

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 00/2

10214 HOUSE HEALTH EDUCATION & SOCIAL SERVICES

50

HB

292

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 292
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: EED
 Title Increase Child Care Grants BRU Early Development
 Component Child Care Assistance & Licensing
 Sponsor Representative Hayes
 Requester H HES Component No. 2424

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 292 addresses the mechanism for establishing the base rate [the monthly rate per child] for the child care grant program.

The Child Care Grant program was created as a state-funded grant that provides flexible funding to providers to improve the quality of their programs. The state general funds have been replaced with TANF funds, but the purpose of the program remains the same. The Child Care Grant is not an entitlement program, so the language in HB #292 that allows for adjustment of the base rate to a maximum of \$50 is dependent on the funding available. When available funding decreases or the number of participating providers increases, or both, the rate is adjusted downward to stay within the appropriation.

Prepared by: Yvonne Chase, Deputy Commissioner Phone 269-4607
 Division Early Development Date/Time 3/18/02 10:54 AM
 Approved by: Ed McLain, Deputy Commissioner of Education Date 3/18/2002
 Agency Education & Early Development

House Committees

Labor & Commerce
Military & Veterans Affairs
State Affairs
Regulation Review

Alaska State Legislature
**Representative
Joe Hayes**

119 N. Cushman, Ste. 205
Fairbanks, AK 99701
(907) 456-7423 / Fax: 451-9293
While in Juneau
State Capitol
Juneau, AK 99801-1182
(907) 465-3466 / Fax: 465-2937

Memorandum

To: Representative Fred Dyson, Chair
House Health, Education & Social Services Committee

From: Representative Joe Hayes



Date: February 4, 2002

Re: Sectional Analysis, SS for HB 292

Section 1. Amends AS 14.38.160(c) to omit the current \$50.00 per month for each child statutory *maximum* and replace it with a \$50.00 per month for each child base rate maximum.

Section 2. Establishes July 1, 2002 effective date.

House Committees


Labor & Commerce
Military & Veterans Affairs
State Affairs
Regulation Review

Alaska State Legislature
Representative
Joe Hayes

119 N. Cushman, Ste. 205
Fairbanks, AK 99701
(907) 456-7423 / Fax: 451-9293

While in Juneau
State Capitol
Juneau, AK 99801-1182
(907) 465-3466 / Fax: 465-2937

To: Representative Fred Dyson, Chair
House Health, Education & Social Services Committee

From: Representative Joe Hayes 

Date: February 4, 2002

Re: Calendar Request for SS for HB 292: Child Care Grants

I respectfully request that you please calendar HB 292 for a hearing in the House HESS Committee your earliest convenience.

Thank you for your consideration.

House Committees

Labor & Commerce
Military & Veterans Affairs
State Affairs
Regulation Review

Alaska State Legislature
**Representative
Joe Hayes**

119 N. Cushman, Ste. 205
Fairbanks, AK 99701
(907) 456-7423 / Fax: 451-9293

While in Juneau
State Capitol
Juneau, AK 99801-1182
(907) 465-3466 / Fax: 465-2937

SPONSOR STATEMENT

Sponsor Substitute for HB 292: Child Care Grant Program

Sponsor Substitute for House Bill 292 makes it possible for the Legislature to increase support for Alaska's childcare facilities. HB 292 allows the State to increase the grants awarded to child care facilities for quality measures under the Child Care Grant Program.

The Child Care Grant Program is a state funded program that provides grants to licensed child care centers and homes for the benefit of both the facility and the children. Child care facilities rely on these grants to pay for additional or better qualified staff and to purchase equipment to improve the healthy, safety and learning environment for children. Grants provide for staff salaries and benefits, substitute staff when necessary, goods and services related to health, nutrition and safety of the children in care, age appropriate equipment, and supplies and activities for the children.

Currently, the statutory maximum for child care grants is \$50.00 per month per child. House Bill 292 removes this *per month per child* maximum and replaces it with a \$50.00 *base rate* maximum. This change allows Legislators the latitude to increase funding to the Child Care Grant program while at the same time ensuring a prudent level of fiscal restraint.

Sponsor Substitute for House Bill 292 will benefit Alaska's children by giving Legislators the opportunity to provide more of the resources necessary to maintain healthy and safe child care facilities.

District 30

representative_joe_hayes@legis.state.ak.us

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

January 16, 2002

SUBJECT: Sectional Summary of Sectional summary of HB 292

TO: Representative Hayes
Attn: Joe

FROM: Michael F. Ford 
Legislative Counsel

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

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

Section 1. Changes the amount of a child care grant from a maximum of \$50 per child to a fixed amount of \$50 per child. Allows a \$50 grant to be adjusted on a geographic basis.

Section 2. Effective date.

MFF:med
02-010.med

Sec. 14.38.160. Child care grant program.

(a) A child care grant program is established in the department to provide state assistance in the operation of child care facilities. The department shall provide grants for the operation of child care facilities, including private nonprofit child care facilities. Participation in the program is optional.

(b) To qualify for a grant under (a) or (d) of this section, the child care facility must

(1) be currently licensed under AS 14.37 and applicable municipal licensing requirements;

(2) participate in the day care assistance program under AS 14.38.100 - 14.38.199; and

(3) provide care under a payment system as provided in (g) of this section.

(c) A grant under (a) of this section may not exceed \$50 per month for each child the child care facility cares for, or for each full-time equivalent, as determined by the department. The grant shall be adjusted on a geographic basis by the same factor as funding for a school district is adjusted under AS 14.17.460 .

(d) In addition to the grants provided in (a) of this section, the department may, subject to appropriations for that purpose, provide by grant or contract for the education and training of child care employees or administrators. To receive a grant or contract under this subsection or to participate in a training program under this subsection, the child care facility must meet all the requirements of (b) of this section.

(e) An application for a grant under this section shall be made in the form established by the department.

(f) A grant under (a) of this section shall be made monthly or quarterly and shall be based on the monthly average daily full-time equivalent enrollment in the child care facility. If the method of payment for the grant is other than monthly, it shall be at the request of the child care facility with the approval of the department. Based on criteria established by the department, the department may make quarterly advance payments.

(g) Each child care facility receiving a grant under (a) or (d) of this section shall assure that at least 15 percent or one of its child care spaces receiving subsidy under this section, whichever is greater, will be made available, if requested, to children eligible for day care assistance under AS 14.38.100 - 14.38.199, whose parents or guardians wish to pay for care based on attendance only.

(h) The state Board of Education and Early Development shall, in consultation with interested child care providers and parents, adopt regulations to carry out the purposes of this section.

Sec. 14.17.460. District cost factors.

(a) For purposes of calculating a district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school district is as follows:

DISTRICT COST FACTOR

Alaska Gateway 1.291	Hoonah 1.055	Nome 1.319
Aleutians East 1.423	Hydaburg 1.085	North Slope 1.504
Aleutians Region 1.736	Iditarod 1.470	Northwest Arctic 1.549
Alyeska Central School 1.000	Juneau 1.005	Pelican 1.290
Anchorage 1.000	Kake 1.025	Petersburg 1.000
Annette Island 1.011	Kashunamiut 1.389	Pribilof 1.419
Bering Strait 1.525	Kenai Peninsula 1.004	Sitka 1.000
Bristol Bay 1.262	Ketchikan 1.000	Skagway 1.143
Chatham 1.120	Klawock 1.017	Southeast Island 1.124
Chugach 1.294	Kodiak Island 1.093	Southwest Region 1.423
Copper River 1.176	Kuspuk 1.434	St. Mary's 1.351
Cordova 1.096	Lake and Peninsula 1.558	Tanana 1.496
Craig 1.010	Lower Kuskokwim 1.491	Unalaska 1.245
Deltareely 1.106	Lower Yukon 1.438	Valdez 1.095
Denali 1.313	Matanuska-Susitna 1.010	Wrangell 1.000
Dillingham 1.254	Mt. Edgecumbe 1.000	Yakutat 1.046
Fairbanks 1.039	Nenana 1.270	Yukon Flats 1.668
Galena 1.348		Yukon/Koyukuk 1.502
Haines 1.008		Yupit 1.469.

(b) The department shall monitor the cost factors established under (a) of this section and shall prepare and submit to the legislature by January 15 of every other fiscal year proposed district cost factors.

Child Care Grants

Background Information

Child Care Grants are a direct cash grant to licensed child care providers who serve children receiving child care assistance. The cash grant is based on the number of *all* children served in the licensed facility.

Total providers participating in the Child Care Grants program as of January 2001 was 349. As of January 1, 2001, the base rate per each full-time child was \$33. Additional funds were authorized for FY02 to enable all licensed providers an opportunity to receive a grant in the amount of approximately \$40 per child/per month.

Questions

- * 1. What is the current base rate per each full-time child under the Child Care Grants program and when did this rate become effective?
2. How many licensed child care providers operate in Alaska and participate in the Child Care Grant program?
3. The legislature appropriated \$3,725,100 in FY02 to the Child Care Grant program. How much has been distributed to licensed child care providers in FY02?
4. Alaska Statute 14.38.160 (g) states, "Each child care facility receiving a child care grant shall assure that at least 15 percent or one of its child care spaces receiving subsidy, whichever is greater, will be made available, if requested, to children eligible for day care assistance whose parents or guardians wish to pay for care based on attendance only." Should the legislature revisit this statute? Why or why not?
5. Senate Bill 192 establishes the child care grant at \$50. Should this legislation be adopted? Why or why not? Should the legislature consider other statutory changes regarding the Child Care Grant program?
6. Is the Child Care Grant program an effective tool to increase child care quality? What steps has the department taken to ensure quality child care?

1. What is the current base rate per each full-time child under the Child Care Grants program and when did this rate become effective?

The current base rate per each full-time equivalent child is \$40.00/month. This rate became effective with the January 2002 billing report period.

Child Care Grant Statewide Information

FY	July Base Rate	October Base Rate	January Base Rate	April Base Rate	June Base Rate	Funding	Total # Homes	Total # Centers	Overall Total
92	\$22.00	\$22.00	\$29.00	\$18.00	\$18.00	\$1,862,000.00	288	223	511
93	\$20.00	\$20.00	\$24.00	\$21.00	\$22.00	\$1,862,000.00	292	216	508
94	\$22.00	\$22.00	\$26.00	\$24.00	\$25.00	\$1,862,000.00	317	210	527
95	\$22.00	\$22.00	\$22.00	\$23.00	\$24.00	\$1,862,000.00	336	203	539
96	\$22.00	\$22.00	\$22.00	\$26.00	\$24.00	\$1,869,000.00	322	207	529
97	\$22.00	\$22.00	\$22.00	\$20.00	\$18.00	\$1,869,000.00	329	199	528
98	\$22.00	\$22.00	\$22.00	\$22.00	\$17.93	\$1,725,100.00	288	200	488
99	\$22.00	\$22.00	\$22.00	\$22.00	\$18.30	\$1,725,100.00	230	197	427
00	\$20.00	\$20.00	\$22.00	\$28.00	\$28.85	\$1,725,100.00	213	197	410
01	\$28.00	\$28.00	\$33.00	\$33.00	\$33.00	\$2,335,100.00	191	191	382
02	\$33.00	\$33.00	\$40.00			\$3,725,100.00	191	196	387*

*as of 12/01

2. How many licensed child care providers operate in Alaska and participate in the Child Care Grant program?

There are a total of 521 licensed child care facilities in Alaska, of which 387 facilities are currently (12/01) participating in the Child Care Grant program.

**Number of Child Care Facilities, Current and Projected
by Legislative District**

District	Area	# of Registered Facilities—Current	# of Licensed Facilities—Current	# of Licensed Facilities—Projected FY02	# of Licensed Facilities—Projected FY 03
1	Ketchikan	40	19	22	44
2	Sitka/Wrangell	50	23	28	55
3-4	Juneau	100	39	48	104
5	Southeast	37	13	16	38
6-11	Interior Villages, Fairbanks, Ft. Wainwright, North Pole	269	75	100	248
12-15	Mat-Su Valley	236	35	57	187
16-32	Municipality of Anchorage	1119	257	361	974
33-34	Kenai/Soldotna	98	18	27	81
35	Homer	46	15	19	44
36	Kodiak	42	18	22	44
37	Bristol Bay/Aleutians	7	3	4	7
38	Bethel	6	0	1	3
39	Bering Straits	7	3	4	7
40	Arctic	5	3	4	6
	TOTALS	2062	521	713	1842

3. The legislature appropriated \$3,725,100 in FY02 to the Child Care Grant program. How much has been distributed to licensed child care providers in FY02?

For the time period July 1, 2001 through November 30, 2001, a total of \$1,023,000 has been distributed to licensed child care providers. At the beginning of FY02 we took a fiscally conservative approach with regard to setting the base rate, keeping it at \$33/month per each full-time equivalent child, as grant awards are based on the availability of funds for the fiscal year. After analyzing the data from this timeframe, the base rate was adjusted upward to \$40/month per each fulltime equivalent child. The appropriated FY02 budget will be fully spent on licensed child care facilities' quality enhancements by the end of the fiscal year. The monthly expenditure continues to grow as registered providers move to licensed.

4. Alaska Statute 14.38.160(g) states, "Each child care facility receiving a child care grant shall assure that at least 15 percent or one of its child care spaces receiving subsidy, whichever is greater, will be made available, if requested, to children eligible for day care assistance whose parents or guardians wish to pay for care based on attendance only." Should the legislature revisit this statute? Why or why not?

This statute clearly reflects the legislative intent to ensure the availability of child care for families participating in the child care subsidy program. However, the current statute could be discouraging some licensed facilities from participating in the Child Care Grant program, as providers do not want to run the risk of having to turn away their established families to make room for families on subsidies. There may be parents on subsidy who have been turned away from licensed facilities (receiving the Child Care Grant) "citing no openings," and EED would be unaware of this issue unless the parent made a complaint or questioned the policy (of which most parents are unaware). By removing subsidy slot requirements, more facilities might apply for the Child Care Grant. In addition, this program has focused on expanding the ability of caregivers to increase their quality of care through additional training, materials, age-appropriate equipment, etc. If Alaska were to adopt a child care rating system, the Child Care Grant could be available to programs as they achieved new measures of quality. (Information on child care rating systems in other states is included in the appendix for this section.)

5. Senate Bill 192 establishes the Child Care Grant at \$50. Should this legislation be adopted? Why or why not? Should the legislature consider other statutory changes regarding the Child Care Grant program?

The current statute states that a grant "may not exceed \$50," but also states that the grant be adjusted on a geographic basis by the same factor as funding for a school district is adjusted under AS 14.17.460. With the grant capped at \$50, a geographic adjustment is not possible in several communities.

If the statute were revised to cap the base rate at \$50, it would provide the opportunity, given the availability of funding, for increases in the rate to occur based on the availability of funding in any fiscal year..

6. Is the Child Care Grant program an effective tool to increase child care quality? What steps has the department taken to ensure quality child care?

The intent of the Child Care Grant Program is to increase the quality of child care. This program provides grants to licensed child care providers for the long-term benefit of their facility and the children in care. This program also provides an incentive for child care providers to become licensed, increases the availability of child care slots, and allows for greater parental choice in choosing quality child care.

Grant funds are only to be spent on specific items such as health and safety items, nutritional goods, job related education, training materials, staff salaries, developmentally appropriate equipment, supplies, and activities for children in care, etc. Providers are required to report monthly on how they spent the previous month's Child Care Grant funds; grant administrators provide technical assistance and support to providers on an ongoing basis, monitor monthly expenditures and capacity issues, conduct site visits, and work closely with agency partners such as the Food and Nutrition Program, Child Care Licensing, Resource and Referral agencies, Local Administrators, etc., to ensure that grant funds are being used towards increasing the quality of child care.

Following is a list of comments from providers across the state who participate in the Grant program. These comments reflect the variety of ways this program has helped providers increase the quality of their program and retain qualified staff.

Provider Comments:

"Once again our program is enriched by CCG! Dance class, music teacher, almost unlimited fresh produce, all the paint and cool art stuff! Could not have done it without you!"

"We were able to hire teachers with higher credentials and training."

"We maintain a higher than required number of caregivers so that we can ensure quality in our services – especially in our infant room and for our special needs children."

"I have been able to pay for preschool materials without any extra charges to my parents and the funds have also helped me achieve my CDA."

"Pay my staff well enough to keep them around – so much less turnover! THANKS!"

"Upgraded fire extinguishers, professional furnace cleaning and check, lots of arts and crafts for all those rainy Juneau days, and I did more training and a mentoring program for new staff."

" Bought a Little Tykes climbing structure, an up-to-date first aid kit and took a class in Early Childhood Education at UAF – thank you!!"

