

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672

9569 SENATE JUDICIARY

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8. After a regulation change has been filed by the Lieutenant Governor's Office, the adopting agency, to the extent economically feasible, shall use newspaper or broadcast media press releases, or mailings, to inform the public of the filing and impending effective date of the regulation change.

9. To better respond to inquiries from the public regarding regulations projects, each commissioner shall institute an internal agency system for maintaining, in a centralized manner, current information regarding pending agency regulations projects. As part of such a system:

- ▶ each commissioner shall designate a staff person within the agency to serve as the general regulation information contact person for that agency;
- ▶ each commissioner shall direct agency staff to provide to the contact person information necessary to develop and maintain a current list of that agency's pending regulations projects;
- ▶ at the time it opens a regulation file, the Department of Law shall provide to the appropriate agency regulation contact person a copy of the file-opening information; and
- ▶ each commissioner shall ensure that that agency's pending regulation project list contains adequate and accurate information, including a sufficient description of each project and the name and phone number of the agency staff person who can provide more specific information about the project.

10. Each adopting agency immediately shall submit a plan to the Governor for a process of reviewing, in consultation with the Department of Law, its existing regulations for the purpose of identifying, within budget constraints, provisions to be amended or repealed because:

- ▶ the provision contains confusing or unnecessarily technical language; the use of "plain English" is the standard that should be achieved whenever possible;
- ▶ the cost to the regulated public is excessive when compared to the state's interest in or benefit from the particular requirement; and
- ▶ the requirements of the provision are burdensome to the regulated public and less burdensome requirements still would allow the agency to carry out its statutory responsibilities.

11. The Department of Law shall, to the extent economically feasible, provide, through its own staff or through others, training to appropriate staff of executive branch agencies regarding:

- ▶ handling of public information requests regarding regulation projects, including the requirements of the public records law;
- ▶ ways to improve the language of public notices regarding regulation changes, so that the notices are more understandable and meaningful to the public while still meeting legal requirements;
- ▶ ways to improve regulation writing, so that draft regulations that are distributed to the public for comment are clearer, in "plain English," and adequately and accurately describe the agency's intent;
- ▶ the requirements of the Americans With Disabilities Act regarding accommodations that might be required in order for persons with a disability to be able to participate in the regulatory process; and
- ▶ the requirements for collecting and seriously considering all public comments received during the public comment period for a regulation project.

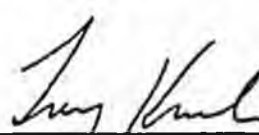
12. Each commissioner shall take appropriate steps to ensure that the agency focuses its efforts on educating and otherwise working with the public so that the public is better able to comply with regulatory requirements in a cost-effective manner and avoid inadvertent noncompliance.

13. Each commissioner shall take appropriate steps to inform federal agencies of state concerns in proposed federal regulations and to suggest changes so that federal regulations are not overly burdensome for Alaskans.

14. If state agencies have overlapping regulatory responsibilities regarding business activities, the commissioners of those agencies shall ensure that the agencies work together to achieve, to the extent possible, regulatory requirements that avoid duplication while facilitating compliance with statutory requirements.

This Order takes effect immediately.

DATED at Juneau, Alaska, this 5 day of June, 1995.



Tony Knowles
Governor



SENATOR DAVE DONLEY
ALASKA STATE LEGISLATURE

**SPONSOR STATEMENT
FOR SENATE BILL 101
"THE ALASKA REGULATION REFORM ACT"**

Senate Bill 101 reforms how administrative regulations are adopted by the state of Alaska and places reasonable new limits on the power of state bureaucracy to impose new regulations on Alaskans.

SB 101 increases opportunities for public notice and comment regarding adoption of regulations. SB 101 requires that new regulations pass a "needs" test and be drafted in a way to minimize their impact on personal liberties and property rights. The bill also requires a legislative decennial review of state regulations.

Regulations adopted by state agencies have the effect of law similar to statutes adopted by the legislature. The regulations adoption process however has very few of the safeguards and opportunity for public input that the legislative process has. Unlike statutes which require a series of public hearings in the state House and Senate, regulations can be adopted with a single notice and hearing which may or may not even reflect the actual content of the final version of the regulation.

Once adopted, state regulations can only be amended by the agency that adopted them or by the adoption of a statute that somehow directly conflicts with the regulation. This makes state regulations in Alaska very hard to amend or appeal once in place. Entrenched state bureaucrats, with little incentive to be responsive to the public, often have more real control over public policy through regulations than elected state officials.

Senate Bill 101 makes state regulators more accountable to the public and to elected officials. SB 101 places reasonable and needed restraints on the ever increasing number of state regulations Alaskans live with.

DD/jja

January-May: STATE CAPITOL • JUNEAU, AK • 99801-1182 • (907) 465-3892 • FAX: (907) 465-6595
June-December: 716 W. 4TH AVE. • STE. 430 • ANCHORAGE, AK • 99501 • (907) 258-8181 • FAX: (907) 258-1648

MEMBER: Senate Finance Committee • Legislative Budget & Audit Committee
• Senate Community & Regional Affairs Committee



SENATOR DAVE DONLEY
ALASKA STATE LEGISLATURE

**SECTIONAL ANALYSIS
FOR SENATE BILL 101
"THE ALASKA REGULATIONS REFORM ACT"**

Section #1 - refers to this act as "The Alaska Regulations Reform Act"

Section #2 - Conforming language with Sections #3 and #12 of the bill allowing a person to obtain declaratory relief from a regulation in state district court in addition to the superior court.

Section #3 - this section adds the review of regulations to the jurisdiction of district courts.

Rationale: under existing law a person may only bring action against the validity of a regulation in the state superior court. This bill would expand the opportunity for individuals to challenge the validity of regulations by allowing them to file such actions in state district courts. There are more district courts in Alaska providing more accessibility to individuals wishing to gain access to the courts. Also, it is less costly for individuals to file actions in a district court than a superior court.

Section #4 - adds new language requiring the Legislative Administrative Regulation Committee to review regulations of principal departments every 10 years and report its recommendations to the legislature.

Rationale: under existing law the Legislative Administrative Regulation Committee has the authority to examine all administrative regulations, including proposed, amendments and orders of repeals. This new language would mandate that the committee examine all the regulations of all state agencies and submit to the legislature a report of their findings. To accomplish this mandate, the committee would need to examine the regulations of one or two departments each year.

Section #5 - requires that when a department adopts a regulation, an order of appeal, or an amendment to a regulation the department will submit a cost-benefit analysis of the costs of the regulatory action.

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MEMBER: Senate Finance Committee • Legislative Budget & Audit Committee
• Senate Community & Regional Affairs Committee

Senate Bill 101
Sectional Analysis
Page 2

Rationale: this would make each department justify the fiscal benefit of proposed regulatory action outweighs the cost to the public.

Section #6 - adds a summary of the cost-benefit analysis to the other required information for a notice of proposed adoption, amendment, or repeal of a regulation.

Rationale: under existing law a department is required to include specific information when noticing a proposed regulatory action. If the department fails to provide a cost-benefit analysis or any other information required by law a court may declare the regulation invalid.

Section #7 - Deletes the word "original" from the statute regarding the content of the public notice of a proposed adoption of a regulatory action. This is a conforming change since the bill now allows supplemental notices.

Section #8 - requires a department to provide a supplemental notice and the opportunity for additional public comment if the department rewrites a proposed regulatory action and the rewrite is significantly different in substance from the original regulatory action.

Rationale: under existing law a department is only required to provide one notice to the public regarding a proposed regulatory action. However, the content of the proposed regulatory action could and often changes without the knowledge of the public. This provision would address this problem by alerting the public of any significant change and allow the public to provide additional testimony.

Sections #9, 10, 11 - exempts the department from complying with the new provisions of this bill if the proposed regulations are necessary for the immediate preservation of public peace, health, safety or general welfare.

Section #12 - gives the statutory authority for a person to obtain a judicial declaration on the validity of a regulation by bringing an action for declaratory relief in the district court.

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Sectional Analysis
Page 3

Section #13 - adds additional provisions the court must consider in determining the validity of a regulation including:

- 1) the regulation uses an approach that causes the least intrusion on the rights and property of the persons affected.
- 2) in cases where a compelling state interest requires using the approach taken by the regulation.

Rationale: forces a department to not intrude on the rights and the property of persons affected when adopting a regulation except in those cases where the department can prove that a compelling state interest requires such an action.

Section #14 - allows for appeals to the supreme court from the district court.

Rationale: conforming language allowing certain judicial validity appeals to be heard in the in the superior court as well as the district court.

Section #15 - provides for the effective date of this legislation.

DD/jja

Headquarters:
217 2nd Street, Suite 201
Juneau, Alaska 99801
(907) 586-2323 FAX 463-5515



April 1, 1997

Senator Dave Donley
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Senator Donley:

We are pleased that you have introduced Senate Bill 101, which would reform how administrative regulations are adopted and places limits on the power of the state bureaucracy in the regulatory process.

Reform of the present regulatory system is one of the highest priorities of the Alaska State Chamber of Commerce. Our resolution on this matter asks the legislature and the administration to create a regulatory and economic environment supportive of business development that encourages businesses to locate and grow in Alaska. ASCC's resolution also asks the legislature and the administration to provide for an effective oversight mechanism to assure that regulations are producing effective results that follow legislative intent.

The legislation you have introduced addresses many of the concerns of Alaska's business community, and we are happy to provide supportive testimony for SB 101 when the time arises. Please let us know of any other help we might provide in this matter.

Sincerely,

Pamela La Bolle
President

SB

102

Revision Date: _____
Title: An Act relating to the eligibility of aliens for state public assistance and medical assistance programs
Sponsor: Rules Committee
Requestor: Governor

Dept. Affected: Health and Social Services
BRU: Public Assistance
Component: PFD Hold Harmless
COMPONENT SERIAL NO. 225
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|------------------------|---------------|---------------|---------------|----------------|----------------|----------------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | (37.3) | (69.2) | (96.2) | (119.0) | (138.4) | (138.4) |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | (37.3) | (69.2) | (96.2) | (119.0) | (138.4) | (138.4) |

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|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
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|-------------------------|--|--|--|--|--|--|
| 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 1050 PFD Funds | (37.3) | (69.2) | (96.2) | (119.0) | (138.4) | (138.4) |
| TOTAL | (37.3) | (69.2) | (96.2) | (119.0) | (138.4) | (138.4) |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of any current year (FY97) cost: 30.0

ANALYSIS: (Attach a separate page if necessary)

PFD Hold Harmless payments replace ATAP benefits when receiving the dividend causes individuals to lose eligibility or have benefits reduced. The savings to the ATAP program provided for in this bill reduce costs in the ATAP component of the Public Assistance BRU. PFD Hold Harmless costs for ATAP benefits will decrease in direct proportion to the decreases produced by reductions in ATAP expenditures for each fiscal year.

Prepared by: Jim Nordlund, Director Phone: 465-2680
Division: Public Assistance Date: 02/03/97
Approved by Commissioner: Karen Peddie, Commissioner Date: 2/5/97
Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Assumptions:

Legislation implemented July 1, 1997

PFD Hold Harmless costs for ATAP benefits will decrease in direct proportion to the decreases produced by this legislation.

Calculations:

| | |
|-------|-----------|
| FY 97 | \$0.0 |
| FY 98 | (\$37.3) |
| FY99 | (\$69.2) |
| FY00 | (\$96.2) |
| FY01 | (\$119.0) |
| FY02 | (\$138.4) |
| FY03 | (\$138.4) |

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Bill Version: SB102
(S) Publish Date: 2/24/96

Revision Date: _____
Title: An Act relating to the eligibility of aliens for state
public assistance and medical assistance programs
Sponsor: Rules Committee
Requestor: Governor

Dept. Affected: Health and Social Services
BRU: Public Assistance
Component: Adult Public Assistance
COMPONENT SERIAL NO. 222
See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|-------------------|---------|---------|---------|---------|---------|---------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | (156.0) | (304.2) | (444.6) | (577.2) | (705.9) | (705.9) |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | (156.0) | (304.2) | (444.8) | (577.2) | (705.9) | (705.9) |

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| CAPITAL EXPENDITURES | | | | | | |
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|-------------------------|--|--|--|--|--|--|
| CHANGES IN REVENUES () | | | | | | |
|-------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|-------------------------|---------|---------|---------|---------|---------|---------|
| 002 Federal Receipts | | | | | | |
| 003 GF Match | | | | | | |
| 004 GF | (156.0) | (304.2) | (444.6) | (577.2) | (705.9) | (705.9) |
| 005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other 1007 I/A Receipts | | | | | | |
| TOTAL | (156.0) | (304.2) | (444.6) | (577.2) | (705.9) | (705.9) |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

This legislation provides that most legal immigrants who arrived in the U.S. before August 22, 1996 will remain eligible for Adult Public Assistance (APA) benefits. This legislation prohibits APA benefits to most legal immigrants who arrive on or after August 22, 1996 for five years from their date of arrival into the U.S. The program savings generated by this legislation represent caseload decreases due to attrition. These caseload decreases are not offset by newly eligible immigrants because most new immigrants are barred from program participation for five years after their date of entry.

