.
- \*\*\* Participants from Southeast Alaska and Kodiak feel the need for a greater continuum of care, involving many agencies. They also expressed a need for a juvenile detoxification center.
- \*\*\* All areas expressed some interest in establishing a 24-hour on-call crisis intervention service, and development of better runaway prevention and follow-up planning. All areas believe that in addition to federal and private funds, a third stream of funding is needed to address the problem.
- \*\*\* Consultants recommend development of a strong state multi-agency network with a designated lead agency.

Other cities and boroughs in Alaska need additional representation from their communities to complete planning in their geographic areas. Meetings or other information gathering efforts should be initiated in these geographic areas to complete the identification of strategies to address the problem. In addition, conferees should solicit input from former and current teen runaways and homeless youth to involve their insight into the problem.

# Introduction

## *Background*

Intra-family conflict and disagreements between parents and their children are a regular part of our society. Many families are torn apart by child abuse and neglect, substance abuse and domestic violence. Changing family structures place more stresses on parents and children. Fewer and fewer children seem to be raised in stable, supportive two-parent households.

A consequence of these pressures on families and children is the growing national problem of runaway and homeless youth who leave home due to family conflicts, violence and abuse. Based on the latest research, the National Network of Runaway and Youth Services estimates that each year 1 to 1.3 million youth run away from their homes. Another 300,000 young people are homeless annually.

The problem of runaway and homeless youth is a growing crisis in Alaska as well. As this Conference Report will detail, there are over 13,000 runaway incidents in the state each year and over 1,800 youth annually are homeless. Some areas of the state have services to assist these vulnerable young people. Many areas of the state have few or no services. And in no area of the state are services even close to responding adequately to the growing number of runaway and homeless youth.

Alarmed by the number of runaway and homeless youth in their area, citizens and professionals in the Matanuska-Susitna Valley began to organize a community-wide effort to respond to this problem. In 1991 they delivered petitions signed by over 2,500 Alaska residents to the Governor and the Legislature. These petitions requested that action be taken to assist local communities in addressing the problem of runaway and homeless youth.

In response to these petitions, Representative Randy Phillips introduced legislation (H.B. 262) that in part would make running away from home and curfew violations a crime punishable by a fine up to \$300 or up to 30 days in detention. Current Alaska statutes contain provisions allowing parents to file runaway reports on their children and permitting law enforcement officers to take runaway juveniles into custody for the purpose of assessment and referral to services. However, runaways can not be compelled to accept services or return home. Under current law, runaway juveniles in Alaska may not be placed in secure detention.

Alaska law has provisions for the licensing and operation of programs for runaway minors. Such programs do exist in the more urban areas of the state (Juneau, Anchorage, Fairbanks). These programs are funded primarily by federal grants. Other areas of the state must rely on Division of Family and Youth Services (DFYS) funded programs that are designed to serve abused and neglected children or criminal law violators.

## *Definitions*

Alaska statute 47.10.390 defines a runaway minor as "a person under 18 years of age who:

- (A) is habitually absent from home;
- (B) refuses to accept available care;
- (C) has no parent, guardian, custodian, or relative able or willing to provide care; or
- (D) has been physically abandoned by
  - (i) both parents;
  - (ii) the surviving parent; or
  - (iii) one parent if the other parent's rights and responsibilities have been terminated or voluntarily relinquished."

For the purposes of these conferences, the following nationally recognized definitions for runaway and homeless youth were used:

**Runaway:** Youth who leave home and return at a later date. If the objective of services is to return the youth to a home environment or group care, then the youth is a runaway.

**Homeless:** Youth who leave home and do not return or who periodically return to destructive home environments. If the objective of service is preparation for independent living then the youth is homeless. Homeless youth do not have any apparent legal means of financial support.

The combined definitions for runaway and homeless youth used by the conferences are functionally equivalent to the legal definition for runaway youth contained in Alaska statutes.

