

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 00/2

9534 SENATE HEALTH EDUCATION & SOCIAL SERVICES 171

The council has approved a pilot project with five grantees to start the implementation of the automated process. Full implementation of the automated data collection system is dependent on three factors: (1) CDVSA must obtain an \$85,000 capital appropriation in the FY 99 budget; (2) the working committee must standardize the content and format of information that should be reported; and, (3) a statistical technician must be hired to assist with training and technical assistance. The automated process should streamline data collection for both grantees and CDVSA. Additionally, CDVSA will be able to perform more analyses of the data for better management information regarding domestic violence and sexual assault in Alaska.

CDVSA must fill the statistical technician position in order to catch up on the backlog of data collected and fully implement the automated standardized data collection process as soon as possible. Further, given the prospective duties such an individual will have in an automated data collection system, CDVSA should consider reclassification of the position to a higher range, in order to assist in recruitment, and better reflect the skills needed in the position.

The annual report to the governor for FY 96 has not been completed

By statute, CDVSA is required to make an annual report to the governor addressing the council's activities, plans for new services and programs, and its concerns regarding the status of domestic violence and sexual assault in Alaska. To date the annual report for FY 96 has not been completed. The primary cause appears to be the lack of analyzed data about CDVSA's grantee activities during FY 96 as noted above.

Without completion and dissemination of the annual report, CDVSA has eliminated its self-identified major means of providing information regarding domestic violence and sexual assault in Alaska. We encourage CDVSA to complete the FY 96 annual report as soon as possible and also prepare the annual report for FY 97 in a timely manner.

Onsite monitoring of grantees was not performed and reported in timely manner

CDVSA's onsite monitoring process was in-depth and thorough, however timeliness was problematic during FY 97. Ten out of the twenty-two monitoring reports for the FY96-97 grant cycle were not completed by July 1997. The last onsite trip did not begin until the last day of FY 97 after funds had been committed for the FY 98 grants.

Significant bouts of illness for the executive director and the project coordinator, who are responsible for onsite monitoring, were the stated cause for this lack of completed onsites. Also the project coordinator left the agency and was replaced during this time period. Due to the lateness of the onsite reports, council members had to make critical grant funding decisions without information from the staff that is usually available to them.

Based on audit reports from the ombudsman and the Division of Legislative Audit during FY 95, CDVSA revised its onsite monitoring procedures to provide for consistency and completeness. Feedback from grantees is that CDVSA may have gone too far. CDVSA staff is currently reviewing their onsite monitoring procedures to make revisions that will more

efficiently achieve effective monitoring. Additionally, it has been suggested to us that formal timelines will be established for onsite monitoring reporting.

We support CDVSA's efforts to correct their administrative deficiencies. We recommend that the council complete the committee process and institute the resulting procedures as soon as possible to make the grant funding, administration, and oversight process more efficient and effective. The council should consider whether additional staff is necessary to accomplish this. Also, CDVSA should ensure that the regulations accurately reflect any changes that are made in grant administration.

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## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analysis of the council's activities relates to the public need factors defined in the "sunset" law, Alaska Statute 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

*The extent to which the board, commission, or program has operated in the public interest.*

The council has awarded and administered grant funds to local community organizations and programs that provide services to victims of domestic violence and sexual assault, batterers' intervention services to perpetrators and crisis intervention and prevention programs. CDVSA provides technical assistance and oversight to these local community agencies.

CDVSA coordinates the efforts of state and community agencies working toward a comprehensive statewide system to combat domestic violence and sexual assault. Additionally, such system results in improved services to victims. By facilitating and participating on committees such as the Violence Against Women Implementation Planning Committee and the Interdepartmental Child Abuse Agreement working group the council helps direct funding in an informed, consistent, and coordinated manner.

CDVSA has provided funds to assist in the development of training materials relating to domestic violence and sexual assault which have been used by law enforcement, prosecution, and the courts. CDVSA staff is available when requested by state and local law enforcement agencies to consult on training matters.

CDVSA participates with the Department of Health and Social Services, Maternal Child and Family Health on the Alaska Domestic Violence Project. The project is responsible for developing and providing training to health care facilities and practitioners of healing arts on the delivery of medical services to domestic violence and sexual assault victims.

CDVSA has also worked with other statewide and local groups that are addressing domestic violence and sexual assault concerns.

*The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.*

The administrative staff has not increased since 1991 although statutory mandates have been added and the demand for coordination of services has increased significantly since that time.<sup>3</sup>

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<sup>3</sup> The Council had four full-time-equivalent (FTE) positions in FY82-83. This was reduced to three FTE and one part-time position from FY 84-90.

Increased state mandates were set out in the State's Domestic Violence Prevention and Victim Protection Act of 1996. In addition, responsibilities for coordination of federal funding have increased with the passage of the federal Violent Crime Control and Law Enforcement Act of 1994. Some professionals in the field reported to us that they feel this increase in coordination demands has adversely affected CDVSA's ability to address the direct service needs of victims.

However, the professionals we interviewed acknowledged that CDVSA's coordination efforts are critical to improving Alaska's handling of domestic violence and sexual assault. Typically, those interviewed expressed a desire that CDVSA be more involved in issues where it is necessary for extensive coordination between the various agencies dealing with domestic violence.

AS 18.66.050(10) requires the council to submit an annual report to the governor, and notify the legislature about the availability of the report. Although the statute is silent if such a report is to be based on the calendar or fiscal year, by past custom CDVSA has submitted reports on a fiscal year basis. However, due primarily to an extended vacancy in statistical technician position (as discussed in Recommendation No. 1) the council has yet to provide the governor with a report for FY 96 or FY 97. In addition, the extended technician vacancy has had an adverse impact on the council fulfilling its requirement under AS 18.66.050(5) to develop and maintain a standardized data collection system.

An issue that has caused controversy with victim service agencies and within the council itself is the funding of batterers intervention programs. Some individuals we interviewed expressed the belief that no funding should be awarded to programs for perpetrators until all areas of the State have adequate victim services. In the view of these individuals, the council's statutory responsibilities for perpetrators should be removed altogether. From this perspective, such programs, if they existed at all, would more appropriately be operated by agencies in the Department of Corrections or the Department of Health and Social Services.

Others individuals involved in the field of domestic violence continue to support the council's funding and administration of intervention programs for batterers. Proponents of this view believe such programs, when designed appropriately, can serve as another means to further ensure victim safety. As yet, the domestic violence and sexual assault community does not appear to have developed a consensus in this policy area.

The dispute over certain aspects of CDVSA's FY 98 budget illustrate the difference in policy preference. The legislature included \$60,000 specifically earmarked for the provision of batterers' intervention, whereas the Network on Domestic Violence and Sexual Assault (see footnote 1 on page 3) opposed such funding. This issue is a topic for discussion on the program of the upcoming Domestic Violence Summit in December 1997.

*The extent to which the board, commission, or agency has recommended statutory changes that are generally of benefit to the public interest.*

The council is generally asked by other agencies to review proposed statutory changes contained in proposed legislation. Typically, council staff reviews and comments on proposed

legislation rather than developing and seeking support for its own measures. The council has an active legislation committee that meets frequently during session. This committee reviews pertinent bills and decides which legislation the council should support or oppose. The executive director develops analyses and testifies on bills at the direction of the council.

CDVSA supported five pieces of legislation passed by the legislature in 1997. The pieces of legislation involved the following issues and statutory amendments:

1. Strengthening of Victim Rights in Statute (Chapter 63, SLA 1997). Perhaps the most significant piece of legislation supported by the council was HB 9, known as Victim's Rights legislation. Under the terms of this legislation, crime victims were assured they could be present at all criminal and juvenile proceedings where the accused was present.

The legislation also amended state law related to bail, by specifically requiring judicial officers, when considering bail prior to conviction, should grant bail only if "*the alleged victim can be reasonably protected through the imposition of bail and conditions of release.*" The legislation also required judicial officers to consider the "*effect of the offense upon the alleged victim.*" when determining conditions of release under state statutes related to entitlement of individuals to bail (AS 12.30).

2. Classification of "rape drug" as a controlled substance (Chapter 16, SLA 97). The council also supported legislation classifying the drug Rohypnol as schedule IV A controlled substance. Such classification of the drug limits its access to the public. The drug has gained notoriety in recent years as being known as a "date rape" drug, which can be used to incapacitate individuals, making it more difficult or impossible, to resist an attack.
3. Sunset extension of the Board of Parole and amendments to victim notification (Chapter 17, SLA 97). The council supported the extension of the Board of Parole, and the related modification to the victim notification already in place for prospective parolees.
4. Protection of the insurance status for victims of domestic violence (Chapter 39, SLA 97). Legislation was adopted that prohibited insurers, operating in the State, from: (1) refusing to issue or renew a insurance coverage, (2) canceling an existing insurance policy, (3) denying a covered claim. (4) increasing the premium on a given policy solely because an insured individual was a victim of domestic violence.
5. Truth in Sentencing Act of 1997 (Chapter 37, SLA 97). This legislation requires the courts, when imposing a sentence, to explain the minimum possible amount of time that can be served under the sentence. The chief sponsor of the legislation stated in testimony that the sentencing process was not consistent with the intent of the recently adopted victim's rights amendment to the Alaska Constitution. The legislation was designed to address concerns about the public's misperceptions of actual prison time that will be served by a convicted person, and the possible adverse affect of early release.

As reflected by much of the legislation listed, a major aspect of CDVSA's effort has been directed at strengthening and promoting the rights of victims. Additionally, the council has supported measures to provide better protection, both physical and financial, to victims and potential victims of domestic violence and sexual assault.

*The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided.*

The council encourages interested parties to comment on its decisions or regulations by publicly announcing its meetings. The council also encourages input about its policies from the Alaska Network on Domestic Violence and Sexual Assault. CDVSA has also solicited comments from representatives of tribal/native organizations within the State.

*The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.*

CDVSA encourages public participation by advertising their meetings and teleconferences. Time is provided on the agenda of every public CDVSA meeting for public comment. The council works with the Alaska Network on Domestic Violence and Sexual Assault and their membership in the development of regulations and policy decisions.

*The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commissions administratively assigned, or with the Office of Ombudsman have been processed and resolved.*

We found no problems in this area.

*The extent to which the board or commission which regulated entry into an occupation or profession has presented qualified applicants to serve the public.*

This section is not applicable to the council.

*The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.*

No complaints against the council were identified.

*The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.*

See Recommendation No. 1 in the Findings and Recommendation section.

**Appendix A**  
**COUNCIL ON DOMESTIC VIOLENCE AND SEXUAL ASSAULT**  
**GRANTS AWARDED**

Program Name (Location)	<u>FY 95</u>	<u>FY96</u>	<u>FY 97</u>	<u>FY 98</u>
<u>Victim Services Grants</u>				
Advocates for Victims of Violence (Valdez)	\$147,000	\$159,512	\$162,320	\$203,000
Abused Women's Aid in Crisis (AWAIC) (Anchorage)	686,500	713,700	726,260	785,900
Aiding Women from Abuse and Rape Emergencies (Juneau)	425,600	409,237	412,726	482,430
AWARE Sexual Assault Response Team/ Sexual Assault Nurse Examiner (SART/SANE)				4,000
Arctic Women in Crisis (Barrow)	230,200	233,429	237,540	237,540
Alaska Women's Resource Center (Anchorage)	159,400	159,400	162,210	193,200
Bering Sea Women's Group (BSWG) (Nome)	396,900	397,950	404,960	414,100
Cordova Family Resource Center		40,360	41,070	48,070
Emmonak Women's Center	72,700	98,377	100,110	145,724
Kenai/Soldotna Women's Resource and Crisis Center	335,000	335,000	340,900	391,000
K/SWRCC SART/SANE				11,505
Kodiak Women's Resource and Crisis Center	241,400	241,400	245,650	259,100
Safe and Fear-Free Environment (Dillingham)	259,300	268,650	273,380	314,400
SAFE SART/SANE				17,250
Sitkans Against Family Violence (SAFV)	254,600	268,513	273,240	297,830
SAFV SART/SANE				18,250
Seward Life Action Council	50,100	51,714	54,230	74,230
South Peninsula Women's Services (Homer)	205,100	205,100	208,710	244,000
Standing Together Against Rape (Anchorage)	310,500	318,572	324,180	380,400
Tongass Community Counseling Center (TCCC) (Juneau)			2,460	
Tundra Women's Coalition (Bethel)	492,100	498,250	520,960	559,900
Unalaskans Against Sexual Assault and Family Violence	89,600	95,500	97,180	119,021
Victims for Justice (Anchorage)	32,700	32,700	33,280	71,900
Valley Hospital Association SART/SANE(Palmer)				19,250
Valley Women's Resource Center (Palmer)	347,000	357,000	363,290	411,900
Women In Crisis-Counseling & Assistance (WIC-CA) (Fairbanks)	604,900	604,900	615,550	660,500
Women in Safe Homes (Ketchikan)	415,200	433,324	440,950	489,900
<b>Total Victim Services Grants Awarded</b>	<b>\$5,755,800</b>	<b>\$5,922,588</b>	<b>\$6,041,156</b>	<b>\$6,854,300</b>
<u>Community-based Batterers' Intervention Programs (BIP)</u>				
AWAIC BIP(Anchorage)	22,200	22,213	26,324	
TCCC BIP (Juneau)	59,600	59,600	60,650	60,000
<b>Total BIP Grants Awarded</b>	<b>\$81,800</b>	<b>\$81,813</b>	<b>\$86,974</b>	<b>\$60,000</b>
<u>Prison Batterers Program (PBP) Grants (NOTE)</u>				
BSWG PBP (Nome)	37,900	37,900	37,900	35,400
TCCC PBP (Juneau)	39,600	39,600	39,600	34,100
WIC-CA PBP (Fairbanks)	31,200	31,200	31,200	39,200
<b>Total PBP Grants Awarded</b>	<b>\$108,700</b>	<b>\$108,700</b>	<b>\$108,700</b>	<b>\$108,700</b>
<b>TOTAL DVSA GRANTS AWARDED</b>	<b>\$5,946,300</b>	<b>\$6,113,101</b>	<b>\$6,236,830</b>	<b>\$7,023,000</b>

NOTE: Prison Batterers' programs are funded by a reimbursable service agreement with Department of Corrections

Source: Council on Domestic Violence and Sexual Assault

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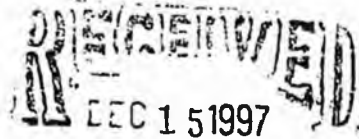
TONY KNOWLES, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

COUNCIL ON DOMESTIC VIOLENCE AND SEXUAL ASSAULT

P.O. BOX 111200  
JUNEAU, ALASKA 99811-1200  
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December 15, 1997



LEGISLATIVE AUDIT

Randy S. Welker, Legislative Auditor  
Alaska State Legislature  
Legislative Budget and Audit Committee  
Division of Legislative Audit  
P.O. Box 113300  
Juneau, Alaska 99811-3300

RE: Department of Public Safety, Council on Domestic Violence and Sexual Assault,  
September 30, 1997 preliminary Audit Report  
Audit Control Number 12-1450-98

Dear Mr. Welker:

On behalf of the Council on Domestic Violence and Sexual Assault, we wish to express our gratitude to you for the opportunity to provide a written response to the Preliminary Audit Report dated September 30, 1997. The report accurately reflects the increased focus at both the federal and state level on the crimes of domestic violence and sexual assault. The Council feels we play a significant role in providing resources and coordination for people affected by these crimes. Thank for your recommendation that the Council on Domestic Violence and Sexual Assault be extended through June 30, 2002.