"New playground equipment that is safe, purchased our preschool program Highreach Learning, and purchased safety gates for our infant and toddler areas."

"More fresh foods and vegetables, which I could not have afforded on my own, and extra class room equipment which made for better learning opportunities and behavior."

"I purchased a home preschool program for preschool. I do not charge my parents for it. This helps me supply a quality program for free to my daycare children. I also get class credit from the program."

"We were able to keep our staff working at a worthy wage – we need the child care program!"

The grant assisted greatly in hiring and retaining quality caregivers for our program. Thank you!"

"Starting wages for new employees went from \$7 to \$8 per hour. Current employees also received increases sooner than usual."

"We were able to have much smaller child/staff ratios and able to offer the children extra projects, swim lessons, walks."

"These funds allowed me to fund our summer swim program and employ additional aides to assist with our program. Thank you."

"Fund staff wages to help pay for the quality of care that is a direct result of staff retention, because of offering staff raises. Thank you."

"Pay and retain staff to avoid turnover."

"Without the funds, our staff would not be able to receive valuable training, such as attending the yearly NAEYC conference."

"We were able to take our school-age children swimming twice a week. Thanks."

"Gave a 25 cent an hour raise to all staff that was not planned."

"Training costs, for covering CPR/First Aid, Blood Borne Pathogen training and the Alaska School Age Care Alliance conference were done with CCG monies. These trainings further enhance our commitment to developing quality staff."

"Provided certified preschool program for the children and quality supplies."

"Money was used to help pay staff salaries. Our staff was able to attend First Aid/CPR training."

"These funds helped to pay for wages of additional special needs aides who were specifically assigned to provide care to behaviorally challenged children."

"We were able to offer competitive wages and paid training opportunities for our staff. We were also able to hire additional staff to keep our ratios lower than required."

"We were able to purchase more supplies for activities and have resources for training and education for our child care providers."

Fac_name	Oper_fname	Oper_lname	Address	city	zip	phone_number
Little Critters Day Care	Donna	Herrick	29540 Stariski Loop	Anchor Point	99556	235-4381
Beto's Day Care	Maria	Mora	905 Richardson Vista # 67	Anchorage	99501	272-3124
Camp Fire SACC - Denali	Barbara	Dubovich	148 East 9th Avenue	Anchorage	99501	279-3551
Dee's Child Care Services	Dolores	Waldron	1210 LaTouche Street, #2	Anchorage	99501	258-7132
Tykes	Sherrie	Jackson	545 E. 5th Avenue	Anchorage	99501	276-8953
Hillcrest Children's Center	Kimberly	Stoddard	900 Hollywood Drive	Anchorage	99501	272-9924
Maria's Learning Little Land	Bertha Emilla	Preciado	111 East 13th Avenue	Anchorage	99501	277-7822
Ann's Day Care	Ann	Crocker	9320 Shorecrest Drive	Anchorage	99502	248-3320
Camp Fire SACC - Gladys Wood LLC	Barbara	Dubovich	7001 Cranberry	Anchorage	99502	279-3551
	Maria	de Leon	7423 Jewel Lake Road	Anchorage	99502	349-4182
Christ Our Savior Lutheran Preschool	Anna	Dressen	1612 Oceanview Drive	Anchorage	99502	345-8366
Krise Day Care Home	Jane	Krise	8217 Dewberry Street	Anchorage	99502	243-6268
Little Red School House #4	Mina	Smith	3720 Raspberry Road	Anchorage	99502	243-3101
Patsy Dunsmore	Patsy	Dunsmore	7031 Joseph Street	Anchorage	99502	344-6933
Sonya's Family Daycare Home	Sonya	Rickard	3650 Alamosa Drive	Anchorage	99502	245-5569
Three Bears	Rachell	Phillips	3831 Marcy Court	Anchorage	99502	243-6661
YMCA - Kincaid	Kevin	Curtis	4900 Raspberry Road	Anchorage	99502	563-3211
Camp Fire SACC - North Star	Barbara	Dubovich	605 West Fireweed Lane	Anchorage	99503	279-3551
Klever Kids	Tracy	Martin	500 E. Benson, #109	Anchorage	99503	258-5437
Kindergarten	Janice	Lawson	703 W. Northern Lights Blvd.	Anchorage	99503	274-2040
Puffin Heights Montessori E St.	Leslie	Barrera	1220 E Street	Anchorage	99503	258-6036
Puffin Heights Montessori School "K" St.			1000 W. 20th Avenue	Anchorage	99503	272-5999
Rural CAP Child Development Center	Eva	Hansmeyer	3327 Fairbanks Street	Anchorage	99503	278-0068
Spenard Kiddy Drop	Shirley	Bratcher	3307 Spenard Road	Anchorage	99503	561-5513
Tom Thumb Montessori - Fairbanks St	Susan	Green	2513 Fairbanks Street	Anchorage	99503	272-5033
Spenard	Susan	Green	1901 Spenard Road	Anchorage	99503	272-5033
YMCA - Willow Crest	Kevin	Curtis	1004 W. Tudor Road	Anchorage	99503	563-3211
Camp Fire SACC - Nunaka Vailey	Barbara	Dubovich	1905 Twining Street	Anchorage	99504	279-3551
Carousel Child Care Center	Terri	Robertson	6370 Debarr Road	Anchorage	99504	333-1231
Children's Workshop Day Care Home	Lolita	John-Baptiste	7071 Baxter Terrace Circle	Anchorage	99504	929-180R
Falise Child Care	Phyllis	Cunningham	#C	Anchorage	99504	338-7136
Gingerbread House	Terri	Robertson	4520 Shelikof	Anchorage	99504	562-2568
Hearts In It			356 State Street	Anchorage	99504	929-4805
Jack N The Box	Jackie	Powell	5815 Buckner Drive	Anchorage	99504	337-5389
Joan's Day Care			Apt B	Anchorage	99504	332-3017
Jody's Child Care	Jody	Miller	6713 Lunar Drive	Anchorage	99504	333-4125
Kids' Corp Inc.-Muldoon Center	Nita	Greenwell-Madsen	1251 Muldoon Road	Anchorage	99504	272-0133
Kids R Us	M. Christina	Gamez	1820 Greendale Drive	Anchorage	99504	338-3769
Laura's Day Care	Laura	Robertson	2221 Muldoon Road, #519	Anchorage	99504	333-3074
Little Angels Day Care	Shiela	Jacobsen	8532 Moss Court	Anchorage	99504	337-5662
Little People's Fun House	Doris	Davis	500 B Patsy Street	Anchorage	99504	333-8895
Little Tykes Child Care	Tammy	Jamson	8501 Ridgeway Avenue	Anchorage	99504	333-9754
Luvum Family Child Care	Jo Ann	Johnson	2708 Seclusion Drive	Anchorage	99504	333-9277
M. Elena's Day Care	M. Elena J.	Flores	1410 Atkinson Drive	Anchorage	99504	338-1317
Maria's Daycare			424 Cherry Street	Anchorage	99504	332-3883

Muldoon Christian Learning Center	Bobbi	Donzidio	7041 DeBarr Road	Anchorage	99504	333-8727
Neighborhood Day Care	Kerry	Hinton	20	Anchorage	99504	646-7646
Rogelia's Day Care	Rogelia	Nunez	621 Lori Court	Anchorage	99504	338-5470
Sadie's Childcare Home			2221 Muldoon Rd. # 691	Anchorage	99504	338-7639
Center	Karen	Haddad	7525 E. Northern Lights	Anchorage	99504	337-1672
Tom Thumb Montessori - Boniface	Susan	Green	2500 Boniface Parkway	Anchorage	99504	272-5033
Trish's Day Care			6422 E. 10th Avenue	Anchorage	99504	337-3680
Worthy, Sherry	Sherry	Worthy	807 Elaine Drive	Anchorage	99504	338-1412
YMCA - Baxter	Kevin	Curtis	2991 Baxter Road	Anchorage	99504	563-3211
YMCA - Muldoon	Kevin	Curtis	425 Cherry Street	Anchorage	99504	563-3211
Biggs Day Care	Lourdes	Biggs	7711 Little Bend Circle	Anchorage	99507	344-4206
Hortencia Walker Daycare	Hortencia	Walker	3810 Boek Circle	Anchorage	99507	349-3186
Kid's First Early Learning Center & C C	Dana	Hills	7231 Meadow Street	Anchorage	99507	336-3770
Little Red School House #1	Rhea	Bird	8620 Lake Otis Parkway	Anchorage	99507	349-8511
Mami Chula's Day Care Home	Gloria E.	Sasieta	3501 E. 84th Avenue	Anchorage	99507	522-6209
Nay Nay's House	Renee	Walrath	1712 Flatwater Circle	Anchorage	99507	522-2874
Over the Rainbow Child Care	Robbie	Brawner	10144 Salix Circle	Anchorage	99507	349-3296
Pat's Day Care Home	Patricia	Addison	1917 Waldron Drive	Anchorage	99507	562-0547
Playmates Child Care	Laurie	Northey	3221 South Circle	Anchorage	99507	346-2342
Development	Margaret	Bauer	3400 Providence Drive	Anchorage	99507	261-3075
Rabbit Creek Community Pre-School	Susan	Williams	10431 Brayton Drive	Anchorage	99507	345-3722
Santillana Child Care Home	Maria	Santillana	9619 Musket Ball Circle	Anchorage	99507	522-2338
Starbright Early Learning Center			3531 East Tudor Road	Anchorage	99507	562-1414
Sundance Home Daycare	Peggy	Hlavaty	9499 Brayton Drive, #412	Anchorage	99507	344-9288
The Alaska Club East Sports Camp	Carissa	Cote'	5201 East Tudor Road	Anchorage	99507	337-9550
YMCA - Child Development Site	Kevin	Curtis	5353 Lake Otis Parkway	Anchorage	99507	563-3211
YMCA - Kasuun SACC	Kevin	Curtis	4000 East 68th Avenue	Anchorage	99507	563-3211
YMCA - Tudor	Kevin	Curtis	1666 Cache Drive	Anchorage	99507	563-3211
Development Site	Kevin	Curtis	2424 E Dowling Road	Anchorage	99507	563-3211
A Child's World	Tina	George	4998 Klondike, #1	Anchorage	99508	337-5920
Anchorage Montessori	Sylvia	Hollaway	2824 East 18th Avenue	Anchorage	99508	276-2240
BP Early Learn Center	Margaret	Bauer	1005 East 35th	Anchorage	99508	868-7690
Camp Fire SACC - Abbott Loop	Barbara	Dubovich	8427 Lake Otis Pkwy	Anchorage	99508	279-3551
Camp Fire SACC - Airport Heights	Barbara	Dubovich	1510 Alder Drive	Anchorage	99508	279-3551
Camp Fire SACC - Bear Valley	Barbara	Dubovich	1500 Mountain Air Drive	Anchorage	99508	279-3551
Camp Fire SACC - Chinook	Barbara	Dubovich	3101 West 88th Avenue	Anchorage	99508	279-3551
Camp Fire SACC - Chugach	Barbara	Dubovich	1205 E Street	Anchorage	99508	279-3551
Camp Fire SACC - Government Hill	Barbara	Dubovich	525 E Bluff Drive	Anchorage	99508	279-3551
Camp Fire SACC - Huffman			12000 Lorraine Street	Anchorage	99508	279-3551
Camp Fire SACC - Inlet View	Barbara	Jubovich	1219 N Street	Anchorage	99508	279-3551
Camp Fire SACC - Lake Otis	Barbara	Dubovich	3331 Lake Otis Pkwy	Anchorage	99508	279-3551
Camp Fire SACC - Ocean View	Barbara	Dubovich	5151 Abbott Road	Anchorage	99508	279-3551
Camp Fire SACC - O'Malley			11100 Rockridge Drive	Anchorage	99508	279-3551
Camp Fire SACC - Rogers Park	Barbara	Dubovich	1400 E. Northern Lights	Anchorage	99508	279-3551
Camp Fire SACC - Russian Jack	Barbara	Dubovich	4000 East 20th Avenue	Anchorage	99508	279-3551
Camp Fire SACC - Sand Lake	Barbara	Dubovich	7000 Jewel Lake Road	Anchorage	99508	279-3551

Camp Fire SACC - Scenic Park	Barbara	Dubovich	3933 Patterson Drive	Anchorage	99508	279-3551
Camp Fire SACC - Spring Hill	Barbara	Dubovich	9911 Lake Otis Pkwy	Anchorage	99508	279-3551
Camp Fire SACC - Susitna	Barbara	Dubovich	7500 Tyone Circle	Anchorage	99508	279-3551
Camp Fire SACC - Trailside	Barbara	Dubovich	Suite 104	Anchorage	99508	279-3551
Cardona's Child Care	Melba	Cardona	832 N. Bragaw	Anchorage	99508	337-2819
Carmen Day Care	Carmen	Peralla	3712 E. 18th Avenue	Anchorage	99508	277-6745
Charlotte Williams' Day Care	Charlotte	Williams	1806 Laura Circle	Anchorage	99508	337-7804
Chong Barnett	Chong S.	Barnett	801 Airport Heights, #409	Anchorage	99508	272-0148
Darcy's Daycare			600 Cherry Street	Anchorage	99508	338-2827
Gan Yeladim Preschool & Kindergarten	Esther	Greenberg	3327 Fairbanks Street	Anchorage	99508	279-1200
Gilda's Daycare	Gilda	Lara	624 North Flower Street	Anchorage	99508	274-8544
Hanni's Family Child Care Home	Raquel	Hanni	4205 Vance Drive	Anchorage	99508	337-6243
Home Sweet Home	Monica	George	4035 East 4th Avenue	Anchorage	99508	337-6130
Ivory Tower Day Care	Josie	Coulson	4011 E. 7th Avenue	Anchorage	99508	337-7042
Jane Hudson	Jane	Hudson	801 Airport Heights, #347	Anchorage	99508	278-9197
Lisa's Home Day Care	Lisa	Sommers	3473 Newcomb Drive	Anchorage	99508	333-7705
Little People Day Care	Mary	Braga	1800 North Western	Anchorage	99508	274-8264
Maria's Day Care	Maria	Jacobo	701 S. Klevin #46A	Anchorage	99508	333-1203
Peek A Boo Daycare	Edilsa	Menah	1229 San Antonio Street	Anchorage	99508	338-8255
Providence CCD-Summer Camp	Margaret	Bauer	2610 E. Northern Lights Blvd.	Anchorage	99508	261-3075
Stacy, Norma			824 N. Hoyt Street	Anchorage	99508	272-8360
Tanaina Child Development Center	Jill	Pinelli	3221 Providence Drive	Anchorage	99508	786-1340
Tonas Day Care	Maria	Hernandez	3424 East 18th Avenue	Anchorage	99508	274-2855
YMCA - College Gate	Kevin	Curtis	3101 Sunflower	Anchorage	99508	563-3211
C and Y Enterprises			7931 Old Seward Hwy, #3	Anchorage	99510	646-2316
Fernandez Day Care	Liduvina	Fernandez	551 St. Lazarias	Anchorage	99514	276-0262
ABC Carousel	Debra	Gray	11221 Via Appia	Anchorage	99515	349-2070
Alaska Rainbow Daycare	Ivonne	Lacott	14115 Old Seward Highway	Anchorage	99515	336-3362
Busy Bees Child Care			12130 Johns Road	Anchorage	99515	522-8984
Kids' Corp Inc.-South Center	Nita	Greenwell-Madsen	6927 Old Seward Highway	Anchorage	99515	272-0133
Morales Child Care	Mariella	Morales	3078 Bettles Bay Loop	Anchorage	99515	344-4981
Rashid Center	Khurshid	Ferozepurwalla	3610 Scammon Bay Circle	Anchorage	99515	344-6825
Sunshine Schools	Pam	Singleton	1000 Sundown Court	Anchorage	99515	344-9435
The Alaska Club South Sports Camp	Carissa	Cote'	10931 O'Malley Centre Drive	Anchorage	99515	344-6567
The Learning Center at Bayshore	Becky	Griffin	3131 Amber Bay Loop	Anchorage	99515	344-1852
YMCA - Bayshore	Kevin	Curtis	11500 Bayshore Drive	Anchorage	99515	563-3211
YMCA - Klatt	Kevin	Curtis	11900 Juniper Street	Anchorage	99515	563-3211
Ayala	Susan	Williams	13650 Lake Otis Parkway	Anchorage	99516	345-3722
Development	Vallory	Devlin	11700 Gregory Road	Anchorage	99516	563-3211
Camai Children's Center	Kathleen	Gaard	13030 Brandon Street	Anchorage	99516	345-1543
King's Kids Child Care	Anna	Boltoms	12101 Brayton Drive	Anchorage	99516	345-7937
Care	Susan	Williams	13650 Lake Otis	Anchorage	99516	742-5722
O'Malley	Susan	Green	Road	Anchorage	99516	272-5033
Boys & Girls Club - The Berry Patch	Christyn	Holmes	2300 West 36th	Anchorage	99517	249-5437
School	Christyn	Holmes	1705 W. 32nd Avenue	Anchorage	99517	249-5437
Boys & Girls Clubs SAC	Christyn	Holmes	2300 W. 36th Avenue	Anchorage	99517	249-5437