Prepared by: Jim Nordlund, Director Phone: 465-2680
 Division: Public Assistance Date: 02/03/97
 Approved by Commissioner: Karen Perdue, Commissioner Date: 2/5/97
 Agency: Department of Health & Social Services

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ANALYSIS (cont.):**Assumptions:**

Legislation implemented July 1, 1997

Caseload will decrease each year from FY98 to FY02 by 5 percent due to normal attrition.

Caseload remains constant after FY02 due to new immigrants becoming eligible after the five year bar.

Calculations:

| Fiscal Year | # Persons Affected | Annual Savings |
|-------------|--------------------|----------------|
| FY97 | 0 | \$0.0 |
| FY98 | 40 | (\$156.0) |
| FY99 | 78 | (\$304.2) |
| FY00 | 114 | (\$444.6) |
| FY01 | 148 | (\$577.2) |
| FY02 | 181 | (\$705.9) |
| FY03 | 181 | (\$705.9) |

STATE OF ALASKA
 1997 LEGISLATIVE SESSION

Revision Date: _____
 Title: An Act relating to eligibility of aliens for state public assistance and medical assistance programs
 Sponsor: Rules Committee
 Requestor: Governor

Dept. Affected: Health and Social Services
 BRU: Public Assistance
 Component: ATAP
 COMPONENT SERIAL NO. 220
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|------------------------|----------------|----------------|------------------|------------------|------------------|------------------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | (405.9) | (752.4) | (1,046.1) | (1,293.6) | (1,504.8) | (1,504.8) |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | (405.9) | (752.4) | (1,046.1) | (1,293.6) | (1,504.8) | (1,504.8) |

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
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| CHANGES IN REVENUES () | | | | | | |
|-------------------------|--|--|--|--|--|--|

FUND SOURCE

(Thousands of Dollars)

| | | | | | | |
|--------------------------|----------------|----------------|------------------|------------------|------------------|------------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | (368.6) | (683.2) | (949.9) | (1,174.6) | (1,366.4) | (1,366.4) |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other 1007 I/A Receipts | (37.3) | (69.2) | (96.2) | (119.0) | (138.4) | (138.4) |
| TOTAL | (405.9) | (752.4) | (1,046.1) | (1,293.6) | (1,504.8) | (1,504.8) |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

This legislation provides that most legal immigrants who arrived in the U.S. before August 22, 1996 will remain eligible for Alaska Temporary Assistance (ATAP) benefits. This legislation prohibits ATAP benefits to most legal immigrants who arrive on or after August 22, 1996 for five years from their date of arrival into the U.S. The program savings generated by this legislation represent caseload decreases due to attrition. These caseload decreases are not offset by newly eligible immigrants because most new immigrants are barred from program participation for five years after their date of entry.

Signature
2/3/97

Prepared by: Jim Nordlund, Director
 Division: Public Assistance

Phone: 465-2680
 Date: 02/03/97

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

Date: 2/5/97

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ANALYSIS (cont.):**Assumptions:**

Legislation implemented July 1, 1997

Caseload will decrease each year from FY98 to FY02 by 15 percent due to normal attrition.

Caseload remains constant after FY02 due to new immigrants becoming eligible after the five-year bar.

Calculations:

| Fiscal Year | # Persons Affected | Annual Savings |
|-------------|--------------------|----------------|
| FY97 | 0 | \$0.0 |
| FY98 | 123 | (\$405.9) |
| FY99 | 228 | (\$752.4) |
| FY00 | 317 | (\$1,046.1) |
| FY01 | 392 | (\$1,293.6) |
| FY02 | 456 | (\$1,504.8) |
| FY03 | 456 | (\$1,504.8) |

FISCAL NOTE

**STATE OF ALASKA
1997 LEGISLATIVE SESSION**

No. 2
 Bill Version: SB102
 (S) Publish Date: 2/24/96

Revision Date: _____
 Title: An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare ...
 Sponsor: Rules Committee
 Requestor: Governor

Dept. Affected: Health and Social Services
 BRU: Medical Assistance
 Component: Medicaid Non-Facility
 COMPONENT SERIAL NO. 229
 See also (SN#): 230

Expenditures/Revenues:

(Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | | | | | | |
|----------------------|--|--|--|--|--|--|

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|-------------------------|--|--|--|--|--|--|
| 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 (FY97) cost: 0.0

ANALYSIS: (Attach a separate page if necessary)

Historically, Medicaid covered legal resident aliens who met all other Medicaid eligibility criteria. As a result of federal welfare reform, Alaska Medicaid cannot continue to cover most aliens without this legislation. Even with legislation, most aliens who arrive in the country after August 22, 1996 are ineligible for Medicaid for their first five years in the U.S. This bill provides the Alaska program with the authority to continue Medicaid coverage for qualified legal aliens who are not subject to the five-year bar. Funding for the coverage of these aliens is already included in the Medicaid budget. Therefore, there is no new cost to continuing this coverage.

Failure to extend Medicaid coverage for aliens would result in a loss of Medicaid eligibility for some aliens. However, aliens who do not qualify for full Medicaid coverage are eligible for Medicaid coverage of emergency medical treatment. In addition, aliens needing non-emergency hospitalization, nursing home services, or prescription drugs for certain chronic conditions may be eligible for the General Relief Medical program. See the following page for additional information about the impacts of not passing this legislation.

Prepared by: Jon Sherwood
 Division: Division of Medical Assistance
 Approved by Commissioner: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-3355
 Date: 02/03/97
 Date: 2/5/97

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ANALYSIS (cont.):

In FY 96, the Alaska Medicaid program spend almost \$5.2 million providing Medicaid services to aliens; one-half of that amount was state General Funds. The Division of Medical Assistance estimates that one-quarter of those aliens age 65 and over and 15 percent of aliens under age 65 fall into an immigration status that federal law requires states to cover.

In addition, the Division estimates that for the remaining aliens, one-half of all hospital and transportation services and 10 percent of all physician services received would still be provided under Medicaid coverage of emergency medical treatment for aliens.

Furthermore, some aliens would be eligible for coverage of inpatient hospital, nursing facility services, physician services, transportation services, and prescription drugs for certain chronic conditions under the General Relief Medical program. The Division estimates that one half of these services not covered under Medicaid emergency medical treatment would be covered under GRM. Hospital and nursing facility services are reimbursed at 28 percent of Medicaid rates. Other GRM services are reimbursed at 100 percent of Medicaid rates.

Eliminating Medicaid coverage of qualified aliens would result an annual change to the Medicaid and GRM program shown below. Because of the administrative timeframes in terminating Medicaid coverage, the Division estimates that the impact in FY 98 would be one-half the amount shown below.

Discontinuing Medicaid Coverage of Qualified Aliens
(thousands of dollars)

| | <u>Total Funds</u> | <u>General Funds</u> |
|-----------------------------------------|--------------------|----------------------|
| FY 96 Medicaid - Aliens | \$ 5,171.3 | \$ 2,585.7 |
| Mandatory Coverage - Aliens | \$ 972.6 | \$ 486.3 |
| Emergency Coverage - Aliens | <u>\$ 337.5</u> | <u>\$ 418.8</u> |
| Net Savings to Medicaid | \$ 3,361.2 | \$ 1,680.6 |
| Cost Shift to GRM | <u>\$ 921.9</u> | <u>\$ 921.9</u> |
| Annual Reduction in Spending | <u>\$ 2,439.3</u> | <u>\$ 758.7</u> |
| First Year Reduction (one-half year) | \$ 1,219.7 | \$ 379.4 |

Note: Federal welfare reform legislation prevents most newly arrived immigrants from receiving Medicaid for their first five years in the country. As a result, Medicaid should experience a small caseload decline and, adjusting for a shift in expenditures to emergency medical services and GRM, some modest savings. This savings is not shown in this fiscal note as it will occur with or without this legislation.

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 1
Bill Version: SB102
(S) Publish Date: 2/24/96

Revision Date: _____
Title: An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare ...
Sponsor: Rules Committee
Requestor: Governor

Dept. Affected: Health and Social Services
BRU: Medical Assistance
Component: Medicaid Facilities
COMPONENT SERIAL NO. 230
See also (SN#): 229

Expenditures/Revenues:

(Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 (FY97) cost: 10.0

ANALYSIS: (Attach a separate page if necessary)

Historically, Medicaid covered legal resident aliens who met all other Medicaid eligibility criteria. As a result of federal welfare reform, Alaska Medicaid cannot continue to cover most aliens without this legislation. Even with legislation, most aliens who arrive in the country after August 22, 1996 are ineligible for Medicaid for their first five years in the U.S. This bill provides the Alaska program with the authority to continue Medicaid coverage for qualified legal aliens who are not subject to the five-year bar. Funding for the coverage of these aliens is already included in the Medicaid budget. Therefore, there is no new cost to continuing this coverage.

Failure to extend Medicaid coverage for aliens would result in a loss of Medicaid eligibility for some aliens. However, aliens who do not qualify for full Medicaid coverage are eligible for Medicaid coverage of emergency medical treatment. In addition, aliens needing non-emergency hospitalization, nursing home services, or prescription drugs for certain chronic conditions may be eligible for the General Relief Medical program. See the following page for additional information about the impacts of not passing this legislation.

Prepared by: Jon Sherwood
Division: Division of Medical Assistance
Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Phone: 465-3355
Date: 02/03/97
Date: 2/5/97

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ANALYSIS (cont.):

In FY 96, the Alaska Medicaid program spend almost \$5.2 million providing Medicaid services to aliens; one-half of that amount was state General Funds. The Division of Medical Assistance estimates that one-quarter of those aliens age 65 and over and 15 percent of aliens under age 65 fall into an immigration status that federal law requires states to cover.

In addition, the Division estimates that for the remaining aliens, one-half of all hospital and transportation services and 10 percent of all physician services received would still be provided under Medicaid coverage of emergency medical treatment for aliens.

Furthermore, some aliens would be eligible for coverage of inpatient hospital, nursing facility services, physician services, transportation services, and prescription drugs for certain chronic conditions under the General Relief Medical program. The Division estimates that one half of these services not covered under Medicaid emergency medical treatment would be covered under GRM. Hospital and nursing facility services are reimbursed at 28 percent of Medicaid rates. Other GRM services are reimbursed at 100 percent of Medicaid rates.

Eliminating Medicaid coverage of qualified aliens would result an annual change to the Medicaid and GRM program shown below. Because of the administrative timeframes in terminating Medicaid coverage, the Division estimates that the impact in FY 98 would be one-half the amount shown below.

Discontinuing Medicaid Coverage of Qualified Aliens
(thousands of dollars)

| | <u>Total Funds</u> | <u>General Funds</u> |
|-----------------------------------------|--------------------|----------------------|
| FY 96 Medicaid - Aliens | \$ 5,171.3 | \$ 2,585.7 |
| Mandatory Coverage - Aliens | \$ 972.6 | \$ 486.3 |
| Emergency Coverage - Aliens | <u>\$ 837.5</u> | <u>\$ 418.8</u> |
| Net Savings to Medicaid | \$ 3,361.2 | \$ 1,680.6 |
| Cost Shift to GRM | <u>\$ 921.9</u> | <u>\$ 921.9</u> |
| Annual Reduction in Spending | <u>\$ 2,439.3</u> | <u>\$ 758.7</u> |
| First Year Reduction (one-half year) | \$ 1,219.7 | \$ 379.4 |

Note: Federal welfare reform legislation prevents most newly arrived immigrants from receiving Medicaid for their first five years in the country. As a result, Medicaid should experience a small caseload decline and, adjusting for a shift in expenditures to emergency medical services and GRM, some modest savings. This savings is not shown in this fiscal note as it will occur with or without this legislation.