Recommendation No. 1

The Council on Domestic Violence and Sexual Assault's (CDVSA or council) executive director should continue to improve administrative procedures to adequately satisfy duties of the council.

The council's functions and responsibilities have increased significantly over the years. When the council was created in 1981, it awarded \$3,833,600 in grants to 19 programs. Sixteen years later, in FY98, the council awarded \$7,023,000 in federal and state funds to 30 recipients. This represents a 83% increase of funds to award and a 58% in the number of recipients to monitor. In spite of the significant increase in grant funds and recipients, council staffing remains the same.

The administrative and oversight duties of council staff have also expanded over the years. The council created a committee to decide how to spend the federal block grant funds that became available with the passage of the Violence Against Women Act (VAWA) in 1994.

This committee meets from one or two days each quarter. The council has been fortunate to receive two discretionary VAWA grants. Under the Mandatory Arrest grant, the council is responsible for purchasing and distributing 300 Polaroid DV Kits to victim advocates, prosecutors, VPSO's and municipal law enforcement. In addition, the council is responsible for ensuring that recipients are trained to properly use the cameras. Under the Rural Domestic Violence and Child Victimization grant, the council is coordinating the development of a new Interdepartmental Child Abuse Agreement through a 21 member working group that meets every one to three weeks. This grant also provides funds to DFYS for the development of screening protocols in child abuse cases. We are trying to get the training segment initiated through coordination with DHSS, the Tribal/State Collaboration Group, the Violence Against Indian Women Grantees, and the Network. Fifteen separate reimbursable service agreements to six separate State agencies are administered by the council for these two grants. Neither of the grants included any administrative funds for the council.

The council's consultation responsibilities increased with the passage of the Domestic Violence Prevention and Victim Protection Act of 1996. Now, basically every mandated child abuse reporter is required to have training in domestic violence. This training is to be developed in consultation with the council. Trainings have been implemented for law enforcement, prosecution, the court system and corrections. Consultation with health and social service agencies and with education will continue until their training is completed. The council is also responsible for working with corrections on the development and oversight of the standardization of batterers' programs. While this mandate was not funded in FY97, it was for FY98. The application and approval process has been developed and is currently being implemented.

The executive director continues to work to stabilize council staffing and to evaluate the effectiveness of operations. The council is also evaluating the need for additional staff, as well as what functions of the agency can be served through contracts with outside entities. An additional \$60,000 in state and federal funds for increased staffing have been included in the council's FY99 budget request. All funded positions and improved administrative operations are expected to be fully implemented by August 1998.

Data collected from grantees has not been processed since February 1997.

Since the on-site audit, the council has rehired the former temporary administrative clerk as a full-time short-term non-permanent position to address the backlog of data entry. The council recently evaluated the classification of this position, and has decided to maintain it at the current range. The executive director has initiated the hiring process for a permanent employee.

The council has launched the data pilot project with five grantees. Training was held for the participating grantees at the end of September and the beginning of October. Regular teleconferences are being held between council staff, the contractor and the pilot sites to solicit feedback on the usability of the software. Adjustments are continually being made to the software to improve the product. It is expected that all five sites will be electronically submitting their monthly data by April 1998. The council has submitted a capital request

for FY99 for the remaining \$85,000 needed to complete the statewide automation for the remaining 17 sites. We project the full automation of the council's electronic data collection will be implemented by September 1998.

The annual report to the governor for FY96 has not been completed.

The FY96 report is projected to be completed by March 1998. The FY97 report will be completed by June 1998.

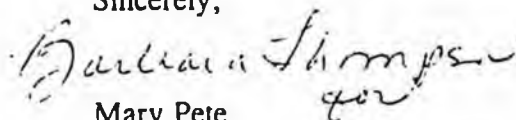
Onsite monitoring of grantees was not performed and reported in a timely manner.

The council recognizes that onsite monitoring has not been conducted in a timely manner over the past two years. The council has instructed the executive director to improve in this area. A timeline for completion of reports is currently being negotiated between staff and the council. Council staff have also been instructed to review the onsite process to more efficiently achieve effective monitoring. Staff intend to complete this process by January 1998.

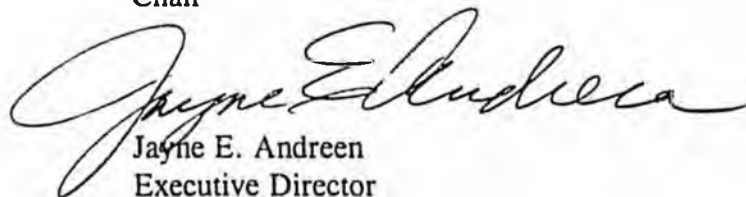
On a separate note, the council encourages the legislature to consider extending the sunset legislation time limit for the council from four to seven years. The council has been in existence since 1981. While we continue to work for the elimination of domestic violence and sexual assault in our society, we do not foresee this will be accomplished in the next four years. The statutory mandate of the council will continue to be needed for many years to come. Extending the sunset legislation for a longer period of time will eliminate the need for both the legislature and the council to devote limited resources to the audit process.

If you have any questions regarding this letter, please do not hesitate to contact either of us.

Sincerely,



Mary Pete  
Chair



Jayne E. Andreen  
Executive Director

cc: Ronald L. Otte, Commissioner, Department of Public Safety  
Council Members

**SB**

**238**

**SENATE COMMITTEE RE**  
**First Committee of Referral**

DATE: 1/14/98

FURTHER: Finance

Date of 5-Day Notice: 2/19/98  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 2/25/98

Health, Education and Social Services Committee considered      SENATE BILL NO. 238

"An Act extending the termination date of the Board of Certified Direct-Entry Midwives."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**  
 same title  
 new title  
**House Bill:**  
 same title  
 technical title  
 new: SCR# \_\_\_\_\_

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
CHAIR: <i>[Signature]</i>	✓	CHAIR:			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
Commerce + Econ Dev	1/27/98		✓

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 238

Reviser Date: \_\_\_\_\_ Department: Commerce and Economic Development  
 Title: Extend termination date of the Board of Certified BRU: Occupational Licensing  
Direct-Entry Midwives Component: Operations  
 Sponsor: Senate Labor and Commerce  
 Requestor: Senate HESS COMPONENT SERIAL NO. 1844

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES</b>	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ 17.5

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

SB 238 extends the Board of Certified Direct-Entry Midwives to June 30, 2002. Funding for continuation of the board in the amount of \$17.5 is included in the department's FY 99 operating budget request; therefore, new funds are not needed. The program is required to cover its costs with licensing fees under AS 08.01.065, and revenue generated by board fees are anticipated to cover its full operating costs.

Prepared by: Jennifer Strickler, Administrative Manager  
 Division: Occupational Licensing  
 Approved by Commission: Deborah B. Sedwick  
 Agency: Commerce and Economic Development

Phone: 465-2144  
 Date: 1/27/98  
 Date: 1-27-98

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# Alaska State Legislature

## Senate



Official Business

State Capitol  
Juneau, AK. 99801-1182

### Senate Labor & Commerce Committee

#### Sponsor Statement

#### SB 238: BOARD OF CERTIFIED DIRECT-ENTRY MIDWIVES

The Board of Certified Direct-Entry Midwives was established by ch. 130, SLA 1992. SB 238 extends the Board another 4 years to June 30, 2002.

The Board is tasked with the following duties:

- examining applicants and issuing certificates to qualified applicants
- issue permits to apprentice direct-entry midwives
- report annually to the governor and the department
- approve curricula and adopt standards for basic education, training and apprentice programs

The Legislative Audit of the Board points out two problems with the board:

- high fees, and
- although Medicaid eligible providers, no method for Medicaid reimbursement has been embraced by the Department of Health and Social Services and the Legislature.

The Senate Labor and Commerce Committee introduced the bill to ensure the extension could be considered by the Legislature.

## Alaska State Board of Direct-Entry Midwives

### Narrative Statement

Alaska remains one of the fourteen enlightened states which now license their Direct-Entry Midwives and we are grateful for that status. In this our fifth year, we continue to make rapid progress toward the establishment of a state regulated CDM community.

In developed nations with the lowest infant mortality rates, healthy birth outcomes are linked to three factors: early and sustained pre-natal care by midwives, reciprocity between the midwifery and medical communities and universal health insurance coverage.

Alaskans naturally want the best for our children, yet we as a state fall below an already abysmal national ranking of 23rd among developed nations for infant mortality. Instead of using midwives for 70-80% of our births as the top five ranking nations do, we use midwives for about 5%. At the same time, Alaskans value the profession enough to provide their CDMs with a regulatory board.

Perhaps it is time to recognize the enormous advantages to be gained by adopting yet another attribute of the more successful birth outcome nations: universal health coverage to low income families, in this case medicaid with reimbursement to Direct-Entry Midwives. Please note as you read through this report how many times this one issue relates to our current board activities. For example, the cost of licensure engendered much discussion and effort on the part of the Division of Occupational Licensing. With third party reimbursement, in the form of Medicaid, high licensing fees would be less of a burden. More CDMs would train to enter the profession and the costs would be spread among many.

This past year has seen a number of dialogues on this subject and next year promises more. 4,500 pregnant Alaskan women are eligible for medicaid each year. CDMs have been placed on the list of providers by the state legislature. We know from the experience of other cultures that the hands on, sustained care, non-invasive methods and knowledgeable training provided by midwives goes a long way toward ensuring healthy birth outcomes and avoiding costly and unnecessary surgery. A Fairbanks Army hospital saved over \$1 million the first year two midwives were introduced into its obstetrics practice. They lowered the c-section rate from 26% to 12%. Also, it is worthwhile to note that midwifery is about self-responsibility and can help families to overcome a cycle of welfare dependency in a positive and lasting way.

After five years of licensing and regulation, it is time for the State of Alaska to take some serious steps toward providing medicaid funding for Certified Direct-Entry midwifery. Our board agrees this is a win-win health care option for all Alaskan families and will reap substantial cost savings for the State.

### Identification of the Board

Officers:

Pam Weaver, CDM	Chair
Marilyn Holmes, Public Member	Secretary

Remainder of the board:

Kaye Kanne, CDM  
Paula Korn, CNM  
Dr. Mark Richie MD, OBGYN

At this time we are actively seeking a CNM to replace Paula Korn whose term has expired. We will miss Paula, who has contributed a great deal of valuable expertise, especially on the subject of pharmacology.

Steve Snyder continues as our adroit and efficient licensing examiner whom we sincerely appreciate.

### Goals and accomplishments:

#### 1. Proposed legislation to assure confidentiality of clients' records in the peer review process.

In compliance with the Division's policy to submit legislative requests in a standard format Kaye Kanne submitted a form proposing that CDMs be added to statute 18.23.070(3) which assures the confidentiality of clients records in the peer review process. She notes that medical records are by nature considered confidential and that we need to ensure that this confidentiality remains intact for the integrity of the midwife/client relationship.

#### 2. The State is adding CDMs to the birth certificate.

Marilyn Holmes met with Dr. Peter Nakamura, dir. of Public Health, and requested that CDMs be added to the Alaskan birth certificates under "birth attendants". He agreed and noted that it will be an excellent way to capture data about midwifery birth outcomes. There are currently a substantial number of

certificates (about 50,000) to be used before new ones need to be printed, so in the meantime, our licensees will write "CDM" on the line following the word "other". The software for electronic birth certificates will be altered to reflect this addition as well.

3. Saved Board money by consolidating Board Business into one meeting.

As chairwoman Pam Weaver has noted in her letter to Director Reardon, the Board members were attempting to be both responsible and financially prudent by not holding an extra meeting where there was no pressing business and they had just received notice that renewal fees would be \$2000.00. We met again in Juneau in February of 1997.

4. Discussed with Health and Social Services the feasibility of using CDMs in a pilot project to develop a managed care system for recipients of medical assistance under AS47.07.

During the summer of 1996 and in February of 1997, Pam Weaver and Kaye Kanne had numerous discussions with Karen Purdue and staff members Nancy Weller and Jay Livey on this topic. What seemed like an ideal opportunity to try medicaid funding for midwifery in the State was turned down in favor of other programs. A great deal of valuable information was exchanged and viewpoints clarified, which the Board is hopeful has laid the groundwork for future progress in this area.

5. Created the first issue of CDM Board information letter to licensees

Board secretary Marilyn Holmes compiled and wrote the attached letter which hopes to clarify the boards activities to the licensees as well as provide an ongoing reference.

6. Created an information brochure for the general public about CDMs which incorporated a tollfree phone number for more information.

At the direction of the Board, secretary Marilyn Holmes was delegated to work with the Midwives Association of Alaska (MAA) to create a new brochure to replace the outdated original. The process included a polling of information from licensees which resulted in the text and design of the attached brochure. The professional design work was paid for by members of MAA and the photography was donated by Marilyn Holmes with one exception.

7. Responded to Bartlett Hospital's concerns with CDM standards of care.

Kaye Kanne responded to the Bartlett staff to clarify the Board's position not to make any changes to regulations 12 AAC 14.500 re: declining to treat the group B strep and laboring women with intravenous antibiotics as a prophylactic measure. She also addressed their concerns re: inappropriate gestational size. They have not corresponded further with us on either of these topics.

8. Responded to Valley Hospital's concerns with unlicensed midwifery activity.

Marilyn Holmes discussed the Board's position on unlicensed midwifery activity with the director of the Hospital's obstetrical unit pointing out that when the Board declines to license an individual, they remain outside of our regulatory control and are instead delegated to the Division's investigative staff.