Butterfly Children's Center	Vicki	Abel	Blvd.	Anchorage	99517	243-2440
Faith Day Care	Mona	Hundrup	4240 Wisconsin Street	Anchorage	99517	248-6355
Little Friends			2820 Leighton Street	Anchorage	99517	245-1966
Miriam's Day Car	Miriam	Velasquez	3800 Crosson Circle	Anchorage	99517	243-3390
Pami's Place Home Day	Pam	Carlson	3712 Knik Avenue	Anchorage	99517	248-7904
Roses Child Care	Maria E.	Leon	3410 W. 30th Avenue	Anchorage	99517	245-0955
The Little Home School	Jean	Gnath	3318 W. 29th Avenue	Anchorage	99517	248-9203
Tiny Tots Daycare	Shawn	Dinkins	3803 Iowa Drive, #1	Anchorage	99517	245-7605
YMCA - Lake Hood	Kevin	Curtis	3601 West 40th Avenue	Anchorage	99517	563-3211
Anchor Lutheran C.C./ Child Watch	Betty	Robards	8100 Arctic Blvd.	Anchorage	99518	522-3636
Anchorage Gymnastics Association	Enola "Babe"	Cassel	525 West Potter, #4	Anchorage	99518	563-3041
Anchorage Gymnastics Association	Enola "Babe"	Cassel	525 West Potter, #4	Anchorage	99518	562-2473
Debbie's Daycare	Debra	Hanford	7521 Chad Street	Anchorage	99518	522-2322
Desiree's Child Day Care	Desiree	Sample	8457 Barnett Drive	Anchorage	99518	349-6069
Imagination Station	Shirley	Dean	411 E. 54th Avenue, Unit B	Anchorage	99518	563-8290
Jack and Jill's	Cynthia	Schenderline	1100 W. 77th Avenue	Anchorage	99518	336-6996
Johnson and Association	Jean	Johnson	1311 Gram Circle	Anchorage	99518	344-1720
Kalamazoo Kids	Sonja	Hankins	300 E. 56th Avenue	Anchorage	99518	562-3211
Kathy's Day Care	Kathy	Lewis	8016 Queen Victoria	Anchorage	99518	522-3540
Little People's Day and Night Care	Michelle	Hough	1231 West 79th Avenue	Anchorage	99518	336-1876
Morning Star Christian School	Seong Ock	Yoo	8220 Briarwood Street	Anchorage	99518	522-9034
Precious Beginnings Day Care			8120 Summerset Drive	Anchorage	99518	868-3786
Teachers Child Care			616 E. 72nd Avenue	Anchorage	99518	344-2286
Koala Child Care	Heather	Lindsey	7711-B Arlene Street	Anchorage	99522-2426	222-0746
Aniak Day Care	Mary Lynn	Kvamme	Sackett Hall Airport Blvd.	Aniak	99559	675-4476
Center	Mark	Browne	5245 Karluk Street	Barrow	99723	852-6180
Camp Fire SACC - Chugiak	Barbara	Dubovich	19932 Old Glenn Highway	Chugiak	99567	279-3551
Chugiak Children's Services - Chugiak	Neva	Lancaster	18530 Old Glenn Hwy.	Chugiak	99567	688-2660
King's Castle	Gloria	King	22329 Deer Park Drive	Chugiak	99567	688-3127
Craig Child Care Center Inc.	Barbara	Moots	2nd & Main Street	Craig	99921	826-3228
Victoria's Day Care	Paul	Kulakevich	2846 Richardson Highway	Delta Junction	99737	895-4785
Naanguaq Day Care Center	Gina	Hobson	Corner Seward & D Street	Dillingham	99576	842-2228
Juneau Montessori Center	Lupita	Alvarez-Botelho	750 St. Ann's Avenue	Douglas	99824	364-3535
RALLY - Gastineau	Ann	MacFarlane	1507 3rd Street	Douglas	99801	463-1975
Bernadette Madsen	Bernadette	Madsen	18934 Chrystal Island Drive	Eagle River	99577	622-1221
Camp Fire SACC - Alpenglow	Barbara	Dubovich	19201 Driftwood Bay	Eagle River	99577	279-3551
Camp Fire SACC - Homestead	Barbara	Dubovich	18001 Baranof Street	Eagle River	99577	279-3551
River	Sarah	Parker	16515 Centerfield Drive	Eagle River	99577	694-2890
First Steps Home Day Care	Criquestte	Hoch	17807 Kantishna Drive	Eagle River	99577	696-0517
Joan's Preschool Activities	Joan	Schuman	12431 Winterpark	Eagle River	99577	694-7577
Joy Child Development Center	Toni	Swanson	10111 Eagle River Loop Rd.	Eagle River	99577	694-2755
Lauri's Day Care	Lauri L.	Shields	19114 Danny Drive	Eagle River	99577	694-6585
Little Red School House #3	Claudia Joan	Myers	12228 Lake Street	Eagle River	99577	694-4910
Noah's Ark	Betty	Chambers	11046 Buskin Circle	Eagle River	99577	694-4937
Sarah 's Sweethearts	Sarah	Dutton	Loop	Eagle River	99577	694-0790
Sue's Day Care	Susan	Shaw	18012 Hillcrest Drive	Eagle River	99577	696-7429

A Family Affair	Diana	Ashton	1215 Graz	Fairbanks	99712	456-2632
A Touch of Love	Lori	Love	501 Ramola Street	Fairbanks	99701	458-7335
Bright Beginnings Learning Center School	Laura	DuPont Department	3411 Lathrop Street Suite A 703 Chatanika	Fairbanks	99701	456-2263
Camp Fire USA - Anne Wien			1401 Hampstead	Fairbanks	99709	279-3551
Camp Fire USA - University Park			554 Loftus	Fairbanks	99709	279-3551
Camp Fire USA - WoodRiver			5000 Palo Verde Avenue	Fairbanks	99709	279-3551
Cindy's Day Care	Cindy	Miller	685 Kentshire Drive	Fairbanks	99709	479-2005
Discovery Center			1007 Evergreen Street	Fairbanks	99709	456-7887
Dizzy Daycare	Lisa Fields and	Amy Kimbrough	1610 Madison Drive	Fairbanks	99709	458-0536
Doxey Day Care	Jeanine	Doxey	1800 Old Pioneer Way	Fairbanks	99709	479-2862
Early Headstart - Expansion Lifegivers	Tamara	DeLosSantos	605 Hughes Avenue	Fairbanks	99701	452-1274
Eneput Children Center	Kimberly	Wicklund	1112 Hess Avenue	Fairbanks	99708	479-6844
FNA Early Head Start			609 Third Street	Fairbanks	99701	451-8814
FNA Head Start	FNA		320 Second Avenue	Fairbanks	99701	456-4989
FNA Head Start Barnette Full Day	Brenda	Krupa	1024 Barnette Street	Fairbanks	99701	451-0382
FNA Head Start Full Day - Cushman	Mary	Willey	909 Cushman Street, Suite 1	Fairbanks	99701	456-4989
Heart Felt Daycare			1323-23rd Street, Apt 2	Fairbanks	99701	457-1483
Hobbit Day Care	Tatje	DeMeritt	570 Tuxford Court	Fairbanks	99708	452-5447
Kids Korner			540 Haines Avenue	Fairbanks	99701	456-2687
Kris' Kids			1019 O'Connor Road	Fairbanks	99709	452-7848
Loveing Arms	Earline	Nelson	1510 Hilton Ave.	Fairbanks	99701	479-5541
Marie's Day Care			1724 Alaska Way #A	Fairbanks	99709	458-7979
Masterson Day Care			321 Island Drive South	Fairbanks	99701	451-9700
New Horizons Day Care			607 Clara Street	Fairbanks	99701	456-8534
Northern Lights Educare	Jackie	Williams	1414 23rd Avenue	Fairbanks	99701	456-4057
Open Arms Child Development Center	Bonnie	Rogers	2980 Davis Road	Fairbanks	99709	455-9466
OPTIONS Child Care Center			3750 Geist Road	Fairbanks	99709	479-4452
Our Village Preschool	Marie	Burks	4448 Pikes Landing Road	Fairbanks	99709	451-7475
Play N Learn Downtown	Tara	Koloski	1427 Gillam Way	Fairbanks	99701	452-7529
Play N Learn East	Carla	Cheap	398 Hamilton Avenue	Fairbanks	99701	451-7529
Play N Learn Joy	Pam	Walker	School, Room 121	Fairbanks	99701	451-0300
Play N Learn Pearl Creek	Gerri	Withers	700 Auburn-Pearl Creek	Fairbanks	99701	479-5437
Play N Learn West	Debbie	Gackstetter	360 Old Chena Pump Road	Fairbanks	99701	479-5711
Precious Lamb's Day Care	Victoria	Nallon	1216 - 9th Avenue	Fairbanks	99701	457-5253
Saako - Kkaa - Our Children	Mary	Fricione	117 - 1st Avenue	Fairbanks	99701	459-3925
Sam's Home Away From Home			425 B Street	Fairbanks	99701	455-4986
Shawn's Silly Sweet Pea's Day Care	Shawn	Jordan	4388 York Avenue	Fairbanks	99709	452-6729
Teddy Bear Loving Daycare			505 Stewart Street, G-1	Fairbanks	99701	457-1314
The Children's Center	Tracy	Splitstoser	1027 Evergreen Street	Fairbanks	99707	451-8164
The Learning Center			1404 20th Avenue	Fairbanks	99701	458-5335
The Playskool			1461 Gillam Way	Fairbanks	99701	452-7700
Treasured Moments	Michelle	Westmoreland	524 Juneau	Fairbanks	99701	457-3188
University Park Learning Center	Patty	Fulmer	4376 York Avenue	Fairbanks	99709	479-0911
University West Educare	Jackie	Haskins	65 Trinidad Drive	Fairbanks	99709	479-0555
Galena Early Childhood Learning Center	Larry	Hausmann	Block 10, Lot 2	Galena	99741	656-2242

Little Bears Playhouse Daycare	Deborah Debbie	Pfeifer Jones	Girdwood Community Building Post Office Road	Girdwood Glennallen	99587 99588	783-2116 822-3599
Archer's Day Care			200 Sunshine Lane	Haines	99827	766-3974
Chilkat Valley Preschool	Katherine	Freidle	1st & View Street	Haines	99827	766-3213
Kids R Fun	Kim	Larson	Piedad & Moose Lane	Haines	99827	766-3885
T.L.C. Childcare			1/2 Mile Small Tract Road	Haines	99827	766-2842
Dora Powell	Dora	Powell	Corner Lester & Andy Road	Healy	99743	683-1614
Kid's Stop	Wanda	Chapman	Sulfide Drive	Healy	99743	683-2525
Almost Home Child Care	Jeanie	Owen	4634 Sabrina	Homer	99603	235-7005
Bear Creek Learning Center	Connie	Thompson	60273 Bear Creek Drive	Homer	99603	235-7997
Kids Included	Pamela and Madeline	Baltzer and Prvatt	937 Ben Walters Lane	Homer	99603	235-1967
Klondike Preschool	Shannon	Haws	381 Klondike Street	Homer	99603	235-2703
Lakeside Child Care	Vesta	Cannon	NHN Reinhart Lane	Homer	99603	235-7779
Rising Tide Preschool and Child Care	Edna	Conkel	564 Klondike Avenue	Homer	99603	235-2800
The Children's House	Trudy	Ritchie	813 East End Road	Homer	99603	235-7035
Bromley Center	Kathie	Deitering	Main Street	Hoonah	99829	945-3673
A Babe's Place	Rondi	Smith	9402 Glacier Highway	Juneau	99801	790-4211
ABC Center			3511 Jennifer Drive	Juneau	99801	790-6500
Bright Beginnings			2207 Radcliffe Road	Juneau	99801	789-5437
Bright Beginnings Early Learning Center	Shodie	Akin	9315 Glacier Highway	Juneau	99801	790-1842
Child Care Plus			6000 Gull Way	Juneau	99801	780-6976
Children First Care	Melissa	McCornick	5921 Sunset Street	Juneau	99801	780-4918
Dancing Bear Too Montessori			4335 Manor Avenue	Juneau	99801	790-3949
Dancing Bear Too Montessori			9161 Cinema Drive	Juneau	99803	789-8025
Douglas Island Childcare			9161 Cinema Drive	Juneau	99803	789-8025
Gold Creek Child Development Center	Gretchen	Boone	9363 North Douglas Hyw #A	Juneau	99802	586-2901
Hundred Acre Wood	Beth	Schwartzengraber	131	Juneau	99801	586-7529
Juneau Christian Daycare Care	Charise	Duncan	2565 Meadow Lane	Juneau	99801	790-8541
Just Kiddin' Childcare			8100 Glacier Highway	Juneau	99801	789-3703
Kathy's Daycare			8100 Glacier Highway	Juneau	99801	789-2179
Kids Haven			3090 Mountainwood Circle	Juneau	99801	789-5998
Kim Frick Daycare			5812 Churchill Way	Juneau	99802	780-4214
Little Bears Day Care			3376 Park Place	Juneau	99801	790-3014
Little Lambs Home Daycare			3784 McGinnis Drive	Juneau	99801	790-6437
Mireya's Day Care			4465 Columbia Boulevard	Juneau	99801	789-7445
Nella's Playhouse			8817 Gail Avenue	Juneau	99801	789-5845
Noah's Ark Kinder Care	Andrea	Whisenant	#96	Juneau	99801	790-2511
Nurse's Touch Child Care	Rocio and Chris	Salazar	9228 Emily Way	Juneau	99801	790-1925
RALLY - Auke Bay	Darrell	Farmer	2348 B Kevin Court	Juneau	99801	790-6541
RALLY - Glacier Valley	Tom	Fleckenstein	9005 Gee Street	Juneau	99801	790-6495
RALLY - Harborview	Leah	Ogoy	11869 Glacier Highway	Juneau	99801	463-1759
RALLY - Mendenhall River	David	Thomas	3400 Tongass Boulevard	Juneau	99801	463-1808
RALLY - Riverbend	Laura	Mulgrew	1255 Glacier Avenue	Juneau	99801	463-1863
Sharon's Day Care	Sharon	Ward	9001 Mendenhall Loop Road	Juneau	99801	463-1776
			2901 Riverside Drive	Juneau	99801	463-1810
			8184 Erin Street	Juneau	99801	789-2641