Conference participants described Runaway and Homeless youth as having one or in most cases more of the following characteristics:

- \*\*\* Physically and sexually abused;
- \*\*\* Abuse alcohol and drugs;
- \*\*\* Abandoned or rejected by parents;

- \*\*\* Truant, failing in school and having difficulty staying in school;
- \*\*\* Unable to focus on future planning and independence;
- \*\*\* Diagnosable emotional and mental health problems; and
- \*\*\* Experience chronic health problems including sexually transmitted diseases, pregnancy and poor nutrition.

### *The Conferences*

On November 7 and 8, 1991, the Division of Family and Youth Services convened a conference in Palmer to begin development of a statewide plan for runaway and homeless youth. With the assistance of Division staff and the Northwest Network of Runaway and Youth Services, over 100 professionals and citizens from around the state developed the framework for such a plan. Division of Family and Youth Services staff convened similar conferences on the Kenai Peninsula with 26 participants on December 10, 1991, and on Kodiak Island with 16 participants on December 12, 1991.

The conferences began with a discussion of the behaviors, characteristics and special problems of runaway and homeless youth. Participants then defined desirable outcomes for these youth. Finally, strategies to reach the desired outcomes were developed. When completed, these strategies will comprise a blueprint for how Alaska can address the problem of runaway and homeless youth.

Many aspects of the statewide plan were completed at the conferences. The strategy details for some areas of the state are yet to be finalized. The recommendations section at the end of this Conference Report suggest some ways to complete the plan.

### *Population Description and Desired Outcomes*

Although participants split into working groups by geographic regions for the purpose of gathering information for this report, the population descriptions and desired outcomes developed by each group was virtually the same.

## Runaway Youth

Each group was ask to provide a descriptive list that would address each of the topics below:

### *Primary reasons that youth runaway from home:*

- \* Physical and sexual abuse
- \* Family conflict:
  - lack of communication
  - poor or inconsistent parental discipline
  - emotional abuse
  - consistent undermining of youths self-esteem
- \* Poor supervision/absent parents
- \* Parental drug/alcohol abuse
- \* Youth drug/alcohol abuse
- \* Low self-esteem/fear of failure or consequences
- \* Peer influence
- \* Adolescent rebellion; want to be on their own

Conference participants consistently reported that youth running away from home were choosing this course of action out of a sense of desperation and confusion. Whether real or perceived, most runaway youth leave home because they are running from something and not to something or for excitement and adventure.

While most of the reasons for runaway incidents identified by the conference participants centered around the dynamics of various family problems, there was a great deal of concern and empathy for the parents of runaway youth. These professionals perceived that the parents of many of these youth do have the desire to keep their families intact and their children at home.

### *Where youth run:*

- \* City streets, shelters, out-of-state
- \* Friends' homes or apartments
- \* Extended family members

- \* Exploitative relationships
- \* Strangers
- \* Well-meaning adults
- \* Abandoned buildings, tents, vehicles, boats, shipping vans
- \* Hotels/motels (often with other youth)

Conference participants were especially concerned about youth who are "harbored" or find shelter with older adults or peers. In many instances these individuals provide food, shelter, illegal drugs and alcohol in exchange for sex, assistance selling drugs or involvement in other criminal activity.

In most communities safe shelter is available to youth only through programs funded by Division of Family and Youth Services (DFYS). The only way a youth can access shelter through DFYS is to meet specific criteria that would constitute a "filing" by DFYS for protective services or to commit a criminal offense. Many runaway youth do not meet the criteria for these placements, and therefore are not eligible for DFYS-funded shelter. Even without DFYS restrictions, there are not enough shelter beds to accommodate the number of runaway youth identified within these communities.