9. Created an emergency transport form for the peer review process.

Please refer to the attached newsletter and form which will clarify the usefulness of this new method of gathering data for the ongoing review of licensed CDMs.

10. Outlined the procedures manual for CDM's

The Board reviewed Secretary Holmes' summary of the manual the Board is compiling which will help clarify requirements, costs and deadlines of the licensing and review process to prospective licensees, new board members and others.

11. Acquired a new Board member: Dr. Mark E. Richey, MD.

We are delighted to have Dr. Richie on our Board and grateful that he is willing to contribute his energy and expertise to licensing and regulating CDMs.

## **Networking**

Chairwoman Pam Weaver who works on an international level with regulation issues and nationally with examination standards attended the CLEAR conference held in Anchorage in October 1996 and reported back to the Board on issues related to PEW (health care reform), False Memory Syndrome, Credentialing in a Global Environment, Examination Security and Selling Your Agency.

Pam has had an exciting and eventful year networking with individual midwives all over the United States and Canada as a board member of NARM (North American Registry of Midwives), MiANA (Midwives Alliance of North America), MEAC (Midwifery Education and Accreditation Council) as well as MAA (Midwives Association of Alaska). She is also a board member of the National Midwifery Coalition which includes NARM, MANA, MEAC and CfM (Citizens for Midwifery) working with issues relating to the national certification, examination and regulation of direct-entry midwives who are called Certified Professional Midwives or CPMs. (Many of Alaska's CDMs are also CPMs.) Throughout this demanding work pace which repeatedly challenges her physical and mental stamina, Pam maintains the attitude, "What joy and a privilege to be part of history in the making".

Board Secretary Marilyn Holmes joined the national Citizens for Midwifery or CfM and has been networking electronically with advocates all over the country to promote midwifery through education and legislation. This year CfM published the Midwifery Model of Care, a well crafted definition of midwifery which Holmes then used as the foundation for the text of the brochure mentioned in #6 above for the Midwives Association of Alaska.

Holmes was also the first presenter during the first Governor's Open Door Session - a video conference with sites in Anchorage, Fairbanks and Juneau. She spoke as an advocate for Medicaid funding for midwifery.

**Future goals and activities:**

1. Get a Certified Nurse Midwife who will replace Paula Korn.
2. Effect changes in the confidentiality status of peer review records through state legislation. See #1 above.
3. Begin the process of establishing birth center examining regulations.
4. Continue work on the procedures manual. See #10 above.
5. Get Medicaid funding for Certified Direct-entry Midwives.
6. Continue to cooperate with the Division to find ways to lower the cost of individual CDM licenses.

# Audit Report



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DEPARTMENT OF COMMERCE AND  
ECONOMIC DEVELOPMENT  
DIVISION OF OCCUPATIONAL LICENSING  
BOARD OF CERTIFIED  
DIRECT-ENTRY MIDWIVES

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January 9, 1998

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Audit Control Number:

08-1454-98

Division of Legislative Audit  
P.O. Box 113300, Juneau, Alaska 99811-3300

# LEGISLATIVE BUDGET AND AUDIT COMMITTEE

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## DIVISION OF LEGISLATIVE AUDIT

The Legislative Budget and Audit Committee is a permanent interim committee of the Alaska Legislature. The committee is made up of five senators and five representatives, with one alternate from each legislative chamber. The chairmanship of the committee alternates between the two chambers every legislature.

The committee is responsible for providing the legislature with audits of state government agencies. The programs and activities of state government now cost more than \$5 billion a year. As legislators and administrators try increasingly to allocate state revenues effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by the Division of Legislative Audit helps provide that information.

As a guide to all their work, the Division of Legislative Audit complies with generally accepted auditing standards established by the American Institute of Certified Public Accountants and with government auditing standards established by the U.S. General Accounting Office.

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# ALASKA STATE LEGISLATURE

## LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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January 9, 1998

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
DIVISION OF OCCUPATIONAL LICENSING  
BOARD OF CERTIFIED DIRECT-ENTRY MIDWIVES

January 9, 1998

Audit Control Number  
08-1454-98

The objective of the audit was to determine whether the Board of Certified Direct-Entry Midwives should continue its existence. Currently Alaska Statute 08.03.010(c)(8) has the board scheduled for termination on June 30, 1998. If no action is taken by the legislature, the board has one year in which to conclude its affairs and will be dissolved on June 30, 1999. We recommend that the legislature extend the board's termination date to June 30, 2004.

This report does not include a response from the state agency responsible for the program's administration. This is an exception to generally accepted government auditing standards.

With the exception noted in the previous paragraph, the audit was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and recommendations presented in this report are discussed in the Objectives, Scope, and Methodology section of this report.

Handwritten signature of Pat Davidson in cursive.

Pat Davidson, CPA  
Acting Legislative Auditor

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## OBJECTIVES, SCOPE AND METHODOLOGY

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Certified Direct-Entry Midwives to determine if it should continue in existence.

As required by statute, the legislative committee of reference is to consider this report as part of the oversight process in determining whether the board should be reestablished. The law currently specifies that the board will terminate on June 30, 1998 and will have one year from that date to conclude its affairs.

The major areas of our review were board proceedings, examination, licensing, investigations, and licensing/fee structure as it relates to financial self-sufficiency of the board. We reviewed and evaluated the following:

1. Applicable statutes and proposed regulations.
2. Tests of files and documents of licensees.
3. Interviews with employees of the Department of Commerce and Economic Development, Division of Occupational Licensing.
4. Interviews with research staff at the Division of Medical Assistance, Department of Health and Social Services.
5. Minutes of board meetings, annual reports, and budget documents.
6. Complaints filed with the Division of Occupational Licensing, the Ombudsman's Office closed case files, and the Department of Law.
7. Discussions with board members and licensees.

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## ORGANIZATION AND FUNCTION

Chapter 130, SLA 1992 established the Board of Certified Direct-Entry Midwives effective June 26, 1992. While there was no intent statement attached to the legislation, the prime sponsor of the bill testified during committee meetings as to his intention in sponsoring the legislation. He stated the legislation was intended to protect the health and safety of the public by separating midwives who choose to take training and become licensed from those who choose not to meet the stricter qualifications.

According to the sponsor, insurance companies will pay for midwife services only if they are properly licensed and certified. He testified that a board is needed to *"develop strict regulations and monitor professional practice by peer review and education. Certified, licensed, high-quality care would be available to Alaskans who either prefer home births or are denied financial or geographic access to physicians' care."* The sponsor also identified midwife care as one way to reduce health care costs and related health insurance premiums.

The board promotes the public's health, safety, and welfare by establishing educational, experience, and continuing education requirements for licensed midwives. These requirements are intended to provide assurance that licensed individuals provide a minimum standard of care. However, the statutes allow for midwife services to be provided by unlicensed individuals. As stated in AS 08.65.150 the differentiation is that those not certified under Chapter 65 (Direct-Entry Midwives) *"may not practice midwifery for compensation."*

### Membership on board

As set out in AS 08.65.010, the board is composed of five members (see inset at right). By statute, board membership consists of two direct-entry midwives certified in Alaska, one physician who has an obstetrical practice or has specialized training in obstetrics and is licensed by the State Medical Board in Alaska, one certified nurse midwife licensed by the Board of Nursing in Alaska, and one public member. The members are appointed by the governor subject to confirmation by the legislature in joint session. Once appointed, the members serve staggered terms of four years.

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#### **Board of Certified Direct-Entry Midwives Members**

Pam Weaver, Certified Direct-Entry Midwife,  
Chairperson  
Marilyn Holmes, Secretary, Public Member  
Kaye Kanne, Certified Direct-Entry Midwife  
Martha J. Linden, Certified Nurse Midwife  
Dr. Mark E. Richey, Physician

---

### Duties of the board

The board responsibilities under AS 08.65.030 include:

1. Examining applicants and issuing certificates to those applicants it finds qualified;
2. Adopting regulations establishing certification and certificate renewal requirements;
3. Issuing permits to apprentice direct-entry midwives;
4. Holding hearings and ordering the disciplinary sanction of a person who violates statute or regulation regarding direct-entry midwives;
5. Supplying forms for applications, licenses, permits, certificates, and other papers and records;
6. Reporting annually to the governor and the Department of Commerce and Economic Development (DCED) on the board's proceedings during the year;
7. Approving curricula and adopting standards for basic education, training, and apprentice programs: and
8. Approving education, training, and apprentice programs that meet the requirements of statute and the board, and denying, revoking, or suspending approval of programs that fail to meet the requirements.

### Duties of the Department of Commerce and Economic Development

DCED provides administrative and investigative assistance to the board (AS 08.01.050). This assistance is funded by licensing and application fees as appropriated by the legislature. Administrative assistance includes budgetary services and functions such as: collecting fees, maintaining files, receiving and issuing application forms, and publishing notice of examinations and meetings. On its own initiative, or in response to a complaint, DCED may conduct an investigation if it appears a person has engaged in or is about to engage in a practice over which DCED has authority. DCED can issue an order that the person stop the practice, bring an action in Superior Court to enjoin the act, examine the books and records of a person, and issue subpoenas for the attendance of witnesses and records.

## REPORT CONCLUSION

As set out in AS 08.03.010(c)(8), the Board of Certified Direct-Entry Midwives is presently scheduled for termination on June 30, 1998. The board has one year in which to conclude its affairs if the legislature does not enact legislation for the continuance of the board.

The regulation and licensing of qualified professionals is necessary to promote the public's health, safety, and welfare. The board provides this service by establishing minimum educational, experience, and continuing education requirements that provide reasonable assurance that licensed individuals provide a minimum standard of care. Active investigation of complaints and revocation or suspension of licenses assure licensed professionals act in a competent manner.

Creation of the board has served as a means to make people practicing midwifery aware of the level of experience and education expected of them. Also, by having a board, individuals in the midwifery practice can now be held accountable to an established standard of care. Elimination of the board would likely result in the same lack of oversight that existed prior to the creation of the board in 1992. The board has displayed an ability to conduct its business in a professional, competent, and efficient manner. The board continues to propose changes to statute and regulation to improve its effectiveness.

In our view, the Board of Certified Direct-Entry Midwives is operating in an efficient and effective manner and should continue. We believe the board is safeguarding the public interest by promoting the competence and integrity of those who hold themselves out as licensed midwives or midwife apprentices. We recommend that the legislature extend the board's termination until June 30, 2004.

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## AUDITORS COMMENTS

### High fees a barrier to entry

Due to the fees charged for licensure, continued licensing of Direct-Entry midwives is problematic over the long term. The licensing fees required of midwives are higher than those of any other licensed profession, except one.<sup>1</sup> Licensure costs have increased from an original two-year fee of \$350 to \$1,550 for the current biennial period. Additionally, prospective license fees due at the end of 1998 for the next biennial licensing period, will probably be even higher since the number of new midwife applicants to date have been less than expected. The fees are relatively higher because of the limited number of licensed midwives, and the statutory requirement that licensing fees be set at a level sufficient to cover the regulatory costs for the occupation.

As of July 1997, there were only 15 licensed Certified Direct-Entry Midwives (CDMs), and 5 apprentice midwives. These 20 licensed individuals were required to cover estimated biennial operating costs of almost \$31,000 — a relatively modest operational cost for a licensing board. AS 08.01.065 requires the licensed CDMs, like all professions, to cover these operational costs.

There is some concern given the market situation for many CDMs, that high licensing fees serve as a barrier to entry into the profession. The fees may be required to be set so high, that they prove to be a significant disincentive for qualified individuals to seek licensure as a CDM. As a result, the public policy benefits that were attributed to developing a licensure process for midwives when the board was created in 1992, may be compromised in total or in part if the already high fees continue to increase.

In July 1997 the director of the Division of Occupational Licensing wrote all licensed midwives soliciting their perspective on alternatives to the high fee structure faced by CDMs. These options, presented in full in the inset on the following page, ranged from disbanding the board altogether, to seeking a general fund appropriation to subsidize the operations of the board. From our review of the options, we could not identify any particular choice that we believe more advantageous than the other. Further, no preference or other suggestions were expressed or offered in discussions with selected board members nor were written comments received from licensees.

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<sup>1</sup> The Board of Marine Pilots charges \$4,500 for a biennial license, and had 84 license holders at the end of FY 97. The board has a full time licensing supervisor to support its activities. Because of the structure of the market for marine pilot services, this large fee has not appeared to be too onerous of a charge for most marine pilots. By way of further comparison, biennial renewal fees for physicians and dentists are \$180 and \$250 respectively.

## DIRECTOR'S LETTER SETS OUT EIGHT OPTIONS FOR CONSIDERATION OF THE BOARD AND ALL LICENSED CDMs

In a July 7, 1997 letter to all licensed Certified Direct-Entry Midwives (CDMs), the director of Occupational Licensing set out eight options for consideration and discussion. Presented below is an excerpt of the letter. The director, before presenting the following discussion did write, "I am not advocating any of these changes, but am simply setting them out for discussion."

1. Eliminate state licensing of CDM's by repealing the licensing law. All licenses fees would be eliminated . The results could be danger to public health from untrained midwives, elimination of insurance coverage for midwifery services, or the determination that lay midwifery for compensation is an illegal practice of medicine.
2. Eliminate the board and transfer all responsibility for regulation to the Division of Occupational Licensing. The cost of travel to board meetings (\$1,500—\$2,500/year) and staff work-related to meetings would be eliminated. Department staff would write regulations instead of experienced CDM's. . . . Overall savings may be minimal.
3. Create a board which licenses several health care professions to increase the number of board licensees. The medical and nursing boards may not be comfortable locations for CDM's. Professions such as naturopathy and acupuncture do not currently have boards, so their fees would increase if they shared board meeting costs with CDM's. CDM's could see a slight decline in fees related to board meeting travel and meeting staff work as these costs would be spread among all board license holders. An increase in the membership, number, or length of board meetings could offset that savings. . . .
4. Base fees on the number of babies delivered by a specific midwife instead of charging all midwives the same license fee. Overall expenses and revenue would remains the same, but fees would vary substantially depending on the amount of activity/income of each CDM. Since the number of births was known, the Division and Board would face the challenge of dealing with CDM's who fail to pay.
5. Pay some costs of regulating midwives with General Fund money from the state treasury instead of license fees. The Governor and the Legislature would have to cut other state programs or increase the state budget deficit. This is very difficult in a time of oil revenue decline and budget reduction.
6. License CDM's annually instead of biennially. This would increase the amount of staff time spent on license renewal, but would all CDM's to pay half the fee each year.
7. Reduce employee costs. The CDM program is staffed by a licensing examiner and investigator who bill midwives only for those hours they spend on regulation [of] your profession. Division salaries and benefits are set in union contracts. If staff duties remain the same, personnel costs will not decrease
8. Increase the number of Certified Direct-Entry Midwives. While the Division cannot contribute a great deal to this goal, license fees would be lower if there were more people to split the costs of regulation.

