

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 80/2

9548 SENATE HEALTH EDUCATION & SOCIAL SERVICES

INSTITUTIONAL REGULATIONS FEES

CONTINUED FROM PREVIOUS PAGE

A number of states utilized a system of scaled fees which are tied to tuition rates or revenues. We propose the utilization of the sliding scale methodology with minimum and maximum amounts to be set.

AS 14 48 090 imposes a set fee structure which the Commission must charge an institution for each application for authorization to operate (\$100 fee) or renewal of authorization to operate (\$100 fee). These fees do not come close to recouping the actual cost in labor (1.5 employees), preparation and travel for authorization activities. Personnel and travel costs for FY97 total almost \$100,000. In FY96, ACPE collected less than \$2,000 in fees. As the bulk of authorization activity is for renewals, charging a higher fee for initial authorizations would place an additional burden on new businesses with already significant start up costs. The proposed fee structure is intended to place the primary burden on institutions that derive the greatest benefit from the authorization process: institutions seeking reauthorization and gleaning student loan tuition revenues.

The authorization function is primarily one of consumer (student) protection and guardianship of Alaska student loan funds. Minimum standards are developed and maintained, complaints are investigated and technical assistance is provided to schools. Naturally, the proposed fee schedule will seem significant to a population who have received our services essentially for free for many years. Nonetheless, as pressure increases for state agencies to become more cost effective, a fee schedule that charges the entity that benefits and covers at least a portion of the cost to the state is appropriate.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
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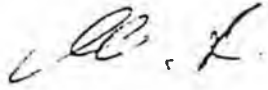
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

April 24, 1997

SUBJECT: Sectional Summary of HB 256.

TO: Representative Gary Davis
Attn: Julie

FROM: Michael F. Ford 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Provides that certain educational programs are exempt and that certain educational programs may be exempted from regulation by the Alaska Commission on Postsecondary Education under AS 14.48.

Section 2. Gives the commission the authority to establish fees for services provided under AS 14.48.

Section 3. Gives the commission authority to revoke, suspend, or condition an authorization or permit issued under AS 14.48. Also allows the commission to impose a civil fine up to \$5,000. Provides for automatic cancellation 30 days after the educational institution ceases to operate.

Section 4. Authorizes the commission to issue orders to halt practices that violate AS 14.48, to award damages, to impose penalties and a civil fine, and to revoke an authorization or permit.

Section 5. Provides that if the commission orders restitution and the person receiving the money owes money to a lender, the person paying the restitution shall pay the lender first. Allows the commission, for good cause, not to pay a lender and to pay the person receiving the award of restitution.

Representative Gary Da

April 24, 1997

Page 2

Section 6. Amends the definition of "authorization to operate".

Section 7. Amends the definition of "education", "educational program or services", "instruction", and "instructional program".

Section 8. Amends the definition of "postsecondary educational institution".

Section 9. Amends the definition of "to operate a postsecondary institution".

Section 10. A transitional provision that allows the commission to charge fees for services.

Section 11. Allows the commission to immediately proceed to adopt regulations.

Section 12. Immediate effective date for sec. 11.

Section 13. Effective date for all sections but sec. 11.

MFF:jdr:glc

97-294.jdr

A M E N D M E N T

Uran.

OFFERED IN THE HOUSE

TO: HB 256

1 Page 1, line 1, following "to":

2 Insert "calculation of the default rate for purposes of the student loan program
3 and to"

4 Page 1, following line 3:

5 Insert a new bill section to read:

6 **** Section 1.** AS 14.43.120(d) is amended to read:

7 (d) Scholarship loans may not be made to a student

8 (1) for more than a total of \$42,500 for undergraduate study;

9 (2) for more than a total of \$47,500 for graduate study;

10 (3) for more than a combined total of \$60,000 for undergraduate and
11 graduate study;

12 (4) to attend an institution [,] if the total amount of scholarship loans
13 made to students to attend that institution exceeds \$100,000 and the default rate on
14 those loans is (A) greater than 20 percent but less than 25 percent, and the institution
15 is unable to reduce its default rate within 24 months after the rate determination; or
16 (B) equal to or greater than 25 percent for two consecutive calendar years; for
17 purposes of this paragraph, the default rate shall [ANNUALLY] be determined by the
18 commission for each annual group of [FROM] loans required to be repaid under (g)
19 of this section on or after July 1, 1996; if a scholarship loan is refused based on the
20 provisions of this paragraph and, under a subsequent default rate determination, an
21 institution's default rate does not exceed the limits established under this paragraph,
22 the commission may not refuse to issue a scholarship loan to attend that institution
23 based on the provisions of this paragraph."

1 Page 1, line 4:

2 Delete "Section 1."

3 Insert "Sec. 2."

4 Renumber the following bill sections accordingly.

5 Page 5, line 5:

6 Delete "sec. 2"

7 Insert "sec. 3"

8 Page 5, line 14:

9 Delete "sec. 13"

10 Insert "sec. 14"

11 Page 5, line 15:

12 Delete "Section 11"

13 Insert "Section 12"

14 Page 5, line 16:

15 Delete "sec. 12"

16 Insert "sec. 13"

TONY KNOWLES, GOVERNOR

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

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JUNEAU, ALASKA 99801-7109
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In Juneau 465-6740
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MEMORANDUM

TO: ALASKA LEGISLATORS
FROM: DEBORAH CRAIG, DIRECTOR OF INSTITUTIONAL RELATIONS
SUBJECT: HB 256 - FEE FOR SERVICE
DATE: 4/23/97

In addition to the management of the Alaska Student Loan Program, the Alaska Commission on Postsecondary Education (ACPE) is responsible for authorizing postsecondary schools to operate in the state of Alaska. The authorization function is primarily one of consumer protection for students. ACPE establishes minimum standards concerning quality of education, ethical and business practices, health and safety, and fiscal responsibility of schools, to protect students against substandard, transient, unethical, or fraudulent practices of institutions.

Alaska Statute 14.48.090 imposes a set fee structure that the Commission must charge an institution for each application for authorization to operate or renewal of authorization to operate, as listed below:

- | | |
|--|-------|
| 1. Initial Authorization to Operate | \$100 |
| 2. Renewal of Authorization to Operate | \$100 |

These fees do not come close to recouping the actual labor (1.5 positions) and associated costs of authorization activities. Personnel and travel costs for FY97 will reach almost \$100,000. In FY96, ACPE collected less than \$2,000. The remaining costs of this function are borne by corporate receipts. Rather than reinvent the wheel on this issue, staff surveyed 25 state approving agencies to gain perspective on the various ways to tie the fee charged to the cost of doing business. The survey showed that fees varied from a low of \$50 to a high of \$6,000. A number of states utilize a system of scaled fees which are tied to tuition rates or tuition revenues.

ACPE is proposing a change in the authorization fee structure. Fees will be tied to a percentage of gross tuition revenue/fees, less refunds and a set fee for less labor intensive services (change of program review, site review, etc.). Minimum and maximum fee thresholds will be established. (See sample on next page.) The bulk of authorization activity is for applications for renewal of authorization. Charging a higher fee for initial authorizations would place an additional burden on new businesses with already significant start up costs. Thus, the proposed fees structure is intended to place the primary burden on institutions that derive the greatest benefit from the authorization process: institutions seeking reauthorization and gleaning student loan revenues. The attached proposed legislation also clarifies the criteria for exemption from the requirement for authorization to operate.

Further, this proposed legislation provides a mechanism for ACPE to recoup a portion of the cost of investigating and adjudicating institutional violations of statute and regulation. Fines would be based on the cost of investigation and adjudication (up to a maximum fine threshold) and assessed only if the commission finds an actual violation has occurred.

Again, the authorization function is one of consumer (student) protection and guardianship of Alaska student loan funds. Naturally, the proposed fee structure will seem significant to a population who have received our services essentially for free for many years. Nonetheless, as pressure increases for state agencies to become more cost effective, a fee schedule that charges the entity that benefits and covers at least a portion of the cost to the state is appropriate.

Comparison of Licensing Fees for Other States

STATE	CODE	INITIAL	RENEWAL	AMENDY	AGENT	SITE CHANGE
Alaska		\$100	\$100	\$0	\$50	\$0
Arizona	*	\$800	600-1400	\$300	\$75	\$300
Arkansas	*	\$300-\$1,300	300-1200	100-250		
Colorado	* +	\$2,000	\$750	\$150	\$150	\$150
Florida	+	\$2,000	\$250		\$100	
Illinois	^	\$500	\$150			
Louisiana	+ ^	\$500	500 plus late fee			
Missouri	^	\$250	250-2500			
Nevada	*	\$1,500		\$500	\$200	
New Mexico	* +	\$500	2%-5000		\$500	
Ohio	* + ^	\$300-\$1,100	200-825	\$200	\$100	\$150
Oklahoma	* + ^	\$750	\$375		\$100	\$250
South Carolina	*	\$100-\$1,000	100-1000	\$50	\$25	\$50
Tennessee	* +	\$2,500	350-8000	Special Fees		
Texas	* + ^	\$1,000-\$2,500	3%+	\$225		\$375
Washington	* + ^	\$250-\$2,500	additional fees charged for special requests			

Code

- * Charges percentage scaled to tuition revenues
- + Charges late fee or annual fee
- ^ Tailors fee to individual requests and has authority to amend fee structure

Sample Fee Structure for Alaska

Initial Authorization and Application Fee - 2 Years	\$1,500
Renewal of Authorization - 3 Years	Min \$500/Max \$2500
	3% of Tuition/Fee Revenue
Change of Ownership	Min \$500/Max \$2500
	3% of Tuition/Fee Revenue
Change of Program or Additional Programs	\$100
Additional Site Inspection	\$100

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

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INSTITUTIONAL AUTHORIZATION

The purpose of the institutional authorization statutes and regulations is: "to provide for the protection, education, and welfare of the citizens of the state, it's postsecondary educational institutions, and its students . . ." The statutory language delineating this purpose specifically addresses:

1. standards relating to quality of education, ethics, health and safety, fiscal responsibility and the protection against substandard and transient institutions, and unethical, deceptive, or fraudulent practices
2. false or misleading educational credentials
3. the use of academic terminology in institutional designations
4. misleading advertisements, solicitations, literature or representation
5. preservation of essential academic records
6. rights and remedies available to the public and the Alaska Commission on Postsecondary Education for the execution of the statute

Nothing in either the statutes or the regulations is intended either to prohibit or inhibit the operation of any institution or category of institutions, nor is there any intention to stifle or hamper the development of innovative, alternative postsecondary educational delivery systems or programs if they are in the public interest and not in conflict with the purpose of the statute.

The following summary highlights areas of institutional authorization oversight:

- Assurances of compliance with all other statutes, codes, regulations and legal requirements.
- Evidence of accreditation (if any).
- Documentation of compliance with bonding requirements.
- Proof of financial soundness (compilation, review or audited financials, tax documents, etc.) and proof of administrative capability (organizational structure).
- Site safety requirements (accident/liability insurance, Building Safety and Zoning Inspections (where applicable) and Fire Department Inspection).
- Staff qualifications, credentials, hiring standards, policies and procedures.
- Institutional policies and procedures for resolution of student complaints.
- Scope and Sequence (Institutional Catalog, Student Handbook, Enrollment Contract, Schedule of classes, Enrollment/registration forms, Tuition/fee contract, Admission application, Academic record form, Grade reports form, Drop/add form, Fee/tuition schedule, Refund schedule and procedures, Certificate of completion/diploma).
- A copy of the independently administered entrance test with the scoring criteria to be used by the institution to determine an enrolling student's "ability to benefit" from the training offered, if applicable.

(1) \$8,500 to a full-time undergraduate student or \$5,000 to a half-time undergraduate student attending a college or university if the full or half-time student is otherwise eligible under AS 14.43.125;

(2) \$9,500 to a full-time graduate student or \$4,500 to a half-time graduate student attending a college or university if the full or half-time graduate student is otherwise eligible under AS 14.43.125;

(3) \$5,500 to a full-time student or \$2,000 to a half-time student if the full or half-time student is attending a career education program that is at least six weeks in length and is otherwise eligible under AS 14.43.125.

(b) The commission may make a loan for a summer term, even if the total loan for the school year exceeds the limit imposed under (a) of this section if the loan for the summer term is counted against the limit imposed under (a) of this section for the following school year.

(c) The commission shall adopt regulations establishing a minimum amount for which a loan may be made.