ALASKA STATE LEGISLATURE

Senate

Please enter into the record my testimony to the Judiciary

Committee on Senate Bill 102 Committee Name Dated 4-30-97

Bill / Subject

I urge you to take favorable action on SB 102 and companion HB 153 if and when it reaches you. This keeps in place the eligibility rules for elderly and disabled assistance and Medicaid, for legal immigrants who entered the U.S. before August 1996.

These are legal immigrants who ~~prosperity~~ ^{followed} the rules to get here. We should not change the rules retroactively.

Congress, although disallowing SSI, has given its approval to states to continue cash assistance and Medicaid. and as I understand it, the U.S. will pay its share of the Medicaid costs if ~~the~~ state so chooses for this group. We should hold Congress to this commitment.

Those potentially eligible are a relatively small group, and a closed group, which will shrink rather than grow over time.

As a matter of fundamental fairness I ask you to act favorably. Thank you for this opportunity.

SIGNED:

Testifier

Representing

4624 Stevedore Drive Fairbanks AK 99709

Address / Phone Number

INTERNET ADDRESS:
acoa@admin.state.ak.us



P.O. BOX 110209
JUNEAU, AK 99811-0209
(907) 465-3250
FAX: 465-4716

Alaska Commission on Aging

RESOLUTION 97-6

In support of providing medical and public assistance to legal immigrants

WHEREAS, Alaska's public and medical assistance programs have historically been available to all Alaska residents, including legal immigrants who are permanent residents; and

WHEREAS, federal welfare reform limited the eligibility of certain legal immigrants for public and medical assistance and left it up to the states whether to continue coverage; and

WHEREAS, approximately 2,000 legal immigrant Alaskans, including over 600 seniors, currently depend on Medicaid, Adult Public Assistance, or the Alaska Temporary Assistance Program; and

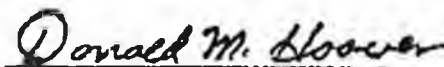
WHEREAS, legal immigrants who arrived in this country before the enactment of welfare reform could lose their eligibility for Medicaid without legislation; and

WHEREAS, failure to provide safety net programs for Alaskans who need basic services will result in them experiencing expensive medical crises; and

WHEREAS, responding to these medical crises will further tax limited community resources.

THEREFORE, BE IT RESOLVED by the Alaska Commission on Aging to support Senate Bill 102 and House Bill 153, which provide continued eligibility for Medicaid, Adult Public Assistance, and Alaska Temporary Assistance Program for legal immigrants.

Adopted this 4th day of March, 1997.


Don Hoover, Chair



FACSIMILE TRANSMISSION COVER SHEET

Attorney General's Office

123 4th Street, 5th Floor

P.O. Box 110300

Juneau, AK 99811-300

PHONE: (907) 465-4137 FAX: (907) 465-2539

DATE: 4-14-97

TO: ELMER LINDSTROM FAX: () X 3068

DHSS

FROM: KRISTEN BOMENGEN

AAG

NUMBER OF PAGES INCLUDING THIS SHEET: 7

MESSAGE:

ELMER, I'VE INCLUDED PROPOSED AMENDMENTS FOR BOTH THE SENATE AND HOUSE BILLS, AND ADDED A BRIEF DESCRIPTION OF THE PURPOSE OF THE AMENDMENTS. THE ADDITIONAL PAGES ARE EXCERPTS FROM THE PRWORA AND THE SUBSEQUENT IMMIGRATION ACT THAT YOU MAY FIND USEFUL TO EXPLAIN THE NEED FOR THE CHANGE. [THERE IS ANOTHER ALTERNATIVE, OF COURSE, TO CHANGE THE REFERENCE TO 8 USC 1641(B) AND (C), BUT IT CREATES THE RISK THAT IF THE FEDS ADD ANOTHER PROVISION TO INCLUDE IN QUALIFIED ALIENS, WE COULD FIND OURSELVES OUT OF SYNC AGAIN.] LET ME KNOW IF YOU NEED ME FOR A MEETING OR COMMITTEE HEARING ON THIS. THANKS.

The information contained in this FAX is confidential and/or privileged. This FAX is intended to be reviewed initially by only the individual named above. If the reader of this TRANSMITTAL PAGE is not the intended recipient or a representative of the intended recipient, you are hereby notified that any review, dissemination, or copying of this FAX or the information contained herein is prohibited. If you have received this FAX in error, please immediately notify the sender by telephone and return this FAX to the sender at the above address. Thank you.

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IF YOU DO NOT RECEIVE THIS TRANSMISSION IN FULL.
(907) 465-3600 ASK FOR: _____**

AMENDMENT

OFFERED IN THE SENATE

TO: SB 102

Page 1, line 7:

Delete "8 U.S.C. 1641(b)"

Insert "8 U.S.C. 1641"

Page 2, line 1:

Delete "8 U.S.C. 1641(b)"

Insert "8 U.S.C. 1641"

Page 2, line 7:

Delete "8 U.S.C. 1641(b)"

Insert "8 U.S.C. 1641"

The effect of this amendment is to include certain battered aliens as qualified aliens. The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 contained a provision that amended the "qualified alien" definition to include certain battered aliens by adding a new subsection, 8 U.S.C. 1641(c). This amendment will incorporate this additional provision and avoid inconsistencies with federal guidelines.

TITLE V--RESTRICTIONS ON BENEFITS FOR ALIENS

Subtitle A--Eligibility of Aliens for Public Assistance and Benefits

SEC. 501. EXCEPTION TO INELIGIBILITY FOR PUBLIC BENEFITS FOR CERTAIN BATTERED ALIENS.

Section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641) is amended by adding at the end the following new subsection:

(c) Treatment of Certain Battered Aliens as Qualified Aliens.--For purposes of this title, the term 'qualified alien' includes--

- (1) an alien who--
 - (A) has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented to, or acquiesced in, such battery or cruelty, but only if (in the opinion of the Attorney General, which opinion is not subject to review by any court) there is a substantial connection between such battery or cruelty and the need for the benefits to be provided; and
 - (B) has been approved or has a petition pending which sets forth a prima facie case for--
 - (i) status as a spouse or a child of a United States citizen pursuant to clause (ii), (iii), or (iv) of section 204(a)(1)(A) of the Immigration and Nationality Act,
 - (ii) classification pursuant to clause (ii) or (iii) of section 204(a)(1)(B) of the Act,
 - (iii) suspension of deportation and adjustment of status pursuant to section 244(a)(3) of such Act, or
 - (iv) status as a spouse or child of a United States citizen pursuant to clause (i) of section 204(a)(1)(A) of such Act, or classification pursuant to clause (i) of section 204(a)(1)(B) of such Act; or
- (2) an alien--
 - (A) whose child has been battered or subjected to extreme cruelty in the United States by

[(Page H11820)]

a spouse or a parent of the alien (without the active participation of the alien in the battery or cruelty), or by a member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty, and the alien did not actively participate in such battery or cruelty, but only if (in the opinion of the Attorney General, which opinion is not subject to review by any court) there is a substantial connection between such battery or cruelty and the need for the benefits to be provided; and

(B) who meets the requirement of clause (ii) of subparagraph (A).

This subsection shall not apply to an alien during any period in which the individual responsible for such battery or cruelty resides in the same household or family eligibility unit as the individual subjected to such battery or cruelty.''

SEC. 502. PILOT PROGRAMS ON LIMITING ISSUANCE OF DRIVER'S LICENSES TO ILLEGAL ALIENS.

(a) In General.--Pursuant to guidelines prescribed by the Attorney General not later than 6 months after the date of the enactment of this Act, all States may conduct pilot programs within their State to determine the viability,

(or parents) of such child is a qualified alien (as defined in section 431).

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(8) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII, and VIII of the Public Health Service Act.

(9) Benefits under the Head Start Act.

(10) Means-tested programs under the Elementary and Secondary Education Act of 1965.

(11) Benefits under the Job Training Partnership Act.

Subtitle D—General Provisions

8 USC 1641.

SEC. 431. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided in this title, the terms used in this title have the same meaning given such terms in section 101(a) of the Immigration and Nationality Act.

(b) QUALIFIED ALIEN.—For purposes of this title, the term "qualified alien" means an alien who, at the time the alien applies for, receives, or attempts to receive a Federal public benefit, is—

(1) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act,

(2) an alien who is granted asylum under section 208 of such Act,

(3) a refugee who is admitted to the United States under section 207 of such Act,

(4) an alien who is paroled into the United States under section 212(d)(5) of such Act for a period of at least 1 year,

(5) an alien whose deportation is being withheld under section 243(h) of such Act, or

(6) an alien who is granted conditional entry pursuant to section 203(a)(7) of such Act as in effect prior to April 1, 1980.

8 USC 1642

SEC. 432. VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC BENEFITS.

(a) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act, the Attorney General of the United States, after consultation with the Secretary of Health and Human Services, shall promulgate regulations requiring verification that a person applying for a Federal public benefit (as defined in section 401(c)), to which the limitation under section 401 applies, is a qualified alien and is eligible to receive such benefit. Such regulations shall, to the extent feasible, require that information requested and exchanged be similar in form and manner to information requested and exchanged under section 1137 of the Social Security Act.

(b) STATE COMPLIANCE.—Not later than 24 months after the date the regulations described in subsection (a) are adopted, a State that administers a program that provides a Federal public benefit shall have in effect a verification system that complies with the regulations.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

SEC. 433. STATUTORY CONSTRUCTION.

8 USC 1643.

(a) LIMITATION.—

(1) Nothing in this title may be construed as an entitlement or a determination of an individual's eligibility or fulfillment of the requisite requirements for any Federal, State, or local governmental program, assistance, or benefits. For purposes of this title, eligibility relates only to the general issue of eligibility or ineligibility on the basis of alienage.

(2) Nothing in this title may be construed as addressing alien eligibility for a basic public education as determined by the Supreme Court of the United States under Plyler v. Doe (457 U.S. 202)(1982).

(b) NOT APPLICABLE TO FOREIGN ASSISTANCE.—This title does not apply to any Federal, State, or local governmental program, assistance, or benefits provided to an alien under any program of foreign assistance as determined by the Secretary of State in consultation with the Attorney General.

(c) SEVERABILITY.—If any provision of this title or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 434. COMMUNICATION BETWEEN STATE AND LOCAL GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE.

8 USC 1644.

Notwithstanding any other provision of Federal, State, or local law, no State or local government entity may be prohibited, or in any way restricted, from sending to or receiving from the Immigration and Naturalization Service information regarding the immigration status, lawful or unlawful, of an alien in the United States.

SEC. 436. QUALIFYING QUARTERS.

8 USC 1645.

For purposes of this title, in determining the number of qualifying quarters of coverage under title II of the Social Security Act an alien shall be credited with—

(1) all of the qualifying quarters of coverage as defined under title II of the Social Security Act worked by a parent of such alien while the alien was under age 18, and

(2) all of the qualifying quarters worked by a spouse of such alien during their marriage and the alien remains married to such spouse or such spouse is deceased.

No such qualifying quarter of coverage that is creditable under title II of the Social Security Act for any period beginning after December 31, 1996, may be credited to an alien under paragraph (1) or (2) if the parent or spouse (as the case may be) of such alien received any Federal means-tested public benefit (as provided

APR 14 97 13:52 NO. 111 P. 07

ID: 907-465-2539

241(b)(3)

Immigration Act

LAW-JNO-ANNEX

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

April 14, 1997

Honorable Robin Taylor
Chairman
Senate Judiciary Committee
State Capitol
Juneau, AK 99801-1182

Dear Senator Taylor.

The Department of Health and Social Services respectfully requests a hearing in the Senate Judiciary Committee on SB 102, "An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare reform legislation; and providing for an effective date."

Senate Bill 102 moved from the Senate Health, Education and Social Services Committee this past week.

The state welfare reform legislation enacted last session was silent on the issue of eligibility of legal immigrants for public assistance and Medicaid. This legislation is necessary to clarify the state's policies in this regard in light of the new federal legislation.