Medicaid eligibility and reimbursement was a factor behind creating the board — however, services continue to be nonreimbursable

Prior to establishment of a CDM board, midwives registered with the Department of Health and Social Services (DHSS). This registration function did not satisfy the federal regulatory requirements requiring licensure of practice in accord within a "scope of practice." Creation of the board, and subsequent adoption of licensing regulations satisfied this requirement. As such, midwife services could now be covered under the Medicaid program, which was part of the motivation for originally establishing the board.

Circumstances brought on by funding decisions by the legislature have served to deny Medicaid reimbursement for midwife services.<sup>2</sup> An estimated 40% of the births in the State are covered by Medicaid. This excludes independently operating CDMs from providing services for payment to a significant number of individuals. In the view of board members we interviewed, this exclusion from Medicaid reimbursement is a central factor in limiting the number of individuals seeking licensure as CDMs.

At the request of DHSS Commissioner Perdue, Division of Medical Assistance personnel and representatives from the Midwives Association of Alaska met to discuss the options and obstacles in obtaining Medicaid reimbursement for midwives. Five Medicaid coverage options and the estimated cost of each were discussed. A synopsis of this analysis may be obtained from DHSS.

Concluding observations and comment

In 1992, the legislature approved establishment of the Board of Certified Direct-Entry Midwives without a dissenting vote. Such a vote suggests the legislature accepted and was in full agreement regarding the prospective public policy benefits that such a board licensing structure would provide. However, since the board was established, circumstances have developed that have limited realization of those perceived public policy benefits.

In order to better accomplish the public policy benefits of the board or licensure of midwives, the legislature should consider the various policy options related to both license fee costs and Medicaid reimbursement. Such consideration may require a reevaluation of the established self-sufficiency policy for occupational boards in addition to developing an avenue to allow Medicaid reimbursement for midwifery services. While each of these options has a varying fiscal impact, such actions may be necessary in order to provide greater opportunity and incentive for individuals to become a member of the direct-entry midwife profession.

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<sup>2</sup> Under federal regulations a state can offer reimbursement under Medicaid for medical or other remedial care provided by licensed practitioners within the scope of practice defined under state law. In Alaska, the legislature retains control over what optional groups of people and services are covered under Medicaid. The legislature has chosen to prioritize optional groups of people and services within state law so that the Department of Health and Social Services is given specific guidance over what groups and services are to be excluded from coverage when Medicaid funding is insufficient to cover the full program costs. In 1993 CDM services were made eligible for Medicaid reimbursement.

The legislature added the services to the optional service provider list set out in AS 47.07.030 for the Medicaid program. Because of federal requirements, midwives were delayed in fully qualifying for Medicaid reimbursement until May 1994. However, for the FY 95 budget, midwives through legislative intent, were eliminated from receiving Medicaid reimbursement. In FY 98, the legislature provided funding for a limited number of optional services, however, midwifery services remain unfunded.

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## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analyses of board activities relate to the public need factors defined in the "sunset" law, Alaska Statute (AS) 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

*The extent to which the board, commission, or program has operated in the public interest.*

The Board of Certified Direct-Entry Midwives (CDM) has served the public by examining and licensing qualified applicants, and by proposing changes to statute and regulation in order to enhance the quality of midwifery care in Alaska.

The board developed regulations to establish a peer review committee to review birth summaries and other required medical records to determine if the midwife acted in accordance with regulations and statutes governing CDMs.

The board is currently developing a handbook for applicants, licensees, new board members, and other interested individuals. The handbook will outline the functions of the board as well as clarify licensing requirements, costs and deadlines of the review, and licensing process.

*The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.*

General licensing statutes require that the Department of Commerce and Economic Development adopt regulations that establish the amount of fees to be charged to licensees of an occupation. The department must adopt fees that provide for financial self-sufficiency. Additionally, the department must perform an annual review to determine whether the financial self-sufficiency requirement has been met.

The licensing fees for the midwifery profession have increased twice since the inception of the board and it is facing another potential increase. The biennial licensing fee has increased from \$350 to \$850 to \$1,550 over the course of four years. The current number of licensed midwives is fifteen. The most recent budget documents were based on optimistic estimates that a small increase in licensees would occur; however, to date this increase has not materialized.

Appointment of the physician board member was not made in a timely manner. This seat was vacant from April 1995 through February 1997. The original physician appointed board member was absent from three meetings immediately preceding his resignation. The newly appointed physician board member was unable to attend the first meeting after his appointment. These circumstances resulted in eight consecutive board meetings being conducted, over a four year period, without benefit of physician representation on the board, as required by statute.

The board failed to meet twice annually as required by AS 08.65.020. In FY 96 the board cancelled their second regularly scheduled meeting due to a lack of pressing business and in an effort to be financially prudent. This cancellation had no significant impact to the board.

Submission of the FY 95 annual report was untimely. The board is required to submit their annual report to the department by August 1; however, the department did not receive the FY 95 annual report until mid-November. Due to the untimely submission, the report was excluded from the department's *Boards, Commissions, and Licensing Programs Annual Performance Reports* publication.

*The extent to which the board, commission, or agency has recommended statutory changes that are generally of benefit to the public interest.*

The board has proposed that CDMs be added to the definition of "health care provider" as used at AS 18.23.070(3). This statute assures the confidentiality of client records reviewed in the course of a professional peer review process. Currently, peer review regulation does not provide for confidentiality of client records. Alaska Statute 18.23.070(3) defines "health care provider" and applies to confidentiality of records of review organizations. Inclusion of CDMs to the definition of "health care provider" under AS 18.23.070(3) will ensure the necessary confidentiality of client records.

*The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided.*

The location, date and time of board meetings and examinations are published in Anchorage, Fairbanks, and Juneau newspapers so that interested public members can attend or make written comment. The department has established a policy and procedure regarding public notices that defines adequate public notice for each specific event such as regularly scheduled meetings, examinations, and unplanned teleconferences. We reviewed advertising orders for the period under review and determined that one regularly scheduled meeting date and two exam dates failed to be published timely in any of the three newspapers.

As discussed in the Auditor Comments section of the report, the Director of Occupational Licensing wrote all licensed CDMs in July 1997 to solicit feedback regarding the various options for addressing concerns over the relatively high CDM license fees. The letter, presented in part on page 8 discussed eight prospective options for consideration and discussion by licensees.

*The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.*

Public notices of proposed regulations are published in major newspapers. As previously mentioned, regularly scheduled meetings and exams were adequately advertised except as noted above, and time was set aside for public testimony.

*The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.*

Overall, the investigation of complaints against licensees received by the Division of Occupational Licensing is effective; however, timeliness is a concern. Factors contributing to lengthy closure times include case load and priority assignment. For the period under review, three investigative cases were opened. Two cases involved allegations of unprofessional conduct; one involved allegations of practicing without a license. Two cases were closed without a formal hearing and without license action. One case remains open as of the date of this report.

There were no complaints filed with the Office of the Ombudsman for the period under review.

*The extent to which the board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.*

Overall, the application process for certified direct-entry midwife licensure appears reasonable and appropriate. The licensing process is neither unduly restrictive nor too lax.

At the end of FY 97, the board had issued a total of 23 CDM licenses (currently 15 active) and 15 CDM-Apprentice permits (currently 5 active). We reviewed twelve license applications: seven CDM and five CDM-Apprentice. We found no errors during our review. We believe that the licensing criteria established by the board is reasonable and appropriate.

*The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.*

We found no evidence that the board was not complying with state personnel practices, including affirmative action, in qualifying applicants. The application for CDM licensure requires a photograph of the applicant. We determined that the photograph is not available for viewing when the board review an application for licensure. Each time the board has denied an applicant a license the reason has been based on experience requirements and not personal attributes of the applicant.

*The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.*

See Auditor Comments section of this report.

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**APPENDIX A**  
**Department of Commerce and Economic Development**  
**Board of Certified Direct-Entry Midwives**  
**Application, License, and Other Fees<sup>3</sup>**

**Application and Other Fees<sup>4</sup>**

Type of Fee	Amount
Application	\$400
Examination fee	\$300

**License Fees**

License Category	Initial and Biennial Renewal Fee <sup>5</sup>
Direct-Entry Midwife Certification	\$1,550
Apprentice Direct-Entry Midwife Permit	\$300

<sup>3</sup>The licensing fees charged by the Division of Occupational Licensing for the Board of Certified Direct-Entry Midwives are set out in the Alaska Administrative Code at § 12 AAC 02.145. The current fees for this licensing board became effective November 15, 1996.

<sup>4</sup>The Division of Occupational Licensing is also authorized to charge administrative fees (12 AAC 02.105). Administrative fees include: duplicate license fee, photocopying fee, and penalty for reinstatement of a registration, license, permit or certificate which remains lapsed for more than 60 days.

<sup>5</sup>The biennial renewal period for the Board of Certified Direct-Entry Midwives is December 31, 1998.

**SB**

**241**

**SENATE COMMITTEE REFERRAL**  
**First Committee of Referral**

DATE: 1/15/98

FURTHER: Finance

Date of 5-Day Notice: 1/29/98  
 (in accordance with Uniform Rule 23)

DATE TURNED  
 IN TO OFFICE: 2/6/98

Health, Education and Social Services Committee considered **SENATE BILL NO. 241**

"An Act relating to a tax credit program for postsecondary colleges or universities; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>John A. Quinn</i>	✓	<i>J. Sellers</i>	<i>A</i>		
<i>John Walsh</i>	✓				
<i>Lynne Green</i>	✓				
<b>CHAIR:</b>		<b>CHAIR:</b> <i>Gonzalez</i>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
<i>University</i>	<i>1/30/98</i>	✓	
<i>Revenue</i>	<i>2/3/98</i>		<i>(65.0)</i>

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill



# SENATOR LOREN LEMAN

Northwest Anchorage

716 W 4th Ave, Suite 520, Anchorage, AK 99501 (907) 258-8189  
Web Site: <http://www.akrepublicans.org/Leman.htm>

Session: State Capitol, Juneau, AK 99801 (907) 465-2095  
Email: [Senator\\_Loren\\_Leman@legis.state.ak.us](mailto:Senator_Loren_Leman@legis.state.ak.us)

## SPONSOR STATEMENT

### SENATE BILL 241

In 1991, the Legislature expanded the tax credit program for contributions to post-secondary institutions. This program is applicable primarily to the state's largest taxpayers, such as, oil companies and banks.

The credit available is 50% of the first \$100,000 contributed and 100% of the next \$100,000. The maximum tax credit is therefore, \$150,000 per tax year.

In limiting the educational institutions eligible for the contributions, the Legislature stipulated that the institution must be regionally accredited, which is common among educational institutions. The regional association for Alaska is the Northwest Association of Schools & Colleges (NASC). The Alaska institutions accredited by this organization are the University of Alaska, Alaska Pacific University, and Sheldon Jackson College.

Unfortunately, the tax credit law excludes many potential donors and institutions from participation, due to the requirement of regional instead of national accreditation. Several institutions in Alaska have national but not regional accreditation. The Alaska Commission on Post-Secondary Education (ACPE) considers these institutions to be the same as regionally accredited institutions in the administration of the student loan program. Accrediting standards are comparable. However, the Department of Revenue will not allow the claim for tax credit for donations made to nationally accredited institutions unless existing law is changed.

According to the Department of Revenue, 29 taxpayers claimed the credit in 1996 and 28 in 1997. The filings have not been completed for 1998. The total credits allowed for 1996 and 1997 were \$3,249,812 and \$3,001,335, respectively.

Revising the restrictions on accreditation probably will not affect the total amount of the credit claimed against potential state revenues; it will simply allow additional institutions to qualify.

SB 241 creates greater equity in the tax credit program; encourages contributions by new contributors; and still protects legislative intent for limiting credits to qualifying institutions.

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Postsecondary School Tax Credit BRU: Revenue Operations  
 Component: Income and Excise Audit  
 Sponsor: Senator Leman  
 Requestor: (S) HES COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
CAPITAL EXPENDITURES						
<b>CHANGE IN REVENUES ( )</b>	<b>-65.0</b>	<b>-65.0</b>	<b>-65.0</b>	<b>-65.0</b>	<b>-65.0</b>	<b>-65.0</b>

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1001 CBRF						
1048 University of AK receipts						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

We assume that half of the contributions to the four new institutions that would qualify will come from new taxpayers and half from existing taxpayers (see scenario 2 on attached analysis). Total revenue loss will then be \$65,000 (at 50% credit level). See attached for more analysis.

Prepared by: Brett Fried  
 Division: Income and Excise Audit  
 Approved by Commissioner: Wilson L. Condon  
 Agency: Revenue

Phone: 465-3682  
 Date: February 3, 1998  
 Date: February 3, 1998

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**ALASKA DEPARTMENT OF REVENUE**  
*Income and Excise Audit Division*

Postsecondary School Tax Credit  
SB 241  
February 3, 1998  
Page 2 of 4

**BILL ANALYSIS**

**Section 1** broadens qualifications for credits against the insurance premiums tax (AS 21.89.070) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**Section 2** broadens qualifications for credits against the income tax (AS 43.20.014) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**Section 3** broadens qualifications for credits against the oil or gas production tax (AS 43.55.019) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**Section 4** broadens qualifications for credits against the oil and gas property tax (AS 43.56.018) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**Section 5** broadens qualifications for credits against the mining license tax (AS 43.56.018) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**Section 6** broadens statute qualifications for credits against the fisheries business tax (AS 43.75.018) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**Section 7** broadens qualifications for credits against the fishery resource landing tax (AS 43.77.018) to include contributions made to nationally accredited Alaska two-year or four-year colleges or universities. Currently, only contributions made to regionally accredited universities or colleges qualify.

**ALASKA DEPARTMENT OF REVENUE**  
*Income and Excise Audit Division*

Postsecondary School Tax Credit  
SB 241  
February 3, 1998  
Page 3 of 4

Section 8 provides for a July 1, 1998 effective date.

**OPERATING EXPENDITURES**

The Department of Revenue does not anticipate additional costs for administering the provisions of this bill.