History - (sec. 1 ch 98 SLA 1971; am sec. 6 ch 136 SLA 1974; am sec. 1 ch 153 SLA 1978; am sec. 1 ch 89 SLA 1981; am sec. 1 ch 34 SLA 1985; am sec. 1 ch 65 SLA 1986; am sec. 7 ch 43 SLA 1991; am sec. 1 ch 5 SLA 1996)

Sec. 14.43.115. Graduate loans.[Repealed sec. 26 ch 5 SLA 1996].

Sec. 14.43.120. Conditions of loans. (a) Proceeds from a scholarship loan to a full-time student may only be used for books, tuition and required fees, loan origination fees, and room and board. Proceeds from a scholarship loan to a half-time student may only be used for books, tuition and required fees, and loan origination fees.

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

(1) career education program operating on a sound fiscal basis that has

(A) operated for two years before the borrower attends; and ✓

(B) submitted an executed program participation agreement as required by the

commission; or

(2) a college or university that

(A) has operated for at least two years before the borrower attends;

(B) is accredited by a national or regional accreditation association recognized by the Council on Postsecondary Accreditation or is approved by the commission;

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

(D) is a degree granting institution; and

(E) has submitted an executed program participation agreement as required by the

commission.

(c) To maintain a loan awarded to a full-time student the student must continue to be enrolled as a full-time student in good standing in a career education program, college, or university that meets the requirements under (b) of this section. To maintain a loan awarded to a half-time student, the student must continue to be enrolled as a half-time student in good standing in (1) a career education program, college, or university in the state that meets the requirements under (b) of this section, or (2) a career education program, college, or university that meets the requirements under (b) of this section, and be physically present in the state while attending the career education program, college, or university. The commission shall adopt regulations defining "good standing" for purposes of this subsection.

(d) Scholarship loans may not be made to a student

(1) for more than a total of \$42,500 for undergraduate study;

(2) for more than a total of \$47,500 for graduate study;

(3) for more than a combined total of \$60,000 for undergraduate and graduate study;

(4) to attend an institution, if the total amount of scholarship loans made to students to attend that institution exceeds \$100,000 and the default rate on those loans is (A) greater than 20 percent but less than 25 percent, and the institution is unable to reduce its default rate within 24 months after the rate determination; or (B) equal to or greater than 25 percent for two consecutive calendar years; for purposes of this paragraph, the default rate shall annually be determined by the commission from loans required to be repaid under (g) of this section on or after July 1, 1996; if a scholarship loan is refused based on the provisions of this paragraph and, under a subsequent default rate determination, an institution's default rate

APR 14 1997

TONY KNOWLES, GOVERNOR

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

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To: Alaska Legislators
From: Deborah Craig, Director of Institutional Relations *D. Craig*
CC: Mr. Ed Neal, Owner, American Computer Institute
Date: 04/14/97
Re: Alaska Computer Institute

This memo is a brief response to the April 7, 1997 letter you were sent by Robb Woodman, director of Alaska Computer Institutes (ACI), Fairbanks and Anchorage.

Very simply, last month, with slightly more than 48 hours notice to either the Commission or their students, ACI, Fairbanks ceased normal operations. The owners of this institution apparently made a budget-based decision to abruptly close without notice and, due to this action lost accreditation by the Accrediting Council for Continuing Education and Training (ACCET). ACPE, although concerned about meaningful institutional accountability, has taken no action to precipitate this occurrence. In response to ACI's announcement, Commissioners focused their immediate attention on the needs of students caught in the closure, ensuring reasonable alternatives or a full refund of student's investment in programs that range in tuition price from \$5,000-\$7,000 for three to four month programs.

ACPE staff is aware that ACI, Anchorage's owner, Ed Neal, has indicated an interest in selling that institution. It is the last of several institutions owned by Mr. Neal in western states that is still in operation. ACCET has placed the Anchorage institution on "show cause" status as a result of "failure...to effectively manage the Fairbanks branch." ACCET also noted the same "pattern of behavior exhibited in the closure of the Arizona Computer Institute" in October of last year. The Commission, however, has received no notice of closure or sale. The Institutional Authorization Committee of the Commission is planning to meet by teleconference on April 16, 1997 to review ACI, Fairbanks' compliance with the consumer protection conditions which the Commission set out last month.

If you are interested in this matter and would like a greater level of detail regarding the status of ACI in Alaska, I would be happy to meet with you or provide written detail at greater length.

APR 8 1997

April 7, 1997

Dear Representative Davis

This letter is written out of concern for the future of postsecondary education in the state of Alaska. I am convinced that our elected senators and representatives are not aware of the current trend and certainly not aware of the impact to our communities of recent steps that have been taken by key administrative staff members of the Alaska Commission on Postsecondary Education (ACPE)

Alaska Computer Institute (ACI) is a private corporation which has served the educational needs of the Anchorage and Fairbanks communities for the last thirteen years. The population of ACI students consists of 30% native Alaskans, 79% women, and 65% other minorities for a total *minority* population of 92%. ACI serves those individuals who are not able to commit to a two- or four-year collegiate program. We train welfare recipients to prepare them for meaningful employment, and we work with both the Department of Vocational Rehabilitation the Job Training and Partnership Act to help people make a new start with their lives.

In March, the management of ACI made the painful decision to begin a teach out in order to close our Fairbanks campus by the end of June. The remaining students were offered the opportunity to participate in teach out classes, transfer to our Anchorage campus with ACI paying transportation costs, get assistance with buying University of Alaska-Fairbanks credits, or negotiating a refund. One student transferred to Anchorage, one student has elected to move out of state, two students remain undecided, and the remaining students are participating in teach out classes

ACI has diligently tried to work with the administrative staff of ACPE in supplying all necessary documentation in order to proceed with our plan. However, it is not clear what is required by key staff members to prevent the closure of the Anchorage campus of ACI and continue the teach out of the Fairbanks students. We have been led to believe that the closure of ACI-Anchorage is eminent and is to take place at an April 16 Institutional Authorization Committee meeting of ACPE.

The loss of Alaska Computer Institute would affect the whole state as we have many students that come in to Anchorage from outlying villages and communities. Vocational training in the state of Alaska is at risk. Where are these people going to go when federal mandates concerning welfare recipients come into play? What about the dreams of the 82 students currently enrolled at ACI? Where do they turn? Who is representing their interests? The staff, faculty, and students of ACI are asking for your help. We hope that you, as a representative of the people of Alaska, understand the severity of our situation and the far reaching consequences to your constituents.

Respectfully yours,



Mr. Robb Woodman, Director
ACI Staff and Faculty

701 E. Tudor Rd., Suite 101
Anchorage, AK 99503



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HB 256 - FEE FOR SERVICE

SERVICE: Consumer Protection - Authorization of postsecondary institutions to operate in the state of Alaska within minimum standards

PROTECT: Students purchasing education at postsecondary schools (academic and vocational)

ISSUE: Current fee charged to institutions does not recoup cost to state for service provision

GOAL: Fee for Service (Authorization) to cover partial cost

REQUEST: Support legislation promoting responsible fee structure for service

DIVISION OF INSTITUTIONAL RELATIONS
Institutional Relations

Postsecondary institutions offering programs over 80 hours or 10 days in duration and wishing to participate in the Alaska Student Loan program must be authorized to operate by the ACPE unless exempted as outlined in the bill. Examples of schools authorized to operate in the state are:

Charter College - business

People Count - computer + office

Older Person's Action Group - nurses training

Alaska Technical Training School - auto repair

SST Travel Schools of Alaska

Trendsetters School of Beauty

Take Flight Alaska - commercial pilot

Compass North Nautical School - commercial marine operator

Authorized Schools with FY 95 Awards, Total Revenue

30-Apr-97

School/Facility	FY 95 Awards	Total Outside Source	Total Revenue
University of Hawaii at Manoa	\$0.00	\$19,369,000.00	\$19,369,000.00
Fresno Pacific University	\$0.00	\$4,141,842.00	\$4,141,842.00
Fielding Institute	\$0.00	\$3,944,128.00	\$3,944,128.00
Loma Linda University - School of Health	\$0.00	\$2,367,688.72	\$2,367,688.72
Alaska Pacific University	\$906,525.69	\$775,594.00	\$1,682,119.69
Charter College	\$850,620.23	\$807,734.00	\$1,658,354.23
Alaska Computer Institute, Anchorage	\$1,044,367.54	\$553,489.23	\$1,597,856.77
Sheldon Jackson College	\$517,745.50	\$853,060.00	\$1,370,805.50
Alaska Vocational Technical Center	\$505,764.43	\$664,101.61	\$1,169,866.04
Wayland Baptist University, Alaskan Center	\$195,078.02	\$885,634.00	\$1,080,712.02
Career Academy	\$793,763.18	\$95,000.00	\$888,763.18
SST Travel Schools of Alaska	\$736,977.30	\$75,388.00	\$812,365.30
Hutchison Career Center	\$0.00	\$525,000.00	\$525,000.00
Alaska Technical Training School	\$368,629.22	\$125,614.00	\$494,243.22
Elite Hospitality Training Center	\$385,977.15	\$62,546.85	\$448,524.00
University of LaVerne, Elmendorf AFB	\$137,634.47	\$211,974.99	\$349,609.46
Testing Institute of Alaska	\$226,889.31	\$107,350.00	\$334,239.31
Saint Herman's Theological Seminary	\$63,024.50	\$250,000.00	\$313,024.50
Trend Setters School of Beauty	\$239,496.28	\$41,311.00	\$280,807.28
New Concepts Beauty School	\$133,516.96	\$92,480.16	\$225,997.12
Embry-Riddle Aeronautical University, Elmendorf	\$22,725.00	\$191,328.00	\$214,053.00
Cimarron Tech	\$185,200.50	\$21,750.00	\$206,950.50
Alaska Computer Institute, Fairbanks	\$0.00	\$203,998.89	\$203,998.89
New Frontier Vocational-Technical Center	\$98,420.00	\$96,950.00	\$195,370.00
People Count, Inc.	\$175,316.50	\$15,850.00	\$191,166.50
Central Texas College, Ft. Richardson	\$0.00	\$181,405.35	\$181,405.35
Alaska Technical Center	\$4,343.00	\$170,216.00	\$174,559.00
Center for Employment Education	\$0.00	\$171,670.00	\$171,670.00
University of LaVerne, Eielson AFB	\$0.00	\$171,617.86	\$171,617.86
Older Persons Action Group	\$45,652.00	\$118,200.00	\$163,852.00
Jon Anthony Training Salon, Anchorage	\$143,700.26	\$17,190.00	\$160,890.26
Take Flight Alaska	\$151,888.00	\$0.00	\$151,888.00
SERRC - Alaska Vocational Institute	\$22,775.50	\$116,374.00	\$139,149.50
Alaska Air Academy	\$0.00	\$109,747.00	\$109,747.00
Elmendorf Aero Club	\$67,367.00	\$28,348.00	\$95,715.00
Central Texas College, Ft. Greely	\$0.00	\$95,460.00	\$95,460.00
Gatekey School of Mind/Body Integration Studies	\$24,970.00	\$62,030.00	\$87,000.00
Alaska Flying Network	\$31,613.00	\$29,561.00	\$61,174.00
Academy of Hair Design	\$54,299.62	\$4,500.00	\$58,799.62
Weber State University	\$0.00	\$56,800.00	\$56,800.00
Aero Tech Flight Service, Inc	\$44,440.00	\$8,894.45	\$53,334.45
Valley Academy of Hair	\$47,217.50	\$0.00	\$47,217.50

6490

37

School/Facility	FY 95 Awards	Total Outside Source	Total Revenue
Double Header Beauty-Barber Training Center	\$0.00	\$25,183.78	\$25,183.78
Alaska Bible College	\$13,405.50	\$10,448.00	\$23,853.50
Compass North Nautical School	\$0.00	\$20,400.00	\$20,400.00
Metropolis Advanced Training Center	\$0.00	\$19,372.50	\$19,372.50
Double Header Beauty-Barber Training Center	\$0.00	\$18,100.00	\$18,100.00
National Outdoor Leadership School, Alaska	\$0.00	\$17,675.00	\$17,675.00
C.B. & Company Styling Academy	\$0.00	\$17,000.00	\$17,000.00
Grand Illusions Hair Styling Academy	\$11,110.00	\$5,500.00	\$16,610.00
School of Integrating Shiatsu Alaska	\$6,060.00	\$6,858.66	\$12,918.66
Team Cutters Institute of Hair Design	\$808.00	\$12,090.00	\$12,898.00
Loyola University Institute of Ministries	\$0.00	\$9,275.00	\$9,275.00
Western Oregon State College	\$0.00	\$4,975.00	\$4,975.00
Jon Anthony Training Salon, Soldotna	\$0.00	\$450.00	\$450.00
Wildlands Studies Program	\$0.00	\$0.00	\$0.00
Embry-Riddle Aeronautical University, Ft. Wainwright	\$0.00	\$0.00	\$0.00
Central Texas College, Ft. Wainwright	\$0.00	\$0.00	\$0.00
Total Schools: 58	Grand Total:	\$8,257,321.16	\$37,988,155.05
			\$46,245,476.21

58

20% under

HB

335

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HB 335

Revision Date (Note if correction) _____ Dept. Affected Law
 Title "...replacing the Uniform Child Custody Jurisdiction BRU Civil Division
Act with the Uniform Child Custody Junsdiction and Enforcement . . Component Human Services
 Sponsor House HESS Committee
 Requester House HESS Committee Component Serial No. 2208

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)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Soecify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 335 replaces the current Uniform Child Custody Jurisdiction Act with the Uniform Child Custody Jurisdiction and Enforcement Act. This bill primarily concerns custody disputes between private parties, and will not impact the Department of Law.