### *Behaviors and problems of runaway youth:*

- \* Illegal activity to meet survival needs
  - prostitution
  - selling drugs
  - property crimes (including theft from parents homes)
- \* Depression/Suicidal ideation
- \* 20% have diagnosable mental health conditions
- \* Almost all use drugs and alcohol, large portion have drug and alcohol problems
- \* High likelihood of school failure/truancy (although those enrolled in strong alternative school programs may continue to attend school)
- \* Financial Problems/Panhandling
- \* Most will have emotional or psychological problems
- \* Poor anger control/assaultive behavior
- \* Low self esteem
- \* Promiscuity/Teen Pregnancy
- \* High risk for sexually transmitted diseases
- \* High risk victims of violence
- \* At least 40% are abuse victims
- \* Some may have Fetal Alcohol Syndrome (FAS), Fetal Alcohol Effect (FAE), and/or various diagnosable learning disabilities.

Estimated numbers of runaway youth:

Conference participants were asked to estimate the number of youth in their area on the run each day, the number that runaway each year and also the number of incidents of runaway per year.

**ESTIMATE**

<u>AREA</u>	<u>YOUTH PER DAY</u>	<u>INCIDENTS PER YEAR</u>	<u>YOUTH PER YEAR</u>
Matanuska -Susitna	3.2	1,200	600
Southeast Alaska	4.1	1,500	300
Greater Fairbanks	6.8	2,500	450
Bethel	1.0	450	150
Nome	.7	285	100
Barrow	.8	300	100
Anchorage	12.0	4,500	1,500
Kenai Peninsula	5.0	1,825	250
Kodiak	<u>3.0</u>	<u>1,095</u>	<u>60</u>
<b>TOTALS</b>	<b>36.6</b>	<b>13,655</b>	<b>3,510</b>

*Other demographics:*

**AGE:** Most areas reported the ages of runaway youth to be between 12-17 years of age. The average age was estimated to be 14.5 years, although the remote community of Bethel reported 13 years of age as did the community of Seward.

**GENDER:** Approximately the same number of males and females engage in runaway behavior in the Mat-Su, Kodiak and Anchorage areas. The areas of Juneau, Fairbanks, Bethel and Nome reported 55% were female and 45% were male. The Kenai Peninsula reported 66% female to 33% male while Barrow reported 70% female and 30% male.

RACE: The breakdown of runaways by race is as follows:

<u>AREA</u>	<u>CAUCASIAN</u>	<u>NATIVE</u>	<u>OTHER</u>
Matanuska -Susitna	80%	20%	0%
Anchorage	70%	20%	10%
Juneau	64%	33%	2%
Fairbanks	65%	20%	15%
Bethel	13%	95%	2%
Nome	10%	85%	5%
Barrow	4%	96%	1%
Kenai Peninsula	Not identified		
Kodiak	60%	30%	10%

### *Desired Outcomes:*

To arrive at the following list of outcomes participants discussed how they would know that their responses to the problems of runaway youth had been successful; what would be different in their lives, their families and within their communities. Participants agreed communities should be more responsible for their youth and families by recognizing the problems of runaway youth and supporting programs that provide family-oriented activities and treatment/counseling services.

- \* Safety and security (including safe housing)
- \* Return home/stay home
- \* Return to school; stay in school
- \* Better family communication skills/Family in recovery
- \* No substance abuse (youth and other family members)
- \* Improved self-esteem
- \* Cessation of abuse
- \* Responsible sexual behavior (includes fewer teen pregnancies)
- \* No criminal activity
- \* Adequate food, clothing, medical & mental health care
- \* Greater community responsibility for its youth

- \* Kids discover someone cares
- \* Supportive, loving, nurturing home environments
- \* Positive peer culture influence rather than negative
- \* Adequate life skills

## Homeless Youth

### *Primary reasons youth leave home:*

- \* Sexual and physical abuse
- \* Abandoned by parents
- \* Family can no longer economically support their children
- \* Thrown out/asked to leave
- \* Alcohol and drug abuse (youth and/or parent)
- \* Adolescent rebellion; want to be on their own
- \* Emotional abandonment/belief no one cares about them
- \* Family stress and emotional abuse
- \* Domestic violence.
- \* Youth refuses to follow the family rules & values
- \* Teen pregnancy

Homeless youth believe, for various reasons, that they cannot return home even if they have intact families. Some are not allowed to return home because they have unresolved conflicts with their parents. Many homeless youth are "grown up" runaways with a history of multiple runaway incidents, and formal and informal out-of-home placements. Most have in effect "been on their own" for months or even years. They are alienated, not only from their families, but from their communities as well.