Starting Small Childcare	Mary	Adelmeyer	3714 Sanders Street	Juneau	99801	790-6692
Young Explorers			1307 Belardi Drive	Juneau	99801	780-8662
Site	John & Karen	Gensel	135 E. Bidarka Street	Kenai	99611	262-7529
Deb's Daycare	Deb. a K.	Brown	718 Sycamore Street	Kenai	99611	283-5650
Hogg's Group Home	Myrna	Hogg	1111 First Street	Kenai	99611	283-5919
Kenai Kids Playhouse			606 Laurel Drive	Kenai	99611	283-0424
Little Huskies Day Care	Ashley	Bulot	903 Magic Avenue	Kenai	99611	283-8033
Amber's Daycare			1718 Fairy Chasm	Ketchikan	99901	225-2582
Busy Bees Child Care Center	Heather	Ratzat	3839 Baranof Ave	Ketchikan	99901	247-6754
Dolly's Daycare	Gianna	Mason	334 Forest Park Drive	Ketchikan	99901	225-0655
First City Kid Care	Kimberly	Foy	320 Bawden #115	Ketchikan	99901	247-4386
Care	Myrna	Wadsworth	400 Main	Ketchikan	99901	225-3700
Jill's Daycare			225 Christopher Road	Ketchikan	99901	247-1186
Jody's Daycare			318 Alder	Ketchikan	99901	225-2940
Ctr	Stacie	Haslett	130 Washington Street	Ketchikan	99901	225-4871
Liz's Day Care	Liz	Hook	488 N. Point Higgins Road	Ketchikan	99901	225-9786
Morley Daycare			257 E. Fireweed Lane	Ketchikan	99901	247-0868
Palmer Daycare	Gina	Palmer	3450 Hawkins	Ketchikan	99901	225-4602
Pooch Bear Day Care	Brenda	Hofmann	2434 Second Avenue	Ketchikan	99901	225-8191
Rainbow Home Daycare			1420 Ketchikan Lake Road	Ketchikan	99901	247-0722
Tots of Love			2332 Killer Whale	Ketchikan	99901	247-9615
Hannah J. Coats-Filch			#26	Klawock	99925	755-2540
Klawock Cooperative Association	Mary	Edenshaw	403 Bayview Blvd	Klawock	99925	755-2265
T.L.C. Daycare			2020 Big Salt Lake Road	Klawock	99925	755-2209
Crockett Home Daycare	Christopher	Crockett	3598 Sunset Drive	Kodiak	99615	486-2699
Gilbert's Day Care Home	Eddie	Gilbert	2328 Beaver Lake Loop	Kodiak	99615	486-3063
Irma's Day Care	Irma	Bravo	764 Lily Drive	Kodiak	99615	486-8586
Kathy's Child Care	Kathleen	Jorritsma	3430 Antone Way	Kodiak	99615	486-6330
Kodiak Base Child Development Center	Karen	Perkins	Bldg N-41 Mary Island Way	Kodiak	99619	487-5481
Parkside Daycare	Kathy	Huling	1619 Simeonoff Street	Kodiak	99615	486-4872
Patti Millman	Patti	Millman	2726 Thurston #55	Kodiak	99615	486-5089
Paty's Child Care	Patricia	Helms	1422 Mission Road	Kodiak	99615	486-3810
Shirley J. Pruitt	Shirley J.	Pruitt	935 Hilltop Drive	Kodiak	99615	486-3773
Small World - East Site	Lael	Wendover-Martin	East Elementary School	Kodiak	99615	486-5531
Small World North Star After School	Lael	Martin	North Star Elementary School	Kodiak	99615	486-5531
Small World, Inc.	Lael	Wendover-Martin	1220 Rezanof Drive	Kodiak	99615	486-5531
Daycare	Carolyn	Weise	1944 E. Rezanof Drive	Kodiak	99615	486-8775
The Children's House	Bernice	Foster	633 A Bison Street	Kotzebue	99752	442-3157
Metlakatla Day Care Center	Tamara	Horne	612 Milton	Metlakatla	99926	886-7836
Nikiski Day Care Center	Brad	Rogers	Mile 18 Kenai Spur Highway	Nikiski	99635	283-1604
Creative Learning Child Care Center	Victoria	Erickson	880 6th Avenue East	Nome	99762	443-7061
Peggy's Day Care	Margaret	Pomrenke	755 East 4th Avenue	Nome	99762	443-2294
All God's Children			900 Lakloey Drive	North Pole	99705	488-8463
Kandy Kane Kids	Susan	Hanson	3950 Trent Ave	North Pole	99705	488-2787
Kid 'N Around	Stephanie	Copeland	.5 Mile Badger Road (E-3)	North Pole	99705	490-4760
Klondike Kids	Wanda	Peterson	390 S. Santa Claus Lane	North Pole	99705	488-7617

Loving, Learning Day Care			3613 Laurance Road	North Pole	99705	490-5950
Marshall, Laura	Laura	Marshall	3169 Snowshoe Lane	North Pole	99705	488-6997
North Star Learning Center	Lori	Kennard	500 E. 5th Avenue Ste. A	North Pole	99705	488-7627
Precious Times	Janice	Borkovec	2361 Newby Rd	North Pole	99705	488-3929
Prime Time Too	Wanda	Peterson	2E 74 Elvira Avenue	North Pole	99705	488-7466
Rainbow's End Lakloey			970 Lakloey Drive	North Pole	99705	488-8339
Rainbows End North Pole	Kelly	Oines	235 N. Santa Claus Lane	North Pole	99705	488-8384
Step Ahead Preschool	Tammy & Laura	Roberts & Wilson	1162 Kiowa Court Road	North Pole	99705	488-0163
Taler Tots Day Care			2053 Blackstone Road	North Pole	99705	488-0814
Tigger's Friends	Kimberly A.	Ford	3433 Kaltag Street	North Pole	99705	488-3937
Treasured Times Day Care			3445 Virginia	North Pole	99705	488-4565
Alaska Job Corps Campus CFDC	Mark	Lackey	750 Cope Industrial Way	Palmer	99645	746-8816
Bulte Lit'l Critters Child Care	T. Arlie	Reed-Lewis	1635 N. Alternate Glenn	Palmer	99687	746-7095
Cay's Playhouse	Paula	Brown	503 Jepson Circle	Palmer	99645	746-4786
Kid's Zone			1254 S. Rebecca Drive	Palmer	99645	746-6178
Little Friends Child Care			1310 North Cedar Hills	Palmer	99645	745-2116
Mouse Trap Playschool	Marlene	Nolin	517 South Cobb Street	Palmer	99645	745-1803
Palmer Children's House	Verna	Euwer	317 West Eagle & 1st Street	Palmer	99645	745-3318
Palmer Head Start	Kimberly	Bergey	248 East Fireweed	Palmer	99645	746-4483
Profiles of Excellence Child Care Center	Barbara	Gerard	260 S. Cobb Street	Palmer	99645	745-2349
School	Barbara	Gerard	260 S. Cobb Street	Palmer	99645	746-2349
Rays Child Care Palmer/Wasilla Hwy	Natalie	Ray	Highway	Palmer	99645	745-4875
Ray's Child Care - Wasilla Site	Natalie	Ray	1051 E. Bogard Road	Palmer	99645	373-4875
Small Wonders Child Care	Sandra	Manrique	1/4 Mile Marley Road	Palmer	99645	746-0965
Tiny Toes Day Care Home	Anita	Gilmore	20920 Chickadee Lane	Peters Creek	99567	688-5588
Dietra's Home Daycare			103 Bernice Lane	Petersburg	99833	772-3234
Island Kid Care			110 Kings Row	Petersburg	99833	772-2441
Petersburg Children's Center			404 Dolphin Street	Petersburg	99833	772-3419
Daystar Daycare and Preschool	M. Diane	Clark	305 Coolidge Drive	Seward	99664	224-8441
Lil Kritter's Day Care and Preschool	Marsha	Ambacher	310 A Street	Seward	99664	224-5400
Roo's Rascals	Brenda	Ross-Watkinson	216 B 4th Avenue	Seward	99664	224-8432
2 Moms Daycare			402 DeArmond Street	Sitka	99835	747-7972
3-5 Preschool, Inc.	Anne	Morris	505 Sawmill Creek Rd	Sitka	99835	747-6898
Betty Eliason Child Care	Debbie	Eisenbeisz	607 Lincoln Street	Sitka	99835	747-5892
Busy Bodies Day Care			1729 Edgcumbe Drive	Sitka	99835	966-2691
Cyndi's House			#21	Sitka	99835	747-5905
Daisyland Day Care	Iiona	Davidson	Lot C	Sitka	99835	747-4785
Donell S. Nelson			600 Lake Street	Sitka	99635	747-1014
Lots-4-Tots Home Day Care			446 Kallian Street	Sitka	99835	747-3960
Luchinetti Home Child Care			306 Charteris Street	Sitka	99835	747-3731
Mt. Edgcumbe Preschool			430 Fairway Avenue	Sitka	99835	966-2675
Rhonda's Little Angel's			435 Verstovia Street	Sitka	99835	747-5102
SEARHC Childcare Center			1205 Seward	Sitka	99835	966-2449
Sheldon Jackson Child Care Center	Lolly	Miller	Alice Island 601 Loop Road	Sitka	99837	747-2700
Venture Program Sitka	Sitka School District		601 Etolin Street	Sitka	99835	747-8670
Little Cherubs Daycare			8th & Slate Street	Skagway	99840	983-2386

Little Dippers Daycare Center	Jennifer	Haugh	23rd Street and Main Street	Skagway	99840	983-2667
Baby Beluga Child Care	Kathi	Garcia	353 W. Beluga Street	Soldotna	99669	262-9309
Children Learn and Play Center	Aileen	Angeles	40115 Boulder Park Lane	Soldotna	99669	262-2174
Creative Play and Preschool - Soldotna	John & Karen	Gensel	125 East Redoubt Avenue	Soldotna	99669	262-7529
Grandma's House	Lynda	Callahan	387 Lupine Avenue	Soldotna	99669	262-1557
Hope for the Future	Virginia	Robinson	108 Parkwood	Soldotna	99669	262-4731
Jellybeans n' Jesus Child Care			398 W. Corral Avenue	Soldotna	99669	262-5683
Kate's Play & Learning World			36162 Dawn Drive	Soldotna	99669	260-3863
Little Peoples Learning World	Jeff	Baker	35095 Huntington Drive	Soldotna	99669	262-4113
Soldotna Kiddie Kare	Anita	Finch	34115 Misty Place	Soldotna	99669	262-5434
Son Shine House	Linda	Campanella	185 Shady Lane	Soldotna	99669	262-1071
The Playhouse	Laurie	Mead	47075 Harvard Avenue	Soldotna	99669	262-1889
Whisper Lake Preschool and Child Care	Gloria	Fullenwider	37155 Caleb Drive	Soldotna	99669	262-1369
Sutton Day Care Center	Tracy	Jamison	Chickaloon Way	Sutton	99674	746-2100
Presc	Doralie M.	Wallis	Mile 1.9 Talkeetna Spur Road	Talkeetna	99676	733-5437
Blair Family Child Care			1300 Federal Way #13	Thorne Bay	99919	828-3451
Unalaska Child Care Center	Terry	Quirk	187 Steward Road	Unalaska	99685	581-5437
Puffin Learning Center	Lori	Saylors	319 Egan, Suite 1	Valdez	99686	835-5160
Burchell High School Day Care	Verda	Barrett	1775 West Parks Highway	Wasilla	99654	376-1555
Candice's Childcare			345 W. St. Ives Circle	Wasilla	99654	357-0336
Colonial Park Childcare	Stacey	Fielder	920 Plymouth Circle	Wasilla	99654	373-3888
Denali Gymnastics and Fitness, Inc.	Pamela	Geary	715 West Parks Highway	Wasilla	99654	373-3547
Donna's Daycare	Donna	Maddocks	4300 Snider	Wasilla	99687	373-8074
Educational Day Care	Melissa	Keil	4450 Birchwood Drive	Wasilla	99687	376-7529
Kaleidoscope Corner	Carol	Jensen	901 Leatherleaf Loop	Wasilla	99687	376-2510
Lady Bugs Day Care			6390 S. Aurora Drive	Wasilla	99654	357-0129
M & M's Playhouse	Deborah	Nardini	1025 N. Vicki Way, #12	Wasilla	99654	376-2468
Meadow Lake CFDC	Beverley	Roach	Mile 49 Parks Highway	Wasilla	99687	373-7165
Noah's Ark Child Care	Vickie	Liptak	131 E. Spruce Avenue	Wasilla	99654	376-2345
Ondrea's Daycare	Ondrea	Graves	3291 Oronoco Court	Wasilla	99687	373-1639
Robin's Nest	Robin	Reno	2511 Schrock Road	Wasilla	99654	373-6757
Snowflake Child Care			681 Mountian Ash Street	Wasilla	99654	373-8645
Stepping Stone Child Care	Sharon	Ford	1701 N. Seward Meridian	Wasilla	99654	376-1166
Turning Point Child Care Center	Marlene	Wright	1801 Wasilla Fishhook	Wasilla	99687	357-8876
Wasilla CFDC	Marvella	Webster	2100 E Foundry Way	Wasilla	99654	373-7795
Dawnie's Day Care	Dawn	Mill	835 Lemieux	Wrangell	99929	874-3618
Krissy's Playland	Kimmie	Smith	#6 Stough's Trailer Court	Wrangell	99929	874-3984
Little Tykes Day Care			583 Evergreen Avenue	Wrangell	99929	874-2999
Nettie's Daycare			5.2 Mile Zimovia Highway	Wrangell	99929	874-2779
Rinda's DayCare			#2 3rd Avenue	Wrangell	99929	874-2561

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 192
(S) Publish Date: 5/1/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title: Increase Child Care Grants BRU: Early Development
Component: Child Care Assistance & Licensing
Sponsor: Senator Pearce
Requester: S HESS Component Number: 2424

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	***	***	***	***	***
Miscellaneous						
TOTAL OPERATING	0.0	***	***	***	***	***

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		***	***	***	***	***
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	***	***	***	***	***

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would allow the child care grant to exceed \$50 per month for each full-time equivalent child in care as adjusted on a geographic basis. Only licensed providers may participate in the child care grant program. This increase takes effect in FY03.

Currently, only 350 of the 579 licensed facilities participate in the child care grant program given the level of funding. If the number of licensed providers participating were to remain constant in FY03, the increase necessary to fund the \$50 adjusted base rate would be approximately \$1.5 million. The department believes that an increased base rate would provide incentives for more child care providers to become licensed and projects that the number of licensed providers participating in the program in FY03 may exceed 700. The annual cost to provide funding for that number would exceed \$11 million for an increase of \$9 million over current funding levels. The asterisk denotes that there will be an increase; however, the department is unable to determine an amount. The projected costs range from \$1.5 million to as high as \$9 million in FY03.

Prepared by: Mary Stovall, Administrative Manager Phone (907) 269-4512
Division: Division of Early Development Date/Time 4/30/01 12:00 AM
Approved by: Yvonne Chase, Deputy Commissioner of Early Development Date 4/30/01
Agency: Department of Education & Early Development

For distribution information, call the Governor's Legislative Office

Senate HEALTH, EDUCATION & SOCIAL SERVICES Minute



Apr 30, 2001

SB 192-INCREASE CHILD CARE GRANTS

KRISTY TIBBLES, legislative assistant to Senator Drue Pearce, testified that SB 192 would increase the monthly base rate for child care from \$33.00 to \$50.00 per child and remove the \$50.00 cap that currently exists in the Child Care Grant Program. This is a state funded program that provides grants to licensed child care centers and homes for the benefit of the facility and the children. The grants are used for staff salaries, benefits, substitute staff, goods or services relating to the health nutrition and safety of children in care, age appropriate equipment and supplies and activities for the children.

CHAIRWOMAN GREEN reported she had heard from many child care providers in her community particularly as other state and federally funded programs receive substantial grants and training.

Side B

She's always encouraged to hear of increased opportunities for people to make a choice on child care.

YVONNE CHASE, Deputy Commissioner of Early Development for the Department of Education and Early Development, agreed that it is essential for small child care providers in particular to get the necessities to continue in business. Because this is a flexible pot of money, it allows for a wide variety of uses, which is of particular value to small providers.

Clearly, as the number of providers increases, the base rate decreases if the current level of appropriation stays the same. Because the department doesn't know how the final bill will be configured, they have submitted a fiscal note that reflects a range of costs depending upon whether just current licensed providers in the child care grant program receive a base increase or whether current and new program members are included. She emphasized that this is not an entitlement.

CHAIRWOMAN GREEN asked whether there is a possibility that child care providers will simply drop out of the business altogether causing a shortage of care givers.

DEPUTY COMMISSIONER CHASE said that all states are finding that because this is such a low pay industry, it is difficult to attract and retain quality people. Small providers feel this may be the only money that may allow them to increase salaries, provide training and perhaps offer some health insurance.

CHAIRWOMAN GREEN asked whether the language in this legislation could change a grant to an entitlement program.

DEPUTY COMMISSIONER CHASE was not certain whether the language would make it an entitlement but this is why they gave a range on the fiscal note.

CHAIRWOMAN GREEN responded this might be an optional grant program, which would keep it from being an entitlement. She then read the following: "A grant under (a) of this section shall be \$50.00 per month for each child the child care facility cares for, or for each full time equivalent as determined by the department." She then asked whether that was an entitlement.

DEPUTY COMMISSIONER CHASE replied that currently and in the past, a child care grant is not an entitlement. They have increased the rate and limited the number of providers who may participate depending on the amount of funds available.

CHAIRWOMAN GREEN then asked Ms. Tibbles whether she could clear up the confusion since she did not want to "change a may to a shall if that's not the intention."

MS. TIBBLES replied that Senator Pearce's intention was to make the base level \$50.00 and then apply geographic adjustments. She is not sure about what she meant by entitlement.

CHAIRWOMAN GREEN said a comparable entitlement would be Medicaid. If seven people came in for service then seven people receive the service. Anyone who meets the qualifications automatically qualifies, so it is not possible to determine how many people will qualify ahead of time. If this is the case, she wanted to make sure that the fiscal note reflects that adequately.