Prepared by Joan M. Kasson
 Division Attorney General's Office
 Approved by Commissioner Bruce M. Botelho, Attorney General
 Agency Department of Law

Phone 465-5370
 Date 1/26/98
 Date 1/26/98

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SENATE COMMITTEE REPORT

DATE: 3/18/98

FURTHER: Judiciary

DATE TURNED IN TO OFFICE: 3/25/98

Health, Education and Social Services Committee considered HOUSE BILL NO. 335

"An Act replacing the Uniform Child Custody Jurisdiction Act with the Uniform Child Custody Jurisdiction and Enforcement Act; and amending Rules 4 and 62, Alaska Rules of Civil Procedure, and Rule 205, Alaska Rules of Appellate Procedure."

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>DQ</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Kew D. Heman</i>	✓		
		<i>Joelle's</i>	✓		
		<i>Hyde Green</i>	✓		
		<i>Jay Ward</i>			✓
CHAIR: <i>Bonnie White</i>		CHAIR:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Law	11/26/97	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

Alaska State Legislature

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& SOCIAL SERVICES COMMITTEE

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SPONSOR STATEMENT HB 335

“An Act replacing the Uniform Child Custody Jurisdiction Act with the Uniform Child Custody Jurisdiction and Enforcement Act; and amending Rules 4 and 62, Alaska Rules of Civil Procedure, and Rule 205, Alaska Rules of Appellate Procedure.”

HB 335, The Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA) addresses the problem of interstate child custody. This act is intended to give swift, sure enforcement of court's order custody or visitation, inexpensively and in most cases, without a lawyer.

Our current statute, known as The Uniform Child Custody Jurisdiction Act (UCCJA) has not been revised since 1968. The new Act, the Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA), revises what is currently in statute and adds needed enforcement provisions.

HB 335 is advantageous for custodial and non-custodial parents. It addresses modern communications, domestic violence orders, the kidnapping act and other problems that frequently occur. The UCCJEA will also prevent the confusion and delay that occurs when parents or guardians must try to comply with conflicting court orders from different states.

The revised UCCJEA adds enforcement provisions. The current statute causes a parent with a valid visitation or custodial order to go through a long and expensive process to get an order enforced. The time and expense created by the process allows for indefinite delays in the enforcement of a custody or visitation order. These delays often result in a custodial parent waiting months or years to see their child. The revised UCCJEA allows a person with a valid order to register the order, give a certified copy to the other court, and for the court to hold a quick hearing to decide whether to honor the order or to decide if the order needs to be modified in the home state (original state of issue).

Another problem that the UCCJEA addresses is the difference in paperwork and timeframes between states. Our current statute allows each state to use different paperwork and time frame requirements for enforcement of orders. The revised UCCJEA makes the paperwork and time frame requirements the same in all states. The intention is to allow parents to do the necessary paperwork without hiring a lawyer and bearing the associated costs.

HB 335, the UCCJEA, is important for those who will be involved in custody disputes. Children will benefit from the security it will give them and parents will not be able to manipulate court orders in an effort to gain custody of a child or just keep a child from seeing the other parent.

**Sectional Summary of
HB 335
(Replace Uniform Child Custody
Jurisdiction Act (UCCJA) with the
Uniform Child Custody Jurisdiction
and Enforcement Act (UCCJEA))**

Section 1. Makes technical amendments to replace existing UCCJA section numbers with the new UCCJEA section numbers.

Section 2. Enacts the Uniform Child Custody Jurisdiction Act.

Article 1. Jurisdiction.

Proposed AS 25.30.300. Sets mandatory standards for initial child custody jurisdiction of the Alaska court. Places a priority for "home state" of a child to assume jurisdiction over the child custody case. Existing UCCJA provides for independent and concurrent bases of jurisdiction.

Proposed AS 25.30.310. Sets standards for exclusive, continuing jurisdiction to make a child custody determination.

Proposed AS 25.30.320. Sets standards for the Alaska court's jurisdiction to modify a child custody determination.

Proposed AS 25.30.330. Sets standards for the Alaska court to exercise temporary emergency jurisdiction in extraordinary circumstances. Requires communication with the other state to resolve the emergency, protect the safety of the parties, and determine a period for the temporary order.

Proposed AS 25.30.340. Provides standards for notice and opportunity to be heard to parents and other specified persons in a child-custody proceeding. Alaska law governs who is entitled to notice. Recognizes that Alaska law governs obligations to join persons as parties and rights of persons to intervene as a party.

Proposed AS 25.30.350. Concerns procedures for simultaneous proceedings in courts of different states.

Proposed AS 25.30.360. Establishes procedures for an Alaska court to decline jurisdiction if the Alaska court determines that it is an inconvenient forum for the child custody determination and that a court of another state is in a better position to make the custody determination, taking into consideration the relative circumstances of the parties

Proposed AS 25.30.370. Sets standards for an Alaska court to decline jurisdiction because of wrongful conduct, such as kidnapping a child.

Proposed AS 25.30.380. Specifies the information for parties to a child custody proceeding to submit to the Alaska court. Information includes child's address for the last five years and other proceedings that could affect the current proceeding. Each party has a responsibility to keep the information current with Alaska court. The section allows the court to protect the information against disclosure to protect the health, safety, or liberty of a party or child.

Proposed AS 25.30.390. Concerns the requirements of appearance of the parties and child in child-custody proceedings. This represents no major change to existing UCCJA.

Article 2. Enforcement.

Proposed AS 25.30.400. Allows an Alaska court to enforce an order made under the Hague Convention as if the order was a child custody determination.

Proposed AS 25.30.410. Requires an Alaska court to enforce an out-of-state order if the order was issued in substantial conformity with this chapter.

Proposed AS 25.30.420. Allows an Alaska court to issue a temporary visitation order to enforce a visitation schedule in an out-of-state order or to make provisions under the original order that did not have a specific visitation schedule (i.e., reasonable visitation) This order may include make-up or substitute visitation.

Proposed AS 25.30.430. Sets simple procedures for requesting registration of out-of-state child custody determinations. Allows a person seeking to contest the validity of a registered order to request a hearing on specified grounds

Proposed AS 25.30.440. Allows Alaska court to grant relief for a registered out-of-state child custody determination that is available in Alaska court. A registered out-of-state order is not modifiable by Alaska court unless an Alaska court would have jurisdiction to modify it under this chapter.

Proposed AS 25.30.450. Requires Alaska court enforcing an out-of-state order to communication to another state court if the Alaska court determines that a proceeding to modify the out-of-state order is pending.

- Proposed AS 25.30.460.** Sets out procedure and requires an Alaska court to give expedited enforcement of an out-of-state child custody determination. Provides procedures for a hearing and limited defenses to enforcement of the out-of-state order.
- Proposed AS 25.30.470.** Establishes that Alaska law sets procedures for service of petition for enforcement and order under the chapter.
- Proposed AS 25.30.480.** Establishes the scope of inquiry of Alaska court in enforcing an out-of-state child custody determination order. If a child would be endangered by enforcement of the order, the Alaska court could assume emergency jurisdiction under other provisions of the chapter.
- Proposed AS 25.30.490.** Establishes an exceptional remedy in emergency situations to allow the Alaska court to issue a warrant to take physical custody of the child, if the child is immediately likely to suffer serious physical harm or be removed from Alaska.
- Proposed AS 25.30.500.** Allows the Alaska court to award prevailing party costs, fees, and expenses to the extent authorized by court rules, unless the other party establishes that the award would be clearly inappropriate.
- Proposed AS 25.30.510.** Requires Alaska courts to enforce and not modify enforcement orders issued by other states.
- Proposed AS 25.30.520.** Authorizes court calendar priority for appeals of enforcement orders to the extent allowed for other civil appellate cases. Precludes the Alaska enforcing court from staying an enforcement order pending appeal, unless the Alaska court enters a temporary emergency order because of risk of serious mistreatment or abuse of the child.
- Proposed AS 25.30.590.** Provides definitions for petitioner and respondent.

Article 3. Miscellaneous Provisions.

- Proposed AS 25.30.800.** Lists proceedings governed by other law than UCCJEA, such as adoptions.
- Proposed AS 25.30.810.** Provides procedures for international applications of this chapter to child custody determinations and foreign countries if the child custody law of the foreign country does not violate fundamental principles of human rights.
- Proposed AS 25.30.820.** Defines the binding effect of a child custody determination under this chapter made by an Alaska court.

Proposed AS 25.30.830. Establishes a priority for expedited court consideration of a jurisdiction issue in a child custody proceeding.

Proposed AS 25.30.840. Provides standards for notice to persons outside of Alaska for Alaska court to have jurisdiction over the child custody proceeding.

Proposed AS 25.30.850. Establishes participation in a custody proceeding does not, by itself, give the Alaska court jurisdiction over any issue for which personal jurisdiction is required. Establishes limited immunity for certain individuals while present in Alaska to participate in the proceeding.

Proposed AS 25.30.860. Establishes standards for communication between courts concerning a proceeding arising under this chapter.

Proposed AS 25.30.870. Establishes standards for taking testimony in another state for the child custody proceeding. Recognizes electronic means as an appropriate method for taking the testimony in another state.

Proposed AS 25.30.880. Establishes standards for cooperation between courts on child custody proceedings covered by this chapter and preservation of court records.

Article 4. General Provisions.

Proposed AS 25.30.901. Allows the court to give consideration to promote uniformity of the law in applying and construing the chapter.

Proposed AS 25.30.903. Provides a severability clause to allow remainder of chapter to remain effective, if a provision is found invalid.

Proposed AS 25.30.909. Provides definitions for key terms

Section 3. Amends the statutory short title to reflect the Uniform Child Custody Jurisdiction and Enforcement Act.

Section 4. Repeals provisions of Uniform Child Custody Jurisdiction Act.

Section 5. Provides notice of provisions to amend Rule 4 Alaska Rules of Civil Procedure regarding service in certain court actions.

Section 6. Provides notice of provisions to amend Rule 62, Alaska Rules of Civil Procedures and Rule 205, Alaska Rules of Appellate Procedures, by prohibiting a stay, pending appeal, under certain circumstances.

Section 7. Provide an applicability section for the chapter to address new motions in child custody proceedings.

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

WHY STATES SHOULD ADOPT THE UNIFORM CHILD CUSTODY JURISDICTION AND ENFORCEMENT ACT

The Uniform Child Custody Jurisdiction Act (UCCJA), approved by the Uniform Law Commissioners (ULC) in 1968 and the law in every state, has been revised. The new act, the Uniform Child Custody Jurisdiction and Enforcement Act, goes much further than simply updating the UCCJA. It also contains provisions on the enforcement of custody orders, an issue the original UCCJA did not address, and it eliminates differences between the uniform act and the federal Parental Kidnapping Prevention Act.

There are a number of reasons why every state should adopt the Uniform Child Custody Jurisdiction and Enforcement Act.