The bill provides for continued eligibility for legal immigrants who were in the country prior to the August, 1996 effective date of the federal legislation.

Your favorable consideration of this request will be most appreciated.

Sincerely,



Elmer A. Lindstrom
Special Assistant to the Commissioner

TONY KNOWLES
GOVERNOR

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

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 24, 1997

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

Dear President Miller:

Federal welfare reform enacted in August 1996 limited the eligibility of certain legal immigrants for public and medical assistance benefits and left it up to the states whether to continue that coverage. With this bill, I am asking Alaska to assure those qualified immigrants in need, who were here before the change in federal law, can continue to receive benefits. Those arriving after the change in law would be subject to the new restrictions.

The state welfare reform bill enacted in Alaska in 1996 did not address the eligibility of immigrants. This bill establishes that Medicaid, family assistance, and adult public assistance benefits will be available to "qualified aliens" and that for aliens who entered the United States on or after August 22, 1996, these benefits will not be available for the first five years after establishing qualified alien status in the United States.

This legislation strikes an appropriate balance in services for legal immigrants. By continuing to provide services to those who were in the country before the new federal welfare law was enacted, the state is acknowledging its responsibility to provide safety net programs for those Alaskans who need basic services and who originally entered this country under conditions that would grant them these services. However, those immigrants coming into the country after August 1996 will be aware they are subject to new rules and their access to services will be restricted.

Sincerely,



Tony Knowles
Governor

**SENATE COMMITTEE REFERRAL
First Committee of Referral**

DATE: 2/24/97

FURTHER: Judiciary
Finance

Date of 5-Day Notice: 3/6/97
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/11/97

HESS Committee considered **SENATE BILL NO. 102**
"An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare reform legislation; and providing for an effective date."

and recommends:

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

per F + P

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

| SIGNING DQ PASS | DP | OTHER RECOMMENDATIONS | NR | DNP | AM |
|----------------------------------|----|-----------------------|----|-----|----|
| | | <i>[Signature]</i> | ✓ | | |
| | | <i>[Signature]</i> | ✓ | | |
| | | <i>[Signature]</i> | ✓ | | |
| CHAIR: <i>[Signature]</i> | ✓ | CHAIR: | | | |

NEW FISCAL NOTE(S): Fiscal Notes accompanying Governor's bill

| Department | Date | Zero | Fiscal |
|--------------------------|--------|------|--------|
| H+SS - Mod. Assistance | 2/5/97 | ✓ | |
| H+SS - Mod. Assistance | 2/5/97 | ✓ | |
| H+SS - Public Assistance | 2/5/97 | | ✓ |
| H+SS - Public Assistance | 2/5/97 | | ✓ |
| H+SS - Public Assistance | 2/5/97 | | ✓ |

PREVIOUS FISCAL NOTE(S):*

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
| → | | | |
| → | | | |
| → | | | |
| → | | | |
| → | | | |

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

Previous Committee Report(s)



Welfare Reform Briefing Paper

Division of Public Assistance

State of Alaska
Tony Knowles, Governor



Immigrants

The *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* significantly impacts immigrant eligibility for public assistance. Recent federal changes reduce or deny benefits to many legal aliens already in the country as well as new arrivals. Alaska has the option of continuing federal-state assistance programs for aliens who were in the United States before August 22, 1996. The following summary explains immigration changes and some policy options for Alaska.

Changes in Federal Law

Qualified Aliens

The federal welfare reform law created a new category of legal immigrants called *qualified aliens*. Qualified aliens include:

- immigrants admitted for permanent residence;
- refugees;
- asylees;
- certain immigrants granted conditional entry;
- individuals paroled into the United States for at least one year;
- immigrants whose deportation is being withheld; and
- certain battered spouses and children.

Some qualified aliens remain eligible for public assistance. Refugees, asylees and immigrants whose deportation is being withheld for their first five years in the United States; veterans and their spouses and dependents; and those who have worked a total of 10 years in the United States stay eligible. However, these exceptions are limited. Most qualified aliens are ineligible for public assistance, or are only eligible if the state chooses to cover them. Other immigrants are generally ineligible for federal, state and local public assistance benefits. These eligibility restrictions do not apply to immigrants once they become citizens.

Program Changes

The federal welfare reform law targets two types of qualified aliens: those in the United States before August 22, 1996, and those arriving on or after August 22, 1996.

Welfare Reform Briefing Paper -- Immigrants

The new law reduces federal benefits for both groups of qualified aliens. For those arriving on or after August 22, 1996, eligibility for programs is eliminated for five years. After this period, new immigrants with sponsors must include the sponsors' income when applying for public assistance. For those arriving before August 22, 1996, benefits will be phased out over the first year. These changes apply to the following federal programs.

Food Stamp Program: Immigrants arriving on or after August 22, 1996 are ineligible for food stamps. Immigrants receiving food stamps before August 22, 1996, are exempt from the new eligibility restrictions until April 1, 1997. This group of qualified aliens may receive food stamps through August 1997 provided they apply for certification by March 31, 1997.

Supplemental Security Income (SSI): Qualified aliens in the country before August 22, 1996 will lose this assistance by September 1997. Qualified aliens arriving on or after August 22, 1996 are ineligible.

The welfare reform law also gives states options for deciding immigrant eligibility for other state-administered programs supported with federal and state funds.

Temporary Assistance for Needy Families (TANF): States have the option to determine eligibility of qualified aliens for federal cash assistance under the TANF Program. Qualified aliens currently receiving AFDC benefits from Alaska will remain eligible for benefits until July 1, 1997, when the new TANF Program is in place. As states develop their TANF-funded program, they will decide whether to provide or deny services to qualified aliens who arrived in the country before August 22, 1996. Qualified aliens in the United States on or after August 22, 1996 are banned from receiving TANF-funded assistance for five years. The name for Alaska's new TANF-supported program is Alaska Temporary Assistance Program (ATAP).

Medicaid: Qualified aliens arriving in the United States before August 22, 1996 may be covered as a state option. Except for Medicaid emergency coverage, qualified aliens in the country on or after August 22, 1996 are banned from receiving Medicaid benefits for five years. Only Medicaid emergency coverage is available to all aliens.

The welfare reform law also gives states options for deciding immigrant eligibility for state-funded public assistance programs. Alaska's Adult Public Assistance, General Relief Assistance, and General Relief Medical programs fall into this category.

Alaska Status

Policy Choices

The Knowles Administration has made the following policy choices for immigrants for state-administered public assistance programs. Three of these choices require legislative action to revise current statutes. This legislation supports the federal direction to limit public assistance benefits to qualified aliens arriving on or after August 22, 1996.

Welfare Reform Briefing Paper – Immigrants

Alaska Temporary Assistance Program: Continue cash benefits for qualified aliens arriving in the United States before August 22, 1996. Implementing this policy requires a statute change as the current state law provides eligibility for all legal aliens meeting the financial requirements, regardless of their date of arrival in the United States.

Medicaid: Continue Medicaid coverage for qualified aliens arriving in the United States before August 22, 1996, including those who may not have been on Medicaid on August 22, 1996. This policy requires a statute change. Those qualified aliens entering the United States on or after August 22, 1996 are banned from receiving Medicaid benefits for five years.

Adult Public Assistance: Continue cash assistance for qualified aliens in the country before August 22, 1996. Immigrants arriving on or after August 22, 1996 are subject to a five-year bar. This policy requires a statute change to reduce program eligibility.

General Relief Assistance (GRA)/ General Relief Medical (GRM): Continue to provide assistance to legal immigrants, regardless of the date they entered the country. The GRA and GRM are last resort programs that provide limited assistance to needy people with no other support for emergency medical and basic needs.

Impacts to Alaskans

Food Stamps: It is estimated that 1,100 legal aliens will lose Food Stamp benefits by September 1997.

Supplemental Security Income: An anticipated 800 legal immigrants will lose SSI cash benefits by September 1997.

Alaska Temporary Assistance Program: The five-year ban for services to legal aliens applies to the use of federal block grant (TANF) funds only. Current state law provides assistance to all immigrants with state funding only. There are about 820 legal aliens eligible for AFDC/ATAP benefits now. Under proposed state legislation, immigrants arriving in the United States before August 22, 1996 will remain eligible for AFDC/ATAP, while those arriving on or after August 22, 1996 will be ineligible for five years. With this statute change, about 145 of the 820 eligible for AFDC/ATAP will no longer be eligible.

Medicaid: Current state law does not provide Medicaid eligibility for most qualified aliens regardless of arrival date in the United States. About 1,575 immigrants are ineligible for Medicaid. Alaska's Medicaid program does not currently have statutory authority to cover these immigrants. Some individuals that are ineligible for Medicaid are eligible for General Relief Medical. Under the proposed state legislation, immigrants arriving in the United States on or after August 22, 1996 are not eligible for five years. Most immigrants in the United States before August 22, 1996 will remain eligible. Medicaid will have about 1,680 eligibles and 265 ineligibles in Alaska if this statute change occurs.

Adult Public Assistance: Current state law provides assistance to most immigrants, regardless of their arrival date in the United States. New immigrants are not subject to the five-year federal ban. About 800 legal aliens would continue to be eligible for benefits. Under the proposed state

Welfare Reform Briefing Paper -- Immigrants

legislation, immigrants arriving before August 22, 1996 will remain eligible, and immigrants arriving on or after August 22, 1996 will be ineligible for five years. About 45 of the 800 eligible legal aliens will be ineligible with this statute change.

General Relief Assistance (GRA) / General Relief Medical (GRM): Current state law provides that most immigrants will be ineligible for Medicaid, regardless of their date of arrival in the United States. Under proposed state legislation, about 265 immigrants who arrived in the United States after or on August 22, 1996, will be ineligible for Medicaid and may need to receive benefits through the GRM program.

Key Issues

- The proposed state legislation allows Alaska to follow federal law and deny public assistance benefits to most qualified aliens who arrived in the United States after or on August 22, 1996, for a five-year period or until they gain citizenship.
- Public assistance benefits provided to qualified aliens who are ineligible for federal funds must be paid from state funds.

Key Dates

- Restrictions for new legal immigrants became effective August 22, 1996.
- New restrictions for current legal immigrants receiving food stamps become effective April 1, 1997. Those certified by March 31, 1997 can receive benefits through August 1997.
- The Alaska Temporary Assistance Program goes into effective on July 1, 1997.
- Supplemental Security Income benefits for most legal immigrants stop by September 1997.

Additional Information

For additional information on immigration and the impacts of welfare reform, contact Jim Steele at the Division of Public Assistance at 465-3014.

Differences Between Legal Immigrants and the Definition of Qualified Aliens Under Public Law 104-193

Regarding a definition for "legal immigrant", there are two issues to consider. The definition of a legal immigrant before the passage of P.L. 104-193, and the definition of a "qualified alien" under P.L. 104-193.

Prior to the passage of P.L. 104-193, an immigrant was considered eligible for state and federal welfare benefits if he met the definition of a legal immigrant. For this purpose, a "legal immigrant" included all immigrants lawfully admitted for permanent residence, and immigrants permanently residing under color of law (PRUCOL). Prucol aliens are considered legal permanent residents of the U.S even though they did not go through the process of applying for and being admitted for permanent residence. Prucol aliens are aliens living in the in the country with the knowledge and permission of the Immigration and Naturalization Service (INS) whose departure the INS does not contemplate enforcing.

For public assistance purposes, P.L. 104-193 created a new category of immigrants called "qualified aliens." Most "qualified aliens" are ineligible for public assistance, or are only eligible if the state opts to cover them. Immigrants who are not "qualified aliens" are generally not eligible for benefits. Under P.L. 104-193, "qualified aliens" are: immigrants lawfully admitted for permanent residence; refugees; asylees; individuals paroled into the U.S. for at least one year; immigrants whose deportation is being withheld; certain immigrants granted conditional entry; and certain battered spouses and children.

However, under P.L. 104-193, certain categories of "qualified aliens" remain eligible for public assistance regardless of their immigrant status. These exception categories are: refugees, asylees, and certain persons whose deportation is being withheld for their first five years in the U.S.; individuals who have 40 quarters of coverage under the Social Security system; and veterans and members of the armed forces and their spouses and dependent children.

Immigrants who become U.S. citizens are not subject to immigrant restrictions on public assistance eligibility.

