

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10547 SENATE HEALTH EDUCATION & SOCIAL SERVICES

SB 96 C.O.P.S FOR API DEMOLITION/CONSTRUCTION

SECTIONAL ANALYSIS

Prepared by Aurora Hauke, Senate HESS Committee Aide

Sec.	Statute	Changes
1	Uncodified law	New section FINDINGS AND INTENT added. Previously allocated \$19.2 million is insufficient to perform work on API. That money plus proceeds from certificates of participation should be used to construct new API facility. \$3 million has been set aside by the Alaska Mental Health Trust Authority. \$58.75 million will be used to construct API, \$22.2 million of which would be from previously allocated money and Alaska Mental Health Trust Authority money and \$36.55 million from C.O.P.s.
2	Uncodified law	New section DELEGATION OF AUTHORITY FOR LEASE-PURCHASE AGREEMENT added. DHSS has DoA's authority to enter into lease-purchase agreement for the new facility.
3	Uncodified law	New section LEASE-PURCHASE PAYMENTS added. Lease payments are subject to annual appropriation by the legislature.
4	Uncodified law	New section NOTICE OF THE ENTRY INTO AND FINANCING OF LEASE-UPRCHASE AGREEMENT added. DHSS is authorized to enter into a lease-purchase agreement for API facility, subject to appropriation. The state bond committee is authorized to issue certificates of participation in the amount of \$36.55 million for the construction. \$22.2 million is paid from money described in Sec. 1. Estimated total lease payments for the full term of the lease-purchase agreement is \$55 million. Title to API shall vest in the State of Alaska upon the payment of all principal and interest under the C.O.P.s. The state bond committee may contract for all related costs necessary in financing.
5	Uncodified law	New section NOTICE AND APPROVAL OF AGREEMENT added. Sec. 4 constitutes notice and approval required in statute.
6	Uncodified law	New section DEFINITION added. Construction includes cost of demolition of all or part of the existing API facility.
7	Effective date	This act takes effect July 1, 2001

Replacing Alaska Psychiatric Institute API



Alaska Department of
Health & Social Services

The Problem: API has Reached the End of its Useful Life!

- API is permeated with hazardous material - asbestos
- Its fire life safety and mechanical support systems are worn out
- Roof needs replacement
- API doesn't meet current seismic code



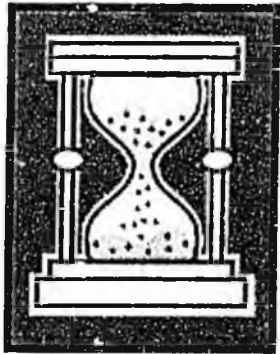
Problems (cont.)



- API was not designed as a psychiatric hospital - its physical layout is not conducive to treatment
- 39 years of hard use: open 24 hours a day, 7 days a week, 365 days a year to provide treatment to primarily indigent Alaskans needing psychiatric care
- Replacement need recognized long ago; replacement efforts ongoing over 15 years

Clearly API *must* be replaced

- Cheaper to construct a replacement facility than to abate the asbestos and make the renovations needed to make API an efficient psychiatric hospital



What solutions have been tried in the past?

■ *Constructing a replacement facility*

- Implementation halted when construction bids substantially exceeded both engineering estimates and appropriated funding
- Only sufficient funding prevented success



Solutions attempted (cont.)

■ *Strategic partnerships with neighboring institutions*

- Proved unsuccessful when essential land swaps among partners could not be accomplished
- Partners withdrew

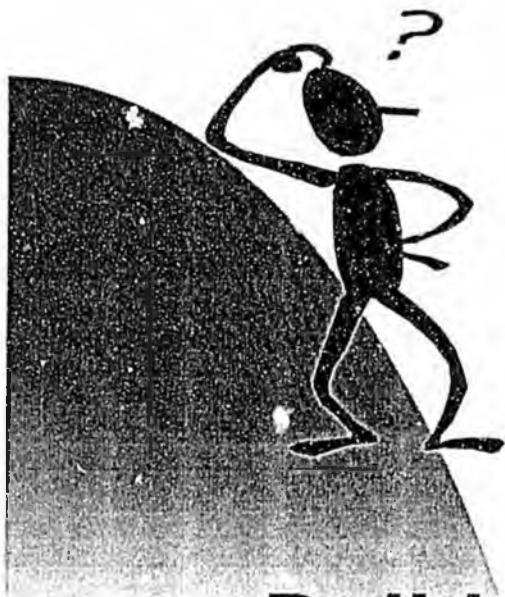




Solutions attempted (cont.)