ENHANCED RULES FOR CUSTODY DETERMINATIONS

- *Updated Home State Provisions.* The new act gives prioritization to the home state as a ground for taking jurisdiction.
- *Continuing Exclusive Jurisdiction.* A new provision has been added which provides that a state which makes the initial custody determination has continuing exclusive jurisdiction so long as a party to the original custody determination remains in that state. A state with continuing exclusive jurisdiction is the only state which can modify a custody order. If it determines that another state has a more significant connection to the child, it may relinquish its authority.
- *Emergency Jurisdiction.* The new act clarifies the provisions regarding emergency jurisdiction, allowing a court to take jurisdiction even though it is not the home state, if the child is present in the state and has been abandoned, or is subjected to or threatened with mistreatment or abuse. An order issued by a court with emergency jurisdiction is temporary.

NEW ENFORCEMENT PROVISIONS

- *Expedited Enforcement Hearings.* At an enforcement hearing, a petitioner only needs to show a certified copy of the custody determination to be enforced, evidence of a violation by the respondent, and show the remedy sought. The court will then decide whether the remedy sought should be granted.
- *Enhanced Court Remedies.* If the enforcing court is concerned that the parent, who has physical custody of the child, will flee or harm the child, a warrant to take physical possession of the child is available.

Duty to Enforce. The new act provides that a court has the duty to enforce a custody determination of another state. However, a child custody order of another state is not subject to modification.

UNIFORMITY

This act will provide uniformity of law, necessary in a time when the mobility of the American public makes it imperative to have laws regarding child custody determinations uniform from state to state.

Lack of uniformity muddies the child custody waters in many ways: it increases the costs of the enforcement action; it decreases the lack of certainty of outcome; and it often turns enforcement of a child custody or visitation order into a long and drawn out process. Every state should act quickly to adopt the Uniform Child Custody Jurisdiction and Enforcement Act.

UNIFORM CHILD CUSTODY JURISDICTION AND ENFORCEMENT ACT

- A Summary -

INTRODUCTION

In 1968, the Uniform Law Commissioners promulgated the Uniform Child Custody Jurisdiction Act (UCCJA). By 1981, every state had adopted this Uniform Act. This Act was designed to defeat kidnapping of children by non-custodial parents, who took their children from state to state in the hope of finding a court that would issue a favorable custodial order modifying or contradicting the court order that made them non-custodial parents. This practice was perceived as wide-spread in the decades before the promulgation of this important Uniform Act. The UCCJA operates upon novel principles that 1) establish jurisdiction over a child custody case in one state; and, 2) protect the order of that state from modification in any other state, so long as the original state retains jurisdiction over the case. If a non-custodial parent cannot take a child to another state and petition the court of that state for a favorable modification of an existing custody order, the incentive to run with the child is greatly diminished.

In 1981, Congress adopted the Parental Kidnapping Prevention Act (PKPA) for much the same purpose. The peculiarities of prior law, allowing easy modification of custody orders, were largely peculiarities in the interpretation of the Full Faith and Credit Clause of the Constitution of the United States. The Parental Kidnapping Prevention Act was an effort, largely, to put the weight of full faith and credit behind the principles of the Uniform Child Custody Jurisdiction Act. But there are some differences between the two acts, rooted in disagreements over application of jurisdictional principles. There are two main differences. The UCCJA does not give first priority to the "home state" of the child in determining which state may exercise jurisdiction over a child custody dispute. The PKPA does. The PKPA also provides that once a state has exercised jurisdiction, that jurisdiction remains the continuing, exclusive jurisdiction until every party to the dispute has exited that state. The UCCJA simply states that a legitimate exercise of jurisdiction must be honored by any other state until the basis for that exercise of jurisdiction no longer exists. In practice, there is much congruity between the two acts, but enough differences to confuse the adjudication and settlement of child custody disputes in certain cases.

Neither the UCCJA nor the PKPA address another important issue, interstate enforcement of child custody orders (including visitation provisions).. Although resolution of jurisdictional problems has greatly diminished the problem of parental kidnapping, this destructive practice has by no means ceased to exist. States initiated criminal penalties for parental kidnapping, but such drastic measures have failed to eliminate the practice. Criminal penalties are, perhaps, too draconian and therefore little used. So the salutary steps taken in 1968 and 1981 need to be further augmented.

In 1997, the Uniform Law Commissioners have drafted a new Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA). It does two very important things. It reconciles UCCJA principles with the PKPA. It adds interstate civil enforcement for child custody orders. These two broad strokes will make kidnapping by non-custodial parents much more difficult.

HOME STATE PRIORITY

In the UCCJA, there are four principles, or bases, for taking jurisdiction over a child custody dispute. These are child's home state, significant connection between state and some contestants to a dispute, emergency jurisdiction when the child is present and the child's welfare is threatened; and presence of the child in the event there is no other state with another sound basis for taking jurisdiction. It was always assumed the great majority of disputes would be resolved in the child's home state, but the home state has no particular priority over any other state with one of the other bases for taking jurisdiction. (The term "taking jurisdiction" simply means that a state's courts have a good reason for summoning the contestants to come before them to adjudicate the dispute no matter where they reside. If there is jurisdiction, the court's orders are valid and enforceable.)

From the beginning the state that is the home state of the child was thought to be the state with the best information for adjudicating the child's custody in the best interests of the child. But it was also assumed that once a court took jurisdiction on any acceptable basis, that state should be able to proceed without spending contestants' time and money while sorting out the issue of which state has the best access to the evidence before adjudicating the dispute.

But the drafters of the PKPA took the opposite position, regarding "home state" as so significantly better than the other jurisdictional grounds, that it should always be the priority ground. Under the PKPA the home state always has the first opportunity to take jurisdiction.

The UCCJEA now supports the PKPA position. Any state that is not the "home state" of the child will defer to the "home state," if there is one, in taking jurisdiction over a child custody dispute. Temporary emergency jurisdiction may be taken, but only long enough to secure the safety of the threatened person and to transfer the proceeding to the home state, or if none, to a state with another ground for jurisdiction.

CONTINUING EXCLUSIVE JURISDICTION

The UCCJEA also provides for continuing exclusive jurisdiction. If a state once takes jurisdiction over a child custody dispute, it retains jurisdiction so long as that state, by its own determination, maintains a significant connection with the disputants or until all disputants have moved away from that state. In contrast, the UCCJA allows jurisdiction to shift if one of the grounds for taking jurisdiction ceases to exist. Thus, if a state takes jurisdiction over a child custody dispute because that state is the home state of the child, and the child subsequently establishes a new home state, jurisdiction can shift to the new home state, even if one parent remains in the child's original home state. The UCCJEA would not allow the jurisdiction to shift in this fashion, keeping it in the original home state so long as the parent remained there.

TEMPORARY EMERGENCY JURISDICTION

Under the UCCJA, grounds for taking emergency jurisdiction are on an equal footing with the other grounds for taking jurisdiction, including the "home state" of the child. If the child is present in a state and there is evidence of abandonment or abuse to or mistreatment of the child, that state can take jurisdiction under the UCCJA.

The UCCJEA provides for temporary emergency jurisdiction, that can ripen into continuing jurisdiction only if no other state with grounds for continuing jurisdiction can be found or, if found, declines to take jurisdiction. The child's presence and its abandonment, mistreatment or abuse still trigger the taking of emergency jurisdiction, but threats to siblings or a parent also can trigger the taking of emergency jurisdiction. Because of the priority given to the home state of the child, the home state will most often be the state from which continuing jurisdiction is exercised.

The impact of these changes in the UCCJEA from the UCCJA is to reinforce the impact of the PKPA. Priority for home state jurisdiction, continuing exclusive jurisdiction and temporary emergency jurisdiction mean that orders made pursuant to the UCCJEA will have the full weight of the Full Faith and Credit Clause of the U.S. Constitution behind them.

ENFORCEMENT OF CUSTODY AND VISITATION ORDERS

The UCCJEA also adds enforcement provisions to the jurisdictional provisions. Interstate enforcement of custody and visitation decrees in any form in which they issue has been frustrating. The UCCJEA requires a state to enforce a custody or visitation order from another state that conforms substantially with this Act. An order from a state that has continuing exclusive jurisdiction, therefore, will have its order enforced.

One enforcement procedure is reminiscent of procedures for enforcement under the Uniform Interstate Family Support Act for interstate spousal and child support orders and the Uniform Enforcement of Foreign Judgments Act, which governs the enforcement of any civil order from another state in an enacting state. The basic procedure is to register the out-of-state order. If the registration is not contested, the registered order may be enforced by any means available to enforce a domestic order. This would ordinarily mean using the contempt powers of the court to assure that the custody or visitation order is honored by the parent subject to it.

There is an expedited remedy, however, that also is available. Upon receiving a verified petition, the court orders the party with the child to submit to an immediate hearing, the next judicial day unless impossible, for enforcement. The court may rule with respect to enforcement at the hearing, although there are provisions to allow for extended hearing and standards to contest enforcement. This remedy operates much like habeas corpus, in which the body subject to the writ must be presented immediately to the court for disposition.

If there is danger to a child or if it appears that the child will be removed from the enforcing jurisdiction, a petition may also be filed for a warrant to take physical custody of the child along with

a petition for an expedited proceeding. If the warrant issues, law enforcement officers will serve the warrant and obtain physical custody of the child.

CONCLUSION

It is not possible to cover all the details of the UCCJEA in a short summary. The best that it can do is point out the impact of major provisions. The UCCJEA does much more to update and streamline the original UCCJA, which was promulgated in 1968. It will provide much better relief for parents and children who suffer from interstate child-custody disputes, and ought to be adopted in all the states as soon as possible.

**NEW UNIFORM STATE LAW AIMS AT OVERCOMING
OBSTACLES TO ENFORCING CHILD CUSTODY DETERMINATIONS**
Uniform Enactment Nationwide Crucial to Its Effectiveness

When state legislatures around the country were enacting the original Uniform Child Custody Jurisdiction Act (UCCJA) in the late 1970s and early 1980s, the hope was that uniformity nationwide would eliminate interstate parental child-snatching. UCCJA was designed to prevent a fairly common legal standoff of the day, whereby one parent gained legal custody of a child in one state, and the other parent managed to take the child to a "haven state" in search of a court willing to change the initial lawful custody order.

The quest to curb parental child-snatching was intensified in 1980 with the signing of the Parental Kidnapping Prevention Act (PKPA) by President Carter. This federal law was primarily meant to give states the basic rules for them to recognize child custody decisions made under the UCCJA as part of their constitutional obligations under the "full faith and credit" clause of the U.S. Constitution.

By 1983 UCCJA, a product of the Uniform Law Commissioners (ULC), had been enacted in all 50 states, the District of Columbia, and Puerto Rico. Despite some difference with the PKPA, these statutes have been effective at eliminating the kind of forum shopping in child custody cases that plagued the courts in prior decades. Yet according to a study by the U.S. Department of Justice, in 1988 the abductors of 163,200 children—nearly one half of an estimated 354,100 children abducted by parents or family members in the U.S. that year—took the children across state lines, concealed them, or prevented contact.

Among the obstacles enabling parents to obtain conflicting custody orders from courts in different states has been a lack of uniformity in state enactments of the UCCJA and court opinions interpreting that statute. In addition, some unfortunate differences between the PKPA and the UCCJA have hindered effective child custody orders.

Now, after two years of drafting and deliberation, the Uniform Law Commissioners have approved a new Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA) that is available for enactment by every state legislature. Uniform enactment nationwide is crucial to its effectiveness.

"The new law significantly eliminates the conflicts and problems which surround interstate custody and visitation cases," say Marian P. Opala, chairman of the drafting committee. UCCJEA erases the differences between its predecessor UCCJA and the PKPA and other federal statutes, and

makes changes necessary after almost 30 years of inconsistent court interpretations.

Most importantly, it covers new territory as well, including provisions for enforcing interstate custody orders, an issue the original UCCJA did not address. The enforcement provisions are aimed at the continuing problems of child abduction, concealment and evasion when parents and families are at war with each other.

The original act authorized four different bases for jurisdiction, and did not provide for home state priority. Like the federal law, the new act prioritizes home state jurisdiction, defining it as the state in which a child lived with a parent, or a person acting as parent, for at least six consecutive months immediately before the beginning of a child custody proceeding. If there is more than one child custody order, therefore, the one from the child's home state is the one that gets enforced.

The new act further provides that a state which makes the initial custody determination has continuing exclusive jurisdiction, so long as a party to the original custody determination remains in that state. Continuing exclusive jurisdiction was not a provision in the original UCCJA, although the federal PKPA later recognized the concept. The order of a state with continuing exclusive jurisdiction is entitled to be enforced in every other state. No other state can modify the order unless the first state relinquishes jurisdiction to the courts of another state, because they can do a better job of adjudication.