### *Where homeless youth live:*

Homeless youth find shelter the same way that runaway kids find shelter. The difference is that they frequently move from one living situation to another because no immediate or extended family resource is available or appropriate.

The progression from runaway to homeless often begins by the runaway moving from friend to friend until they "wear out their welcome." The runaway may then graduate to abandoned housing, city streets and finally to exploitive adults as more and more shelter options disappear. Eventually, it becomes apparent to them that they are not able to return home. They may be placed in out-of-home care by state agencies, but simply return to unstable, unsuitable living situations when released from placement.

The phenomena of cycling in and out of living situations becomes an act of survival and one which consumes most of their energy leaving little time for the pursuit of employment, education or training.

### *Behaviors and problems of homeless youth:*

Many of these youth have the same problems and behaviors as runaway youth. Homeless youth have in addition:

- \* Emancipation issues
- \* Inadequate living skills, vocational skills or have not completed their high school education.
- \* Health care is only addressed on an emergency basis
  - they have chronic health problems
  - sexually transmitted diseases
  - lack of resources for dental care
- \* Distrust of adults
- \* Criminal activity:
  - property crimes
  - selling drugs
  - prostitution
- \* Teen pregnancy/Teen parenting
- \* Illiteracy
- \* Severe emotional problems:
  - anger
  - depression
  - suicidal ideation
  - self-mutilation
  - very low self-esteem
- \* Likely to have cyclical family histories of:
  - homelessness
  - poverty
- \* Escalation of alcohol and drug abuse and a higher rate of addiction.
- \* Street-wise
- \* System-wise
- \* History of out-of-home placements
- \* Inability to engage in realistic life planning, short term perspective, unrealistic expectations, and difficulty in making long term commitments.

Physical and sexual abuse, drug and alcohol use and emotional problems can be severe and chronic for homeless youth. Some have become "street-wise" and are adept at living in marginal and dis-enfranchised urban populations. Many have established a "street family" of other youth and adults who inhabit the street scene. Many have become "system-wise" from their years of cycling in and out of foster care and informal placements and

understand how to manipulate the system minimally to meet their needs. They learn to avoid more punitive aspects of the social and criminal justice systems, although some may commit crimes to receive needed services.

Because they are so consumed with meeting their day to day basic needs of food, shelter, and clothing they often develop very unrealistic expectations of themselves and their communities. To the drug and/or alcohol-addicted youth, these basic needs are superseded in order to get the "next fix." They take a very short term perspective of their lives and are unable to engage in planning or making long term commitments in personal relationships and/or employment/educational endeavors.

*Estimated numbers of homeless youth per year:*

Matanuska-Susitna	300
Anchorage	1,000
Fairbanks	200
Barrow	10
Bethel	50
Nome	10
Kodiak	30
Kenai Peninsula	120
Southeast Alaska	100
TOTAL	1,820

*Other demographics:*

- AGE: Approximately 90% of homeless youth are 16-21 years of age.
- GENDER: Several areas reported that there were slightly more homeless males than females. Anchorage reported 70% males and 30% females. Homer and Kodiak, however reported 60% females to 40% males.
- RACE: Approximately the same as for runaway youth, with Anchorage reporting a slightly higher percentage of native youth (25%) and other ethnic groups (15%) and a lower percentage of caucasian youth (60%).