Public Assistance Data on Statewide Immigrant Population
 (for Immigrants on Public Assistance Only)
 as of January 1, 1997

Programs

| Program Type | ATAP Only | ATAP/ FS | APA Only | APA/ FS | FS Only | FS/ MED | GRA/ GRM | MED Only | Total |
|--------------|-----------|----------|----------|---------|---------|---------|----------|----------|-------|
| # of Persons | 167 | 651 | 639 | 162 | 154 | 69 | 7 | 256 | 2105 |

Heritage

| Heritage | Asian | Black | Hispanic | Pacific Islander | White | Other/ Unknown | Total |
|--------------|-------|-------|----------|------------------|-------|----------------|-------|
| # of Persons | 1069 | 44 | 429 | 119 | 360 | 84 | 2105 |

Time on Assistance

| | |
|-------------------|------------|
| Less than 5 Years | 1461 |
| More than 5 years | <u>644</u> |
| Total | 2105 |

SSI Status:

| | |
|-------------------|-------------|
| SSI Recipient | 669 |
| Non-SSI Recipient | <u>1436</u> |
| Total | 2105 |

Alien status:

| | |
|-----------------------|-------------|
| Currently Sponsored : | 81 |
| Non-sponsored: | <u>2024</u> |
| Total | 2105 |

Sex:

| | |
|---------|-------------|
| Male: | 784 |
| Female: | <u>1321</u> |
| Total | 2105 |

Age:

| | |
|---------------|------------|
| Under Age 18: | 439 |
| 18 - 64: | 1025 |
| Over Age 64: | <u>641</u> |
| Total | 2105 |

Type of Recipient:

| | |
|---------------------|------------|
| Children & Families | 1304 |
| Aged & Disabled | <u>801</u> |
| Total | 2105 |

Community of Residence:

| | |
|-----------|------------|
| Anchorage | 1414 |
| Kodiak | 160 |
| Mat-Su | 134 |
| Fairbanks | 106 |
| Southeast | 99 |
| Other | <u>192</u> |
| Total | 2105 |

**FY 97 Budgeted Expenditures
(Legal Immigrants)**

| | General Fund | Total |
|-------------|--------------|-----------|
| Food Stamps | \$0.0 | \$812.3 |
| Medicaid | | |
| AFDC/ATAP | \$2,699.4 | \$1,349.7 |
| APA | \$3,123.9 | \$3,123.9 |

Individual Impacts on Legal Immigrants

Benefits for Blind/Disabled/Elderly

| | Before Federal Legislation | After Federal Legislation (current state law) | Under Proposed State Legislation | |
|----------|----------------------------|--------------------------------------------------|----------------------------------|-------------------------------|
| | | | Date of Arrival before 8/22/96 | Date of Arrival after 8/22/96 |
| FS | \$70 | \$0 | \$0 | \$0 |
| SSI | \$484 | \$0 | \$0 | \$0 |
| APA | \$362 | \$362 | \$362 | \$0 |
| Medicaid | Yes | No | Yes | No |

Benefits for Children & Families

| | Before Federal Legislation | After Federal Legislation (current state law*) | Under Proposed State Legislation | |
|-----------|----------------------------|---------------------------------------------------|----------------------------------|-------------------------------|
| | | | Date of Arrival before 8/22/96 | Date of Arrival after 8/22/96 |
| FS | \$70 | \$0 | \$0 | \$0 |
| AFDC/ATAP | \$275 | \$275 | \$275 | \$0 |
| Medicaid | Yes | No | Yes | No |

* Under current state law, benefits paid to aliens under the ATAP program are all general funds.

Analysis of Costs/Savings with and without passage of HB 153 and/or SB 102

General Funds

(additional cost or savings calculated from FY98 Governor's Request)

| | FY98 | FY99 | FY00 | FY01 | FY02 | Net GF. . . |
|----------------------------|----------------|----------------|------------------|------------------|------------------|-----------------|
| <u>With Bill</u> | | | | | | |
| Adult Public Assistance | (156.0) | (304.2) | (446.6) | (577.2) | (705.9) | Savings |
| ATAP | (368.6) | (683.2) | (949.9) | (1,174.6) | (1,366.4) | Savings |
| Medicaid | - | - | - | - | - | N/A |
| Net Effect | <u>(524.6)</u> | <u>(987.4)</u> | <u>(1,396.5)</u> | <u>(1,751.8)</u> | <u>(2,072.3)</u> | Savings |
| <u>Without Bill</u> | | | | | | |
| Adult Public Assistance | - | 156.0 | 319.8 | 491.8 | 672.4 | Cost |
| ATAP | 203.0 | 376.2 | 523.1 | 646.8 | 752.4 | Cost |
| Medicaid | (379.3) | (758.7) | (758.7) | (758.7) | (758.7) | Savings |
| Net Effect | <u>(176.3)</u> | <u>(226.5)</u> | <u>84.2</u> | <u>379.9</u> | <u>666.1</u> | Cost after FY99 |

Analysis of Costs/Savings with and without passage of HB 153 and/or SB 102

Total Funds

(additional cost or savings calculated from FY98 Governor's Request)

| | FY98 | FY99 | FY00 | FY01 | FY02 | Net GF. . . |
|-------------------------|------------------|------------------|------------------|------------------|------------------|-----------------|
| <u>With Bill</u> | | | | | | |
| Adult Public Assistance | (156.0) | (304.2) | (446.6) | (577.2) | (705.9) | Savings |
| ATAP | (405.9) | (752.4) | (1,046.1) | (1,293.6) | (1,504.8) | Savings |
| Medicaid | - | - | - | - | - | N/A |
| Net Effect | <u>(561.9)</u> | <u>(1,056.6)</u> | <u>(1,492.7)</u> | <u>(1,870.8)</u> | <u>(2,210.7)</u> | Savings |
| <u>Without Bill</u> | | | | | | |
| Adult Public Assistance | - | 156.0 | 319.8 | 491.8 | 672.4 | Cost |
| ATAP | - | - | - | - | - | Cost |
| Medicaid | <u>(1,219.7)</u> | <u>(2,439.3)</u> | <u>(2,439.3)</u> | <u>(2,439.3)</u> | <u>(2,439.3)</u> | Savings |
| Net Effect | <u>(1,219.7)</u> | <u>(2,283.3)</u> | <u>(2,119.5)</u> | <u>(1,947.5)</u> | <u>(1,766.9)</u> | Cost after FY99 |

Introduction

HB 153 and SB102 propose changes to State law regarding the eligibility of legal immigrants for the Alaska Temporary Assistance Program, Medicaid, and the Adult Public Assistance program. These bills extend eligibility for these programs to all legal immigrants who were in the country as of August 22, 1996 (the date of passage of Federal Welfare Reform). Most legal immigrants arriving after August 22, 1996 would be barred from the programs for five years after their date of arrival. The following is an assessment of the impact if neither of these bills passes.

Alaska Temporary Assistance Program (ATAP)

Approximately 820 legal immigrants currently qualify for ATAP benefits. If neither of these bills were to pass, legal immigrants would be eligible for ATAP regardless of their date of arrival as long as they continued to meet all other eligibility criteria. This is because eligibility criteria in statute for ATAP do not currently contain any exclusion for legal immigrants. However, because of changes in federal law, legal aliens arriving after August 22, 1996 are subject to a 5-year bar on federally funded assistance. These immigrants would, therefore, be paid with General Funds during their first five years in the country.

Assumptions:

- Each year, approximately 145 legal immigrants who arrive in the country will qualify for ATAP benefits and the number of immigrant recipients from previous years will decrease by 15 percent because of normal attrition. The net result of these factors and the anticipated effects of welfare reform will be zero net growth in the number legal immigrant cases over the period.
- The ratio of GF to Federal expenditures remains constant after FY02 because new immigrants become eligible after the five-year federal bar.

Adult Public Assistance (APA)

Approximately 800 legal immigrants currently qualify for APA. If neither HB 153 nor SB 102 pass, legal immigrants will be eligible for APA benefits regardless of their date of arrival as long as they continue to meet all other eligibility criteria. This is because Alaska Statutes do not currently exclude legal immigrants from this program. APA is a general fund only program, so no costs shift to the state if HB 153 or SB 102 do not pass.

Assumption:

- Caseloads will increase by 5 percent each year.

Medicaid and General Relief Medical

If neither HB 153 or SB 102 passes this session, the state would stop providing regular Medicaid coverage to most legal immigrants. Some legal immigrants would remain eligible for Medicaid because they fall into mandatory coverage groups, like veterans and refugees. All immigrants remain eligible for Medicaid payment for emergency medical treatment.

Some immigrants would also qualify for the state's General Relief Medical program which pays for a very limited range of intensive services for the very poorest Alaskans. Therefore, while failing to pass HB 153 or SB 102 would produce some savings to the Medicaid program, significant amounts of funds would still be spent on legal immigrants through the Medicaid and GRM programs. The majority of these funds would be spent on intensive acute care services.

Assumptions:

- The Division of Medical Assistance estimates that one-quarter of those aliens age 65 and over and 15 percent of aliens under age 65 fall into an immigration status that federal law requires states to cover.
- The Division estimates that for the remaining aliens, one-half of all hospital and transportation services and 10 percent of all physician services received would still be provided under Medicaid coverage for emergency medical treatment for aliens.
- Some aliens would be eligible for coverage of inpatient hospital, nursing facility services, physician services, transportation services, and prescription drugs for certain chronic conditions under the General Relief Medical program. The Division estimates that one half of these services that are not covered under Medicaid emergency medical treatment would be covered under GRM. Hospital and nursing facility services are reimbursed at 28 percent of Medicaid rates. Other GRM services are reimbursed at 100 percent of Medicaid rates.
- Due to the timing of termination of coverage for immigrants and the time lag in billings for services already provided, the impact to the FY 98 budget would be only 50 percent of the annual impact of these coverage changes.

**Five Year Bar to Medicaid for New Legal Immigrants
Impact on Medicaid of Incremental Caseload Reduction
FY 98**

Federal welfare reform prevents most legal immigrants who arrived in the U.S. after August 22, 1996, from receiving regular Medicaid benefits for 5 years. Over time, this may reduce the Medicaid caseload as people going off Medicaid are not replaced by new arrivals.

These new arrivals remain eligible for Medicaid coverage of emergency medical services and some may qualify for General Relief Medical coverage of limited medical services. So, while legal immigrants leaving the regular Medicaid program are not replaced by newly arrived legal immigrants on regular Medicaid, they are replaced by an increased number of newly arrived immigrants receiving Medicaid for emergency medical services or receiving GRM coverage.

The average per person GF reduction from removing legal immigrants from the regular Medicaid caseload is approximately \$500, accounting for the cost shift to emergency coverage and GRM. (Fiscal note for HB153 estimates an annual GF reduction of \$758,700, based on a reduction of approximately 1530 immigrants.)

The Division of Public Assistance estimates caseload attrition of 163 people in FY 98. Allowing for another 40 people for attrition of Medicaid-only clients, total FY 98 attrition in Medicaid would be 203. Total Annual GF reduction in for Medicaid/GRM for 203 people is \$101,500. Assuming that the attrition occurred throughout FY 98, the average length of time these people would be off the caseload is six months. **Therefore, the net GF reduction in Medical Assistance for FY 98 would be \$50,750.**

A number of factors could reduce this impact, especially in FY 98:

Because of transitional Medicaid benefits, recipients may not leave the Medicaid caseload as quickly as they leave the cash assistance program.

Recipients with substantial medical expenses (above average costs) may be less likely to leave the caseload than recipients with fewer medical needs (below average costs).

Because payments for Medicaid services can be made up to six months after the services are provided, reductions in caseloads may not result in immediate, equivalent reductions in Medicaid expenditures.

In summary, there may be some incremental reduction in Medical Assistance spending in FY 98 as a result of federal restrictions on coverage of immigrants. However, this reduction is small, uncertain, and is within the limits accounted for by the Department's low-growth budget assumptions for Medical Assistance.