UCCJEA also clarifies how and when emergency jurisdiction should be used, allowing a court to take temporary jurisdiction (e.g. child abuse orders or domestic violence orders of protection) even though it does not have grounds for taking permanent jurisdiction. This provision extends the emergency jurisdiction provision of the UCCJA to include abuse of a parent or sibling of an abducted child as grounds.

New to the UCCJEA is an expedited process to enforce interstate child custody and visitation determinations. As documented in an extensive study by the American Bar Association's Center on Children and the Law, *Obstacles to the Recovery and Return of Parentally Abducted Children (1993)*, neither the UCCJA nor the PKPA provides for enforcement of child custody orders. It was assumed that local law would be adequate for enforcement of out-of-state orders. Time has proved the error of that assumption.

Drafters of the new act recognized the need for swift enforcement for a left-behind parent who seeks to have a child custody order enforced. If enforcement does not happen quickly, the child may be lost permanently. Drafters chose an extremely swift remedy along the lines of habeas corpus: the child must be produced before the court. And if the enforcing court is concerned that the parent will flee or harm the child, a warrant to take physical possession of the child is available.

In this and other respects, the act accomplishes for custody and visitation determination the same certainty that has occurred in interstate child support law with the promulgation of the Uniform Interstate Family Support Act.

The UCCJEA also establishes the option of a role for public prosecutors and law enforcement in the civil enforcement of child custody and visitation determinations.

The ULC, officially called the National Conference of Commissioners on Uniform State Laws, is now in its 106th year. The organization is comprised of more than 500 lawyers, judges, law professors, legislators, and other state officials, appointed by the states as well as the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, to draft proposals for uniform and model laws and work toward their enactment in the state legislatures. Since 1892, the group has promulgated more than 200 acts, among them such bulwarks of state statutory law as the Uniform Commercial Code, the Uniform Probate Code, the Uniform Partnership Act, and the Uniform Controlled Substances Act.

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January 28, 1998

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Honorable Con Bunde, Chair
House HESS Committee
Alaska State Legislature
Room 104, State Capitol
Juneau, Alaska 99811

HAND DELIVERED

Re: HB 335 (Uniform Child Custody Jurisdiction and Enforcement Act)

Dear Representative Bunde:

I understand that HB 335 is scheduled for a hearing in your committee tomorrow, January 29. I will not be able to attend the hearing, but wanted to make sure that you knew of my support for this bill.

As I'm sure you already know, this bill revises the 1968 Uniform Child Custody Jurisdiction Act, which was adopted in every state. That act and this revision are products of the National Conference of Commissioners on Uniform State Laws. Besides generally updating the original Act and addressing issues that have been litigated under it, this new version brings the substance of the old one into compliance with the federal Parental Kidnapping Prevention Act. A major feature of this revision is its limitation of child custody jurisdiction to one state, thus greatly streamlining the procedures and avoiding complications that negatively affect the children and their families. Another major feature is this version's addition of enforcement provisions for child custody orders.

It is anticipated that this revision will sweep the country as the original version did. Therefore, it is necessary for Alaska to keep up with developments in the law and to provide this protection to our children and families.

Therefore, I strongly urge a "do pass" recommendation from your committee. Thank you for considering these comments.

Yours truly,



Arthur H. Peterson
Uniform Law Commissioner
for Alaska

Honorable Con Bunde
January 28, 1998

Page 2

CC: Pat Porchot, Legislative Director, Governor's Office
Rest of Alaska's ULC Delegation:
Deborah E. Behr
Tamara Brandt Cook
W. Grant Callow
L.S. (Jerry) Kurtz, Jr.
Jay A. Rabinowitz

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

November 17, 1997

TONY KNOWLES, GOVERNOR

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PHONE : 907-465-2600
FAX : 907-465-6735

Honorable Mike Miller
Honorable Gail Phillips
Alaska State Capitol
Juneau, Alaska 99801

Dear President Miller and Speaker Phillips:

On behalf of Alaska's delegation to the National Conference of Commissioners on Uniform State Laws, I submit this year's annual report.

I. HISTORY OF THE NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS

In August, 1892, the first National Conference of Commissioners on Uniform State Laws (ULC) convened in Saratoga, New York, three days preceding the annual meeting of the American Bar Association. By 1912, every state was participating in the ULC. The Territory of Alaska joined the conference that year.

The ULC is a confederation of states. It arose out of the concerns of state government for the improvement of the law and for better interstate relationships. Its sole purpose has been, and remains, service to state government and improvement of state law.

II. THE OPERATION OF THE ULC

The National Conference is convened as a body once a year. It meets for a period of eight days, usually in mid-summer. In the interim period between the annual meetings, drafting committees composed of commissioners meet to supply the working drafts that are considered at the annual meeting. At each annual meeting, the work of the drafting committees is read and debated. Each Act must be considered over a substantial period of years. No Act becomes officially recognized as a Uniform Act until the National Conference is satisfied that it is

ready for consideration in the state legislatures. It is then put to a vote of the states, during which each state caucuses and votes as a unit.

A small staff located in Chicago operates the national office of the ULC. The national office handles meetings arrangements, publications, legislative liaison, and general administration for the ULC. The total staff numbers only seven people.

The ULC maintains relationships with several sister organizations. Official liaison is maintained with the American Bar Association, which contributes an amount each year to the operation of the ULC. Liaison is also maintained with the American Law Institute, the Council of State Governments, and the National Conference of State Legislatures on an ongoing basis. Liaison and activities may be conducted with other associations as interests and activities necessitate.

III. ANNUAL MEETING

The 1997 annual meeting of the National Conference of Commissioners on Uniform State Laws was held July 25 - August 1 in Sacramento, California. The meeting attendees considered draft Acts amending Articles 2 and 9 of the Uniform Commercial Code; proposed new Article 2B of the Uniform Commercial Code; Uniform Interstate Child Custody Jurisdiction and Enforcement Act; Uniform Principal and Income Act; Uniform Management of Public Employee Retirement Systems Act; and Uniform Guardianship and Protective Proceedings Act. (See attached short summaries briefly describing each Act.)

The conference approved the Uniform Interstate Child Custody Jurisdiction and Enforcement Act; the Uniform Principal and Income Act; the Uniform Management of Public Employment Retirement Systems Act; and the Uniform Guardianship and Protective Proceedings Act. Alaska commissioners served on the Uniform Instate Child Custody Jurisdiction and Enforcement Act Committee and Uniform Principal and Income Act Committee.

This work will benefit many Alaskans, since the state's enactment of the Uniform Acts will aid interstate commerce and investment and the enforcement of visitation orders across state lines. Also, the work will aid in the resolution of legal issues arising from electronic commerce, especially transactions made over the internet. Alaska business should benefit directly from the conference work in making these transactions more easily legally enforced. These issues have been of interest to the Alaska State Legislature and the executive branch.

IV. ACTIVITIES OF THE ALASKA COMMISSIONERS

A. The Alaska Commissioners are:

The Honorable Jay Rabinowitz (retired chief justice of Alaska Supreme Court and life member of the ULC)

Art Peterson (lawyer, private practice, and life member of the ULC)

Jerry Kurtz (lawyer, private practice)

Grant Callow (lawyer, private practice)

Deborah Behr (lawyer, Assistant Attorney General)

B. The Alaska associate member is Tamara Brandt Cook (lawyer, Director of Division of Legislative Legal and Research Services)

C. The ULC committee assignments for Commissioners from Alaska are:

Art Peterson - member of paternity Act drafting committee; member of family law study committee; and member of legislative committee

Deborah Behr - member of enforcement of custody and visitation laws stand-by committee; and member of family law study committee

Jerry Kurtz - member of principal and income stand-by committee; and member of pension funds study committee

Grant Callow - member of committee to reverse Uniform Rules of Evidence; and member of ULC committee on scope and program

Jay Rabinowitz - member of native law study committee

Hon. Mike Miller
Hon. Gail Phillips

November 17, 1997
Page 4

- D. Alaska Commissioners hold regular telephone conference meetings during the year.
- E. Alaska Commissioners attending the 1997 ULC Annual Meeting in Sacramento were:

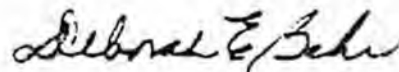
Art Peterson
Jerry Kurtz
Grant Callow
Deborah Behr

- F. In the year 1997, the Alaska Commissioners made several legislative appearances, in person or by teleconference, to explain HB 178 - Uniform Commercial Code, article 5 (letters of credit); SB 154 - Uniform Family Support Act amendments; and SB 198 - Uniform Partnership Act.

V. Recommendation for Passage During 1998 Legislative Session:

The Alaska Uniform Law commissioners are recommending passage during the 1998 legislative session of the following matters: (A) update of the Uniform Partnership Act (SB 198); (B) the Uniform Commercial Code, article 5 (HB 178); and (C) Uniform Child Custody Jurisdiction and Enforcement Act.

Sincerely,



Deborah E. Behr
Alaska Uniform Law Commissioner

DEB:ng

Attachment

cc: Gene N. Lebrun, President
National Conference of Commissioners
on Uniform State Laws

HB

350

SENATE COMMITTEE REPORT

DATE: 5/5/98

FURTHER: Finance

DATE TURNED IN TO OFFICE: 5/8/98

HESS Committee considered CS FOR HOUSE BILL NO. 350(L&C)

"An Act requiring that the cost of contraceptives and related health care services be included in health insurance coverage."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by (H) HESS 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>J. H. HESS</i>	<input checked="" type="checkbox"/>	<i>Lyle Green</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>Gary Lee</i>	<input checked="" type="checkbox"/>	CHAIR:			

NEW FISCAL NOTE(S):
 Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*
 Department Date Zero Fiscal

Department	Date	Zero	Fiscal
C+ED	7/6/98	<input checked="" type="checkbox"/>	
Admin	5/8/98		* *

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. CSHB 350(L&C)

Revision Date: 5/8/98
 Title: "An act requiring that the cost of contraceptives be included in health insurance coverage."
 Sponsor: Representative Croft
 Requestor: (S) HES

Department Affected: Administration
 BRU: Centralized Administrative Services
 Component: Retirement & Benefits
 COMPONENT SERIAL NO. 2271

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	*	*	*	*	*	*

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	*	*	*	*	*	*

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This legislation will have no additional cost to state agencies. Although the State of Alaska operates a self-insured health program, it is subject legal mandates set by the legislature in Title 21. Because employer contributions to the state health plan have been capped, this legislation will result in approximately a \$3.25 per employee per month premium increase, which will have to be borne by state employees.

Prepared by: Guy Bell, Director
 Division: Retirement & Benefits

Phone: 465-4460
 Date: _____

Approved by Commissioner: Mark Bover
 Agency: Department of Administration

Date: 5/8/98

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HB 350 | _____

Revision Date (Note if correction) _____ Dept. Affected Commerce & Economic Development
 Title Insurance Coverage for Contraceptives BRU Insurance
 Component Insurance
 Sponsor Representative Croft
 Requester (H) HES Component Serial No. 354

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 (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill has no fiscal impact on this component.

Prepared by Mananne K. Burke, Director *Mananne K. Burke* Phone 465-2515
 Division Insurance Date 2/6/98
 Approved by Commissioner Deborah B. Sedwick *Deborah B. Sedwick* Date 2-6-98
 Agency Commerce & Economic Development

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REPRESENTATIVE ERIC CROFT

Sponsor Statement

The Contraceptive Coverage Act of 1998

"Fewer Abortions, Fewer Orphans"

Most health insurance plans do not routinely cover contraceptives. Nationwide, only one third of health insurers cover oral contraceptives, the most popular method. Only 15% cover diaphragms, only 18% cover IUD's and only 24% cover hormonal implants.

Coverage in Alaska is worse: the three insurance companies which sell the most policies in this state provide no routine coverage for any type of contraceptive (unless the policy purchaser pays extra for it). Neither Blue Cross nor NYLCare (the company that insures state employees) provides contraceptive coverage in their basic package.