**REVENUE**

The attached analysis details revenue reductions from credits taken under this bill.

**Alaska Department of Revenue**  
**Income and Excise Audit Division**

Postsecondary School Tax Credit  
SB 241  
February 3, 1998  
Page 4 of 4

**Analysis of SB 241**

**SB 241**

*Amends education tax credit statutes to expand credits for contributions to institutions that are nationally accredited. Current statutes restrict contributions to regionally accredited institutions.*

Following are statistics for FY 1997 (YTD) and 1996 that relate to education tax credits claimed by taxpayers:

	FY 1997 YTD			FY 1996		
	Maximum * (\$150,000)	Less than Maximum	Total	Maximum * (\$150,000)	Less than Maximum	Total
Total Credits	\$1,650,000	\$525,288	\$2,175,288	\$2,100,000	\$223,067	\$2,323,067
Total Contributions	\$2,201,400	\$799,935	\$3,001,335	\$2,883,223	\$366,589	\$3,249,812
Number of Taxpayers	11	17	28	14	15	29

\* Maximum qualifying contribution per taxpayer is \$200,000, maximum credit is \$150,000 (first \$100,000 contribution is 50% credit; next \$100,000 is 100% credit)

**Current Credit Program**

Regionally accredited institutions in Alaska

- University of Alaska
- Alaska Pacific University
- Sheldon Jackson College

**Amended Credit Program would add the following institutions:**

Nationally accredited institutions in Alaska

- Alaska Bible College
- Career Academy
- Charter College
- New Concepts Beauty School

Range of estimated revenue loss from expanded credit program is (\$0 to \$130,000) as follows:

	Contributions	Revenue Loss		
		Scenario 1	Scenario 2	Scenario 3
Alaska Bible College	\$200,000	\$100,000	\$50,000	0
Career Academy	20,000	10,000	5,000	0
Charter College	20,000	10,000	5,000	0
New Concepts Beauty	20,000	10,000	5,000	0
<b>Total</b>	<b>\$260,000</b>	<b>\$130,000</b>	<b>\$65,000</b>	<b>0</b>

Scenario 1 -All new taxpayers; 50% of contributions claimed as credits.

Scenario 2 - Half new taxpayers that claim 50% of contributions and half existing taxpayers that shift contributions from regional to national accredited institutions.

Scenario 3 - No new taxpayers; contributions come from existing taxpayers that shift contributions from regional to national accredited institutions.

**SB**

**246**

# SENATE COMMITTEE REPORT

DATE: 2/4/98

FURTHER: Finance

DATE TURNED IN TO OFFICE: 3/23/98

Health, Education and Social Services Committee considered

SENATE BILL NO. 246

HARBORVIEW DEVELOPMENTAL CENTER

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Byrd Green</i>			✓
		<i>Gay White</i>			✓
<b>CHAIR:</b>		<b>CHAIR:</b> <i>Gay White</i>	✓		

**NEW FISCAL NOTE(S):**

Department                      Date              Zero              Fiscal

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date              Zero              Fiscal

Department	Date	Zero	Fiscal
Corrections	1/15/98		2,406 2
H+SS	1/13/98	✓	
Natural Resources	1/7/98	✓	
Admin	1/7/98	✓	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 4  
 Bill Version: SB246  
 (S) Publish Date: 1/16/98

STATE OF ALASKA  
 1998 LEGISLATIVE SESSION

Revision Date: (Note if correction)  
 Title: "An Act amending the definition of correctional facility to include a therapeutic treatment center...."  
 Sponsor: Rules Committee  
 Requestor: Governor

Department Affected: Administration  
 BRU: General Services  
 Component: Purchasing

COMPONENT SERIAL NO. 60

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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 EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ none

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.) The bill authorizes transfer of excess real property and improvements of the Harborview Development Center in Valdez to the City of Valdez. Under the terms of the transfer, the City of Valdez must agree to convert a portion of the facility to a therapeutic treatment center and lease it to the Department of Corrections. Up to 60 inmates qualifying for therapeutic treatment would be housed in the treatment facility. The fiscal note is based on the following assumptions:

1. All funds necessary to complete improvements are with either the City of Valdez and/or the Department of Corrections.
2. Transfer of the property occurs on June 30, 1998.
3. No monetary consideration is received at transfer.
4. Funding for payment of the lease and all other operating costs is with the Department of Corrections.

Prepared by: Dugan Petty, Director  
 Division: General Services

Phone: 465-2250  
 Date: \_\_\_\_\_

Approved by Commissioner: Mark Bover  
 Agency: Department of Administration

Date: 1/1/97

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# FISCAL NOTE

No. 13  
 Bill Version: SB246  
 (S) Publish Date: 1/16/98

**STATE OF ALASKA**  
**1998 LEGISLATIVE SESSION**

Revision Date: \_\_\_\_\_ Dept Affected: Natural Resources  
 Title: An Act amending the definition of correctional BRU: Resource Development  
facility to include a therapeutic treatment center; ... Component: Land Development  
 Sponsor: Rules Committee  
 Requestor: Governor Knowles Component Serial No. 431

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CHANGE IN REVENUES (fund code)</b>	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: \$ none

**POSITIONS**

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

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

There is no anticipated additional fiscal impact for the Department of Natural Resources as a result of passage of this legislation.

Prepared by: Jane Angvik, Director Phone: 269-8503  
 Division: Land Date: 8-Jan-98  
 Approved by Commissioner: [Signature] Date: 1/16/98  
 Agency: Natural Resources

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

No. 2  
Bill Version: SB246  
(S) Publish Date: 1/16/98

Revision Date: \_\_\_\_\_  
Title: An act amending the definition of correctional facility to include therapeutic... ..  
Sponsor: Rules Committee  
Requestor: Governor's Office

Dept. Affected: Health and Social Services  
BRU: Administrative Services  
Component: Health Planning and Facilities Management  
COMPONENT SERIAL NO. 2020  
See also (SN#): \_\_\_\_\_

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0
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**FUND SOURCE**

(Thousands of Dollars)

	FY99	FY00	FY01	FY02	FY03	FY04
1002 Federal Receipts	0.00	0.00	0.00	0.00	0.00	0.00
1003 GF Match	0.00	0.00	0.00	0.00	0.00	0.00
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (please specify)	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS:**

	FY99	FY00	FY01	FY02	FY03	FY04
FULL-TIME	none	none	none	none	none	none
PART-TIME	none	none	none	none	none	none
TEMPORARY	none	none	none	none	none	none

Estimate of any current year (FY98) cost: \$0.0

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

After conveyance of Harborview, the City of Valdez would then lease back a portion of Harborview to the Department of Corrections for a therapeutic drug and alcohol program for Alaska inmates. If the Legislature does not fund the therapeutic treatment center program, the City of Valdez won't be able to takeover ownership of the Harborview facility. That would mean that the Harborview facility would remain in State ownership with the Department of Health and Social Services. Effective July 1, 1998 the Department of Health and Social Services has no operating funds to operate the Harborview facility in the Asset Protection mode. It is estimated that annual operating costs for Harborview after July 1, 1998 in the Asset Protection mode (one maintenance person, utility and heating costs, etc.) would be approximately \$265 thousand dollars.

There is one further complication. The City of Valdez has expressed concern that if the Legislature fails to appropriate funds for the Department of Corrections therapeutic treatment program, the Valdez Community Hospital, located in the Harborview building, could close, resulting in serious health care implications for the local community.

*SJB*  
Prepared by: Janet Clarke  
Division: Administrative Services

Approved by Commissioner: Karen Perdue, Commissioner  
Agency: Department of Health & Social Services

Phone: 465-3015  
Date: 01/08/98

Date: 1/13/98

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# FISCAL NOTE

No. 1

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

Bill Version: SB246

(S) Publish Date: 1/16/98

Revision Date (Note if correction)	Dept. Affected <u>Corrections</u>
Title <u>An Act amending the definition of a correctional facility to include a therapeutic treatment center;...</u>	BRU <u>Administration and Operations</u>
Sponsor <u>Rules Committee</u>	Component <u>Office of the Commissioner</u>
Requester <u>Governor</u>	Component Serial No. <u>#0694</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	787.3	1,049.7	1,049.7	1,049.7	1,049.7	1,049.7
Travel	49.5	22.0	22.0	22.0	22.0	22.0
Contractual	1,326.4	1,533.0	1,535.7	1,538.4	1,541.1	1,543.9
Supplies	131.5	87.0	87.0	87.0	87.0	87.0
Equipment	141.5	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	24.0	32.0	32.0	32.0	32.0	32.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>2,460.2</b>	<b>2,723.7</b>	<b>2,726.4</b>	<b>2,729.1</b>	<b>2,731.8</b>	<b>2,734.6</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts	133.9	133.9	0.0	0.0	0.0	0.0
1003 GF Match	44.6	44.6	0.0	0.0	0.0	0.0
1004 GF	2,281.7	2,545.2	2,726.4	2,729.1	2,731.8	2,734.6
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type)	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>2,460.2</b>	<b>2,723.7</b>	<b>2,726.4</b>	<b>2,729.1</b>	<b>2,731.8</b>	<b>2,734.6</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

POSITIONS	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Full-time	18	18	18	18	18	18
Part-time						
Temporary						

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

The Valdez Therapeutic Community will be a sixty bed, six to ten month intensive residential substance abuse treatment program for minimum and medium custody level prisoners within the DOC. Male prisoners will be referred from Alaska's correctional institutions around the state. The DOC will maintain security while a contracted treatment provider will be responsible for delivery of the treatment program.

This fiscal analysis assumes that facility operations will start on 10/1/98 of FY99 and only incur 3 quarters of operational costs during that fiscal year. FY99 and FY00 Federal Funds are based on a limited two year Federal RSAT Grant which requires a 33% GF Match. FY99 also includes all one-time "Start Up" costs associated with Medical, Treatment, Administrative D&WP, and Correctional operations (e.g., library, clothing, bedding, furniture, correctional equipment, etc.) Program Evaluation will be funded through the Federal RSAT grant with technical assistance provided by the Office of Justice Programs. This fiscal note does not contain inflationary costs except for a 2% Cost Index increase on annual lease payments. (Continued)

Prepared by <u>Dwayne Peeples, Director</u>	Phone <u>465-3339</u>
Division <u>Administrative Services</u>	Date <u>1/15/98</u>
Approved by: <u>Commissioner Margaret M. Pugh</u> <i>Margaret M. Pugh</i>	Date <u>1-15-98</u>
Agency <u>Department of Corrections</u>	

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Fiscal Note  
Valdez Therapeutic Community  
Page 2

Costs Featuring 60 Inmates:

	Start-Up Costs (FY99 One Time)	On-Going Annual Costs
Inmate Health /Medical	\$20.0	\$234.0
Inmate Programs/Treatment	\$61.3	\$624.0
Design & Outcome	\$40.0*	\$0.0
Admin. Services/D&WP	\$40.0	\$6.8
Institution Operations	\$162.4	\$1,473.7
DOA/GSS	\$0.0	\$385.2 2% CPI Increase Annually
<b>TOTALS</b>	<b>\$323.7</b>	<b>\$2,723.7</b>

Operating Costs:

	FY99	Annually FY00-FY04	Notes
<b>Institutions/Operating</b>			
Pers.Svcs	\$649.3	\$865.7	15 PFT Staff Personal Services
Travel	\$49.5	\$22.0	FY99 Includes \$33.0 start up funds
Contractual Svcs	\$353.3	\$467.0	Includes \$360.0 for Food Contracts
Supplies	\$104.9	\$87.0	FY99 Includes \$ 39.6 start up funds
Equipment	\$86.8	\$0.0	FY99 Includes \$ 86.8 start up funds
Grants	\$24.0	\$32.0	Inmate Gratuities/wages
Total	\$1,267.8	\$1,473.7	
<b>Inmate Health Care</b>			
Pers. Svcs	\$138.0	\$184.0	3 PFT Staff Personal Services
Contractual Svcs	\$37.5	\$50.0	On-call Doctor Services
Supplies	\$20.0	\$0.0	Pharmacy & Medical start up
Total	\$195.5	\$234.0	
<b>Inmate Programs</b>			
Contractual Svcs	\$508.0	\$624.0	Treatment (11 contract positions)
Supplies	\$6.6	\$0.0	Office Supplies
Equipment	\$54.7	\$0.0	Furniture, PCs, Cabinets, etc.
Total	\$569.3	\$624.0	
<b>Administrative Services/Data &amp; Word Processing</b>			
Contracts	\$45.1	\$6.8	Establish Network System
Total	\$45.1	\$6.8	
<b>DOA/General Services &amp; Supply</b>			
Leasing	\$382.5	\$385.2	2% CPI Increase Annually FY00-FY04
Total	\$382.5	\$385.2	
<b>Grand Total</b>	<b>\$2,460.2</b>	<b>\$2,723.7</b>	

\*Note: Program evaluation funded with RSAT grant.

TONY KNOWLES  
GOVERNOR



P O Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3532

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 16, 1998

The Honorable Mike Miller  
Senate President  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

SB 246

*Mike*  
Dear President Miller:

Nearly 80 percent of all crimes committed in Alaska involve substance abuse. Ensuring safe, healthy communities for Alaskans means having treatment programs designed to reduce the number of people who are victimized by persons under the influence of alcohol or drugs. In line with that effort, this bill authorizes the transfer of the Harborview Developmental Center to the City of Valdez for conversion, in part, to a therapeutic treatment center. The Department of Corrections would then lease the facility from the City of Valdez, which has agreed to invest considerable resources into the necessary conversion.

The Department of Corrections currently has three types of inmate substance abuse programs: substance abuse education, education plus an introduction to treatment, and institutional outpatient treatment. The department needs to complete its continuum of care by establishing an intensive in-prison program that treats the most severe substance abusers.

The Department of Corrections proposes to use a part of the soon-to-be-vacated facility for an intensive substance abuse treatment program, commonly referred to as a "therapeutic community". In 1997, the United States Department of Justice reported studies show consistent reductions in recidivism rates for offenders who complete such programs while in prison. That would also result in fewer crime victims.

There are currently between 90 and 110 incarcerated inmates who need and qualify for therapeutic community treatment. This bill would provide financing for 60 new corrections beds in Valdez and, thus would help ease the pressure on a severely overcrowded correctional system. This legislation also keeps with art. I, sec. 12, of the Alaska Constitution, which mandates criminal administration be based on the principle of

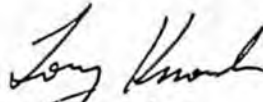
The Honorable Mike Miller  
January 16, 1998  
Page 2

reformation. Anticipated costs for fiscal year 1999 would be approximately \$2.5 million, of which \$569,000 is planned for treatment. Annual costs thereafter are estimated at \$2.7 million.