She pointed out they could pass the measure along and let the Finance Committee make the decision.

DEPUTY COMMISSIONER CHASE closed by saying that the department is supportive of the Child Care Grant and also of the increase of the base rate. She wanted to make sure it was understood that as the number of providers increases, those same funds are spread across more providers and the base rate goes down.

CHAIRWOMAN GREEN said, "That's the difference in [an] entitlement program. Nothing goes down; just the total amount goes up every time someone else walks through the door."

JOY LYON, President of Alaska Chapter of the National Association of the Education of Young Children (AAEYC) represents individuals and groups across the state that are concerned about young children. She testified in strong support of SB 192. Grant funds are typically used for staff salaries that average just \$8.14 per hour. An increase in the base rate is needed to help attract and hold quality staff and reduce the current 40 percent turnover rate. Additionally, the Child Care Grant is the only incentive for family child care providers to become licensed.

Number 507

GWENI MAKI, owner and director of the ABC Child Care Center, testified in support of SB 192. The increase in the base rate would allow her to improve salaries for her staff to decrease staff turnover.

SENATOR WILKEN wanted to cover several finance issues that would be developed further when the bill is heard in the Finance Committee. First he pointed out this is a \$34.528 million program. The legislature and administration can take pride in the fact that by midyear 2001 there is no longer a wait list for day care.

In 2000, the grant program was \$1.7 million and in 2001 it was

\$2.25 million and in 2002 it is \$3.7 million which means a base rate of \$23.00 in the first year, \$33.00 in the second and with the monies appropriated in 2002 it will rise to about \$40.00. This reflects extraordinary growth in the grant program and really shows you the impact of this bill. When you multiply the area cost differential by \$33.00 you get about \$48.00 per day for those areas with high costs. When you use \$40.00 and use the same area cost differential you get \$58.00. Therefore, the \$50.00 cap locks in people with higher costs at \$50.00. Raising the base rate to \$50.00 would mean those same people would get somewhere around \$78.00 per day making this a very expensive bill.

With the increase from \$23.00 to \$33.00, he wanted to receive information on how that money was used. He sent a letter to 50 child care providers in Fairbanks asking them how they used the extra money and he received a response from just three providers. He said he would try again and expected to receive an answer.

Next, he expressed disappointment in the fiscal note. He thought it was possible to take the existing day care population and multiply it by the higher number, which would give the fiscal impact today.

DEPUTY COMMISSIONER CHASE replied that was the reason for the range in the fiscal note. The lower end represents moving the individuals currently on the program up to the \$50.00 base rate that is adjusted for their area of operation.

SENATOR WILKEN asked whether that was the \$1.5 million.

DEPUTY COMMISSIONER CHASE said it was the additional funds bringing the total up to \$3.7 million. Next she showed the total estimated population that is available to apply for the grant if it were open to all licensed providers and they opted to apply. In years past, she thought many did not apply because the small amount of money available was not worth the additional paperwork. As the rates increased, more providers returned to the program.

SENATOR WILKEN cautioned her to have a better fiscal note when the bill was heard in the Finance Committee.

DEPUTY COMMISSIONER CHASE agreed to do so.

SENATOR WILKEN then pointed out that several years ago, with HB 40, daycare moved to the Department of Education providing a starting point in government. The legislature wants to be able to look back ten years from now to evaluate the costs. During the interim they will be working with the department so that next year there will be more information about what providers are doing or plan to do with the money. Since this is an expensive but necessary program there needs to be accountability. With that, he reiterated his support for the program.

CHAIRWOMAN GREEN said one of her concerns is that there tends to be a disincentive for private daycare providers. She does not want all providers to be government directed programs. She wants to equalize the gift to Head Start and Boys and Girls Club but does not want to put others out of business. It is her preference to allow individuals a choice of child care options.


SENATOR WARD moved SB 192 and accompanying fiscal note from committee with individual recommendations.

There being no objection, the bill moved from committee.

Bill Root: Display Bill Root



TO REPORT PROBLEMS WITH BASIS INQUIRY

LIVE KTOO STREAMS 

[Return to Basis Main Menu \(22 Legislature\)](#)

[Return to Legislature Home Page](#)

**Anchorage Community YMCA**

at Jay Flood Memorial Park • 5353 Lake Otis Parkway • Anchorage, Alaska 99507 • (907) 563-3211 • Fax 563-5739

March 19, 2002

Dear Legislators;

The Anchorage Community YMCA operates a drop-in nursery, a child development center and before-and after school programs, all of which are licensed. In the past few years our school-age program has dropped from a high of fourteen sites to the present eight as we closed smaller sites because we no longer can afford to operate any site at a lose. We presently serve over 350 children and their families each month. Thanks to the Child Care Grant Program, we are able to pay for more qualified staff, better equipment and supplies without raising the fees for participants.

Sponsor Substitute for House Bill 292 makes it possible for the Legislature to increase support of Alaska's childcare facilities. HB 292 allows the State to increase the grants awarded to childcare facilities for quality measures under the Child Care Grant Program.

Representative Joe Hayes shows, by his support of this bill, that he truly understands the need to pay for quality childcare without passing the entire cost on to working families. Passage of this bill is an important step towards building strong kids, strong families and a strong community, the very vision of the YMCA.

Sincerely,

Kevin Curtis
Executive Director

The Anchorage Community YMCA is a non-profit, non-denominational member organization committed to improving the quality of life of individuals, families, and the community through programs that enhance spirit, mind and body.



United

HOUSE COMMITTEE REPORT

(7)
Date Referred to Committee: February 1, 2002

FURTHER REFERRALS: Finance

Date of Committee Action: 3.28.02

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered: SSHB 292

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 292 INCREASE CHILD CARE GRANTS

"An Act relating to child care grants; and providing for an effective date."

Recommends it be replaced with CS () [] Same Title [] New Title
For Senate Bills with new title: [] Technical Title [] New Title: HCR _____

- [] attach amendments
- [] add new referral to _____ Committee
- [] Letter of Intent _____ Committee

List of Abbrev. for Depts.:
ADM
CED
COR
CRT
EED
DEC
DFG
GOV
HSS
LAA
LAW
LWF
MVA
DNR
DPS
REV
DOT
UA

<u>NEW FISCAL NOTES</u>				
*For Chief Clerk's Office Use Only				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
EED				✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
<i>Vicki Hochman</i>	Kohring		X		
<i>John Callahan</i>	Loggins			✓	
<i>John McMillan</i>	CISSNA	✓			
<i>Theresa Spaul</i>	Joule	✓			
<i>Paul Ryan</i>	Dyson			✓	
Chair: <i>Paul Ryan</i>	Dyson			✓	
Chair:					

HB

301

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
119 N. Cushman, Suite 211
Fairbanks, AK 99701
(907)-456-5081
Fax# (907)-456-8245



Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 102

REPRESENTATIVE JOHN COGHILL

Date: January 22, 2002
To: Representative Fred Dyson, Chair House ~~HESS~~
From: Representative John Coghill *JB*
Re: HB 301

I am requesting a hearing for HB 301. All relevant information is attached. Thank you for your consideration.

ALASKA STATE HOUSE OF REPRESENTATIVES



Contact:

Interim Address:

119 N. Cushman, Suite 211

Fairbanks, AK 99701

(907)-456-5081

Fax# (907)-456-8245

Session

(907)-465-3719

FAX# (907)-465-3258

State Capitol

Room 102

REPRESENTATIVE JOHN COGHILL

HB 301 Noncash Credit for Child Support

HB 301 is introduced to give credit where credit is due. This legislation recognizes that there are other means of support outside cash payments. I think it is appropriate to count value in noncash contributions that help a person support their family.

This also recognizes the dignity of self-sacrifice in providing even when cash is not available. If a person can provide firewood, fish, labor or game meat that is significant support for family needs, I think that this should be recognized as real child support.

Under current state laws this person received no credit on their child support account with Child Support Enforcement Division (CSED). While a person may be working hard to provide for their children, a cash payment is the only thing we recognize. I hope we can work out a solution to this issue. Therefore, I commend HB 301 for your discussion and perfecting.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB301
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Non-Cash Child Support BRU Child Support Enforcement
 Component Child Support Enforcement
 Sponsor Representative Coghill
 Requester House HESS Committee Component No. 111

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	1,134.4	398.7	398.7	398.7	398.7	398.7
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1,134.4	398.7	398.7	398.7	398.7	398.7

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	756.2	265.8	265.8	265.8	265.8	265.8
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	378.1	132.9	132.9	132.9	132.9	132.9
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	1,134.4	398.7	398.7	398.7	398.7	398.7

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	16.5 FTE	-10				
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The personal services increment is for the additional staff that would be required to handle the significant workload expected from this legislation (additional staff at the Child Support Enforcement Division and the collections section of the Department of Law). The division expects that 10 percent of its eligible cases would request participation in this new in-kind child support program, requiring substantial staff work in the first year. After the first year, the division expects it could handle the ongoing casework with substantially less staff (6.5 FTE) than it would require in the first year of the new program (16.5 FTE).

See attached summary for further explanation.

Prepared by: Barbara Miklos, Director Phone 269-6800
 Division Child Support Enforcement Division Date/Time 1/28/02 4:48 PM
 Approved by: Larry Persily, Deputy Commissioner Date 01/28/2002
 Agency Department of Revenue

House Bill 301

Assumptions in Estimating the Workload and Preparing the Fiscal Note

1. A schedule would be produced and maintained by another state agency for assigning values to various natural resource products that might be credited as in-kind child support.
2. Experts in evaluating the quality and quantity of such products would be available in every locale in which a custodial parent lives who might receive in-kind child support. These experts would be called "Monitors," and the division assumes these would be unpaid volunteers.
3. The legislature would provide definitions of critical terms such as "primarily non-cash lifestyle," "basic food, housing or heat" and "basic material needs."
4. CSED would establish an "In-Kind Program" for families who wish to use in-kind products for child support.
5. Only families where all parties live in Alaska would be eligible.
6. Families would apply to the program. An application would have to be completed and signed by both parents, and the Monitor.
7. Once established in the program, families would request credit every time the custodial parent received an in-kind contribution. The credit request would have to be signed by both parents and the Monitor.
8. In FY 2003, 10 percent of total eligible existing cases will request inclusion in the program.
9. About one-third of these will be determined by CSED to be ineligible.
10. Somewhat more than half of these will appeal.
11. About one-fourth of these will prevail in the appeal process.
12. About half of the child support orders involved will be court orders, and about half will be administrative orders.
13. Each family will request credit for two in-kind contributions per year.
14. About 10 percent of the requests will be denied.
15. About two-thirds of these will appeal.
16. About one fourth of these will prevail in the appeal process.
17. Similar experience will occur in new child support cases.
18. In FY04, the new cases experience will be the same as FY03. However, additional existing cases requesting modifications of their orders in order to participate will be about 1 percent of total eligible cases.
19. An equal number of families with existing cases will withdraw or not participate in the program.
20. Similar assumptions are made for FY05 through FY08.
21. Federal matching funds will be available at the usual ratio of approximately two dollars in federal funding for each one dollar in state money.

In-kind child support cases would be handled in the following manner, and would require, on average, the following amount of staff time to complete:

Existing Cases

Eligibility determination:

A. Adjudicator - 3 hours

1. Completed application received and reviewed
2. Evaluation of cash/non-cash lifestyle, including research of:
 - a. Review village/area of residence
 - b. Economic stability of area
 - c. Job history of the non-custodial parent
 - d. Are custodial parent and children on TANF?
 - e. Do the custodial parent and children live in an environment where in-kind food, housing or heat are basic needs?

If decision is appealed:

B. Hearing Officer - 1.5 hours

Modification of order in established cases:

Court Orders

A. Caseworker – 3 - 4 hours

B. Assistance Attorney General - 10 hours

Administrative Orders

A. Caseworker – 3 - 4 hours

Process credit requests:

A. Caseworker - 1 hour

1. Completed request received and reviewed
 - a. Request approved or denied
 - b. Letter sent out

If decision is appealed:

B. Caseworker - 0.5 hour

1. Preparation of affidavit

C. Assistant Attorney General - 10 hours

D. Caseworkers - 1.5 hours

1. Decision Posted
2. Adjustments

New Cases

Eligibility determination:

A. Adjudicator - 3 hours

1. Completed application received and reviewed
2. Evaluation of cash/non-cash lifestyle – research:
 - a. Review village/area of residence
 - b. Economic stability of area
 - c. Job history of the non-custodial parent
 - d. Are custodial parent and kids on TANF?
 - e. Do the custodial parent and kids live in environment where in-kind food, housing or heat are basic needs?

If decision is appealed:

B. Hearing Officer - 1.5 hours

Process credit requests:

A. Caseworker - 1 hour

1. Completed request received and reviewed
 - a. Request approved or denied
 - b. letter sent out

If decision is appealed:

B. Caseworker - 0.5 hour

1. Preparation of affidavit

C. Assistant Attorney General - 10 hours

D. Caseworkers - 1.5 hours

1. Decision posted
2. Adjustments

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
119 N. Cushman, Suite 211
Fairbanks, AK 99701
(907)-456-5081
Fax# (907)-456-8245



Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 102

REPRESENTATIVE JOHN COGHILL

Date: February 8, 2002

To: Terri Lauterbach, Leg Legal

From: Rynnieva Moss, Legislative Aide *Rynnieva Moss*

Re: Work Order # LS1196\F

Everybody likes the idea of this legislation, including the native organizations. What they object to is the fair market value. In discussing this dilemma with various people, Wes Keller came up with a solution I think can work.

Under existing statute [Sec. 25.27.065(a). Waiver of child support.] a custodial parent can sign a waiver agreement to waive past child support. We would like to revise HB 301 so that the custodial parent and the noncustodial parent agree on the value of the noncash contribution. The custodial they then sign a waiver agreement to deduct that amount from the account.

Additionally, we would like language that would require child support to do this even when the custodial parent is on public assistance. There is an exemption under AS 25.27.065 to the waiver if the custodial parent is on public assistance.

The circumstances of qualification would not change.

Could you please prepare a committee substitute to implement this process.

Thanks,

A handwritten signature in cursive script, appearing to read "Rynnieva Moss".

HB

309

**REPRESENTATIVE
MIKE CHENAULT**

STATE OF ALASKA



Official Business

Interior:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 469-3779
Fax: (907) 465-2833

HOUSE OF REPRESENTATIVES

January 23, 2002

TO: Fred Dyson, Chair
House Health and Social Services Committee

FROM: Representative Mike Chenault

A handwritten signature in cursive script, appearing to read "Mike", written over a circular stamp or mark.

Please consider this a request for a hearing on House Bill 309 " An Act relating to the Interstate Compact on Placement of Children".

**REPRESENTATIVE
MIKE CHENAULT**

STATE OF ALASKA



HOUSE OF REPRESENTATIVES

Official Business

Interim:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 468-3779
Fax: (907) 465-2833

SPONSOR STATEMENT

The Division of Family and Youth Services has been transferring in and out of the State of Alaska in violation of the Interstate Compact on the Placement of Children.

This bill would tighten the requirements of the Compact and will increase the penalties for violations.

REPRESENTATIVE
MIKE CHENAULT

Interim:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075



STATE OF ALASKA

HOUSE OF REPRESENTATIVES

Official Business

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 489-3779
Fax: (907) 465-2833

Sectional Analysis of House Bill 309

The proposed changes to the Interstate Compact on Placement of Children in House Bill 309 is two-fold.

First, it requires the sending and receiving state to have **IN WRITING** prior to sending or receiving a child, an agreement outlining the child's needs, and a home study of the receiving state.

The Division of Family and Youth Services have been accepting and originating transfers of children with verbal agreements. Page 2, lines 6-8 would prohibit that activity.

The second and final change would increase the penalty of any person who sends or brings or causes a child to be sent from or brought into the State of Alaska in violation of the Interstate Compact on Placement of Children shall face increased penalties, both financial and penal.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 309
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
Title: RELATING TO THE INTERSTATE COMPACT ON PLACEMENT OF CHILDREN BRU: Purchased Services
Component: Residential Child Care
Sponsor: CHENAULT
Requestor: HOUSE (HES) Component Number: 253

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	240.3	240.3	240.3	240.3	240.3	240.3
Miscellaneous						
TOTAL OPERATING	240.3	240.3	240.3	240.3	240.3	240.3

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

CHANGE IN REVENUES (0)						
---------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	240.3	240.3	240.3	240.3	240.3	240.3
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--do not abbreviate)						
TOTAL	240.3	240.3	240.3	240.3	240.3	240.3

Estimate of any current year (FY2002) cost: _____

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This proposed legislation amends AS 47.70, the Alaska statute governing the Interstate Compact on the Placement of Children (ICPC). The ICPC is a federal law that establishes procedures for the interstate placement of children and fixes responsibility for those involved in placing the child.