While non-prescription contraceptive methods (such as condoms and spermicides) are widely available, the most effective methods (such as oral contraceptives and hormonal implants) are more costly and are obtainable only from a health care provider. Thus, women whose



HB350

The Contraceptive Coverage Act of 1998

- Help prevent unintended pregnancy, thus **reducing demand for abortions**. Half the pregnancies in Alaska are unintended; half those end in abortion.
- The top three insurance companies in Alaska provide **no routine coverage for any type of contraceptive**.
- Nationwide, only one third of health insurers cover **oral contraceptives, the most popular method**.
- Though most insurance plans provide no contraceptive coverage, they routinely cover abortions, sterilizations, and tubal ligations—**all more dangerous and more expensive procedures**.
- **Every dollar spent on contraceptive services saved \$4.40** in funds that would have been spent on medical care (\$3.30), and social services (\$1.10) to women who would have otherwise become pregnant.
- Pregnancy and childbirth (and their related costs) make up **10 to 49% of employers' health care costs**.
- The Adolph Coors Company, Colorado, found in 1987 among its 8,000 employees, **absenteeism due to caring for sick children** amounted to between 7,000 and 10,000 work days a year, at an annual cost to the company of between \$847,200 and \$1,272,000.

HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES



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

The Contraceptive Coverage Act

House Bill 350

Letter of Intent

Contraceptive technology is constantly changing, and even medical experts disagree on how certain methods of contraception work. Thus, this committee believes it is unwise for the legislature to dispute specific methods, but that it is very important to clarify the intent of HB 350.

This legislation is intended to require insurance providers in Alaska to cover contraceptives and contraceptive services.

Contraceptives have the primary purpose of, or special utility for, preventing conception.

The committee intends that conception be understood as the fertilization of an ovum.

The committee does **not** intend to require insurance coverage for any appliance, drug or medicinal preparation (or related health care service) the primary purpose of which is to affect a fertilized ovum. Put more plainly, the committee does not intend to mandate coverage for abortions.

A handwritten signature in cursive script that reads "Con Bunde".

Representative Con Bunde
Chairman

INSURANCE COVERAGE FOR FAMILY PLANNING SERVICES

In 1995 there were 10,222 births recorded to residents of the State of Alaska. The following information describes demographics of this cohort.

Age of Mother: ¹

- 1140 (11%) births were to adolescents <20 years of age
- 9072 (89%) births were to adult women

Funding for the Birth: ¹

- 39% of all births in the state were funded through Medicaid
- 66% of births to adolescents were funded through Medicaid

Unintended Pregnancies: ²

- 41% of all births were unintended
- 74% of births to adolescents were unintended
- 55% of Medicaid-funded births were unintended
- 69% of Medicaid-funded births to adolescents were unintended

Cost of Medicaid-Funded Births: ³

- Prenatal Care and follow-up care (1993 data) \$6172/year
- Infant Health Care for first year of life (1995 data) \$4256/year

Additional Costs to the State for an unintended pregnancy: ⁴

- TANF ATAP \$9852/year
- Food Stamps \$2772/year
- Child Care (school, job training, etc.) \$6000/year
- JOBS Services (Case Mgt., support services) \$2133/year

Birth Control Usage:

- 61% of women who had an unintended pregnancy were not using any method of contraception at the time of conception.²
- 90% of women who had an unintended pregnancy were not using a birth control method or were using it ineffectively at the time of conception.²
- 94% of adolescents who had an unintended pregnancy were not using any method of contraception or were using it ineffectively at the time of conception.²
- During 1991-1994, 16% of Alaskan teen mothers less than 18 years of age were currently sexually active yet not doing anything to prevent a future pregnancy.⁵
- National data has shown that, within a year, a sexually active teenager who does not use a contraceptive has a 90% chance of becoming pregnant.⁶

Cost of Family Planning Services:

- In Alaska, the average cost to Medicaid for family planning services is approximately \$300/yr dependent upon the method of contraception selected and its effectiveness.³
- The cost per method ranges from \$16/year for a diaphragm to \$450 for a Norplant (lasts for 5 years).⁷
- By far, the most common contraceptive used in Alaska are oral contraceptives – costs for this method are approximately \$300/year if purchased through a pharmacy.⁷
- Nationally, it has been shown that every dollar spent for contraceptive services saves an average of \$3 in Medicaid costs for pregnancy-related health care and for medical care of newborns alone.⁸ In Alaska, due to higher costs of medical care, the expected savings would be higher.
- A study completed in California in 1995 showed that the financial cost savings related to contraceptive use to prevent unplanned pregnancies were between \$8,933 and \$14,122, in medical costs, per individual over a five year period, depending on the method of contraception selected and its effectiveness.⁹ In Alaska, due to higher costs of medical care, the expected savings would be higher.
- According to data from the Women's Research and Education Institute, women of reproductive age spend 68% more in out-of-pocket costs than do men, with reproductive health costs accounting for much of the difference. Further, while women may in fact purchase contraceptives on their own, many may choose less expensive and sometimes less effective or medically appropriate methods as a result.¹⁰

Alaska State Legislature



Senator Gary Wilken, Chairman
Senator Loren Lemman, Vice Chairman
Senator Lyda Green
Senator Jerry Ward
Senator Johnny Ellis

State Capitol
Room 510
Juneau, Alaska 99801
(907) 465-3762

Senate Committee on Health, Education and Social Services

MEMORANDUM

TO: Senate HESS Committee Members

FROM: Senator Gary Wilken, Chairman
Senate HESS Committee


RE: Waiver Request
HB 350 - Contraceptive Coverage Act

DATE: May 6, 1998

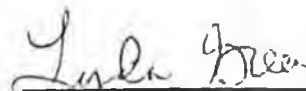
I have received a request to waive HB 350, Contraceptive Coverage Act, from the Senate HESS Committee. The letter of request and a copy of this legislation are attached to this memorandum.

Please review the attachments and let me know of your recommendation.

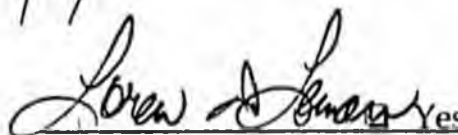
Thank you for your assistance.



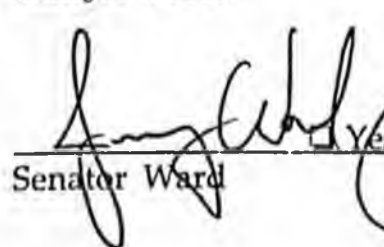
Senator Ellis Yes No



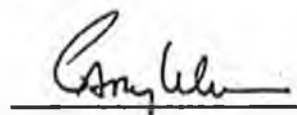
Senator Green Yes No



Senator Lemman Yes No



Senator Ward Yes No



Senator Wilken Yes No



Alaska State Legislature

Official Business

State Capitol
Juneau, AK 99801-1182

May 6, 1998

Senator Gary Wilken, Chair
Senate Health and Social Services Committee
Room 510, State Capitol
Juneau, Alaska 99801-1182

Dear Sen. Wilken,

Thank you very much for your sponsorship of SB260, the Contraceptive Coverage Act. We appreciate your interest in the bill and your support.

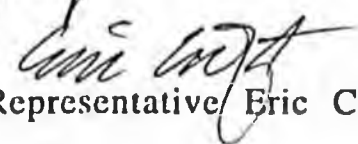
The House companion bill, HB350, passed the House Monday, May 4, and was referred to your Senate HESS committee Tuesday, May 5. HB350 has received very thorough hearings in both House HESS and House Labor and Commerce, where it was amended to exempt individual policies and church-controlled organizations from the mandate. Additionally, Senate HESS held a thorough hearing on SB260 in February.

Because of the thorough previous hearings, a hearing of HB350 in Senate HESS seems unnecessary. Please consider waiving the bill to Senate Finance. Thank you for your assistance.

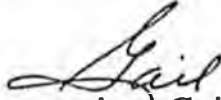
Sincerely,


Senator Drue Pearce


Senator Johnny Ellis


Representative Eric Croft


Senator Dave Donley


Representative Gail Phillips

REPRESENTATIVE ERIC CROFT

January 26, 1998

Senator Gary Wilken, Chair
Senate Health and Social Services Committee
Room 510, State Capitol
Juneau, Alaska 99801-1182

Dear Gary,

Thank you very much for your sponsorship of SB260, the Contraceptive Coverage Act. I appreciate your interest in the bill and your support.

I understand you are concerned about whether intrauterine devices (IUD's) are considered contraceptives or abortifacients, and whether or not they would be covered via HB350/SB260.

Medical science is inconclusive regarding how IUD's work. Earlier research indicated that they interfere with attachment of a fertilized ovum to the uterine wall, but recent research suggests that they actually prevent fertilization. Evidence isn't conclusive; nobody really knows.

Thus, since we're not medical experts, I think it is wisest to avoid discussion of what particular methods of contraception we wish to cover and why. We can leave such questions to scientists. If research proves conclusively that IUD's are contraceptives, then they should be covered.

Meanwhile, I'm convinced that it's vitally important to clarify for the record what these bills are intended and not intended to cover. Accordingly, I plan to read the enclosed letter of intent into the



record at HB350's first hearing. I welcome your comments regarding the intent letter (and anything else regarding the bill or the issue).

I also want to clarify for you what happened when the Oregon legislature took up this issue recently. The bill passed the Republican-controlled pro-life State Senate with a vote of 20-10 (11 Republican votes and 9 Democratic votes). In the Republican-controlled House, the insurance lobby killed the bill in committee before it could reach the floor.

I believe strongly that reasonable pro-choice and pro-life forces can agree to require insurance coverage of contraception. It will reduce the number of abortions and diminish a host of social problems.

Again, I appreciate your assistance in taking on this important issue. Please don't hesitate to contact my office any time.

Sincerely,



Representative Eric Croft

cc: Representative Joe Green, Chair, House Judiciary Chairman
Rep. Jeannette James, Chair, House State Affairs Committee

REPRESENTATIVE ERIC CROFT

The Contraceptive Coverage Act

House Bill 350

Letter of Intent

Contraceptive technology is constantly changing, and even medical experts disagree on how certain methods of contraception work. Thus, the sponsor believes it is unwise for the legislature to dispute specific methods, but that it is very important to clarify the intent of House Bill 350.

This legislation is intended to require insurance providers in Alaska to cover contraceptives and contraceptive services.

Contraceptives have the primary purpose of, or special utility for, preventing conception.

The sponsor intends that conception be understood as the fertilization of an ovum.

The sponsor does **not** intend to require insurance coverage for any appliance, drug or medicinal preparation (or related health care service) the primary purpose of which is to affect a fertilized ovum. Put more plainly, the sponsor does not intend to mandate coverage for abortions.



HB

353

SENATE COMMITTEE RE

DATE: 4/7/98

FURTHER: State Affairs

DATE TURNED
IN TO OFFICE: 4/27/98

HES Committee considered CS FOR HOUSE BILL NO. 353(HES) am

"An Act relating to adoption by reference in regulations; and providing for an effective date."

and recommends:

- be replaced with S CS for CS HB 350 (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# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>J. Ellis</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
		<i>Lyle Green</i>	<input checked="" type="checkbox"/>		
		<i>Drew D. Leman</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>	CHAIR:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
H+SS - Medical Assistance	1/28/98	<input checked="" type="checkbox"/>	
(Applies to both the original bill version + CS)			

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

WORK DRAFT

WORK DRAFT

WORK DRAFT

0-LS1395F
Lauterbach
4/23/98

SENATE CS FOR CS FOR HOUSE BILL NO. 353()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES KELLY, Dyson

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to adoption by reference in regulations; and providing for an
2 effective date."

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

4 * Section 1. AS 44.62 is amended by adding a new section to read:

5 Sec. 44.62.245. Material incorporated by reference. (a) In adopting a
6 regulation that incorporates a document or other material by reference, a state agency
7 may incorporate future amended versions of the document or other material if the
8 adopted regulation identifies or refers to the document or other material followed by
9 the phrase "as may be amended," the phrase "as amended from time to time," or a
10 similar provision and the

11 (1) document consists of a regulation of another agency of the state;

12 or

13 (2) incorporation of a future amended version of the document or other
14 material is explicitly authorized by a statute.

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(b) When the amended version of a document or other material incorporated by reference in a regulation as described in (a) or this section becomes available, the state agency shall

(1) make the amended version of the document or other material available to the public for review; and

(2) publish in the Alaska Administrative Journal, not later than 15 days after the amended version of the document or other material becomes available, a notice that describes the affected regulation, the effective date of the amended version of the document or other material, and how a copy of the amended version may be obtained or reviewed.