■ *Purchase a replacement*

- Charter North Hospital was the only real purchase alternative
- After two years, local planning and zoning decisions and strong neighborhood opposition made it impossible to complete the purchase and use the facility



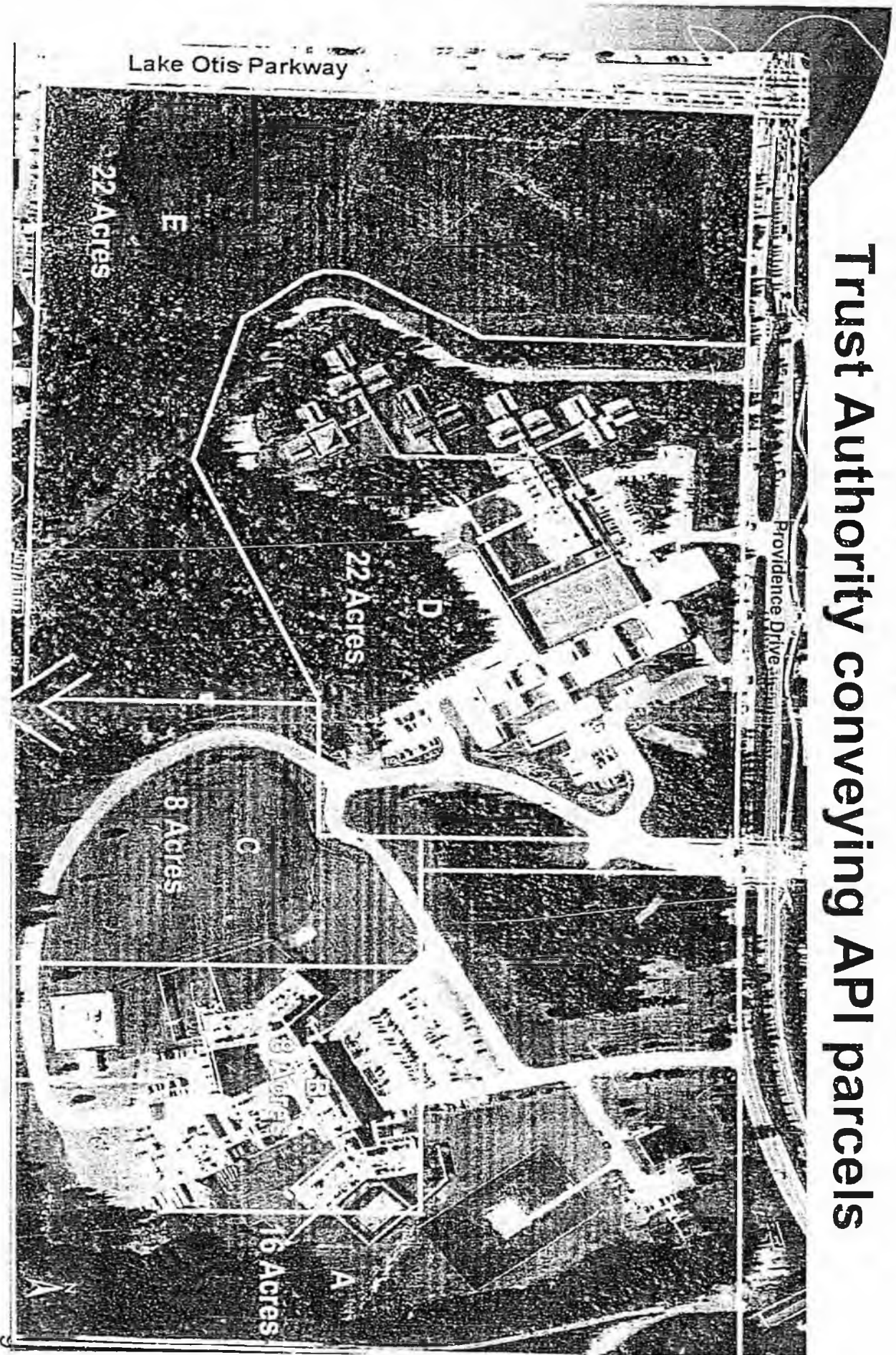
What should be done now?

Build the facility we planned!

The only realistic option for replacing API is construction of a replacement hospital on the same parcel as the existing facility

We have the land to build!

Trust Authority conveying API parcels



And building on the dedicated parcels makes sense . . .



AND:

The Anchorage P&Z Commission recommended API remain at its present site in the U-Med District

- Parcels are zoned for this use
- API is a well-established, accepted & necessary institution in its present site
- UAA nursing students do their psych rotations at API each semester
- UAA social work and psychology students intern at API each semester
- WAMI medical students and PA students rely on API as a teaching site
- The University Community Council and area residents are supportive

Solution: Finance Construction of a new API through Legislation

- HB 130 & SB 96 would finance construction of a new psychiatric hospital on the API site



- Certificates of Participation would fund the construction of a replacement hospital and demolition of old facility

Solution (cont.)