Legal Aliens

On August 22, 1996 President Clinton signed into law P.L. 104-193, The Personal Responsibility and Work Opportunity Act of 1996. This law has a substantial impact on immigrant eligibility for public assistance and medical assistance benefits. The table below compares the benefits to be received by legal aliens under current law and proposed legislation

| Program | Current Law | Proposed Change |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food Stamps | Most legal aliens no longer eligible | No change; Fed only program |
| Supplemental Security Income | Most legal aliens no longer eligible | No change; Fed only program |
| Medicaid | Most legal aliens barred from Medicaid coverage regardless of entry date into country. | Legal aliens receiving Medicaid as of 8/22/96 grandfathered; legal aliens arriving after 8/22/96 barred for 5 years. |
| Alaska Temporary Assistance Program (ATAP) | Legal aliens eligible for benefits regardless of date of entry; legal alien benefits all general funds. | Legal aliens receiving benefits as of 8/22/96 grandfathered; legal aliens arriving after 8/22/96 barred for 5 years. Continue federal/state funding. |
| Adult Public Assistance | All legal aliens continue program eligibility. | Grandfathered eligibility to only those legal aliens in country as of 8/22/96 - legal aliens arriving after 8/22/96 barred for 5 years |

SB

106

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/26/97

FURTHER:

Date of 5-Day Notice: 2/27/97
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3/7/97

Judiciary Committee considered

SENATE BILL NO. 106

"An Act relating to the bond required of a notary public."

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>Passage</i> | <input checked="" type="checkbox"/> | <i>Phillips</i> | <input checked="" type="checkbox"/> | | |
| <i>Like Miller</i> | <input checked="" type="checkbox"/> | | | | |
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| CHAIR: | | CHAIR: | | | |

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

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| COLETT SYSTEM | 3/6/97 | 0 | |
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PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

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APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 106

Revision Date: _____ Dept. Affected: Alaska Court System
 Title: Notary Public Bond BRU: Trial Courts
 Component: _____
 Sponsor: Judiciary by request
 Requestor: _____ COMPONENT SERIAL NO. 768

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 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 97) cost: None

Positions

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-Time | | | | | | |
| Part-Time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel *CSC*
 Agency: Alaska Court System
 Approved by: Stephanie J. Cole, Administrative Director *BJ CSC*
 Agency: Alaska Court System

Phone: 264-8228
 Date: 03/06/97
 Date: 03/06/97

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

THE ALASKA COURT SYSTEM

Doug Wooliver
Administrative Attorney

Telephone (907) 264-8265
Facsimile (907) 264-8291

SPONSOR STATEMENT SB 106

The Alaska Court System asks that the legislature consider SB 106 as a means of benefiting those members of the public that submit applications to be notaries. Although this bill will provide a small time savings to the court system, it's primary purpose is to save notary applicants an extra and unnecessary step and to remove 1 to 2 weeks from the appointment process.

Currently, by statute, the Lieutenant Governor is charged with accepting applications from and appointing notaries. However, a law enacted shortly after statehood requires that the clerk of the superior court approve the \$1,000 bond that must be included with the application. This means that rather than send their applications to the Lieutenant Governor, applicants must first take or mail their applications to the superior court. The court clerk merely looks at the bond to make sure that it is filled out properly and signed. There is no analysis done and no verification that the information is accurate. This function is not something that the clerk is uniquely qualified to do or has any particular expertise in.

This bill allows notary applications and bonds to be sent directly to the Lieutenant Governor, thus removing one layer of bureaucracy and a week or two of time from the notary appointment process.

S B

1 1 2

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 112

Revision Date: _____
 Title: Transfer of marriage licensure from the
Judicial offices to the state registrar of vital statistics
 Sponsor: Senate JUD
 Requestor: Senate JUD

Dept. Affected: Health and Social Services
 BRU: State Health Services
 Component: Bureau of Vital Statistics
 COMPONENT SERIAL NO. 961
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

A C-4 transfer has been completed for this function in the FY 98 Governor's Request.

Prepared by: Peter M. Nakamura, MD, MPH *P.M.N.*
 Division: Public Health
 Approved by Commissioner: Karen Perdue, Commissioner *K.P.*
 Agency: Department of Health & Social Services

Phone: (907) 465-3090
 Date: 03/14/97
 Date: _____

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A M E N D M E N T

OFFERED IN THE SENATE

TO: SB 112

- 1 Page 3, lines 1 - 11:
- 2 Delete all material.
- 3 Renumber the following bill sections accordingly.



ALASKA COURT SYSTEM
State of Alaska
Office Of The Administrative Director

820 West 4th Avenue
Anchorage, Alaska 99501
(907) 264-8265
FAX (907) 264-8291

Doug Wooliver
Administrative Attorney

March 11, 1997

Dear Senator Taylor;

The Alaska Court System requests that SB 112 be scheduled for a hearing in the Senate Judiciary Committee at your earliest convenience.

This bill transfers responsibility for issuing marriage licenses from the judiciary to the executive branch of government.

Currently, marriage licenses are issued by the Alaska Court System. After the ceremony, the licenses (which are now called certificates) are filed with the Bureau of Vital Statistics. The Bureau is part of the Department of Health and Social Services and is administered by the State Registrar who is authorized to appoint local registrars throughout the state.

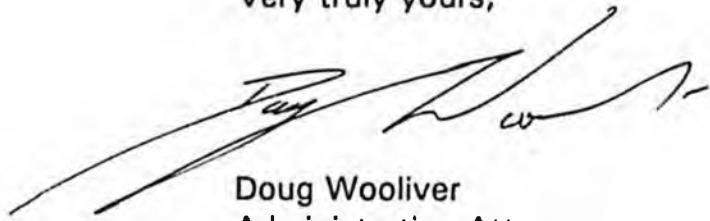
Under this bill, the issuance of marriage licenses will become an executive branch rather than a judicial function. Judges will remain empowered to solemnize marriages and appoint marriage commissioners, but the issuance of licenses will be under the auspices of the Bureau rather than the judiciary. In practice, in those areas where the Bureau does not have a field office, court system employees will continue to act as local registrars. The difference will be that they will do so on behalf of the Bureau rather than as judicial employees.

Inasmuch as the Bureau of Vital Statistics creates the marriage license form and is the ultimate keeper of these and other vital human records, it is more efficient for the Bureau to manage the distribution and issuance of the licenses.

In locations where the Bureau has opened field offices, this bill will benefit the public by providing one location for applications, licensing, and recording. This bill will also increase the efficiency and streamline yet another function performed by government.

Thank you for your consideration on this bill. If I can be of any assistance or provide you with any information please let me know.

Very truly yours,

A handwritten signature in black ink, appearing to read "Doug Wooliver", with a stylized flourish at the end.

Doug Wooliver
Administrative Attorney

ALASKA COURT SYSTEM

SECTIONAL ANALYSIS

SB 112

Section 1. This change to the Vital Statistics Act allows marriage license application records to continue to be available for public inspection as they have been in the past even though they are now vital records.

Section 2. The change in this section gives the state registrar the authority to establish the fee for obtaining a marriage license. This authority was formerly given to the supreme court in AS 25.05.241, the statute which is amended in section 6 of this proposed legislation to provide that the registrar sets the fee for marriage licenses. It is duplicative to have this authority given to the registrar in both statutes, but the Title 18 statute lists all the fees that the registrar can set, so the Bureau wants marriage license fees listed there. Leaving information about marriage license fees in Title 25 is convenient, since that is where most of the statutes related to marriage are found.

Section 3. With this change, judges and magistrates are no longer responsible for issuing marriage licenses, although they can still solemnize marriages. (AS 25.05.071, which is not amended in this proposed legislation, provides that only "licensing officers" may issue marriage licenses. Licensing officers are those persons who are appointed by the state registrar, and will continue to be clerks or magistrates in most communities, and Bureau employees in those communities where the Bureau has offices.)

Section 4. Removes the requirement that each district court judge and magistrate record marriage certificates.

Section 5. Allows presiding judges to continue to appoint marriage commissioners, but provides that those marriage commissioners may only *perform* marriages - they may not act as licensing officers and issue marriage licenses. This change allows the Bureau to retain control over who issues marriage licenses, and conforms with current practice (court-appointed marriage commissioners have not actually issued licenses anywhere in the state for many years.)

Section 6. This section changes the name of the document on which parties apply for a marriage license from a "docket" to an "application." As before, the statute requires the licensing offices to keep these applications and make the applications (and a record of licenses issued) open for public inspection. (The record of licenses issued can simply be the notation on the applications

themselves.) The section also removes the requirement that marriage commissioners keep the licenses in duplicate. The statute is repealed and reenacted due to the difficulty of keeping the structure of the original language. The original statute reads as follows:

AS 25.05.191. MARRIAGE LICENSE DOCKET. A licensing officer shall keep a marriage license docket in which shall be entered a complete record of the applications for and the issuance of all marriage licenses and of all other information the officer is required by law to obtain. The docket shall be kept in the office of the licensing officer and shall be in a book provided by the bureau. Marriage commissioners shall keep the marriage license docket in duplicate. The marriage license docket shall be open for public inspection or examination during office hours.

Section 7. Deletes the requirement of a "book" to keep the marriage license dockets (now applications) in (as was also done in section 5, above).

Section 8. As described in section 2, above, places the responsibility for setting fees with the state registrar.

Section 9. Provides affirmatively that marriage records are now treated as vital human records under the Vital Statistics Act. These records were always placed on forms provided by the Bureau, according to the instructions of the Bureau, and they became the Bureau's vital human records once they were recorded; now the Bureau's interest and responsibility for these records throughout the process is documented. The second deletion ("the record work") just does away with unnecessary verbiage.

Section 10 This section removes the provision that the person solemnizing the marriage "shall keep the license" and clarifies that the license (which becomes the *certificate* once the marriage is performed) is to be submitted for recording within seven days (a requirement which is also found at AS 18.50.270). Removes the provision about "any required copies" be filed, since none are required.

Section 11. The references in this section to the "marriage license docket" are replaced with references to the "application" instead, to be consistent with the changes described in section 5, above.

Section 12. This section clarifies that "licensing officers" are the registrar (the state registrar) or a local registrar.

Section 13. This section defines "local registrars" as those persons appointed pursuant to the Vital Statistics Act.

Section 14. Repeals the section about marriage commissioners being required to report dockets and marriage licenses issued, since with these changes, all marriage commissioners can do is *perform ceremonies*. The section which is repealed reads as follows:

AS 25.05.211. REPORTS BY MARRIAGE COMMISSIONER. Before the first of each month, each marriage commissioner shall forward to the magistrate acting as recorder for the recording district in which the marriage commissioner has jurisdiction the duplicate copies of all marriage license docket sheets executed during the preceding month, the completed original marriage certificates and duplicate copies for any marriage ceremonies performed during the preceding month, and any fees and reports required by rule of the supreme court.

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 3/5/97

FURTHER:

Date of 5-Day Notice: 3/20/97
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/1/97

Judiciary Committee considered

SENATE BILL NO. 112

"An Act relating to marriage licenses; and transferring responsibility for marriage licensing from judicial officers to the state registrar of vital statistics."

and recommends:

- be replaced with CS SB 112 (JUD)
- 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>Kenner</i> | <input checked="" type="checkbox"/> | | | | |
| <i>Mark Miller</i> | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| CHAIR: <i>John L. Taylor</i> | <input checked="" type="checkbox"/> | CHAIR: | | | |

NEW FISCAL NOTE(S):

| Department | Date | Zero | Fiscal |
|------------------------|----------------|----------|--------|
| <i>AK COURT SYSTEM</i> | <i>3/10/97</i> | <i>0</i> | |
| <i>DHSS</i> | <i>3/14/97</i> | <i>0</i> | |
| | | | |
| | | | |
| | | | |

PREVIOUS FISCAL NOTE(S):*

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
| | | | |
| | | | |
| | | | |
| | | | |

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

3B
mly

FISCAL NOTE

No. 1

BILL Bill Version: SB 112

(S) Publish Date: 4-1-97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Revision Date: _____

Dept. Affected: Alaska Court System

Title: Marriage licensing

BRU: Trial Courts

Sponsor: Judiciary by request

Component: _____

Requestor: _____

COMPONENT SERIAL NO. 768

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|-------|-------|-------|-------|-------|-------|
| 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 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 97) cost: None

Positions

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-Time | | | | | | |
| Part-Time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel

Phone: 264-8228

Agency: Alaska Court System

Date: 03/10/97

Approved by: Stephanie J. Cole, Acting Administrative Director

Date: 03/10/97

Agency: Alaska Court System

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STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 2
Bill Version: SB 112
(S) Publish Date: 4-1-97

Revision Date: _____
Title: Transfer of marriage licensure from the
judicial offices to the state registrar of vital statistics
Sponsor: Senate JUD
Requestor: Senate JUD

Dept. Affected: Health and Social Services
BRU: State Health Services
Component: Bureau of Vital Statistics
COMPONENT SERIAL NO. 961
See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

A C-4 transfer has been completed for this function in the FY 98 Governor's Request.