HB 309 would require the department to send originals of documents, whenever a receiving state requests supplemental information pursuant to the ICPC. In addition, the legislation prohibits the department from accepting a child from another state unless the sending state provides original documents. It also requires the department to maintain original written agreements with other states and determines the penalty for violations of the Interstate Compact.

Prepared by: Mike Lesmann Phone _____
Division: Family & Youth Services Date/Time _____
Approved by: Elmer A. Lindstrom, Deputy Commissioner Date 01/28/2002
Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. HB 309

ANALYSIS CONTINUATION

The process of requesting, receiving, and sending original supporting documentation would significantly delay the placement of children in custody with parents, relatives and other potential permanent placements. Placement for children in need of residential psychiatric treatment would also be delayed. These requests would be made to public and private providers, many of whom would not be able to release originals. Original documents would have to be requested from psychiatrists, psychologists and other health care providers. The delays in processing these requests would cause a minimum of two weeks delay in the placement of children. These delays would also increase the costs of providing additional foster care, residential care and inpatient hospitalization services, while the children are awaiting placement.

These delays would also affect parents of non-custody children who are placing their children in residential treatment programs in other states. In addition, private national and international adoptions would also experience these delays as well as additional costs.

Other sending states may not be able to send original supporting documentation requested by this department, thus preventing the placement of children with parents, relatives and other potentially permanent homes in Alaska.

The Secretariat to the Association of Administrators of the Interstate Compact on the Placement of Children has provided a legal analysis of the proposed amendment. We have attached this report to our analysis. According to the Secretariat, each of the four provisions of Section 1 of HB309 would conflict with the provisions of the ICPC. The ICPC is not only state law, it is an interstate compact between the jurisdictions that have adopted it. Interstate compacts are, in addition to being compacts, contracts between the states that have adopted the compacts. Since compacts are also contracts between the states, compacts take precedence over state laws that conflict with an interstate compact. When such a conflict occurs, the statutory provision that conflicts with the compact is invalidated. Since all of these provisions conflict with the ICPC, they would likely be invalidated if challenged in a legal proceeding.

The department estimates that the proposed legislation would affect approximately 99 Interstate Compact on Placement of Children (ICPC) placements in FY2003. The department anticipates the original supporting documentation requirement would cause a delay of up to 14 days in placing or transferring children out-of-state. This would result in children remaining in Residential Care Facilities additional days, at an added projected cost of \$240.3 in FY2003. Grant funds would be used for the additional Residential Care Facilities services created by the delay in ICPC placements. An estimated 41 children would remain in residential care facilities at a projected cost of \$240.3.

REPRESENTATIVE
MIKE CHENAULT

Interim:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075



HOUSE OF REPRESENTATIVES

Official Business

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 468-3779
Fax: (907) 465-2833

SECTIONAL ANALYSIS
OF
HOUSE BILL 309
CHANGES ONLY

Section 47.70.040 Agreements is amended to read, " an agreement under this section must be in writing, and an original of the agreement shall be held in the files of the department". This simply means that the Division of Family and Youth Services must obtain in writing and NOT VERBAL approval for the movement of children in and out of the State of Alaska.

Section 47.70.070 Violations of Compact is amended to read "a definite term of imprisonment of not more than 180 days and a fine of not more than \$1,000 for each violation. Each day that a child is in this state of a party state due to a violation of the compact is a separate violation for purposes of this section." This means that if an employee of the Division of Family and Youth Services is found to be in violation of the Interstate Compact on the Placement of Children the fine shall be increased, and each DAY a child is misplaced shall be considered a violation.

22-LS1218\F
Lauterbach
2/5/02

CS FOR HOUSE BILL NO. 309()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES CHENAULT, Dyson

A BILL
FOR AN ACT ENTITLED

"An Act relating to the Interstate Compact on Placement of Children."

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

*** Section 1. AS 47.70 is amended by adding a new section to read:**

Sec. 47.70.035. Documentation required. (a) When the Department of Health and Social Services is the sending agency and supporting documentation is requested by the receiving state under art. III(c) of the Interstate Compact on the Placement of Children, the department shall supply to the receiving state a certified copy of the documents requested. When the Department of Health and Social Services is intended to be the receiving agency under the compact, the department may not accept placement of the child unless documentation requested under art. III(c) of the compact is supplied in the form of certified copies. Oral information, facsimiles, uncertified photocopies, and internet communications are not considered to be in the required form for purposes of this section.

(b) Each agreement under which the Department of Health and Social Services is the sending or receiving agency for a particular child must be in writing,

1 and a certified copy of the agreement shall be held in the files of the department for
2 each child sent from or brought into this state by the department under the Interstate
3 Compact on the Placement of Children.

4 * Sec. 2. AS 47.70.040 is amended to read:

5 Sec. 47.70.040. **Agreements.** The officers and agencies of this state and its
6 subdivisions having authority to place children are empowered to enter into
7 agreements with appropriate officers or agencies of or in other party states under art.
8 V(b) of the Interstate Compact on the Placement of Children. An agreement under
9 this section that includes the Department of Health and Social Services as a party
10 must be in writing, and a certified copy of the agreement shall be held in the files
11 of the department.

12 * Sec. 3. AS 47.70.070 is amended to read:

13 Sec. 47.70.070. **Violations of compact.** A person who sends, brings, or
14 causes to be sent or brought into this state from any party state, or from this state into
15 any party state, a person under the age of 19, in violation of the Interstate Compact on
16 the Placement of Children, is guilty of a misdemeanor, and upon conviction is
17 punishable by a definite term of imprisonment of not more than 180 days and a
18 fine of not more than \$1,000 for each violation. Each day that a child is in this
19 state or a party state due to a violation of the compact is a separate violation for
20 purposes of this section [\$200].
21

STATE OF ALASKA

REPRESENTATIVE
MIKE CHENAULT

Official Business

Interim:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 469-3779
Fax: (907) 465-2833

HOUSE OF REPRESENTATIVES

February 7, 2002

TO: Representative Fred Dyson, Chair
Health and Social Services Committee

FROM: Representative Mike Chenault 

RE: House Bill 309

Please consider this a request to hear House Bill 309 on Tuesday, February 12, 2002. My staff is awaiting legal opinions and documentation from the Alaska Court System, South Carolina, Arizona, Washington D.C. and Kentucky. In light of the last HESS meeting I feel this documentation is necessary to present this bill.

I would like to take this opportunity to express my appreciation in allowing my staff to make this presentation.

STATE OF ALASKA

**REPRESENTATIVE
MIKE CHENAULT**



Official Business

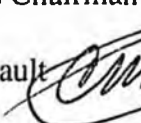
Interim:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 469-3779
Fax: (907) 465-2833

HOUSE OF REPRESENTATIVES

February 12, 2002

TO: Representative Fred Dyson
Health and Social Services Chairman

FROM: Representative Mike Chenault 

RE: House Bill 309

My staff has requested legal opinions from several different firms regarding issues, which were addressed a week ago in committee. We were hoping the information would be complete to proceed today with the hearing on HB 309, unfortunately copies of files are not in hand this morning. We have exercised due diligence in our attempts to get the legal opinions we need to support our concerns. Some information has been requested from Washington D.C. and simply takes time to arrive.

We have concerns as the Division represented that the Smith case did not become an ICPC case until after the child was allowed to leave the State of Alaska on August 3, 2001. In fact the first ICPC documents were filed in May 2001.

We would appreciate it if you would schedule HB 309 for a week from today.

We regret the delay and appreciate your understanding.

February 19, 2002

TO: Representative Fred Dyson, Chair
House Health and Social Services

FROM: Representative Mike Chenault

RE: House Bill 309



Two organizations from Washington D.C. have a problem with their schedules this afternoon. They are clear for Thursday. Thank you. In light of the previous testimony I feel it is imperative they have the opportunity to speak.



Alaska State Legislature

Please enter into the record my testimony to the H H E S S
committee name

Committee on HB0309a A Bill, dated 3-5-02
bill # / subject

In the matter of I.C.P.C. the D.H.S.S.; shall & like us, as citizens, should be required by law to supply all documentation first not when its convenient for them, or, when availability is convenient.

Children entering this state or leaving this state must have the proper paper work in order to justify any transactions between another state. Oral information, facsimiles, photocopies, and internet communications could or may be construed as false documentation.

Only original documentation cannot be considered as false. This bill should be considered as important as receiving a drivers licence, applying for the permanent fund, enrolling children in school, and so on.

Protecting children is our job and allowing children to slip through the cracks of hearsay, and politics, is an abuse of

Signed: Vernon Lee Smith (Vernon Lee Smith)
Testifier

Representing (optional)

P.O. Box 8704 NIKISKI AK 99635
Address

(907)-776-8619
Phone number

Power. By presenting the proper paperwork in order in
relative time protects children and the laws that
Govern us



Alaska State Legislature

Please enter into the record my testimony to the H H E S S
committee name

Committee on HB0309a A Bill, dated 3-5-02
bill # / subject

In the matter of I.C.P.C. the D.H.S.S.; shall like us, as citizens, should be required by law to supply all documentation first not when its convenient for them, or, when availability is convenient,

Children entering this state or leaving this state must have the proper paper work in order to justify any transactions between another state. Oral information, facsimiles, photocopies, and internet communications could or may be construed as false documentation.

Only original documentation cannot be considered as false. This bill should be considered as important as receiving a drivers license, applying for the permanent fund, enrolling children in school, and so on.

Protecting children is our job and allowing children to slip through the cracks of hearsay and politics, is an abuse of

Signed: Vernon Lee Smith (Vernon Lee Smith)
Testifier

Representing (optional)

P.O. Box 8704 N. Kiski AK 99635
Address

(907)-776-8619
Phone number

Power. By presenting the proper paperwork in order, in relative time, protects children and the laws that Govern us



American Public Human Services Association

Association of Administrators of the Interstate Compact on the Placement of Children

ALASKA HOUSE BILL NUMBER 309

ANALYSIS OF THE SECRETARIAT TO THE ASSOCIATION OF ADMINISTRATORS OF THE INTERSTATE COMPACT ON THE PLACEMENT OF CHILDREN

January 11, 2002

A brief summary of sections one through three of House Bill Number 309 appears below. Immediately following the summary is a brief analysis of each section.

Section 1

Summary

Section 1 contains four discrete provisions, as follows:

1. the Department of Health and Social Services of Alaska would be obligated to send originals of documents whenever a state, in its capacity as a receiving state, requests that Alaska, in its capacity as the state of the sending agency, send additional documents to the receiving state pursuant to the authority of Article III(c) of the ICPC;
2. the Department of Health and Social Services of Alaska would be prohibited from allowing placements into Alaska when it had requested additional documentation from a sending state under the authority of Article III(c) and such documentation is either provided in any form other than original documents or is not provided at all;
3. for the purpose of supplying the documentation described in points #1 and #2, above, oral information, facsimiles, photocopies, and internet communications are prohibited from being considered original documents; and
4. each agreement wherein a child is placed from another state into Alaska or by Alaska into another state must be in writing and an original document memorializing each such agreement must be maintained in the Alaska Department of Health and Social Services.

Analysis The proposed bill would conflict with the ICPC substantially. Such conflicts for each provision in section 1 are as follows:

1. (a) Article III(c) of the ICPC allows the receiving state compact administrator to request supporting or additional information as it deems necessary. If the receiving state compact administrator deems the supporting or additional information that is necessary to be something other than original documents as defined by the proposed bill, then the proposed bill would restrict the additional information that can be furnished by Alaska to a much narrower class of information than the ICPC allows. This would represent a clear conflict with the ICPC.

(b) Article III(c) of the ICPC allows the receiving state compact administrator to request supporting or additional information from the sending agency or any other appropriate officer or agency of the sending state. The sending agency frequently is some person or entity other than the Alaska Department of Health and Social Services. By requiring the Department to send an original document upon the request of a receiving state compact administrator, the proposed bill would impose a duty on the Department to perform an act over which it would frequently have no control. The Department will not have original documents in its possession, but the proposed bill would require the Department to transmit the original document. This would represent a conflict in practice with the language in Article III(c) of the ICPC.

2. The prohibition on placements into Alaska unless documentation that is furnished to the Alaska compact administrator is in the form of original documents conflicts with the language of the ICPC. Article III(c) of the ICPC allows the receiving state compact administrator to request supporting or additional information—it is not restricted to occasions when original documents, as defined in the proposed bill, are furnished to the receiving state compact administrator. There are occasions when legitimate and intellectually respectable supporting or additional information could be helpful for a compact administrator to determine whether a placement will be approved, even though such supporting or additional information is not in the form of original documents. To the extent that the proposed bill would prohibit such supporting or additional information from being used, it would conflict with Article III(c) of the ICPC.

3. The proposed bill restricts the supporting documentation that can be supplied upon request so that it clearly excludes oral information, facsimiles, photocopies, and internet communications. Again, Article III(c) of the ICPC says that the receiving state compact administrator may request supporting or additional information. It does not restrict the information that may be requested to documents other than oral information, facsimiles, photocopies, and internet communications. In fact, such methods of communication may routinely be used by administrators as an acceptable business means of communicating crucial information. The definition would create a class of acceptable forms of communicating the requested information that is much narrower than the class of

information that is described in the ICPC. For that reason, the definition of original documents also conflicts with the language of the ICPC.

4. (a) The provision that requires each agreement for the placement of a child to be in writing is redundant. Article III(d) of the ICPC requires the receiving state compact administrator to notify the sending agency *in writing* (emphasis added) that the proposed placement of a child does not appear to be contrary to the interests of the child. The receiving state compact administrator sends this written notice on the ICPC-100A Form, which then becomes the agreement to place a child. Since there is already a statutory requirement for the agreement to place a child to be in writing, there is no need to add a provision to the statutes of Alaska that requires the agreement to be in writing.

(b) The ICPC requires a sending agency to indicate a proposal to place a child by filling out an ICPC-100A Form. The 100A Form is completed by writing on the top page of paper which is formatted to allow the writing impression made on the top page of the form to be impressed through five additional pages of the Form that are positioned underneath the top page. The top page becomes the original, and the other five pages become copies of the original. The AAICPC has adopted rules that require the original of the 100A Form to be returned to the sending agency when the ICPC referral process is complete. Only in cases wherein the Alaska Department of Health and Social Services is the sending agency for a child placed outside of Alaska would the Department have possession of the original of the 100A Form to place the Form in its files. In cases wherein Alaska is the receiving state or where the sending agency is some entity in Alaska other than the Department of Health and Social Services, the Department would not have the original of the agreement to place a child in its possession so that it could place the original document in its files. The Department would have a copy of the agreement. Therefore, this provision would signify a substantial conflict with the provisions of the ICPC.

Each of the four provisions of Article 1 of proposed Alaska House Bill Number 309 would conflict with the provisions of the ICPC. The ICPC is not only state law, it is an interstate compact between the jurisdictions that have adopted it. The U.S. Constitution recognizes that interstate compacts are, in addition to being compacts, contracts between the states that have adopted the compacts. Since compacts are also contracts between the states, compacts take precedence over state laws that conflict with an interstate compact. When such a conflict occurs, the statutory provision that conflicts with the compact is invalidated. Since the provisions of Article 1 of proposed House Bill Number 309 all conflict with the ICPC, they would likely be invalidated if challenged in a legal proceeding.

Section 2

Summary This section states that the officers and agencies of Alaska and Alaska's subdivisions who have authority under Alaska law to place children would be authorized to enter into agreements with officers or agencies located in other states that have adopted the ICPC. The authority to enter into such agreements is said to be Article V(b) of the

ICPC. The section also states that any such agreements must be in writing, with "an original" of the agreement required to be held in the files of the Department of Health and Social Services.

Analysis Article V(b) of the ICPC says that a sending agency that is a public agency may enter into an agreement with an authorized public or private agency in the receiving state providing for the performance of one or more services in respect of such case by the latter (i.e., the authorized public or private agency in the receiving state) as agent for the sending agency. To the extent that the provision of Section 2 of proposed House Bill Number 309 embodies the notion that the "officers and agencies" of Alaska who have the authority to place children can make agreements *to place children* with public or private agencies in receiving states, the provision does not conflict with the ICPC. However, since the ICPC allows public agencies to make agreements with public or private agencies in other party states, the provision of section 2 that allows such agreements to be made is redundant and repetitive. To the extent that the provision of section 2 would allow any sending agency in Alaska to be something other than a public agency, it would conflict with the ICPC. As discussed above, any state statute that conflicts with an interstate compact is invalidated.