(c) The state agency shall also send the notice described in (b)(2) of this section to

(1) a person who has placed the person's name on a distribution list kept by the agency that lists persons who want to receive the notice; the agency may allow a person to request that distribution of the notice be by electronic means and shall honor that request if appropriate means are available; and

(2) the regulations attorney in the Department of Law.

(d) A change in the form, format, or title in a future amended or revised version of a document or material incorporated by reference in a regulation under this section does not affect the validity of the regulation or the state agency's ability to enforce or implement the regulation. The state agency shall notify the regulations attorney in the Department of Law if the title of the document or other material changes. The regulations attorney shall correct the title in the Alaska Administrative Code under AS 44.62.125.

* Sec. 2. AS 47.05 is amended by adding a new section to read:

Sec. 47.05.012. Material incorporated by reference. Under AS 44.62.245(a)(2), in adopting or amending a regulation that incorporates a document or other material by reference, the department may incorporate future amended versions of the document or other material if the document or other material is one of the following:

(1) a document that is published, compiled, or prepared by the United

WORK DRAFT

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0-LS1395VF

- 1 States Department of Health and Human Services and is included in the following list:
- 2 (A) the international classification of diseases, clinical
- 3 modifications;
- 4 (B) the common procedure coding system;
- 5 (C) the specifications for national uniform billing data elements;
- 6 (D) the federal poverty guidelines for the state;
- 7 (E) the Indian Health Service encounter rates; or
- 8 (F) the relative value units used in the Medicare program for
- 9 determination of fee schedules:
- 10 (2) the current procedural terminology for physicians published by the
- 11 American Medical Association;
- 12 (3) the diagnostic and statistical manual of mental disorders published
- 13 by the American Psychiatric Association;
- 14 (4) the length of stay in hospitals by diagnosis and operation for the
- 15 western region of the United States, published by HCIA, Inc.
- 16 (5) the relative value guide published by the American Society of
- 17 Anesthesiologists;
- 18 (6) the consumer price index published by the United States
- 19 Department of Labor;
- 20 (7) the health plan employer data and information set published by the
- 21 National Committee for Quality Assurance;
- 22 (8) practice standards adopted by the American Academy of Pediatrics,
- 23 American College of Obstetricians and Gynecologists, American Diabetes Association,
- 24 American Cancer Society, American Academy of Family Physicians, American College
- 25 of Physicians, United States Centers for Disease Control and Prevention, Agency for
- 26 Health Care Policy and Research, or the National Asthma Education and Prevention
- 27 Program;
- 28 (9) the compendium of animal rabies control published by the United
- 29 States Centers for Disease Control and Prevention;
- 30 (10) the control of communicable diseases manual published by the
- 31 American Public Health Association;

WORK DRAFT

WORK DRAFT

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(11) the standards manual and interpretative guidelines for behavioral health, employment and community support services, and for medical rehabilitation published by the Commission on Accreditation of Rehabilitative Facilities;

(12) consumer assessment of health plans published by the Agency for Health Care Policy and Research; or

(13) resources for optimal care of the injured patient published by the Committee on Trauma, American College of Surgeons.

* Sec. 3. This Act takes effect July 1, 1998.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR LEMAN

TO: CSHB 353(HES) am

1 Page 1, following line 3:

2 Insert a new bill section to read:

3 **** Section 1.** AS 23.30.005 is amended by adding a new subsection to read:

4 (m) Under AS 44.62.245(a), for the purpose of describing the requirements
5 of an employee's job in order to carry out the provisions of this chapter, the
6 department may adopt a regulation that incorporates future amended versions of the
7 United States Department of Labor's "Selected Characteristics of Occupations Defined
8 in the Revised Dictionary of Occupational Titles."

9 Page 1, line 4:

10 Delete "Section 1"

11 Insert "Sec. 2"

12 Renumber the following bill sections accordingly.

A M E N D M E N T

OFFERED IN THE SENATE

TO: CSHB 353(HES) am

1 Page 1, line 10, following "and the":

2 Insert

3 "(1) document consists of a regulation of another agency of the state;

4 or

5 (2)"

Conceptual
Amendment to CSHB 353 (HES) am

^{3 30}
Page ~~4~~, line ~~16~~, following "research;"

Delete "or".

¹
Page 4, line ~~18~~, following "Surgeons"

Insert:

"; or

¹⁹
~~(16)~~ the revisions to payment policies and the adjustments to the relative value units for medical procedures for the Medicaid program, when Medicare standards apply to determine the payments to Medicaid providers"

Alaska State Medical Association

4107 Laurel Street • Anchorage, Alaska 99508 • (907) 562-0304 • (907) 561-2063 (fax)

March 13, 1998

Honorable Con Bunde, Chair
State of Alaska
House of Representatives
Health, Education & Social Services Committee
Room 106, Capitol
Juneau, AK 99801-1182

RE: HB 353

Dear Representative Bunde:

The Alaska State Medical Association (ASMA) represents nearly 500 private practice physicians and their patients. I am writing you today in regards to HB 353. ASMA has some serious concerns about this measure.

Nancy Weller, Medical Assistance Administrator, Department of Health and Social services wrote a letter dated January 22, 1998, to Representative Kelly, the bill's sponsor. The letter explains that the state Medicaid program relies on a number of published national standards, and that it is burdensome to adopt new regulations each time these standards are changed. Currently, Medicaid uses such national standards as the current procedural terminology (CPT) of the AMA, the International Classification of Diseases and various other published standards.

Ms. Weller says:

"The Medicaid Program is particular hard-hit currently having to change regulations when a national standard is changed] ...and there is an expectation by health care providers that they can do business with us in the same manner as ... any other insurance company. The health care industry has adopted numerous standardized codes relating to billing for services to assure all providers and payers are "speaking" the same language... If the Medicaid Program cannot consistently use current standards, providers will simply cease doing business with us and it will create an access problems for the 90,000 people who depend on Medicaid..."

Ms. Weller's sentiments are correct. Unfortunately, however, Medicaid *at present* fails to adhere consistently to at least one of the major national standards mentioned in HB 353 - the Current Procedural Terminology of the AMA. This has nothing to do with the adoption or non-adoption of changes in the CPT. It has to do instead with Medicaid's persistent refusal over the years to recognize standard CPT Modifiers, which form an integral and important part of the CPT. Medicaid, you see, has purchased a popular computer "audit-edit" program called "ClaimCheck". This proprietary program, the details of which a public agency (Medicaid) keeps secret from the public and from the provider community, is very popular with third-party payors because it denies many

modified CPT codes, thereby reducing financial outlay. It is kept secret because it is proprietary – so when one complains of its inequities, one is told, "ClaimCheck was developed by doctors," and is therefore above question.

Medicare, which pays poorly but adheres very closely to the CPT, recognizes CPT modifiers – particularly –24, -25, -57, -59 and -79, but Medicaid refuses to have ClaimCheck modified (modification is a prerogative of the ClaimCheck client). Consequently, all claims bearing these modifiers are automatically rejected, and must be dealt with on appeal, a frustrating and costly process. In other words, though there may be an expectation by health care providers that Medicaid should do business "like any other insurance company," and that "providers and payers" are "speaking the same language," Medicaid currently fails to meet these expectations.

Another area where ClaimCheck (and Medicaid) diverge from the CPT is in the arbitrary use of "incidental to" codes. "Incidental to" codes are codes which ClaimCheck maintains are "bundled" in "more comprehensive" codes, so that, when the latter are billed, the former are automatically rejected. Here again, ClaimCheck differs from Medicare in considering a broad range of codes as "incidental to" other codes. Code 92015, (Determination of Refractive State), for example, is such an "incidental to" code. Medicare correctly does not recognize it as part of any other CPT code, but Medicaid considers it "bundled" with any other code an ophthalmologist may bill on the same day. So, while Medicaid represents to the public that it "reintroduced coverage" for refractions for eyeglasses in 1997, it refuses to pay for the service because it is always "incidental to" something else.

While HB 353's concept of reducing unnecessary regulation is a laudatory one, Medicaid cannot tell Representative Kelly that "it wants to play by the rules" and at the same time ignore the very rules it claims it is trying to play by.

Consequently, ASMA can not support HB 353 as written, even though Medicaid may be following every set of national standards cited in the bill except the CPT. It is not appropriate and perhaps not legal to adopt an entire standard such as the CPT by reference and then, without the benefit of any further formal regulatory process, elect not to utilize certain elements of that standard.

By: Kevin Tomera, MD, President

For: ASMA Board of Trustees

cc: Representative Joe Green, Vice Chair
Representative Fred Dyson
Representative Brian Porter
Representative Al Vezey
Representative Tom Brice
Representative Allen Kemplen

Commissioner Karen Perdue, Department of Health and Social Services.

Alaska State Legislature

REPRESENTATIVE
PETER KELLY

Mailing Address:

119 N. Cushman, Suite 203
Fairbanks, Alaska 99701
(907) 456-8161

While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-2327

House District 31

House Of Representatives

April 23, 1998

Memorandum

To: Representative Pete Kelly

OK

Re: HB 353, Regulations by Reference, State Medical Assn. Concerns

Jeff Bullock, representing the Alaska State Medical Association, has expressed the associations concerns that the numerical codes and billing standards adopted by reference must be adopted in whole, not in part.

The allegation is that the Division of Medical Assistance is using a computer program that does not recognize all groupings of billing codes. A specific doctor wants to use a code that includes several procedures in a single numerical code, or a procedure and an office visit in a single numerical code. The department, however, will not pay for all of these services, and only recognizes specific codes, not the inclusive grouped code.

The issue may have merit, but it is not applicable to HB 353. In discussion with the Attorney General's office it is clear that HB 353 authorized the adoption of a complete reference document, not a portion or fragment of the document. The regulations that describe the use of these numerical codes can specify which codes will be used and how they will be used.

The Alaska State Medical Association issue is a matter for discussion in the regulation adoption process.

HB 353 does not allow for the adoption of only a portion of the manual or reference material. HB 353 has nothing to do with the regulatory decision that certain codes will or will not be recognized by the department.

Alaska State Legislature

REPRESENTATIVE

PETER KELLY

Mailing Address:

119 N. Cushman, Suite 203

Fairbanks, Alaska 99701

(907) 456-8161



White in Juneau

State Capitol

Juneau, Alaska

99801-1182

(907) 465-2327

House District 31

House Of Representatives

April 2, 1998

Floor Discussion

HB 353, Regulations by Reference

House Bill 353 streamlines the state's adoption of the current version of numerical codes and standards for medical practitioners.

Currently the state must go through the lengthy regulation writing process each time a national code is changed or rewritten.

By the time the regulation process is completed the department must go back and recalculate payments to care providers. The department then has to make up the difference in all of the billing and accounts with the new data.

The whole process may take more than a year, and the new codes are published, starting the chase all over again.

The speed and efficiency gained by this bill is important for all health workers who must describe their work in numerical codes. Most apply to medicaid.

Once a national code is adopted as a state regulation, this bill allows the state to quickly allow practitioners to use the latest, updated version.

The bill applies to:

- 1) International classification of diseases. (Numerical code for each clinical diagnosis or disease. Required on all medical claim forms.)
- 2) Common procedure coding system. (Numerical codes used by all insurance providers.)
- 3) National uniform billing data. (Numerical code to describe the services rendered in hospitals.)
- 4) Federal poverty guidelines. (Annual guidelines.)
- 5) Indian Health Service rates. (Annual reimbursement rates paid by the Indian Health Service, medicaid program.)
- 6) Current American Medical Association procedural terminology. (Numerical codes that describe treatment rendered by physicians.)
- 7) American Psychiatric Association diagnostic and statistical manual of mental disorders. (DSM numerical codes for mental disorders.)

Floor discussion.

Page 2.

- 8) HCIA, Inc. length of stay in hospitals, by diagnosis. (Average length of stay in hospitals, a percentage multiplier is used for reimbursement by insurers.)
- 9) American Society of Anesthesiologists relative value guide. (Standards for administration and billing of anesthesia procedures.)
- 10) U.S. Dept. of Labor Consumer Price Index. (CPI – Used by the state to annually update standards for needs based programs.)
- 11) National health plan employer data and information set. (Standards used to evaluate managed care practice.)
- 12) Practice standards.
- 13) The compendium of animal rabies control.
- 14) Control of communicable diseases manual.
- 15) Standards manual for behavioral health.
- 16) Accreditation manual for mental health.
- 17) Standards for accreditation of managed care organizations.
- 18) Consumer assessment of health plans.
- 19) Resources for optimal care of the injured patient.