Prepared by: Peter M. Nakamura, MD, MPH *P. Nakamura*
Division: Public Health
Approved by Commissioner: Karen Perdue, Commissioner *K. Perdue*
Agency: Department of Health & Social Services

Phone: (907) 465-3090
Date: 03/14/97
Date: _____

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STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 2
Bill Verson: SB 112
(S) Publish Date: 4-1-97

Revision Date: _____
Title: Transfer of marriage licensure from the
judicial offices to the state registrar of vital statistics
Sponsor: Senate JUD
Requestor: Senate JUD

Dept. Affected: Health and Social Services
BRU: State Health Services
Component: Bureau of Vital Statistics
COMPONENT SERIAL NO. 961
See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|-------------------|------|------|------|------|------|------|
| 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 (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

A C-4 transfer has been completed for this function in the FY 98 Governor's Request.

Prepared by: Peter M. Nakamura, MD, MPH *P.M.N.* Phone: (907) 465-3090
 Division: Public Health Date: 03/14/97
 Approved by Commissioner: Karen Perdue, Commissioner *K.P.* Date: _____
 Agency: Department of Health & Social Services

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 1
 BIL|Bill Version: SB 112
 (S) Publish Date: 4-1-97

Revision Date: _____
 Title: Marriage licensing
 Sponsor: Judiciary by request
 Requestor: _____

Dept. Affected: Alaska Court System
 BRU: Trial Courts
 Component: _____
 COMPONENT SERIAL NO. 768

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|-------|-------|-------|-------|-------|-------|
| 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 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 97) cost: None

Positions

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-Time | | | | | | |
| Part-Time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel
 Agency: Alaska Court System
 Approved by: Stephanie J. Cole, Acting Administrative Director
 Agency: Alaska Court System

Phone: 264-8228
 Date: 03/10/97
 Date: 03/10/97

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 113

Revision Date: _____
Title: Administrative Director in PERS
Sponsor: Senate Judiciary
Requestor: _____

Dept. Affected: Alaska Court System
BRU: Trial Courts
Component: _____
COMPONENT SERIAL NO. 768

Expenditures/Revenues

(Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|--------|--------|--------|--------|--------|--------|
| PERSONAL SERVICES | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS & CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) |

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|----------------------|--|--|--|--|--|--|

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

Fund Source

(Thousands of Dollars)

| | | | | | | |
|--------------------------|--------|--------|--------|--------|--------|--------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other | | | | | | |
| TOTAL | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) | (25.2) |

Estimate of any current year (FY 97) cost: \$ Not determinable

Positions

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-Time | | | | | | |
| Part-Time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

See attached fiscal analysis.

Prepared by: C. S. Christensen III, Staff Counsel
Agency: Alaska Court System

Phone: 264-8228
Date: 03/18/97

Approved by: Stephanie J. Cole, Acting Administrative Director
Agency: Alaska Court System

Date: 03/18/97

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Rev 1/97

Alaska Court System
Fiscal Analysis
SB 113

This bill would eliminate the ability of a future administrative director to participate in the retirement system provided by AS 22.25.012. A future administrative director would participate in the Public Employees' Retirement System. This bill will not affect the current administrative director.

| <u>Category</u> | <u>Current Benefit Rate</u> | <u>Current Benefit Amount</u> |
|-------------------------------------------|-------------------------------------|---------------------------------------|
| <u>Estimated Cost of Participating in</u> | | |
| Judicial Retirement System (1) | 38.92% | \$39,452 |
| Public Employees' Retirement System (2) | 13.22% | <u>14,265</u> |
| Estimated Annual Savings | | <u><u>\$25,187</u></u> |

Notes:

(1) Based on salary of a superior court judge.

(2) Based on salary of the administrative director.

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 113

Revision Date: _____
 Title: An Act placing the administrative director of the court system
in the public employees' retirement system; and providing for an
 Sponsor: Senate Judiciary Committee
 Requestor: (S) JLL

Department Affected: Administration
 BRU: Retirement & Benefits
 Component: _____
 COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| PERSONAL SERVICES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 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 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|----------------------|-----|-----|-----|-----|-----|-----|

| | | | | | | |
|------------------------|-----|-----|-----|-----|-----|-----|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|------------------------|-----|-----|-----|-----|-----|-----|

FUND SOURCE: (Thousands of Dollars)

| | | | | | | |
|--------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 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 97) cost: \$ zero

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

There is no fiscal impact on the Division of Retirement & Benefits.

Prepared by: Robert F. Stalnaker *R. Stalnaker* Phone: 465-4470
 Division: Retirement & Benefits Date: _____

Approved by Commissioner: Mark Boyer *Mark Boyer*
 Agency: Department of Administration Date: 3/19/97

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Sen. Mike Miller
Sen. Sean Parnell
Sen. Johnny Ellis

State Capitol
Juneau, AK 99801-1182
(907) 465-3717
Fax: (907) 465-3922

Senate Judiciary Committee

SPONSOR STATEMENT for SB 113

SB 113 places the Administrative Director of the court system in the Public Employees' Retirement System (PERS) and provides for an effective date.

The Administrative Director of the Court System is an administrative position rather than a judicial position. Currently, AS 22.25.012, AS 39.35.158 and 39.35.680(21)(C)(vii) include the Administrative Director in the Judicial Retirement System.

SB 113 moves the Administrative Director to the retirement system that more accurately reflects the correlation between career achievement to retirement benefits.

ADMINISTRATIVE RULES

Rule 1

Rule 1. Administrative Director of Courts—Duties.

There shall be an administrative director of courts who shall, under policy guidelines provided by the supreme court:

- (a) Supervise the administrative operation of the judicial system;
- (b) Establish the administrative methods and systems to be employed in the offices of the clerks and other offices of the courts;
- (c) Periodically inspect and examine the administrative methods and systems in use and make recommendations to the chief justice for the improvement of such administrative methods and systems;
- (d) Establish a system of prescribed accounting practices for all courts;
- (e) Examine the state of the calendars of all courts, determine the need for assistance by any court and confer with the justices and judges on the status of their calendars and administrative matters;
- (f) When authorized by the chief justice, make assignments of judges to other judicial districts where the courts are in need of assistance and where the judge consents to the assignment;
- (g) When directed by the supreme court, prescribe methods for the assignment and calendaring of cases in the superior or district court in any court location;
- (h) Collect and compile statistical and other data and transmit copies of the same to the supreme court to the end that proper action may be taken in respect thereto;
- (i) Prepare budget estimates of state appropriations necessary for the maintenance and operation of the judicial system and submit the budget request, as approved by the supreme court, to the legislature;
- (j) Draw all requisitions requiring the payment of state monies appropriated for the maintenance and operation of the judicial system;
- (k) Collect statistical and other data and make reports relating to the expenditure of public monies for the maintenance and operation of the judicial system and the offices connected therewith;
- (l) Obtain reports from presiding judges, area court administrators, and clerks of court in accordance with the requirements of the supreme court on cases and other judicial business in which action has been delayed beyond periods of time specified by law or rules of court and make report thereof to the chief justice and the supreme court;
- (m) Formulate and submit to the chief justice and the supreme court recommendations of policies for the improvement of the judicial systems; and

(n) Be legal advisor for the chief justice and the supreme court in all legal matters not adjudicatory in nature, such as:

- (1) Preparation of memoranda on statutes which may affect the judiciary;
 - (2) Drafting of rules of practice, procedure and administration;
 - (3) Conducting and supervising research on procedure and court administration;
 - (4) Instruction of court personnel concerning rules or statutes governing ministerial and other non-adjudicatory duties;
 - (5) Preparing of syllabi for the basic legal instruction of magistrates and other lay personnel;
 - (6) Providing for the publication, annotation and editing of revisions and supplements to the Alaska Rules of Court; and
 - (7) Rendering legal opinions in any non-adjudicatory matters as directed from time to time by the chief justice.
- (o) Adopt and publish procedures to govern the procurement of supplies, services, professional services, and construction by the judicial branch.
- (p) Attend to such other matters as may be assigned by the chief justice.
- (Adopted by SCO 412 effective July 1, 1980; amended by SCO 554 effective April 4, 1983; by SCO 802 effective nunc pro tunc July 1, 1985; and by SCO 1153 effective July 15, 1994)

Annotations

Accounting Instructions, Superior Courts, 1959, Office of Admin. Director

Accounting Instructions, District and Deputy Magistrates, 1959, Office of Admin. Director.

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 114

Revision Date: _____
Title: Employees: Political contrib & activitie

Department Affected: Labor
BRU: Office of the Commissioner

Sponsor: Senate Judiciary
Requestor: Senate Judiciary

Component: _____
Alaska Labor Relations Agency
COMPONENT SERIAL NO. 1200

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | | | | | | |
|----------------|--|--|--|--|--|--|

| | | | | | | |
|----------------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUE FUND SOURCE # | | | | | | |
|----------------------------------------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|-------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipt | | | | | | |
| 1006 GF/MHTIA | | | | | | |
| Other | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year (FY97) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)
AS 23.40.220 addresses a public employee's written authorization for deductions for dues, fees, and other employee benefits. Section 2 of SB 114 would amend AS 23.40.220 as follows: "If all or part of a deduction under this section will be used to make a political contribution, the written authorization must comply with AS 15.13.160." It is not anticipated that the proposed amendment to AS 23.40.220 would have a fiscal impact on the operation of the Alaska Labor Relations Agency (ALRA). Since July 1, 1990, approximately eight unfair labor practice charges relating to dues deductions have been filed with ALRA, one of which concerned use of dues for political contribution purposes. Though the proposed amendment to AS 23.40.220 could increase the number of unfair labor practice charges filed, a significant increase is not anticipated. Additional staff would not be needed.

Prepared by: Jan Hart DeYoung, Hearing Examiner Phone: 269-4896
Division: Alaska Labor Relations Agency Date: 3/17/97

Approved by Commissioner:  Tom Casher, Commissioner
Agency: Department of Labor Date: 3/17/97

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 114

Revision Date: _____ Department Affected: Administration
 Title: "An Act relating to contributions from employees.."
 Component: Alaska Public Offices Commission
 Sponsor: (S) Judiciary Committee
 Requestor: (S) JUD COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PERSONAL SERVICES | 0 | 0 | 0 | 0 | 0 | 0 |
| TRAVEL | .5 | .5 | | .5 | 0 | .5 |
| CONTRACTUAL | 33.6 | 60.9 | 47.1 | 60.9 | 42.1 | 60.9 |
| SUPPLIES | .4 | .3 | .3 | .3 | .3 | .3 |
| EQUIPMENT | 0 | 0 | 0 | 0 | 0 | 0 |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 34.5 | 61.7 | 47.4 | 61.7 | 42.4 | 61.7 |

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
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|------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|------------------------|--|--|--|--|--|--|

FUND SOURCE: (Thousands of Dollars)

| | | | | | | |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 34.5 | 61.7 | 47.4 | 61.7 | 42.4 | 61.7 |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| OTHER | | | | | | |
| TOTAL | 34.5 | 61.7 | 47.4 | 61.7 | 42.4 | 61.7 |

Estimate of any current year (FY 97) cost: \$ 0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared by: Karen Boorman Phone: 276-1176
 Division: Alaska Public Offices Commission Date: _____
 Approved by Commissioner: Mark Boyer
 Agency: Department of Administration Date: 3/19/97

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB114

ANALYSIS: (continued)

SB 114 requires employers to obtain written authorization from employees annually before they may withhold wages for political contributions. Employers must keep authorization forms and documents reflecting dates and amounts of contributions on file for three years. In addition, the bill prohibits giving in the name of another and discrimination against an officer or employee for failure to contribute or otherwise support or oppose a political candidate, group or issue.

The Commission estimates that this bill will result in three additional complaints each election year; two additional complaints in non-election years. Because of the complex nature of the evidence required to establish "giving in the name of another" or employment discrimination and because the new campaign finance law requires that complaints be resolved in 180 days, the Commission would need to secure additional investigative support on a contractual basis. In the complaints described, the Commission also estimates that allegations would require that the Commission retain a hearing officer to hold an administrative hearing to resolve factual disputes.