Section 2 also purports to require an original of any agreement made to be held in the files of the Department of Health and Social Services. Presumably, the reference to an original is meant to exclude oral information, facsimiles, photocopies, and internet communications in the same manner as such phenomena are excluded according to the language in section 1 of proposed House Bill Number 309. However, section 1 of proposed House Bill Number 309 says that the identified exclusions are "not considered to be in original form for purposes of this section." That is, the exclusions are clearly meant to identify the things that are not original documents for the purpose of section 1. The reference to original agreements in section 2 of proposed House Bill Number 309 is unaffected by the exclusions named in section 1 of the bill since section 1 clearly says that the exclusions are intended to be for the purposes of section 1. It is, therefore, at best, unclear what is meant by section 2 when the language of that section says that the agreements described in that section must be originals. The language in section 2 that applies to originals is, as a result, unacceptably vague.

Section 3

Summary This section would establish that violations of the ICPC are misdemeanors, and that convictions for such violations are punishable by certain definite incarceration terms and fines.

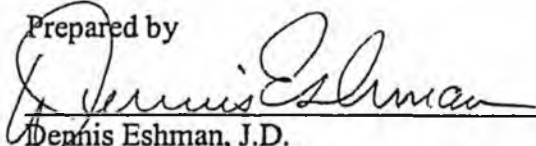
The proposed bill also would establish that sending, bringing, or causing an individual to be sent or brought into Alaska or out of Alaska in violation of the ICPC would be a misdemeanor that is subject to the penalties described in the section.

Analysis Article IV of the ICPC says that violations of the ICPC are violations of the laws of both a sending state and a receiving state. It goes on to say that such violations may be punishable according to the applicable laws of either sending states or

receiving states. The provisions of section 3 of proposed House Bill Number 309 establish penalties for the violation of the ICPC, whether Alaska is a sending state or a receiving state. Such penalties are consistent with the language of Article IV of the ICPC and are clearly the type of penalties contemplated in Article IV. There is no conflict with the ICPC with respect to the penalties that are described in proposed House Bill Number 309.

However, the section also seeks to establish that persons who send, bring, or cause to be sent or brought into Alaska individuals who are under age 19 commit the specified misdemeanors. It is the law of the sending state that determines the age of majority for children who are sent out of that state for placement pursuant to the ICPC. In the case of a state with an age of majority that is lower than age 19, proposed House Bill Number 309 would make illegal an act that would otherwise be a legal act. The bill would make it illegal for an individual who is recognized as an adult in his own home state to come to Alaska, unless the ICPC were to be invoked. ICPC compact administrators in other states would refuse to invoke the ICPC to place a person who is recognized as an adult in that person's own home state. Therefore, any person who is recognized as an adult in his own home state but who is not yet age 19 would be committing a misdemeanor by moving to Alaska. This provision in Alaska law would undoubtedly be found, when challenged, to be an unconstitutional restraint on an individual's right to travel within the United States.

Prepared by



Dennis Eshman, J.D.

Secretariat to the Association of Administrators of the Interstate Compact on the Placement of Children and
Manager, ICPC for APHSA
American Public Human Service Association
810 First Street, N.E., Suite 500
Washington, D.C. 20002
(202) 682-0100

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



Association of Administrators of the Interstate Compact on the Placement of Children

**ALASKA HOUSE BILL NUMBER 309
VERSION DATED 2/5/02**

**ANALYSIS OF THE SECRETARIAT TO THE
ASSOCIATION OF ADMINISTRATORS OF THE
INTERSTATE COMPACT ON THE PLACEMENT OF
CHILDREN**

February 7, 2002

Summary

The earlier version of HB 309 would have required original documents to be transmitted by Alaska to other Compact states when an Alaskan entity seeks to place a child from Alaska into another state under the auspices of the Interstate Compact on the Placement of Children (ICPC). Similarly, the earlier version of the bill would have required original documents to be transmitted by entities in other states to Alaska when those other entities seek to place children from other Compact states into Alaska. The earlier version of the bill would also impose misdemeanor penalties on violations of the ICPC, and would define placements that are in violation as those of any person under the age of 19.

The 2/5/02 version of HB 309 would leave the earlier version of the bill substantially intact. Amendments that have been made to the original bill, however, are to replace the requirements that original documents must be the ones that are transmitted in connection with ICPC referrals with requirements that certified documents (instead of original documents) must be the ones that are used to process ICPC referrals. Additional amendments in the 2/5/02 version of the bill are to define violations of the ICPC to mean that each day on which a placement in violation of the ICPC exists is a separate violation.

and each violation is subject to penalties of up to 180 days imprisonment and fines of up to \$1,000.

Analysis

The Secretariat prepared an analysis of the original version of HB 309. That analysis was dated January 11, 2002. In that analysis, the Secretariat provided its opinion on the effects of requiring original documents only to be documents transmitted for the purpose of making ICPC referrals either into or out of Alaska. The effects of requiring certified documents, instead of original documents, to be used in ICPC referrals are the same as if original documents were still required. Therefore, the analytical points that are described in the analysis dated January 11, 2002 in connection with original documents apply to the provisions of the 2/5/02 draft of HB 309 in connection with certified documents. There is no practical difference from the standpoint of complying with the ICPC statutes.

Although the 2/5/02 version of HB 309 does not apparently seek to amend the language enacted in Alaska statutes that embodies the language of the ICPC, it may be relevant to point out the implications of amending that statute. That is, the language of an interstate compact is adopted in identical form, or nearly identical form, in every jurisdiction that becomes a member of the compact. Adoption of identical language is crucial because an interstate compact is also a contract between the parties to the compact. If a state adopts language that is substantially different than the compact language—or if a state amends its previously adopted compact language so that it is no longer substantially similar to the compact language—the state has, in effect, disavowed its contract with the other states that are parties to the compact. Because the state would be using language that is different than the contractual language that forms the basis of the conduct by all other party jurisdictions, the state would be operating outside the compact. Legal challenges to actions that are purportedly taken under the compact would likely reveal those actions to be ones that do not enjoy the protections of the compact.

Prepared by



Dennis Eshman, J.D.

Secretariat to the Association of Administrators of the Interstate Compact on the
Placement of Children and
Manager, ICPC for APHSA
American Public Human Service Association
810 First Street, N.E., Suite 500
Washington, D.C. 20002
(202) 682-0100

ALASKA HOUSE BILL 309-2

HB

313

ALASKA STATE LEGISLATURE

Chair:
LABOR AND COMMERCE

Member:
MILITARY AND VETERANS AFFAIRS
COMMUNITY AND REGIONAL AFFAIRS
LEGISLATIVE COUNCIL
JOINT ARMED SERVICES



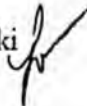
REPRESENTATIVE LISA MURKOWSKI

Government Hill • Elmendorf • East Anchorage

Session:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-3783
FAX: (907) 465-2297
Representative_Lisa_Murkowski@legis.state.ak.us

Interim:
716 WEST 4TH AVENUE
ANCHORAGE, AK 99501-2133
PHONE: (907) 269-0174
FAX: (907) 269-0177

To: Representative Fred Dyson, Chairman, House Health, Education and Social Services Committee

From: Representative Murkowski 

Date: February 7, 2002

Re: HB 313

Please schedule House Bill 313 "An Act requiring that the cost of contraceptives be included in certain health care insurance coverage" for a hearing in House Health, Education and Social Services Committee as soon as possible.

Included with the request is:

- 1) HB 313
- 2) Sponsor Statement
- 3) Informational Testimony

Thank you for your consideration.

ALASKA STATE LEGISLATURE

Chair:
LABOR AND COMMERCE

Member:
MILITARY AND VETERANS AFFAIRS
COMMUNITY AND REGIONAL AFFAIRS
LEGISLATIVE COUNCIL
JOINT ARMED SERVICES



REPRESENTATIVE LISA MURKOWSKI
Government Hill • Elmendorf • East Anchorage

Session:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-3783
FAX: (907) 465-2293
Representative_Lisa_Murkowski@legis.state.ak.us

Interim:
716 WEST 4TH AVENUE
ANCHORAGE, AK 99501-2133
PHONE: (907) 269-0174
FAX: (907) 269-0177

Sponsor Statement

HB 313

“An Act requiring that the cost of contraceptives be included in certain health care insurance coverage”

In order to bring Alaska into compliance under Title VII of the Civil Rights Act of 1964, we have introduced HB 313, also referred to as “Prescription Equity”. Last year, the Equal Employment Opportunity Commission ruled that an employer’s failure to cover prescription contraceptives in employee health benefit plans constitutes unlawful sex discrimination.

While HB 313 calls for contraceptive coverage, it only requires it in a plan already offering prescription drugs and does not require an insurer provide coverage for abortion. In the scope of this bill, a religious employer would be exempt from offering coverage for contraceptives if it is against their doctrine.

Coverage of prescriptive contraceptives can be a point of contention for some. However it is important to realize contraceptive coverage is healthier for the women, the family and society than an unintended pregnancy. In 1996, 42 percent of the live births in Alaska were from unintended pregnancies. Additionally, many doctors will prescribe contraceptives to a woman not for sexual reasons, but for the overall health of the women from regulating menstrual cycles to alleviating dermatology problems and other hormonal imbalances.

The more effective forms of contraception are generally the most expensive. Women and their families who must pay out of pocket may opt for less expensive and sometimes less effective methods, increasing the risk for unintended pregnancies. Women of reproductive age currently spend 68 percent more in out-of-pocket health care costs than men. Much of the gender gap in expenses is due to reproductive health-related supplies and services.

Cost analyses show if health insurance policies were to include coverage for these contraceptive supplies, cost to employers would be minimal – as little as \$1.43 per employee per month. In 1998, coverage inequality was brought into the spotlight as Viagra hit the market. Within two months of entering the U.S. market, more than half of all Viagra prescriptions received some insurance reimbursement, while overall coverage for oral contraceptives did not reach this level until they had been on the market for over 40 years.

To date 17 states offer comprehensive coverage for prescription contraceptives, while an additional 15 states offer partial mandates or optional coverage. The sponsors and co-sponsors of HB 313 strongly urge your support of this legislation.

Why Alaska Women Need Equity in Prescription Coverage

Contraception is a basic health care need for women, and a critical contributor to improved maternal and child health.

- Most couples today choose to have 2 or 3 children. Therefore the typical Alaskan woman spends 90% of her reproductive life seeking to avoid pregnancy.¹
- One-half of the pregnancies that occur each year are unintended, and 41% of these end in abortion.²

Contraceptive drugs and devices (approved by FDA for use as contraceptive) are not routinely covered by insurers.

- Most health care providers routinely cover abortion and sterilization.³
- Only ½ of large group insurance plans cover reversible contraception.⁴
- 1/3 of large group plans cover oral contraceptives, the most commonly used, reversible method in the U.S.⁵
- A year's supply of oral contraceptives can cost over \$300.
- Less than 20% of plans cover all five of the major reversible methods of contraception.⁶

Women pay more out-of-pocket for health care, primarily because of reproductive health care costs.

- Women of childbearing age pay 68% more in out-of-pocket health care costs than their male counterparts and reproductive health care services account for much of this cost differential.⁷

Making contraception more affordable will increase its availability and use, and reduce the number of unintended pregnancies and abortions.

- In any single year, 85 of 100 sexually active women of reproductive health age who are not using contraceptives will become pregnant.⁸
- In contrast, of 100 oral contraceptive users, only three will become pregnant in a given year.⁹

¹ *Securing American Women's Reproductive Health: The American Woman 1994-1995*, Women's Research and Education Institute, 1994.

² Bureau of Vital Statistics, 1998

³ *Uneven and Unequal: Insurance Coverage and Reproductive Health Services*, The Alan Guttmacher Institute, 1993.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ *Women's Health Insurance Costs and Experience*, Women's Research and Education Institute, 1994.

⁸ *The Economic Value of Contraception: A Comparison of 15 Methods*, American Journal of Public Health, April, 1995.

⁹ Ibid.

Making contraception more available will save money.

- Every tax dollar spent on contraceptive care saves an average of three dollars in Medicaid funds alone that would have been spent on providing care to pregnant women and newborns.¹⁰
- Contraceptives cost less than the service related to pregnancy. The average cost of an uncomplicated vaginal delivery is \$5,000 and cost of a delivery through a cesarean section is over \$10,000.¹¹
- The Alan Guttmacher Institute estimates the cost of adding coverage to be quite low: The total costs for contraceptive coverage for employees and dependents would be \$21.40 per employee per year -- \$17.12 of employers' costs, and \$4.28 of employees costs.

There is widespread support for extending prescription coverage to contraceptives.

- The Kaiser Family Foundation found in a recent poll that 78% of privately insured adults support contraceptive coverage, even if their premiums were to increase up to \$5 per month, which is an amount far greater than studies have projected.

¹⁰ *Title X and the U.S. Family Planning Effort*, The Alan Guttmacher Institute, 1997.

¹¹ *Source Book of Health Insurance Data*, Health Insurance Association of America, 1996.

Talking Points for AK Contraceptive Equity

In the United States, on average, a woman has 2.1 children during the course of her life. A woman who is sexually active and wants only two children will need contraception for more than twenty years of her life.

In 1988, there were 3.2 million unintended pregnancies in the United States.

- 47% in women using reversible contraception
- 53% in women not using contraception

(Source: *The Best Intentions*, Institute of Medicine, 1995)

There are 140,00 Women of childbearing age in Alaska (ages 15- 44), of these, 76,330 women are in need of contraceptive services and supplies.

In Alaska, 84% of women aged 15-44 have either private insurance or Medicaid.

42% of live births in Alaska are from unintended pregnancies.

- (Source: PRAMS 1996)

Unintended pregnancies carry appreciable risks for children, women, man, and families
(Source: *The Best Intentions*, Institute of Medicine, 1995)

Findings include:

- later onset of prenatal care
- higher frequency of inadequate prenatal care
- higher incidence of low birth weight infant (<2500 g)
- higher incidence of infant mortality (death w/1st year of life)
- higher incidence of child abuse
- higher incidence of physical abuse of mother
- higher subsequent divorce rate (3x)
- fathers more likely to be absent (Children raised by one parent are more likely to drop out of school, to have encounters with the criminal justice system, and more likely to become teen parents)
- higher incidence of economic hardship & failure of parents to achieve educational & career goals

Reducing unintended pregnancy is the key to reducing the number of abortions; almost half of unintended pregnancies end in abortion.

- Each year in Alaska, 120 pregnancies occur per 1,000 women ages 15- 44, 69% of which end in live births, 16% in abortions.

90% of Americans support family planning to prevent unintended pregnancies.

Women who use family planning services in the two years before conception are more likely to receive early and adequate prenatal care.

The National Commission to Prevent Infant Mortality estimates that 10% of infant deaths could be prevented if all pregnancies were planned.

Ready access to contraceptive services increases the likelihood that sexually transmitted infections will be diagnosed and treated.

Less than 20% of traditional health care plans and PPOs and less than 40% of managed care plans cover all of the most commonly used methods of conception (oral contraceptives, the IUD, diaphragm, Norplant, and Depo-Provera).

Talking Points for AK Contraceptive Equity

In any single year, 85% of sexually active women not using contraceptive method will become pregnant. In contrast of 100 oral contraceptive users, only 3 to 6 percent become pregnant in one year.

Although 97% of typical indemnity policies cover prescription drugs in general, only 33% include oral contraceptives in that coverage.

The more effective forms of contraception are generally more expensive. Women who must pay out of pocket often opt for less expensive and effective methods, thus increasing the likelihood of an unintended pregnancy.

Women of reproductive age spend 68% more in out-of-pocket expenses than men. Much of the gender gap is due to reproductive health care.

The Health Association of America, a national trade association representing about 270 of the nation's leading health care companies, showed that insurance costs would increase by \$16.00 per year per employee in plans covering other prescription medications.

Every dollar spent for contraceptive services saves \$3 in public funds that would have been needed to provide prenatal and newborn care alone.

Inadequate and discriminatory coverage of women's health services has a long history in the United States. Insurance policies typically excluded coverage for pregnancy until a federal law was passed in 1978. Similarly, coverage for Pap smears and mammograms was routinely excluded from insurance policies until state and federal laws required it the 90's.

Nationwide, 75% of voters support requiring insurance companies to cover contraceptives.

Contraception is a basic health care need, and critical to maternal, child, and family health.