FISCAL NOTE

No: 1

STATE OF ALASKA
1998 LEGISLATIVE SESSION

Bill Version: CSHB 353 (HES)
Publish Date: 3/11/98

Revision Date: _____
Title: Adoption by reference
Sponsor: Kelly
Requestor: HESS

Dept. Affected: Health and Social Services
BRU: Administrative Services
Component: Commissioner's Office
COMPONENT SERIAL NO. 317
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY99	FY00	FY01	FY02	FY03	FY04
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						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES ()						
-------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 47.05, general authority for the Department of Health and Social Services, to allow the adoption by reference of federal and state laws and regulations and those specific items listed in the bill in their most current form. The current adoption by reference standard employed by the Department of Law requires a regulation change every time the reference material is changed. Most of the items listed in this bill are used for purposes of billing the Medicaid Program for services rendered, and are annually updated. Delays in the regulation process prevent the department's regulations from remaining current with standards as they are changed, so adoption of this legislation will reduce the administrative work related to regulations for more efficient operations.

1120198
Prepared by: Nancy Weller
Division: Medical Assistance
Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Phone: 465-3355
Date: 01/27/98
Date: 1/25/98

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STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

P.O. BOX 110660
JUNEAU, ALASKA 99811-0660
PHONE: (907) 465-3355
FAX: (907) 465-2204

DIVISION OF MEDICAL ASSISTANCE

January 22, 1998

The Honorable Pete Kelly
House of Representatives
State Capitol
Juneau, Alaska 99801-1182

Dear Representative Kelly:

You have asked me to briefly explain the substance of the adoption by reference Legislation that you intend to introduce on behalf of the Department of Health and Social Services.

This bill, if enacted, would allow the department to adopt within its regulations standards set out in federal or state law or regulation, or the specific national standards itemized in subsection (a)(2), without adopting a new regulation every time that these standards are changed. The procedure for notifying the public of adoption of a changed standard would be a notice published in the Alaska Administrative Journal.

The Department of Law, under current law and legal interpretation of the reference standard made through court decisions, require agencies to adopt by reference any material with a specific citation and date. Any time these materials are changed, the state agency must adopt a new regulation adopting the citation change; as the regulation adoption process is so lengthy, it is impossible for a state agency to remain current with standards adopted by reference.


The Medicaid Program is particularly hard hit by the adoption by reference requirement, as we operate like an insurance company and there is an expectation by health care providers that they can do business with us in the same manner as Blue Cross, Aetna or any other insurance company. The health care industry has adopted numerous standardized codes related to billing for services to assure that all providers and payers are "speaking" the same language. All of these standards are updated annually to keep pace with medical practice standards. If the Medicaid Program cannot consistently use current standards, providers will simply cease doing business with us and it will create an access problem for the 90,000 people who depend on Medicaid for health care coverage.

The standards listed in this bill are mostly related to Medicaid; I am attaching a list of the standards with a brief explanation of their use for your reference. None of these standards should be controversial.

The Honorable Pete Kelly
January 22, 1998
Page 2

Thank you for your assistance with this important Legislation, and please contact me at any time if you need additional information.

Sincerely,


Nancy Weher,
Medical Assistance Administrator

International Classification of Diseases, Clinical Modifications - ICD - this book establishes a numerical code for each clinical diagnosis/disease. These codes are required on all medical claim forms.

Common Procedure Coding System - This system of numerical codes is maintained by the Health Care Financing Administration, and are uniformly used by all insurers. The coding system includes CPT codes and HCFA created codes for special procedures not included in other coding systems.

Specifications for National Uniform Billing Data Elements - Commonly known as revenue codes, this numerical coding system describes the services rendered in hospitals. These codes are required on all medical claim forms for hospital services.

Federal Poverty Guidelines - These guidelines are published annually, adjusted by the consumer price index, and are used to determine program eligibility. Many DHSS programs refer to the federal poverty level in their grants, as grantees are required to have a sliding fee schedule based on income.

Indian Health Service Encounter Rates - these rates are negotiated annually by the Health Care Financing Administration, Office of Management and Budget, and the Indian Health Service to be used as reimbursement for IHS and tribal health facilities by the Medicaid Program.

Current Procedural Terminology for Physicians - CPT - these numerical codes describe each treatment rendered by physicians and other providers. The CPT codes are required on all insurance claim forms and are updated January 1st of every year.

Diagnostic and Statistical Manual of Mental Disorders - DSM - Similar to the ICD, this manual contains a system of numerical codes that describes mental disorders for use on claim forms.

Length of Stay in Hospitals by Diagnosis and Operation for the Western Region of the US - LOS These two manuals describe the average length of inpatient hospital admission in the western US. Some percentage of this standard is ordinarily used by an insurer as the limit on length of stay they will reimburse, although LOS can usually be extended if there are complications.

Relative Value Guide - This book creates standards for the administration and billing of anesthesia procedures.

Consumer Price Index - CPI - Used by the federal government and the state to annually update a number of standards for needs based programs.

Health Plan Employer Data and Information Set - HEDIS - These standards are commonly used to evaluate how well providers and plans meet managed care standards of practice.

Practice Standards - practice standards adopted by many national organizations are routinely used in managed care as the purchaser's expectations for patient outcomes that are evaluated with HEDIS.

Compendium of Animal Rabies Control - This publication serves as the basis for animal rabies control programs throughout the United States and facilitates standardization of procedures among jurisdictions. Immunization procedure recommendations are contained in Part 1; all animal rabies vaccines licensed by the United States Department of Agriculture (USDA) and marketed in the US are listed in Part 2; Part 3 details the principles of rabies control.

Control of Communicable Diseases Manual - This manual furnishes public health administrators with a source of reliable information for preparing regulations and legal requirements for the control and management of communicable diseases and for developing programs for the health education of the public.

Standards Manual and Interpretive Guidelines for Behavioral Health, Employment and Community Support Services and for Medical Rehabilitation - The Divisions of Mental Health and Developmental Disabilities and Alcoholism and Drug Abuse uses these standards for accreditation of psychiatric or substance abuse rehabilitation programs that are grantees of the state.

Accreditation Manual for Mental Health, Chemical Dependency, and Other Health Care Facilities - This manual is used by the Divisions of Mental Health and Developmental Disabilities and Alcoholism and Drug Abuse for accreditation of general psychiatric or substance abuse treatment programs that are grantees of the department.

Standards for Accreditation of Managed Care Organizations, Standards for Accreditation of Managed Behavioral Health Organizations, and Standards for Certification of Credentials Verification Organizations - These accreditation standards will be used by the department for the certification of managed care organizations under contract.

Consumer Assessment of Health Plans - This consumer assessment of managed care is a tool created by the federal government for use with government health care programs required to complete such annual assessments.

Resources for the Optimal Care of the Injured Patient - This national evaluation tool establishes comprehensive guidelines for the care of the injured patient, including standards for different levels of trauma centers. The State of Alaska uses compliance with the standards in the document as one of the qualifications for certification as a trauma center (7 AAC 26.010 - 7 AAC 26.999).

HB

366

SENATE COMMITTEE REPORT

DATE: 4/17/98

FURTHER: Judiciary

DATE TURNED IN TO OFFICE: 5/1/98

HESS Committee considered SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 366(title am)

"An Act prohibiting a court from finding that a minor is a child in need of aid solely on the basis that the child's family is poor, lacks adequate housing, or lives a lifestyle that is different from the generally accepted lifestyle standard of the community where the family lives."

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>Loren D. Luman</i>	✓	<i>Lyle Green</i>	✓		
CHAIR: <i>Gary Webb</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
H+SS	2/5/98	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill



Alaska State Legislature

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Alaska State Capitol
Juneau, Alaska 99801-1182
☎ (907) 465-2199
FAX (907) 465-4587

Toll free (800) 342-2199

REPRESENTATIVE FRED DYSON

SSHB 366 Sponsor Statement

"An Act prohibiting a court from finding that a minor is a child in need of aid solely on the basis that the child's family is poor, lacks adequate housing, or lives a lifestyle that is different from the generally accepted lifestyle standard of the community where the family lives."

HB 366 prohibits an agency from using the status of being poor, homeless, or lives a lifestyle that is different from the generally accepted lifestyle standard of the community where the family lives as the sole reason for determining that a child is in need of aid.

Children must not be removed from the custody of their parents simply based on the status of the parents. Being poor or homeless does not automatically indicate that the child is being harmed or neglected. A family living in a shelter for the homeless or camping out may be doing quite well at parenting. Living on a boat or being vegetarian may be considered "weird" or "odd" by some, but it does not automatically mean that a child is being harmed.

This bill is designed to mandate that any agency must demonstrate that the child is harmed or in significant danger before taking a child into protective custody.

- E-mail -
Representative_Fred_Dyson
@Legis.state.ak.us

- Internet -
<http://www.akrepublicans.org>

FISCAL NOTE

Bill Version: SSHB 366
 (H) Publish Date: 3/20/98

STATE OF ALASKA
 1998 LEGISLATIVE SESSION

Revision Date: _____
 Title: "An Act relating to CINA proceedings for a child whose family is homeless or poor"
 Sponsor: Representative Dyson
 Requestor: (H) HES

Department Affected: Administration
 BRU: Legal and Advocacy Services
 Component: Public Defender Agency
 COMPONENT SERIAL NO. 1631

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: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill will have no fiscal impact on the Public Defender Agency.

Prepared by: Barbara K. Brink, Director
 Division: Public Defender Agency

Phone: (907) 264-4414
 Date: _____

Approved by Commissioner: Mark Bover
 Agency: Department of Administration

Date: 3/17/98

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FISCAL NOTE

No: 2

STATE OF ALASKA
1998 LEGISLATIVE SESSION

Bill Version: SSB 366
(H) Publish Date: 3/20/98

Revision Date: _____
Title: Relating to child-in-need-of-aid proceedings

Dept. Affected: Health and Social Services
BRU: Family and Youth Services
Component: DFYS Central Office
COMPONENT SERIAL NO. 259
See also (SN#): _____

Sponsor: Rep. Dyson
Requestor: Health, Education and Social Services

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY99	FY00	FY01	FY02	FY03	FY04
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						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES ()						
-------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

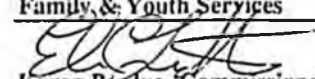
POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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

ANALYSIS: (Attach a separate page if necessary)

Passage of this bill will have zero fiscal impact on the Division.

Prepared by: Russ E. Webb, Deputy Commissioner
Division: Family & Youth Services
Approved by Commissioner: 
Agency: Department of Health & Social Services

Phone: 465-3030
Date: 01/30/98
Date: 2/5/98

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Advocates for Victims of Violence, Inc.

24 Hour Crisis Line: (907) 835-2999 • 1-800-835-4044 (Statewide)

Office: (907) 835-2980 • Fax: (907) 835-2981

P.O. Box 524 • Valdez, Alaska 99686

FEB 17 1998

February 12, 1998

Representative Fred Dyson
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Dear Representative Dyson:

I am writing to offer my full support for House Bill 366, pertaining to child-in-need-of-aid proceedings for a child whose family is homeless or poor. Also, I thank you for sponsoring such legislation. So many families in Alaska find it difficult to make ends meet. However, despite the struggle to feed and shelter their families, they still maintain loving and supportive environments for their children. As your bill states, a home should not be considered unhealthy by the courts, based solely on the economic status of the family. Again, thank you.

Sincerely,

Debra Pexa
Executive Director



United Way

cc:Mail for: Representative Fred Dyson

Subject: HB 366

From: ruawaic@aonline.com (Administration) at CC2MHS1 2/12/98 12:09 PM

To: Representative Fred Dyson at LAA_TRANS

cc: Representative Con Bunde at LAA_HBUN

cc: Representative Joe Green at LAA_TRANS

cc: Representative Al Vezey at LAA_TRANS

cc: Representative_Vrian_Porter@legis.state.ak.us at CC2MHS1

To: Representative Dyson

From: Jan MacClarence, Executive Director, AWAIC

RE: HB 366

I am writing to you in support of HB 366. We encourage policy that protects the rights of poor and homeless families. Unfortunately, poor and homeless families are a politically unheard population. And, as a result these families are occasionally subjected to the harsh and undue "good" intentions of law. We would very much like to see HB 366 proceed through the legislative process. Thank you for your commitment.

CC: House HESS Committee