### *Desired Outcomes:*

- \* Viable, safe housing
- \* Improved life and employment skills
- \* Job opportunities that pay a living wage
- \* Completion of high school education
- \* Reduction in criminal activity
- \* Reduction in alcohol/drug abuse
- \* Family reconciliation (probably without family reunification)
- \* Increased self-esteem
- \* Ability to plan for the future and make commitments
- \* Become responsible community members

Again, the conference participants sought to determine how they would know they had been successful in responding to the needs of homeless youth. The most desirable outcomes revolved around the provision of safe housing, attaining job/vocational skills, completion of high school education and getting/keeping a job. The groups generally felt that if these things could be attained, homeless youth would be less likely to engage in criminal activity, alcohol and drug abuse, and self destructive behaviors.

The groups also expected that due to the support of services for homeless youth that they would feel better about themselves, and have greater opportunity for reconciling with their families even if they didn't return home. This would also result in more appropriate life planning and ultimately their becoming productive, responsible, contributing members of their communities.

## Strategies

Ultimately, participants believed that services needed to focus on strengthening the family. Program approaches that lead to greater reliance on government services to provide ongoing safety, security, guidance and nurturance for children are far too expensive and likely to fail.

For runaway youth this means family reunification and resolution of problems and conflicts that precipitated the runaway incident. Whenever possible, families should be given the opportunity to learn skills that will prevent conflicts from escalating to runaway incidents.

For homeless youth the solutions are especially important to strengthen future families. Adolescent women who are homeless are very likely to become pregnant. Male homeless youth are not prepared to support a family and may have learned the patterns of domestic violence from their fathers. The only family they have known was most likely to have been unstable, abusive, violent and non-supportive. There is no reason to believe that these teenagers will be any different than their parents. Without intervention, the violence, abuse and dysfunction that they experienced in their families will be repeated in the families they create.

Currently only Juneau, Anchorage and Fairbanks receive state and federal funds for runaway and homeless youth programs. Private funding also supports Covenant House in Anchorage. Participants believed that additional services would be needed in all parts of the state to adequately meet the needs of runaway and homeless youth.

A summary of program models that have been effective in meeting the needs of runaway and homeless youth was presented at the conferences and is attached in the appendix. Strategies developed by conference participants for different regions of the state follow.

### *Matanuska-Susitna Valley*

Because the conference was held in Palmer, the Matanuska-Susitna area was represented by a substantial cross-section of professionals and citizens. Consequently, this region's strategies are the most complete and have the broadest support from the region.

#### Safe Home Shelter

The primary focus of the plan for the Mat-Su area is development of a 6-to-12 bed safe house shelter for runaways. The purpose of this program is to provide shelter, safety and food for youth who have left home.

The program will include a full-time family counselor who will develop plans to return youth home, to a relative's home or to some other safe long-term housing. Family reunification assistance will begin within 24 hours after a youth is admitted to the shelter. The average length of stay in the home is expected to be 72 hours and the maximum stay will be 14 days.

Awake shelter staff will be available on a 24 hour basis to provide crisis intervention, assessment and screening for youth brought to the house. It was felt that dependent, abused or neglected youth or those with criminal law violations were inappropriate for the safe house as other DFWS-funded programs are available for these youth.

### 24 Hour On-Call

The Mat-Su area has an existing system of 24-hour on-call crisis capability. These systems are operated by law enforcement, DFYS, and Life Quest (a private community-based agency). Participants identified a need for greater communication and coordination among these agencies. The existing Children's Services Task Force will help clarify roles and responsibilities of agencies providing on-call crisis services. These agencies plus other agencies in the area (including schools) will be primary access points for the shelter. Runaway youth may also self-refer to the shelter.

### Host Home Network

The second service priority for the Mat-su area is a host home network and family mediation services. Paid and volunteer families will be used to provide shelter for youth who can not be returned home within the 14-day maximum stay at the safe house. Family mediation services will supplement the work of the shelter's family counselor. Mediation will use trained volunteers to help resolve specific family conflicts and behavior problems. Funds will be needed for recruitment, training and support of host homes. Department of Health and Social Services can adopt standards for these homes. A part- or full-time staff person is needed to recruit, train and support family mediation volunteers.