- Most U.S. couples choose to have 2 to 3 children – therefore Alaskan women spend 90% of their reproductive life seeking to avoid pregnancy.¹
- Unintended pregnancies for Alaskan families mean higher risks: inadequate prenatal care, higher infant mortality, higher incidence of child abuse, divorce, absent fathers and poverty.²
- Spacing children at approximately 2 1/2 years apart is beneficial to the health and welfare of both mother and child.³

1 *Securing American Women's Reproductive Health, The American Women 1994-1195*, Women's Research and Education Institute, 1994.
2 *The Best of Intentions*, Institute of Medicine, 1995.
3. Centers for Disease Control and Prevention, 1996.

Contraception is the only FDA-approved prescription not routinely covered by insurers.

- Less than 20% of traditional health care plans cover all 5 FDA approved methods of contraception.⁴
- 1/3 of large group plans cover oral contraceptives (birth control pills) – the most commonly used, reversible method in the U.S.⁵
- A one year supply of oral contraceptives can cost over \$300.

4 *Uneven and Unequal: Insurance Coverage and Reproductive Health Services*, The Alan Guttmacher Institute, 1993.
5 Ibid.

The majority of voters support prescription equity.

- 78% of privately insured adults support covering contraceptives under their prescription plan according to a recent poll by the Kaiser Foundation.

Alaskans
Support
Prescription
Equity

It's an equity issue.

- Women of childbearing age pay 68% more in out-of-pocket health care costs than men.⁶
- Reproductive health care services account for much of this cost differential.⁷
- All prescriptions for men, including Viagra, are covered by most prescription plans.

6 *Women's Health Insurance Costs and Experience*, Women's Research and Education Institute, 1994.
7 Ibid.

Covering contraceptives will save money.

- Contraceptives (\$300/year) cost less than pregnancy services (\$5000 for an uncomplicated vaginal delivery-\$10,000 for cesarean delivery).⁸
- The non-contraceptive benefits of birth control pills include prevention of anemia, osteoporosis, cancer, and approximately 50,000 hospitalizations in the U.S. each year.

11 *Source Book of Health Insurance Data*, Health Insurance Association of America, 1996.

Affordable contraception will decrease unintended pregnancies and prevent abortions.

- 42% of live births in Alaska are unintended (either mistimed or unwanted).⁹
- 85 out of 100 women of reproductive age who are not using contraceptives will become pregnant in a year.¹⁰
- Each year in Alaska, 120 pregnancies occur per 1000 women ages 15-44. 69% of these pregnancies end in live births; 16% end in abortion.¹⁰

8 *PRAMS*, State of Alaska, 1996.
9 *The Economic Value of Contraception: A Comparison of 15 Methods*, *American Journal of Public Health*, April, 1995.
10 Ibid.

THE COALITION FOR PRESCRIPTION EQUITY

Alaskan Contraceptive Coverage Equity Bill
HB 29, SB 82
MESSAGE BOX / TALKING POINTS

The U.S. Equal Employment Opportunity Commission

The following Commission Decision finds reasonable cause to believe that discrimination occurred under Title VII of the Civil Rights Act of 1964, as amended, in two charges challenging the exclusion of prescription contraceptives from a health insurance plan. The Decision is a formal statement of Commission policy as applied to the facts at issue in these charges.

Decision

Summary of Charge

The Charging Parties, female employees of Respondents, allege that Respondents have engaged in an unlawful employment practice in violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000e *et seq.* (Title VII). Specifically, Charging Parties challenge Respondents' failure to offer insurance coverage for the cost of prescription contraceptive drugs and devices.

Jurisdiction

Respondents are employers within the meaning of Section 701(b) of the Act. All other jurisdictional requirements have also been met.

Summary of Investigation

Charging Party A, a registered nurse, began working for Respondent A in 1997. Under its health insurance plan, Respondent A covers numerous medical treatments and services, including prescription drugs; vaccinations; preventive medical care for children and adults, including pap smears and routine mammograms for women; and preventive dental care. Respondent A also covers the cost of surgical means of contraception, namely vasectomies and tubal ligations. However, Respondent A's plan excludes coverage for prescription contraceptive drugs and devices, whether they are used for birth control or for other medical purposes.

Charging Party A wishes to use oral contraceptives for birth control purposes. Based on her medical history, Charging Party A also wishes to use oral contraceptives to alleviate the symptoms of dysmenorrhea and pre-menstrual syndrome and to prevent the development of ovarian cancer.

Charging Party B, a registered nurse, began her employment with Respondent B on May 1, 1999. Respondent B is commonly owned with Respondent A, and offers to its employees the same health insurance policy that Respondent A offers to its employees. As a result, Charging Party B is subject to the same exclusions from health coverage as Charging Party A. Charging Party B wishes to use Depo Provera, an injectible prescription contraceptive, for birth control purposes.

Charging Parties both allege that Respondents' failure to offer coverage for prescription contraceptive drugs and devices constitutes discrimination on the bases of sex and pregnancy in violation of Title VII. Respondents deny that the exclusion of prescription contraceptives, which on its face does not distinguish between men and women, is discriminatory.

Discussion

Based on current medical knowledge, individuals who wish to avoid conception may choose from a range of contraceptive alternatives. These alternatives include surgical procedures, like vasectomies and tubal ligations; non-prescription birth control, like condoms; and prescription contraceptive drugs and devices, like birth control pills, diaphragms, intra-uterine devices, and Norplant implants. Prescription contraceptives are available only to women.

Oral contraceptives are also widely recognized as effective in treating certain medical conditions that exclusively affect women, such as dysmenorrhea (menstrual cramps) and pre-menstrual syndrome.⁽¹⁾ Contraceptives are also sometimes prescribed to prevent the development of ovarian cancer. Respondents' insurance plan excludes contraceptives "regardless of intended use."⁽²⁾

The Commission concludes that Respondents' exclusion of prescription contraceptives violates Title VII, as amended by the Pregnancy Discrimination Act,⁽³⁾ whether the contraceptives are used for birth control or for other medical purposes.

I. Exclusion of Prescription Contraceptives Used for Birth Control Purposes

A. The Pregnancy Discrimination Act Applies to Prescription Contraception

To clarify its long-standing intent with regard to Title VII, Congress enacted the Pregnancy Discrimination Act (PDA) to explicitly require equal treatment of women "affected by pregnancy, childbirth, or related medical conditions" in all aspects of employment, including the receipt of fringe benefits.⁽⁴⁾ This language bars employers from treating women who are pregnant or affected by related medical conditions differently from others who are similarly able or unable to work. It also prohibits employers from singling out pregnancy or related medical conditions in their benefit plans.

As the Supreme Court has made clear, the PDA's prohibitions cover a woman's potential for pregnancy, as well as pregnancy itself. Recognizing that the PDA prohibits "discrimination on the basis of a woman's ability to become pregnant," the Court concluded that an employment policy that excluded women capable of bearing children from certain jobs was an impermissible classification because it was based on the potential for pregnancy. As the Court held, "[u]nder the PDA, such a classification must be regarded, for Title VII purposes, in the same light as explicit sex discrimination."⁽⁵⁾ Under the Court's analysis, the fact that it is women, rather than men, who have the ability to become pregnant cannot be used to penalize them in any way, including in the terms and conditions of their employment.

Contraception is a means by which a woman controls her ability to become pregnant. The PDA's prohibition on discrimination against women based on their ability to become pregnant thus necessarily includes a prohibition on discrimination related to a woman's use of contraceptives. Under the PDA, for example, Respondents could not discharge an employee from her job because she uses contraceptives. So, too, Respondents may not discriminate in their health insurance plan by denying benefits for prescription contraceptives when they provide benefits for comparable drugs and devices.

This conclusion is supported by additional language in the PDA that specifically exempts employers from any obligation to offer health benefits for abortion in most circumstances.⁽⁶⁾ Congress understood that absent an explicit exemption, the PDA would require coverage of medical expenses resulting from a woman's decision to terminate a pregnancy.

The same analysis applies to the question of whether the PDA covers prescription contraceptives. As just

discussed, the PDA's prohibition of discrimination in connection with a woman's ability to become pregnant necessarily includes the denial of benefits for contraception. Had Congress meant to limit the applicability of the PDA to contraception, therefore, it would have enacted a statutory exemption similar to the abortion exemption. Such an exemption, of course, does not exist for contraceptives.

Further, construing the PDA to cover contraception implements Congress' clearly expressed intent in enacting the PDA. Congress wanted to equalize employment opportunities for men and women, and to address discrimination against female employees that was based on assumptions that they would become pregnant.⁽⁷⁾ Congress thus prohibited discrimination against women based on "the whole range of matters concerning the childbearing process,"⁽⁸⁾ and gave women "the right ... to be financially and legally protected before, during, and after [their] pregnancies."⁽⁹⁾ It was only by extending such protection that Congress could ensure that women would not be disadvantaged in the workplace either because of their pregnancies or because of their ability to bear children.

In sum, the Commission concludes that the PDA covers contraception based on its plain language, the Supreme Court's interpretation of the statute, and Congress' clearly expressed legislative intent.

B. The PDA Requires Coverage of Prescription Contraceptives in this Case

The PDA requires that expenses related to pregnancy, childbirth, or related medical conditions be treated the same as expenses related to other medical conditions.⁽¹⁰⁾ Because Respondents have failed to provide such equal treatment in this case, they are liable for discrimination under the PDA.

Contraception is a means to prevent, and to control the timing of, the medical condition of pregnancy. In evaluating whether Respondents have provided equal insurance coverage for prescription contraceptives, therefore, the Commission looks to Respondents' coverage of other prescription drugs and devices, or other types of services, that are used to prevent the occurrence of other medical conditions. In Respondents' plan, such drugs, devices, and services include:

- vaccinations;
- drugs to prevent development of medical conditions, such as those to lower or maintain blood pressure or cholesterol levels;
- anorectics (weight loss drugs) for those 18 years of age and under;
- preventive care for children and adults, including physical examinations; laboratory services in connection with such examinations; x-rays; and other screening tests, like pap smears and routine mammograms; and
- preventive dental care (including oral examinations, tooth cleaning, bite wing x-rays, and fluoride treatments).⁽¹¹⁾

Respondents have made three arguments to justify their exclusion. First, Respondents allege that their plan covers treatment of medical conditions only if "there is something abnormal about [the employee's] mental or physical health,"⁽¹²⁾ and thus that the above-listed drugs and services are not appropriate comparators for evaluating Respondents' coverage of contraceptives. However, this argument reflects a misunderstanding about the nature of pregnancy. It is widely recognized in the medical community that pregnancy is a medical condition that poses risks to, and consequences for, a woman.⁽¹³⁾

In addition, Respondents' argument is also belied by the explicit terms of their health plan, which is not, in fact, restricted to coverage of "abnormal" conditions. First, Respondents cover contraception through

surgical forms of sterilization - vasectomies and tubal ligations -- without requiring any showing of the reasons individuals are undergoing the procedures. More broadly, Respondents cover numerous treatments and services that are designed to maintain current health and prevent the occurrence of future medical conditions, whether or not there is something "abnormal" about the employee's current health status. It is appropriate, for example, to compare Respondents' coverage of vaccinations or physical examinations to that of contraceptives, because both serve the same preventive purposes. Because Respondents have treated contraception differently from preventive treatments and services for other medical conditions, they have discriminated on the basis of pregnancy.⁽¹⁴⁾

Respondents also claim that Charging Parties' claims are preempted by the Employee Retirement Income Security Act (ERISA), 29 U.S.C. 1144(a), 1191.⁽¹⁵⁾ This claim is without merit. ERISA preempts certain *state* laws that regulate insurance, but explicitly exempts federal law from preemption.⁽¹⁶⁾ Moreover, the fact that ERISA does not require health plans to "provide specific benefits" does not mean that other statutes - namely Title VII - do not impose such requirements where necessary to avoid or correct discrimination.

Finally, Respondents state that they have excluded contraception for "strictly financial reasons."⁽¹⁷⁾ Respondents' motivation is, however, legally irrelevant. Although Congress clearly anticipated that an employer's insurance costs would likely increase once the PDA required employers to cover pregnancy and related medical conditions,⁽¹⁸⁾ it wrote no cost defense into the law.⁽¹⁹⁾

II. Exclusion of Prescription Contraceptives Used for Birth Control and/or Other Medical Purposes

The analysis set forth above applies to Charging Parties' claims that Respondents' exclusion unlawfully interferes with their ability to use prescription contraceptives for birth control purposes. Charging Party A has further claimed that Respondents' exclusion applies not only to her use of contraceptives for birth control purposes, but also to her use of contraceptives to treat dysmenorrhea and menstrual cramps. Respondents have violated Title VII's basic nondiscrimination principles regardless of the purpose of Charging Parties' use of contraceptives.

Respondents assert that their exclusion does not constitute sex discrimination because it does not explicitly distinguish between men and women.⁽²⁰⁾ However, prescription contraceptives are available *only* for women. As a result, Respondents' explicit refusal to offer insurance coverage for them is, by definition, a sex-based exclusion. Because 100 percent of the people affected by Respondent's policy are members of the same protected group - here, women -- Respondent's policy need not specifically refer to that group in order to be facially discriminatory.⁽²¹⁾

Moreover, Respondents' other efforts to mount a defense are unavailing. Respondents may not rely on arguments that coverage of contraception is precluded by ERISA or may be denied based on cost concerns. Nor can Respondents successfully argue that contraception is not medically necessary, whether used for birth control or other medical purposes. *See* Section I(B), *supra*.

The inequality in treatment is apparent whether Charging Parties wish to use contraceptives to prevent conception or for other medical purposes. This is because Respondents have circumscribed the treatment options available to women, but not to men. Respondents' health plan effectively covers approved, non-experimental treatments for employees' medical conditions *unless* those treatments involve contraceptives. This is unlawful.⁽²²⁾

Conclusion

There is reasonable cause to believe that Respondents have engaged in an unlawful employment practice in violation of Title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act, by failing to offer insurance coverage for the cost of prescription contraceptive drugs and devices. Charging Parties are entitled to reimbursement of the costs of their prescription contraceptives for the applicable back pay period. In addition, the District Office is instructed to determine whether any cognizable damages have resulted from Respondents' actions.

In order to avoid violating Title VII in the future:

- Respondents must cover the expenses of prescription contraceptives to the same extent, and on the same terms, that they cover the expenses of the types of drugs, devices, and preventive care identified above. Respondents must also offer the same coverage for contraception-related outpatient services as are offered for other outpatient services. Where a woman visits her doctor to obtain a prescription for contraceptives, she must be afforded the same coverage that would apply if she, or any other employee, had consulted a doctor for other preventive or health maintenance services. Where, on the other hand, Respondents limit coverage of comparable drugs or services (e.g., by imposing maximum payable benefits), those limits may be applied to contraception as well.
- Respondents' coverage must extend to the full range of prescription contraceptive choices. Because the health needs of women may change -- and because different women may need different prescription contraceptives at different times in their lives -- Respondents must cover each of the available options for prescription contraception. Moreover, Respondents must include such coverage in each of the health plan choices that it offers to its employees. *See* 29 C.F.R. part 1604, App. Q&A 24; *Arizona Governing Committee v. Norris*, 463 U.S. 1073, 1081-82 n.10 (1983).

The charges are remanded to the field for further processing in accordance with this decision.

FOR THE COMMISSION:

12/14/00
Date

/s/
Executive Officer
Executive Secretariat

1. *See, e.g.,* Kaunitz, *Oral Contraceptive Health Benefits: Perception v. Reality*, *Contraception* 1999, 59:29S-33S (January 1999); Sulak, *Oral Contraceptives: Therapeutic Uses and Quality-of-Life Benefits - Case Presentations*, *Contraception* 1999, 59:35S-38S (January 1999).

2. Letter from Respondents to EEOC, June 22, 2000.

3. Numerous states have also addressed policies like Respondents'. To date, thirteen states have passed legislation mandating insurance coverage of contraception where a policy covers prescription drugs or devices. *See* Cal. Ins. Code 10123.196 (California); Del. Code Ann., title 18, 3559 (Delaware); 1999 Conn. Acts 99-79 (June 3, 1999) (Connecticut); Ga. Code Ann. 33-24-59.6 (Georgia); Hawaii Rev. Stat. 431:10A-116.6, 431:10A-116.7, 432:1-604.5 (Hawaii); Iowa Code 514C.19; Me. Rev. Stat. Ann., title 24, 2332-J, Me. Rev. Stat. Ann., title 24-A, 2756, 2847-G, 4247 (Maine); Md. Code Ann., Ins., 15-826 (Maryland); Nev. Rev. Stat. Ann. 689A.0415 *et seq.* (Nevada); N.H. Rev. Stat. Ann., title 37, 415:18-i (New Hampshire); 1999 N.C. Sess. Laws