The Commission has not had to deal with employment discrimination in the past. If authority over discrimination complaints was assigned to a more appropriate regulatory agency with expertise in employment discrimination, the associated cost of complaint resolution would be reduced.

In summary, the fiscal note reflects contractual funds to handle additional complaints--including additional investigative support; retention of a hearing officer; deposition costs; and other investigative costs. Additional costs associated with complaint resolution include supply costs for paper, folders and file cabinets. Remaining contractual, supply and travel costs reflect development and distribution of forms; promulgation of regulations in the first year; and education of employers with payroll deduction plans. Specific costs include paper, internal copying costs, advertising notice, and postage charges. Educational efforts would be accomplished through mailings and trainings in Anchorage and Fairbanks. Travel to Fairbanks would occur in the first year of implementation of the bill, then each succeeding election year.

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 114

Revision Date: _____
 Title: An Act relating to contributions from employee compensation for political purposes . . .
 Sponsor: Senate Judiciary
 Requestor: Senate Judiciary

Department Affected: Administration
 BRU: Centralized Administrative Services
 Component: Finance
 COMPONENT SERIAL NO. 59

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|------------|------------|------------|------------|------------|------------|
| PERSONAL SERVICES | 0.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 0.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |

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| CAPITAL EXPENDITURES | | | | | | |
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|------------------------|--|--|--|--|--|--|
| 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 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |

Estimate of any current year (FY 97) cost: \$ 0.0

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

ANALYSIS: (Attach a separate page if necessary.) Since some portion of all union dues deducted from employees in the state's 12 bargaining agreements covering 10,500 employees may be used for political purposes, union dues authorizations would have to be renewed in writing annually. This will generate a tremendous amount of paper and bureaucratic processing. To handle this extra work will require approximately 175 hours of a personnel assistant, and 200 hours of an administrative clerk annually for online data entry and filing.

Prepared by: Don Wanie
 Division: Finance

Phone: 465-3435
 Date: _____

Approved by Commissioner: Mark Boyer
 Agency: Department of Administration

Alison M. Elgee
 Date: 3/18/97

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 114

Revision Date: _____ Dept. Affected: Department of Law
 Title: "An Act relating to contributions from BRU: Civil Division
employee compensation for political purposes; . . . Component: General Legal Services
 Sponsor: Senate Judiciary Committee
 Requester: Senate Judiciary Committee COMPONENT SERIAL NO. 2087

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 |
|------------------------|-------------|-------------|------------|-------------|------------|-------------|
| PERSONAL SERVICES | 11.8 | 9.2 | 5.5 | 9.2 | 5.5 | 9.2 |
| TRAVEL | 0.8 | 0.7 | 0.6 | 0.7 | 0.6 | 0.7 |
| CONTRACTUAL | 2.3 | 1.9 | 1.3 | 1.9 | 1.3 | 1.9 |
| SUPPLIES | 0.2 | 0.2 | 0.1 | 0.2 | 0.1 | 0.2 |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 15.0 | 12.0 | 7.5 | 12.0 | 7.5 | 12.0 |

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|----------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
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|------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|-------------|-------------|------------|-------------|------------|-------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 15.0 | 12.0 | 7.5 | 12.0 | 7.5 | 12.0 |
| 1005 GF/Program Receipts | | | | | | |
| 1006 GF/MHTIA | | | | | | |
| Other | | | | | | |
| TOTAL | 15.0 | 12.0 | 7.5 | 12.0 | 7.5 | 12.0 |

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

| | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

SB 114 prohibits an employer or labor organization from increasing the salary of an officer or employee, or giving a emolument, with the intent that all or part of the increase or emolument be given as a political contribution ("giving in the name of another.") The bill also prohibits discrimination against an officer or employee for failure to contribute or otherwise support a political candidate, group or issue. SB 114 further prohibits an employer from withholding wages for a political contribution without an annual written authorization from the employee.

Evidence in "giving in the name of another" cases are more time intensive and factually and legally complex than other Alaska Public Offices Commission (APOC) type cases. To do these cases, the Department of Law would need to commit more discovery, investigative, and research time. Employment discrimination cases would also be a new type of case for the commission and the Department of Law, as the APOC does not currently have this authority. They are also more factually complex. In addition, new regulations and criteria would need to be developed.

Prepared by: Joan M. Kasson *Joan M. Kasson*
 Division: Administrative Services Division
 Approved by Commissioner: Bruce M. Botelho, Attorney General *Bruce Botelho for*
 Agency: Department of Law

Phone: 465-5370
 Date: 3/18/97
 Date: 3/18/97

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ANALYSIS CONTINUATION:

The Department of Law has based its fiscal note costs on the assumption that there would be three additional cases each election year, and two additional complaints in non-election year (one "giving in the name of another" case and one discrimination case). In addition, in the first year, regulations development would occur. The department estimates that approximately 125 hours of attorney time would be required for the election year projected caseload, plus \$1,125 for direct case travel and deposition costs. In non-election years, approximately 75 hours would be needed, plus \$975 in direct case travel and contractual. In addition, in FY 98 approximately 35 hours of attorney time would be required for promulgation of the new regulations.

If the employment discrimination cases could be handled by another regulatory agency with experience in these types of cases, the Department of Law's cost projections could likely decrease.

The cost estimates are based on the department's FY 97 standard attorney cost schedule (\$87/hour) and include clerical support, communications, space, supplies, data processing, and other normal overhead expenses. Direct case costs are included separately.

TONY KNOWLES
GOVERNOR



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

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

TO: Laura Chase
Senate Judiciary Committee

FROM: Shari Kochman *SK*
Deputy Legislative Director

DATE: March 18, 1997

RE: SB 114

This is to advise the legislature that SB 114 does not require a fiscal note from the Division of Elections because the statutes cited in the bill have no effect at all on the operations of that division. A fiscal note is forthcoming from the Alaska Public Offices Commission.

FISCAL NOTE

**STATE OF ALASKA
1998 LEGISLATIVE SESSION**

BILL NO. CSSB 114 (JUD)

Revision Date (Note if correction) _____ Dept. Affected Law
 Title "An Act relating to contributions from employee BRU Civil Division
compensation for political purposes;..." Component Governmental Affairs
 Sponsor Senate Judiciary Committee
 Requester House Finance Committee Component Serial No. 2207

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 99 | FY 00 | FY 01 | FY 02 | FY 03 | FY 04 |
|------------------------|-------------|------------|-------------|------------|-------------|------------|
| Personal Services | 12.6 | 5.9 | 9.8 | 5.9 | 9.8 | 5.9 |
| Travel | 0.6 | 0.5 | 0.6 | 0.5 | 0.6 | 0.5 |
| Contractual | 2.6 | 1.4 | 2.1 | 1.4 | 2.1 | 1.4 |
| Supplies | 0.2 | 0.1 | 0.2 | 0.1 | 0.2 | 0.1 |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 16.0 | 7.9 | 12.7 | 7.9 | 12.7 | 7.9 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

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

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|-------------|------------|-------------|------------|-------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 16.0 | 7.9 | 12.7 | 7.9 | 12.7 | 7.9 |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type) | | | | | | |
| TOTAL | 16.0 | 7.9 | 12.7 | 7.9 | 12.7 | 7.9 |

Estimate of any current year (FY98) cost: 0.0

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| Full-time | 0 | 0 | 0 | 0 | 0 | 0 |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

CSSB 114 (JUD) prohibits an employer or labor organization from increasing the salary of an officer or employee, or giving a emolument, with the intent that all or part of the increase or emolument be given as a political contribution ("giving in the name of another.") The bill also prohibits discrimination against an officer or employee for failure to contribute or otherwise support a political candidate, group or issue. CSSB 114 (JUD) further prohibits an employer from withholding wages for a political contribution without an annual written authorization from the employee.

Evidence in "giving in the name of another" cases are more time intensive and factually and legally complex than other Alaska Public Offices Commission (APOC) type cases. To do these cases, the Department of Law would need to commit more discovery, investigative, and research time. Employment discrimination cases would also be a new type of case for the commission and the Department of Law, as the APOC does not currently have this authority. They are also

Prepared by Joan M. Kasson *Joan M. Kasson* Phone 465-5370
 Division Attorney General's Office Date 5/6/98
 Approved by Commissioner *Bruce M. Botelho* Bruce M. Botelho, Attorney General Date 5/6/98
 Agency Department of Law

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FISCAL NOTE

**STATE OF ALASKA
1998 LEGISLATIVE SESSION**

BILL NO. CSSB 114 (JUD)

ANALYSIS CONTINUATION

more factually complex. In addition, new regulations and criteria would need to be developed.

The Department of Law has based its fiscal note costs on the assumption that there would be three additional cases each election year, and two additional complaints in non-election year (one "giving in the name of another" case and one discrimination case). In addition, in the first year, regulations development would occur. The department estimates that approximately 125 hours of attorney time would be required for the election year projected caseload, plus \$1,125 for direct case travel and deposition costs. In non-election years, approximately 75 hours would be needed, plus \$975 in direct case travel and contractual. In addition, in FY99 approximately 35 hours of attorney time would be required for promulgation of the new regulations.

If the employment discrimination cases could be handled by another regulatory agency with experience in these types of cases, the Department of Law's cost projections could likely decrease.

The cost estimates are based on the department's FY 98/99 standard attorney cost schedule (\$92.72/hour) and include clerical support, communications, space, supplies, data processing, and other normal overhead expenses. Direct case costs are included separately.

cc:Mail for: Laura Chase

Subject: Re: SB 114 Fiscal Notes
From: Sam Shepard at Gov_Admin_Svcs 4/9/97 7:55 AM
To: Laura Chase at LAA_STAY

FYI----Thanks Laura.

_____ Reply Separator _____

Subject: SB 114 Fiscal Notes
Author: Shari Kochman at Gov_Juneau_Capitol
Date: 4/8/97 4:44 PM

can you please tell laura chase no changes are needed in
this fiscal note -- old one applies

_____ Forward Header _____

Subject: SB 114 Fiscal Notes
Author: David Koivuniemi at DOA-DAS
Date: 4/8/97 3:12 PM

The changes in the CS do not change the fiscal notes either from
Finance or APOC.

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 3/5/97

FURTHER:

Date of 5-Day Notice: 3/14/97
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/1/97

Judiciary Committee considered

SENATE BILL NO. 114

"An Act relating to contributions from employee compensation for political purposes; and prohibiting certain kinds of discrimination against employees for political purposes."

and recommends:

- be replaced with CS 513 114 (JUD)
- 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>Mike Miller</i> | <input checked="" type="checkbox"/> | <i>Deane</i> | <input checked="" type="checkbox"/> | | |
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| | | | | | |
| | | | | | |
| CHAIR: <i>Adrian L. Taylor</i> | <input checked="" type="checkbox"/> | CHAIR: | | | |

NEW FISCAL NOTE(S):

| Department | Date | Zero | Fiscal |
|---------------------|---------|------|--------|
| LABOR | 3/17/97 | 0 | |
| ADMINISTRATIVE SVCS | 3/18/97 | | ✓ |
| LAW/CIVIL | 3/18/97 | | ✓ |
| ADMINISTRATION/APOC | 3/19/97 | | ✓ |
| ELECTIONS | 3/18/97 | N/A | N/A |
| | | | |

PREVIOUS FISCAL NOTE(S):*

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

0-LS0614E
Cramer
3/24/97

CS FOR SENATE BILL NO. 114(JUD)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE JUDICIARY COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to contributions from employee compensation for political
2 purposes; and prohibiting certain kinds of discrimination against employees for
3 political purposes."

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

5 * Section 1. AS 15.13 is amended by adding a new section to read:

6 **Sec. 15.13.160. Limitations on employers and labor organizations.** (a) An
7 employer or labor organization may not

8 (1) increase the salary of an officer or employee, or give an emolument
9 to an officer, employee, or other person or entity, with the intent that all or a part of
10 the increase or emolument be contributed or spent to support or oppose a candidate,
11 state official against whom a recall petition has been filed, political party, or group;
12 or

13 (2) discriminate against an officer or employee in the terms or
14 conditions of employment of the officer or employee for