This bill is one more step the state can take to reduce the number of victims of crimes resulting from an offender's substance abuse, provide intensive treatment to reduce repeat criminal behavior, and provide new beds for a severely overcrowded correctional system.

I urge your quick and favorable action so the Department of Corrections can begin occupancy by September, 1998.

Sincerely,



Tony Knowles  
Governor

# STATE OF ALASKA

## DEPARTMENT OF CORRECTIONS

TONY KNOWLES, GOVERNOR

REPLY TO:

PO BOX 112000  
JUNEAU, ALASKA 99811-2000  
PHONE (907) 465-3376

February 9, 1998

Senator Gary Wilken, Chair  
Senate H.E.S.S.  
State Capitol, Room 510  
Juneau, Alaska 99801

Dear Senator Wilken:

I respectfully request a hearing on Senate Bill 246, "An Act amending the definition of correctional facility to include a therapeutic center..."

The Department of Corrections is excited about the possibility of operating an in-prison intensive substance abuse program, often referred to as a Therapeutic Community or treatment center. This model of substance abuse treatment has recently been evaluated and shows a consistent reduction in recidivism rates for inmates who are chronic substance abusers.

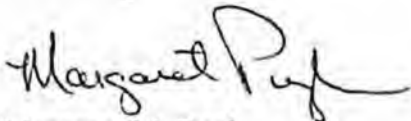
This legislation would amend the definition of "correctional facility" to include a therapeutic treatment center. In addition it would require conveyance of the title to the Harborview Developmental Center in Valdez to the City of Valdez. And finally, sets out conditions that are required in order for the conveyance to take place.

The Department of Corrections has planned for a sixty-bed treatment center in the Valdez facility. Based on other experiences from around the country, I believe this would be a positive step towards reducing the recidivism rate, and more importantly reducing the number of victims of substance abuse related crime. The current plan includes an evaluation component that will be in place before the first inmate enters treatment. It will encompass process information as well as outcome data.

I have attached materials that I believe will be helpful to members of your committee when considering this legislation for approval.

Thank you for your consideration.

Sincerely,



Margaret M. Pugh

CC: Pat Pourchot, Legislative Director  
Office of the Governor

Attachments

## Valdez Therapeutic Community

The Alaska DOC offers 3 types of Inmate Substance Abuse Programs in its correctional facilities: substance abuse education, education plus an introduction to treatment, and institutional outpatient treatment. There are a substantial number of inmates who need and qualify for a therapeutic community treatment modality. There are only 4 DOC treatment beds in the community reserved for DOC furloughees who need this intensive type of treatment. DOC needs to complete its continuum of care by offering this modality to inmates.

The DOC inmate population is 118% of its emergency capacity. Inmates who complete treatment in the Valdez Therapeutic Community will enhance their opportunities for parole or furlough, thus eliminating their need for prison beds. In Alaska a significant number of the probation/parole violations involve relapse into substance abuse. If inmates receive the level of treatment they need while incarcerated, their chances of being successful in the community are increased. They are less likely to suffer relapse in the community and become repeat offenders.

Residential Substance Abuse Treatment for State Prisoners (RSAT), under the U.S. Department of Justice, reports in 1997 that recent research and evaluations show consistent reductions in recidivism rates for offenders completing in-prison substance abuse treatment programs. "Successful outcomes are tied to the length of time in treatment (at least 6 months) and continued treatment in the community after release. Programs that address the myriad problems associated with the life-style of drug use and addiction are the most effective."

### How will the Valdez Therapeutic Community be different from other DOC Inmate Substance Abuse Programs?

The Valdez Therapeutic Community will be isolated from the general inmate population so that the inmate culture will not prevail. Individuals completing the TC will not rejoin the general inmate population.

Preparation for transition into the community will be thorough.

Progression through intensive treatment phases will teach responsibility.

Day-to-day behavior will be magnified in order to break criminal thinking errors.

Cultural relevance for Alaska Natives will be a predominant treatment theme.

### **Evaluation Plan for the Valdez Therapeutic Community:**

The Alaska DOC has secured a technical assistance grant from Residential Substance Abuse Treatment (RSAT), under the auspices of the U.S. Department of Justice, for planning the evaluation component for the Valdez Therapeutic Community. The evaluation component will be in place before the first inmate enters treatment. It will encompass process information as well as outcome data. The evaluation component will assist DOC and the contract treatment provider in making program improvements as well as measuring the criminal recidivism rate of inmates completing the program.

### **National Findings Regarding Therapeutic Communities:**

According to the Office of National Drug Control Policy, February 1995, "Studies and statistics indicate that the fastest and most cost-effective way to reduce the demand for illicit drugs is to treat chronic, hardcore drug users. Without treatment, chronic hardcore users continue to use drugs and engage in criminal activity, and when arrested, they too frequently continue their addiction upon release. The cycle of dependency must be broken and the revolving door of criminal justice brought to a halt."

Therapeutic communities represent a rehabilitation response to people to whose antisocial behavior has resulted in significant and chronic problems, most often with the criminal justice system. Rates of recovery for those residents who remain in therapeutic communities beyond the first six weeks are surprisingly high. (Please see attached CSAT news brief.)

In March 1995 the Office of National Drug Control Policy reported that more than one third of all admissions to therapeutic communities demonstrate long-term successful outcomes one to two years after treatment.

A major study of the Stay'n Out therapeutic community located at two New York prisons established that prison-based treatment based on a therapeutic community model can result in significant reductions in recidivism rates. (Falkin et al., 1991; Wexler et al., 1990)

In a study conducted on the Cornerstone Program in Oregon it was determined that 37 percent of Cornerstone graduates had no arrests, 51 percent had no convictions, and 37 percent had no time in prison. (Field, 1989)

The Key-Crest Program, a prison-based therapeutic community established in Delaware reports 73 percent of the inmates completing the program remained arrest free for a minimum of 18 months after release. The graduates of the program are three times more likely to remain drug-free than those who do not participate in treatment. (March, 1997)

The new Vision In-Prison Therapeutic Community for men, located in Kyle, Texas, treats 500 inmates. It was found that one-year after release only 7 percent of those completing the program had returned to prison. (Keeping score 1996, Drug strategies 1996)

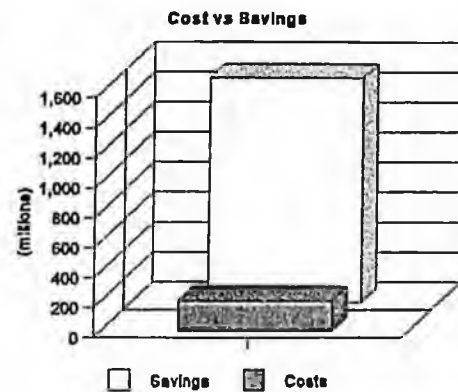
# Reducing Crime Through Prevention: Attacking Hardcore Substance Abuse

## The Need in Alaska

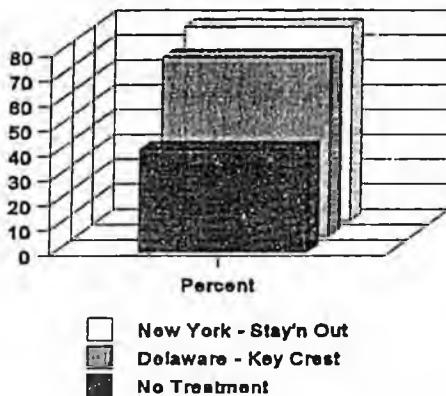
One of the few universally accepted propositions relating to the commission of crime in the United States is that offenders are disproportionately substance abusers. In Alaska it is estimated that between 80% - 90% of the inmates in our institutions have some involvement with substance abuse. Programs throughout the U. S. have demonstrated that substance abuse treatment can reduce the rate of recidivism and ultimately impact the cost to government. The Alaska Department of Corrections proposes to operate a prison-based therapeutic treatment program for inmates who have histories of serious substance abuse.

## A Sound Investment

In 1994 Governor Pete Wilson of California directed the most rigorous, retrospective outcome study ever conducted on drug abuse treatment. There were three major conclusions: First, treatment is very cost-beneficial to taxpayers. The cost benefit averaged a \$7 return for every \$1 invested. In 1992, the cost of treating approximately 150,000 individuals was \$200 million. But benefits gained during treatment and in the first year afterward totalled about \$1.5 billion in savings. Second, criminal activities significantly declined after treatment. And third, significant improvements in health and corresponding reductions in hospitalizations were found during and after treatment.



Arrest-Free After Treatment



## Treatment Works

Studies conducted on programs in Delaware and New York found evidence of significant success; Alaska's proposed treatment design is similar to that used in these two programs. Clearly, any increase in the number of treated offenders staying arrest-free would have a positive effect on both the criminal justice system and the overall welfare of Alaska's communities.

## The Cost of Doing Nothing

Chronic users of both alcohol and drugs tend to lose their ability to resist these substances, and many eventually engage in self-destructive and criminal behavior under their influence. The public's increasingly low level of tolerance for such behavior in recent years has resulted in longer and stronger levels of incarceration for criminal offenders. In turn, prison populations and the associated costs to the public have grown phenomenally, and will continue to do so if nothing is done. Treatment programs for chronic abusers bear the potential to reverse this trend; they will help not just the prisoners themselves, but also will reduce the financial consequences of substance abuse underwritten by the rest of society, as well.

# CSAT by Fax

January 14, 1998

Vol. 3, Issue 1

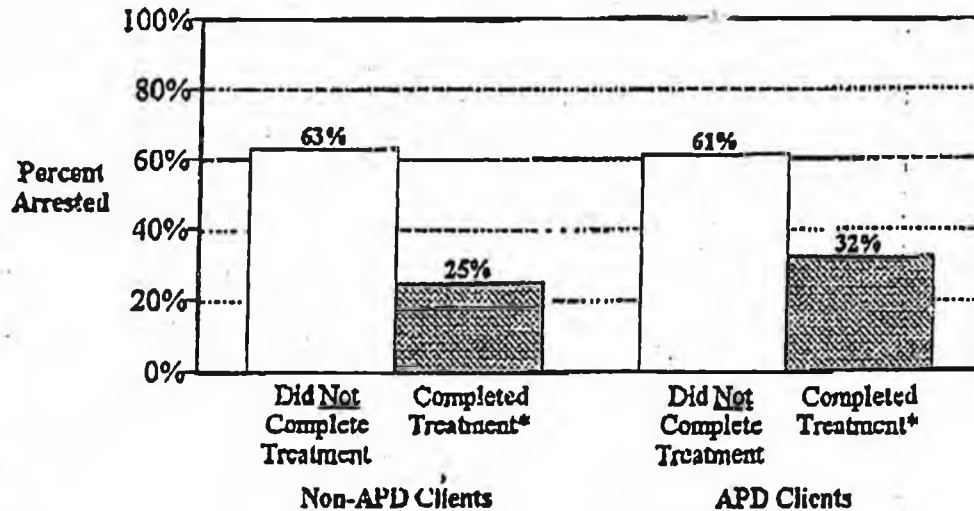
A Special Edition of **CESAR FAX** →

A Collaborative Effort of the Center for Substance Abuse Treatment (CSAT) and the Center for Substance Abuse Research (CESAR)/University of Maryland

## *Study Finds Therapeutic Community Reduces Drug Use and Criminal Activity Among Substance Abusers With Antisocial Personality Disorders*

While there has been limited research on the treatment outcomes of clients diagnosed with antisocial personality disorder (APD), it has been widely accepted that APD clients would not benefit from substance abuse treatment. However, a CSAT-funded experiment found that clients with APD were as likely to complete therapeutic community (TC) treatment as non-APD clients. In addition, APD clients who completed treatment exhibited the same patterns of reduced drug use and criminal activity as did non-APD clients. The authors suggest that efforts "be made to attract and retain the more behaviorally deviant persons into TC treatment" (p. 24).

**Post-Discharge Arrest of Therapeutic Community Treatment Clients, by Treatment Completion and Antisocial Personality Disorder (APD) Diagnosis (N=338)**



\*Completed both the inpatient and outpatient phases of treatment.

SOURCE: Adapted by CESAR from Nena Messina, Eric Wish, and Susanna Nemes, *The Efficacy of Therapeutic Community Treatment for Substance Abusers with Co-Occurring Antisocial Personality Disorders*, paper presented at the Annual Meeting of the American Society of Criminology, San Diego, CA, November 22, 1997. For more information, contact Eric Wish at 301-403-8329.

CSAT by Fax is supported by funding from CSAT, Substance Abuse and Mental Health Services Administration, and may be copied without permission with appropriate citation. For mailing list modifications contact CESAR at \*\* 301-403-8329 (voice) \*\* 301-403-8342 (fax) \*\* CESAR@cesar.umd.edu \*\* www.hsos.umd.edu/cesar/cesar.html \*\*

# Alaska State Legislature

## Senate

**JERRY WARD**

State Capital  
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Fax (907) 465-3766

716 W. 4th Ave., Ste. 450  
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Phone (907) 258-8183  
Fax (907) 258-0820

145 Main Street Loop  
Kenai, AK 99611  
Phone (907) 283-7996  
Fax (907) 283-3075



March 09, 1998

State of Alaska  
Department of Corrections  
Ms. Margaret Pugh  
Commissioner  
400 Diplomacy Drive, Suite 207  
Anchorage, AK 99508

Dear Commissioner Pugh:

I appreciate your clarification regarding the Department of Corrections plans for Harborview.

Your letter raises a couple of issues that need further clarification:

1. You indicate the 60 beds will be "hard beds" if so; what security level will be established for these beds?
2. Will the building be built to that security level?
3. If the facility is a secure facility do you anticipate having razor ribbon around it as a security measure?
4. Would the operation cost of a 60 bed therapeutic community be less expensive than an existing institution?

Concerning construction, please provide a description, with estimated costs, of all renovations planned for the facility.

Your earliest response to the above would be appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Jerry Ward".