After a system of services for runaways was operating, participants from the Mat-Su area believed that a group facility for homeless youth should be developed. This program should have a strong case management component.

## *Anchorage*

The second largest representation at the Mat-su conference was from Anchorage. Anchorage participants determined that the greatest priority service needs for runaway and homeless youth were strengthening 24-hour access to services, more efficient use (and possible re-organization) of their youth services team, developing a "cool down" short term shelter for runaways and adding approximately 40 more beds for homeless youth.

Anchorage has several points of access that are available 24-hours a day for runaway and homeless youth. However, it is not clear to law enforcement and agencies providing these services who has what type of service and how much of it is available. The group agreed that one agency should be identified to coordinate a 24 hour access system and determine a protocol for agencies to follow for access into the service system for runaway and homeless youth.

To accomplish this the group will propose restructuring of their current youth services team model, the Child Advocacy Network (CAN), so it may take on the coordination of some important resources for runaway and homeless youth. Those are:

- \* Update Agency Resource Manual for the area and the state.
- \* Establishing a coordinated case management referral system for difficult runaway clients and their families.
- \* Developing a written protocol/description of the service system and coordination of access to services for runaway youth.

The group thought that existing shelter at Covenant House and the Challenge program of Alaska Youth and Parent Foundation was not meeting the needs of some runaway youth (ie: some runaways will not use the shelters because of rules they consider too restrictive). Therefore, they will explore options for the development of a "cool down" short term 15 bed shelter facility that will provide basic needs of shelter, food and clothing for youth who are not able to commit to moving from their transient life style, but are in need of safe, secure shelter.

There was also consensus that approximately 40 new transitional living beds were needed to house homeless youth in Anchorage. It was felt that 20 of those beds were needed for younger homeless youth (12-15 years) and 20 for youth 16-19 years of age. A mix of supervised and unsupervised apartment living and some self-governed group care will be developed to establish a "continuum" of options for homeless youth. This will insure that appropriate options exist for all homeless youth so each individuals specific needs will be met.

Other areas that were identified to be considered for further development were mediation training for school personnel and other social service workers, access to free or low-cost dental care, more job/living skill training, more workers/volunteers to provide street outreach for substance abuse education and development of a Host Home model shelter program for younger less sophisticated runaway youth.

Anchorage was not widely represented at this meeting and review comments suggest there is a need to more thoroughly examine the identified needs and strategies at a follow up meeting which includes a broader base of participants.

### *Juneau, Fairbanks, Nome, Bethel and Barrow*

Representatives from Southeastern Alaska, the greater Fairbanks area, Nome, Bethel and Barrow also attended the Mat-Su conference. These participants believed that follow-up planning should be done in their geographic regions to develop specific programs and priorities. Such an approach will utilize the expertise of experienced professionals and knowledgeable citizens in each region and create the broadest base of support for the plan. Regional planning should lead to:

- establishment of an interdisciplinary team that will oversee implementation of the plan and services to runaway and homeless youth (including protocols for service delivery);
- designation of a single point of access for services;
- a comprehensive continuum of care for runaway and homeless youth that includes the following services:
  - \* in-home services;
  - \* family mediation services;
  - \* medical care;
  - \* 24 hour crisis line;
  - \* 24 hour access to services;
  - \* food and safe shelter;
  - \* case management;
  - \* detox services;
  - \* school trackers;
  - \* alternative and vocational education;
  - \* independent living preparation programs;
  - \* substance abuse treatment (including in-patient treatment);
  - \* peer helper programs (for parents and youth);
  - \* recreation opportunities;
  - \* mental health treatment; and,
  - \* public education and advocacy.

Those present singled out in-home services, school trackers and juvenile detox as high priority services for runaway and homeless youth in their communities.

Participants also emphasized that resources made available on a statewide basis must be flexible to meet the disparate regional needs. They also believed that schools were a key part of the service package for runaway and homeless youth in more rural areas. Schools