Senator Jerry Ward

cc: Senator Georgianna Lincoln

# Alaska State Legislature

**JERRY WARD**

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145 Main Street Loop  
Kenai, AK 99611  
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## Senate

### Memorandum

**To:** Senator Bert Sharp  
Senator Drue Pearce  
Co-chairs Senate Finance Committee

**From:** Senator Jerry Ward  
Chair Senate Finance Subcommittee on Corrections

**Date:** March 2, 1998

**Re:** Harborview Treatment Center

---

I hope to attend today's hearing concerning the Department of Corrections proposed re-use of the Harborview Hospital facilities in Valdez, but I may be late or unable to attend due to a previously scheduled conflict. I would appreciate it if my concerns and observations could be read into the record and discussed, as the chair deems appropriate.

As Chair of the Senate Finance Subcommittee on Corrections, my concerns are not directed toward the merit of filling the economic void left by the Governor's decision to close the Harborview Hospital or the clear and present need for substance abuse treatment among the majority of Alaska's inmates. My concerns question whether funding a small, isolated, "therapeutic community" is the highest and best use of correctional resources at a time when our prisons and jails are faced with the worst overcrowding in state history.

I need not remind the Finance Committee that the Department of Correction's operating budget is the fastest growing budget among state agencies. On the Corrections Subcommittee, we have worked diligently to maximize the cost/benefit of corrections spending. Revenue enhancement, program efficiency and economies-of-scale are but a few of the methods that we have employed to hold the line on corrections spending. The Harborview proposal doesn't simply fail the wise stewardship test, it bears no rational relationship to the commitment we have made to reduce unnecessary spending and increase government efficiency.

At the daily operating rate of \$124.37 per inmate per bed, the Harborview proposal ranks as the third highest bed rate in Alaska. Only Bethel and Ketchikan slightly edge out Harborview as the costliest correctional services in the state. Indeed, when custody is considered, these are the most expensive low custody beds in the nation. If these inmates are indeed low custody, wouldn't it be wiser to establish a therapeutic "pre-release" community in an existing halfway house at two-thirds to one-half the cost?

Again, I do not dispute the need for this type of program for Alaska's felony inmate population. These programs however must be funded in the context of our higher need for safe and secure prisons and jails.

There can be no question that corrections can achieve a significantly better bang for it's treatment dollar by developing programs at sites that are closer to professional treatment resources and which provide greater economies-of-scale. The formula we apply in the subcommittee is "the greatest service for the highest number of offenders at the lowest cost, without unreasonable reduction of quality." The Harborview proposal fails this test.

Corrections has several sites which house hundreds of low custody prisons. There is no reason that a "therapeutic community" cannot be established within the confines and programmatic structure of an existing correctional facility or halfway house. Indeed, the Palmer Correctional Center at Sutton was the preferred site for this program in the last administration. That plan was scraped in this administration for reasons that appear to have little to do with sound correctional practice. Indeed, the economies-of-scale, extra ordinary facilities and lower cost of the proposed Fort Greely prison makes more sense than the Harborview proposal.

If the Legislature chooses to fund this program let's call it what it is: a gratuitous government handout to the City of Valdez. There are, at times, sound public policy reasons for such government subsidies. And this may be one of those times, but lets not fool ourselves into believing this proposal is the wisest use of correctional resources or is, as the Commissioner so often says, "sound correctional practice."

Thank you for your attention and consideration.

cc: Senate Finance

**January 22, 1998**

**JOHN K. BODIOK  
Assistant Attorney General  
310 K. Street, #308  
Anchorage, Alaska 99501**

**Re: CACM Evaluation of Model and Plan Filed  
December 22, 1997**

**Dear John:**

**As you are aware, Judge Hunt has calendared a status conference for February 4, 1998 at 1:30 p.m. You, Allen Cooper, Chris Lyou and I discussed the Department's Plan to control crowding while in Arizona last week, and at that time you indicated it would be helpful for the CACM to provide a written summary of major concerns prior to the status conference. I set forth these issues below. This letter is for your evaluation. It will not be distributed to the plaintiffs or the public. I have attempted to be as forthright and brief as possible.**

**To begin, it is important to place the CACM's findings in context. My role is to assist the Court and the parties in resolving Alaska's jail and prison crowding, and to work towards the end of court monitoring of the DOC. Therefore, I want the efforts of *this administration* to be successful. Unfortunately, at this point in time crowding is approaching crisis levels and the failure to develop a workable population plan may have irrevocable consequences.**

**The Plan "Overview" and Sections I and II are well written and accurate. This portion of the Department's filing reflects the serious attention which was devoted to the project by DOC Superintendents and Central Office personnel. In addition, Section III, up to item F on page 15 sets forth a number of practical steps to reduce hard bed use by expanding community alternatives. Commissioner Fugh and her staff deserve credit for this important effort.**

However, the Plan, beginning on page 15 and continuing through page 18 is inadequate and does not comply with the Court's orders of August 15, 1987. The major shortfalls can be summarized as follows:

1. The Plan is not a "plan." It represent yet another "plan for a plan," the very practice criticized in the CACM's July 1987 Report, criticized by prior OACMs, and criticized by the Court. It leaves unanswered the most important question.

2. Defendants' submission is also not accurate. Options F, G and H were rejected, for good reason, by the Population Group. The inclusion of these options in the Plan is inappropriate for the following reasons:

A. "Contract Jails" are unsuitable for long term housing, many are already overcrowded, and some operate with deplorable conditions. This option represents a potential major extension of the scope of Cleary, and will lead to the CACM inspecting the contract facilities in 1988.

B. According to the Population Group, expanding Point McKenzie will not lead to a reduction of hard beds unless sex offenders will be placed at that facility, a change in policy which presents a serious risk to the public. Furthermore, it was agreed that the plan would be implemented in six months in order to respond to the Court's orders [May, 1988, the low point in the Department's cyclical population]. The twenty beds which may be added at Point McKenzie will not be on-line by May, 1988.

C. During its meetings, the Population Group considered a recommendation to expand the Valdez Therapeutic Community. Betsy Robson made a presentation to the Group and urged that this option be

rejected because the Valdez project does not contemplate removing prisoners from hard beds. Valdez does not provide for any short term reduction in hard bed use. In addition, the Group was informed that funding was questionable, and that even if funding became available, the Valdez beds will not be available by the May, 1998 target date.

Overall, the use of these options F, G, and H in the Plan, after they were rejected by the Population Group, serves to distort the scope of the existing crisis. Assuming that options A through E actually work, the Department needs at least 260 hard beds, not 180 [option J on page 16 is therefore misleading]. The public and the legislature need to hear accurate information, and the Plan is not accurate.

Despite these shortfalls, the CACM believes it appropriate to commence another effort to work with the Department to develop a real plan. Our meeting in chambers will perhaps be more productive and candid than one in open court, and will avoid the embarrassment of a public report and public hearing. To achieve the maximum benefit from this meeting, the CACM requests that defendants consider the following:

1. Exactly what information will be submitted in the proposed March 20, 1998 filing? Why should the Court delay imposing additional sanctions until March 20, 1998?

2. Who, other than the Department of Corrections, should take the leadership concerning overcrowding? Despite the politics, doesn't the Department have an obligation to place partisan opinions to one side, at least in terms of effectuating a dialogue which may resolve the current crisis? If the named defendants cannot set forth a real plan and overcrowding continues, shouldn't this responsibility default to another agency? Given the current population crisis and the history of the Department's failure to implement an adequate plan to control crowding, what reason is there to wait another year before the default takes place?

3. Complying with the Court's orders does not always appear to be the highest priority among certain Central Office personnel. If defendants believe that other issues are more important than complying with the Clery mandates, those issues should be brought forward. Some efforts which were advertised as having an impact on crowding, e.g. Valdez and the Criminal Justice Assessment Commission, have not demonstrated the ability to reduce hard beds at any time in the foreseeable future. Should these projects continue while the hard bed institutions collapse? Shouldn't defendants prioritize, during 1998, their limited resources and devote adequate resources to control crowding, even if less important programs and conferences are curtailed?

4. The CACM is convinced that the public and the legislature are confused about the nature of the monetary sanctions and the responsibility for those sanctions. Sanctions are calculated based upon the number of bed/days over the emergency cap, however the *only* cause for the issuance of sanctions has been the Department's continued failure to implement a real plan. This must be, and *it will be* explained to the public during 1998. As just one example, the Department's failure to create a plan in response to the Court's August 15, 1997 orders cost the Alaskan tax payers \$135,900.00 in December 1997, funds which could have instead been utilized to address criminal justice issues.

On the other hand, if the Department had a real plan, perhaps the monetary sanctions previously incurred could be utilized as a tool by the Department to convince other agencies to implement an Alaskan program to control crowding. Can the CACM and the Court assist with this effort?

**John, if you want to discuss these issues prior to the status conference, or if your clients believe a direct line of communication would be helpful, do not hesitate to call.**

**Sincerely yours,**

**John Hagar  
Compliance Monitor**

**c.c. Allen Cooper  
J. Christian Lyou**

**THE FOLLOWING PAGES MAY  
NOT FILM LEGIBLY BECAUSE OF  
THE POOR QUALITY OF THE ORIGINAL**

ALASKANS FOR A JUST SOCIETY

SYLVIA SULLIVAN, PRESIDENT

P.O. BOX 2684

VALDEZ, ALASKA 99686

907-835-3729 (ALSO FAX #)

(THE BLINDFOLD ON THE FIGURE OF JUSTICE,  
IS A SHIELD FROM PARTIALITY, NOT FROM REALITY)  
(JUSTICE SCOLNIK-1026)

SENATE COMMUNITY &  
REGIONAL AFFAIRS  
COMMITTEE

SENATORS:

- MERRY MACKIE-465-3517-CHAIR
- GARY WILKEN-465-4714-VICE CHAIR
- DAVE DONIY-465-6595
- RANDY PHILLIPS-465-4979
- LYMAN HOFFMAN-465-4523

FEBRUARY 1, 1998

RE: S.B. 246

Dear Senators,

On Monday, February 2, at 1:30 p.m. the above bill is to have it's first reading. The Teleconference notice states that a person only has 3 minutes to testify and we find that we will need a longer period of time, unless you state at the beginning of the Hearing, the answers to the following questions, which we believe will be asked by others. The reason is, this is a "legally flawed drafted bill" because it is vague; ambiguous; and creates an illegal and unconstitutional situation where the citizens of Valdez are "Not being asked, if they want to comply to "Conditions by the State", which apparently still have not been negotiated. As the following points out:

Yes?

(1) It is our belief, which may be wrong, that the Harborview facility and property is currently OWNED by the State of Alaska, and has title to it. If this is true, it should be stated in this bill. If this is not true, then the parties who OWN the facility and property should be listed. So, the first sentence should state,  
(A) "The facility and property, known as "Harborview", located at ... Valdez, Alaska, is currently Owned and operated by the State of Alaska."

(2) Line 10: Should not have the word "facility", i.e.:

(4) "correctional facility" OR "facility" means...". This sentence is defining ONLY what a "correctional facility" is, so to include just the words "OR facility", could include ANY FACILITY, and that is not what is intended.

(3) Line 13- the bill states a "State correctional facility" means a "correctional facility, "OWNED" or "RUN" by the state;

RESPONSE:

(1) "A state correctional "facility" must BE 100% OWNED BY THE STATE", otherwise

AFJS

PAGE 2

there is a quasi-public/state relationship and you will have legal problems WHEN, not if, a lawsuit is filed against the owner-entities. Correctional facilities are constantly involved in law suits, as you all should be well aware of by now.

- (4) Line 10: states, "A correctional facility "means", a: prison; jail, etc  
RESPONSE: You all know that the State has several facilities NOW that are "Privately owned and run by the Private Sector. ALLVST IS ONE OF THEM, and, there are bills right now that are considering OTHER PRIVATIZED JAILS.

So LEGALLY, there has to be a CLEAR DEFINITION OF WHAT A STATE CORRECTIONAL FACILITY IS SO THAT WHEN, NOT IF, THE FACILITY OWNERS ARE SUED, THERE IS A CLEAR LINE OF RESPONSIBILITY AND ACCOUNTABILITY FOR WHAT GOES ON WITHIN THE CONFINES OF THESE "CORRECTIONAL FACILITIES" AND THIS BILL DOES NOTHING BUT CLOUDS THIS ISSUE.

WE SUGGEST THE FOLLOWING:

Section 1 33.30.901 (4) is amended to read:

- (a) "State correctional facility" IS, a facility exclusively owned and operated by the State of Alaska, under the management of the Alaska State Department of Corrections.
- (b) "A quasi-public correctional facility", IS a facility that is either partially owned or operated by the State of Alaska and a private entity, under a legal document of "Contract and Agreement" approved by the Legislature, for a "certain term" and a public record
- (c) Both facilities may, by virtue of a "collective bargaining agreement" hire State or private employees to work in these facilities
- (d) These "correctional facilities" are for the PURPOSE of the "incarceration of "court-ordered sentenced persons" for crimes they have committed. These "correctional facilities INCLUDE, but not limited to, the following:
  - (1) prisons;
  - (2) jails;
  - (3) work camps;
  - (4) farms;
  - (5) half-way houses;
  - (6) group homes;
  - (7) THERAPEUTIC TREATMENT CENTERS; or
  - (8) other placement, designated BY the COURTS, for the PURPOSE OF:
    - (a) custody;
    - (b) custody and treatment for physical or mental maladies;
    - (c) custody and rehabilitative activities for re-entry into society, prior to release.

\*\*\*THE ABOVE DEFINITIONS SHOULD BE IN A "SEPARATE SECTION" FOR A CLEAR DEFINITION OF WHAT THE STATE DEPARTMENT OF CORRECTIONS FACILITIES INCLUDES, WHAT IT DOES NOT

\*\*\* BILL'S SECTION 2, IS NOW SPEAKING ONLY OF THE "HARDORVIEW FACILITY" AND IT'S NEW:

- (1) OWNERSHIP;
- (2) MANAGEMENT; AND
- (3) COST-SHARING OF THE FACILITY AND OPERATION

AFJS

PAGE. 3

THE FOLLOWING "LANGUAGE MAKES NO SENSE":

- (1) (a) "The Harborview Developmental Center is declared to be "SURPLUS" TO THE "NEEDS OF THE STATE".

QUESTION: What does this mean and what relevance does it have? We think NONE, and this language should be taken out.

- (2) "THE COMMISSIONER OF "NATURAL RESOURCES" SHALL CONVEY TITLE TO THE HARBORVIEW DEVELOPMENT CENTER TO THE CITY OF VALDEZ, IN THE FORM OF A QUIT CLAIM DEED

QUESTION: What does the Alaska State Department of Natural Resources have to do with the TITLE of this facility and land? THIS IS CLEARLY A "LEGISLATIVE DUTY, NOT A STATE BUREAUCRACY'S."

If the TITLE states the owner IS the "State of Alaska", then, it follows, that the "Quit claim deed" must show this transfer of "title" and would state:

"FROM the State of Alaska to the City of Valdez and a DESCRIPTION OF THE "ACTUAL REAL & PERSONAL PROPERTY" that is being conveyed, not "APPROXIMATELY 13 acres" We are certain that this land has "already been legally described in documents recorded in the courts" and this description should be inserted in this bill. Again, who ever "drafted this bill" was lazy and didn't get the pertinent information for the bill.

- 3 (b) "The "CONVEYANCE" required in (a) of this section is SUBJECT TO THE FOLLOWING CONDITIONS:

RESPONSE: THIS LANGUAGE "DOES NOT" BELONG IN A STATUTE. THIS LANGUAGE IS "NEGOTIATING" THE TRANSFER OF TITLE OF THE LAND AND FACILITY AND SHOULD HAVE ALREADY BEEN NEGOTIATED. THIS LAW SHOULD JUST BE MAKING THE TRANSFER FROM THE STATE TO THE CITY OF VALDEZ." THIS BILL SHOULD ONLY CONTAIN THE "RECORDED DOCUMENT OF THIS "TRANSFER OF PROPERTY", OR REFER TO THE "QUASI-STATE/PRIVATE CONTRACT, WHICH "TERM" OF CONTRACT IS UP TO THE LEGISLATURE FOR RENEWAL ON A SPECIFIC DATE, OR OTHERWISE INDICATED "IN THE CONTRACT".

A "STATE LAW IS NOT TO BE USED AS A "CONDITIONAL SALES AGREEMENT", BUT THAT IS EXACTLY WHAT YOU HAVE HERE. WHAT IF THE CITY OF VALDEZ DOESN'T DO WHAT YOU ARE REQUIRING OF IT, OR THE STATE FAILS TO DO WHAT IT IS SUPPOSE TO DO, THEN YOU HAVE A "STUPID AND UNENFORCEABLE LAW", WHICH HAS BEEN THE PRACTICE OF THIS STATE. THIS STATE HAS 209 ATTORNEYS WHO ARE AT THE PLEASURE OF THE LEGISLATURE TO "DRAFT CREDIBLE AND LEGAL DOCUMENTS (LAWS), WHICH WILL STAY IN THE STATUTES, NOT BE JOCKEYED AROUND LIKE THIS ONE.

BLACK'S LAW DICTIONARY GIVES YOU THE DEFINITION OF A STATUTE AS: "An Act OF THE LEGISLATURE, DECLARING, COMMANDING, OR PROHIBITING SOMETHING". What this Section (b) is a "Conditional Contract" and totally absurd in a law.

We, in Valdez KNOW that "negotiations" have been going on for the past several years. Either the Legislature is prepared to approve a "transfer of title or not", and this "bill" appears to say, "that the legislature hasn't been presented with the legal transfer papers" as yet for "THEIR APPROVAL". THE DEPT. OF NATURAL RESOURCES", HAS NO AUTHORITY TO SELL OR TRANSFER THE "PEOPLE'S PROPERTY" TO ANOTHER ENTITY

AFJS

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IF THE DEPT. OF RESOURCES HAS THIS AUTHORITY, IT SHOULD BE REPEALED. THE PEOPLE OF THIS STATE "DID NOT ELECT A BUREAUCRACY TO MAKE THESE IMPORTANT DECISIONS" AND IT IS OBVIOUS THAT "CONFLICT OF INTEREST AND CORRUPTION CAN TAKE PLACE" WE ASK THAT THIS BE INVESTIGATED AND A BILL BE PRESENTED "REPEALING THIS AUTHORITY", WHICH WE BELIEVE "IS" CURRENTLY THE LAW.

We also KNOW, that "The citizens of Valdez have NOT been presented with a Real Estate contract from the State for consideration, thus the "Open Meeting Law" is being violated because the PEOPLE are not being involved in this process, which is clearly NOT in writing.

According to this vague and ambiguous bill, the "People of Valdez will be PAYING FOR SOME IF NOT ALL OF THE OPERATION OF THIS "CORRECTIONAL FACILITY", AND WE, THE PEOPLE HAVE NOT SEEN THE STATE'S CONTRACT TO DECIDE IF WE WANT TO APPROVE IT.

For the above reasons, we, the people state:

- CLERK  
2/1/98  
K
- (1) that this bill is "legally flawed" and oppose it;
  - (2) We want a Legal Contract from the State that outlines:
    - (a) Who is going to be the "Owner of the property and facility";
    - (b) What the City of Valdez is going to have to pay for the:
      - (1) Exclusive Ownership or Quasi-Public/State ownership of the land & facility;
    - (c) Who is going to be "Legally responsible for the Ownership and operation of the facility and land in case of suit;
    - (d) Who is responsible for the "Maintenance; operation; management; hiring & termination of employees; and
    - (e) Who is responsible for the transportation of the prisoners to and from the facility and who is responsible in case of accident;
    - (f) Who is insuring the facility and property;
    - (g) What Federal; State; and local moneys and grants are involved and how will they be made available to the City of Valdez on an annual basis;
    - (h) all other "legal matters" that are ALWAYS INCLUDED IN A "REAL ESTATE CONTRACT" ALONG WITH ANY "AGREEMENTS" THAT ARE MADE BETWEEN THE STATE AND CITY OF VALDEZ, ESPECIALLY IN THE AREA OF MONEY, I.E. BEING RECEIVED; SPENT; ACQUIRED, AND THE "ACCOUNTABILITY FOR THESE FUNDS.
    - (i) BROUGHT BEFORE THE PEOPLE OF VALDEZ WHO WILL BE AFFECTED BY ALL OF THE ABOVE

We were NOT SENT A FISCAL NOTE ON THIS BILL AND WE REQUEST ONE TO BE SENT TO US. THAT CLEARLY SPELLS OUT THE ABOVE.

This Association FINDS, that this bill is "typical" of the "poor quality of legislation being drafted, which continually results in Court litigation because of the incompetence of the author's of these bills and there is no excuse for it. We want to know:

- (1) WHO DRAFTED THIS BILL?
- (2) WHICH STATE ATTORNEY "APPROVED THIS BILL FOR INTRODUCTION?"
- (3) SENATOR DONLEY IS INDICATED AS "AN ATTORNEY" IN THE AK STATE LEGISLATURE DIRECTORY. HE ABOVE ALL "SHOULD HAVE EASILY SEEN THAT THIS BILL WAS INCOMPETENTLY DRAFTED AND APPROVED AND IT SHOULD NOT HAVE GONE A FARTHER. WHY DIDN'T HE?"

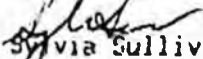
WE ASK THAT SENATOR MACKIE, THE CHAIR OF THIS COMMITTEE, IMMEDIATELY RESPOND TO US WITH A FAX "PRIOR TO THE HEARING", OR TO TABLE THIS BILL UNTIL IT HAS BEEN RE-DRAFTED IN "LEGAL FORM" AND IF HE CHOOSES TO "TABLE" THE BILL, TO FAX US, SO WE DON'T HAVE TO GO TO THE LIU

AFJS

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TO TESTIFY

Sincerely,

  
Sylvia Sullivan,  
President AFJS

CC: RULES COMMITTEE-WHICH IS CURRENTLY REALIZING HOW BADLY BILLS & REGULATIONS ARE BEING  
CREATED AND PASSED INTO LAW AND ARE "LEGALLY FLAWED OR ILLEGAL & UNCONSTITUTIONAL."  
CC: REPRESENTATIVE GENE KUBINA, FOR DISTRICT 35, WHICH INCLUDES VALDEZ;  
CC: SENATOR GEORGIANNA LINCOLN, WHO ALSO REPRESENTS VALDEZ;  
CC: VALDEZ MAYOR, DAVE COBB  
CC: VALDEZ NEWSPAPERS: STAR & VANGUARD;  
CC: VALDEZ RADIO STATIONS: KCHU & KVAK

**SB**

**252**

**SENATE COMMITTEE REPORT**  
**First Committee of Referral**

DATE: 3/9/98

FURTHER: Resources  
 Judiciary  
 Finance

Date of 5-Day Notice  
 2/26/98

DATE TURNED  
 IN TO OFFICE: 3/23/98

Health, Education and Social Services Committee considered

SENATE BILL NO. 252

"An Act relating to paternity establishment and child support; relating to the crimes of criminal nonsupport and aiding the nonpayment of child support; and amending Rule 37(b)(2)(D), Alaska Rules of Civil Procedure; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 252 (HES)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**  
 same title  
 new title  
**House Bill:**  
 same title  
 technical title  
 new: SCR# \_\_\_\_\_

<u>SIGNING DO PASS</u>	<u>DP</u>	<u>OTHER RECOMMENDATIONS</u>	<u>NR</u>	<u>DNP</u>	<u>AM</u>
		<i>[Signature]</i>			<input checked="" type="checkbox"/>
		<i>[Signature]</i>			<input checked="" type="checkbox"/>
		<i>[Signature]</i>			
<b>CHAIR:</b>		<b>CHAIR:</b> <i>[Signature]</i>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
Revenue	11/24/97	<input checked="" type="checkbox"/>	
Public Defender Administration	11/28/97		***
Admin - Public Advocacy	11/28/97	<input checked="" type="checkbox"/>	
Admin - Motor Vehicles	12/17/97	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

Dept of Revenue

0-GS2007.A

suggested amendments

**SENATE BILL NO. 252**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTIETH LEGISLATURE - SECOND SESSION**

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

Introduced: 1/22/98

Referred: HESS, Judiciary, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to paternity establishment and child support; relating to the  
2 crimes of criminal nonsupport and aiding the nonpayment of child support; ~~and~~  
3 ~~amending Rule 37(b)(2)(D), Alaska Rules of Civil Procedure; and providing for~~  
4 an effective date."

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

6 \* Section 1. PURPOSE. The primary purpose of this Act is to amend Alaska statutes to  
7 comply with the mandates of the federal Personal Responsibility and Work Opportunity  
8 Reconciliation Act of 1996 and other federal law to ensure continued federal financial  
9 participation for Alaska's child support enforcement, public assistance, and unemployment  
10 programs.

11 \* Sec. 2. AS 09.50.020 is amended by adding a new subsection to read:

12 (b) In addition to the penalty specified in (a) of this section, the court may  
13 suspend or revoke, for a period not to exceed one year, a hunting license, sport fishing  
14 license, or both, issued under AS 16.05, or the person's ability to obtain the licenses,

1 if

- 2 (1) the person is a natural person;
- 3 (2) the contempt is one under AS 09.50.010(4) - 09.50.010(10); and
- 4 (3) the court, sitting without a jury, finds by a preponderance of
- 5 evidence that

6 ~~(A) the contempt related to failure to pay money in connection~~

7 ~~with a child support action or proceeding;~~ ~~or~~

8 ~~(B) it appears that a right or remedy of a party in a child~~

9 ~~support action or proceeding was defeated or prejudiced by the contempt.~~

10 \* Sec. 3. AS 11.51.120(c) is amended to read:

11 (c) Criminal nonsupport is a class A misdemeanor, and is also punishable by

12 loss of hunting and sport fishing licenses as provided in AS 12.55.138.

13 \* ~~Sec. 4. AS 11.51.122(d) is amended to read:~~

14 ~~(d) Aiding the nonpayment of child support is a class A misdemeanor, and is~~

15 ~~also punishable by loss of hunting and sport fishing licenses as provided in~~

16 ~~AS 12.55.138.~~

17 \* Sec. 5. AS 12.55 is amended by adding a new section to read:

18 **Sec. 12.55.138. Penalties for criminal nonsupport or aiding the**

19 **nonpayment of child support.** In addition to other penalties imposed for the offense

20 of criminal nonsupport under AS 11.51.120 ~~or aiding the nonpayment of child support~~

21 ~~under AS 11.51.122~~, the court may suspend or revoke, for a period not to exceed one

22 year, a hunting license, sport fishing license, or both, issued under AS 16.05, if the

23 defendant is a natural person.

24 \* Sec. 6. AS 16.05.330 is amended by adding a new subsection to read:

25 (e) A natural person applying for a license or tag for hunting or sport fishing

26 shall provide the person's social security number on the license application. Upon

27 request, the department shall provide the social security number to the child support

28 enforcement agency created in AS 25.27.010, or the child support agency of another

29 state, for child support purposes authorized by law.

30 \* Sec. 7. AS 16.05.346 is amended by adding a new subsection to read:

31 (d) A person applying for a permit under this section shall provide the person's

1 social security number on the permit application. Upon request, the department shall  
 2 provide the social security number to the child support enforcement agency created in  
 3 AS 25.27.010, or the child support agency of another state, for child support purposes  
 4 authorized by law.

5 \* Sec. 8. AS 16.05.360 is amended to read:

6 **Sec. 16.05.360. Commissioner charged with license issuance.** The  
 7 commissioner or an authorized deputy shall issue each license and tag to a qualified  
 8 person under written application containing such reasonable information as required  
 9 by the commissioner. The commissioner shall designate the license and tag form or  
 10 type. The form or type must be sufficient to identify and locate the applicant, [AND]  
 11 establish the applicant's status as to residency and citizenship, and supply the  
 12 person's social security number if required by this chapter. Each application shall  
 13 be subscribed and sworn to by the applicant before an officer authorized to administer  
 14 oaths in the state.

15 \* Sec. 9. AS 16.05.360 is amended by adding a new subsection to read:

16 (b) Upon request, the department shall provide a social security number  
 17 provided by an applicant under (a) of this section to the child support enforcement  
 18 agency created in AS 25.27.010, or the child support agency of another state, for child  
 19 support purposes authorized by law.

20 \* ~~Sec. 10. AS 25.20.050 is amended by adding a new subsection to read:~~

21 ~~(p) An order for genetic testing issued by a tribunal under (c) of this section~~  
 22 ~~in an action to establish paternity may be enforced by a superior court through the use~~  
 23 ~~of the court's contempt powers. If the tribunal is the child support enforcement~~  
 24 ~~agency, it may use the procedure set out in AS 25.27.167 for enforcement of~~  
 25 ~~administrative orders.~~

26 \* Sec. 11. AS 25.25.602(a) is amended to read:

27 (a) A support order or income withholding order of another state may be  
 28 registered in this state by sending the following documents and information to a  
 29 tribunal of this state:

30 (1) a letter of transmittal to the tribunal requesting registration and  
 31 enforcement;