- Build a hospital with 54 beds, expandable up to 72 beds as necessary to meet the State's need for capacity to serve civilly-committed, inpatient psychiatric patients.

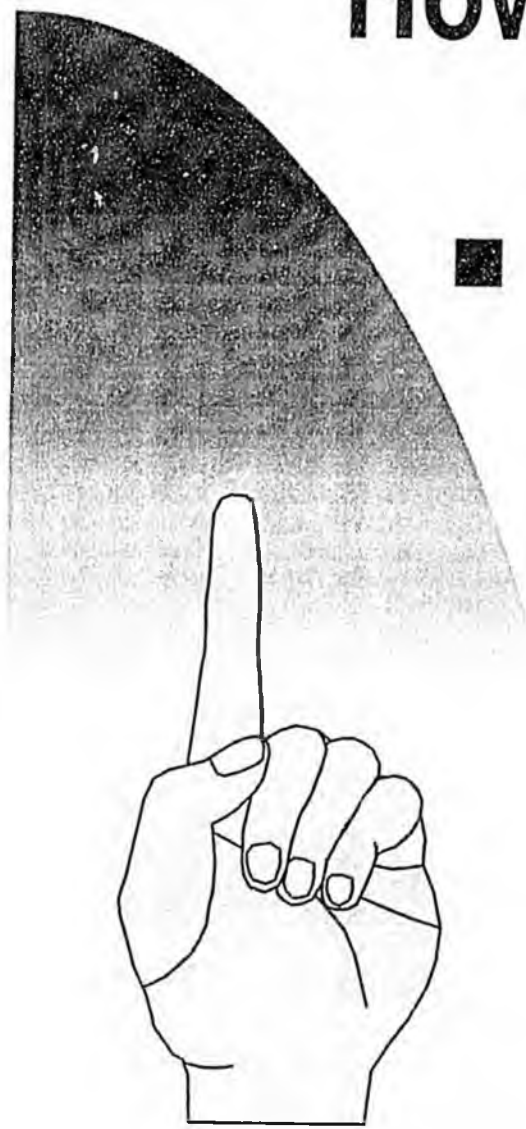


Solution (cont.)

- Re-use a portion of the current building (the gymnasium and storage space beneath it) and demolish the remainder - eliminating the hazardous waste and freeing campus space.



How will the bills work?

- 
- Provide total of \$58,750,000 for construction of a replacement API
 - Re-appropriate \$22,200,000:
 - \$19,200,000 remaining in the API 2000 Project appropriations, and
 - \$3,000,000 from the Alaska Mental Health Trust Authority

How will the bills work? (cont.)



- Remaining \$36,550,000 would be raised through Certificate of Participation (COP's) in a lease purchase agreement
- Availability of existing funds will lower lease payments to the State

How will the bills work? (cont.)

- Estimated total rental obligations under lease purchase agreement will be \$3,700,000 annually for 15 years
- In 15 years the new hospital will revert to State ownership.



Replacement Cost & Financing

Description of Budget Component	Budget	Financing
Construction (per DOT/PF)		15 year financing period
Estimated Construction Cost	\$36,030,740	Use Existing GF, Finance Balance
Change Order Reserve	\$3,603,000	
Construction Permits	\$126,000	
1% Public Art Program	\$410,000	
Furnishings and Equipment	\$900,000	
Sub-Total for Construction	\$41,069,740	
Architecture/Engineering Consultants	\$2,710,000	
Administration/Management (DOT&PF)	\$1,620,000	
Administration/Management (DHSS Facilities)	\$500,000	
Overall Project Contingency	\$2,290,000	
Total Construction Costs	\$48,189,740	\$48,189,740
Plus Demolition of API Central Tower & East Wing (Project Cost):	\$9,720,000	\$9,720,000
Plus Interim Patient Relocation Costs:	\$500,000	\$500,000
Plus Cost of Financing:	\$250,000	\$250,000
Total Project Costs – Rounded per Department of Revenue	\$58,659,740	\$58,750,000
Less Balance of Prior Appropriations:	(\$22,200,000)	(\$22,200,000)
Supplemental Capital Needed	\$36,459,740	
Financed Amount (Principal) – Rounded per Department of Revenue		\$36,550,000
Annual Payment Amount		\$3,700,000
Total Payments in Addition to Current Funds:		\$55,000,000

Construction Cost Comparisons

Hospital	Construction Cost	Beds / SF	Cost / Bed	Cost / SF
API Replacement Project	\$33.5 M ¹	72 / 76,000 24,600 ² 100,760	\$.47 M	\$332 ³
Elmendorf AFB	\$160 M	110 / 441,170	\$1.45 M	\$363
Bassett Army Hospital, Fairbanks	\$100 M	22 ⁴ / 259,500	NA	\$385
Alaska Native Medical Center	\$168 M	150 / 380,635	\$1.12 M	\$441

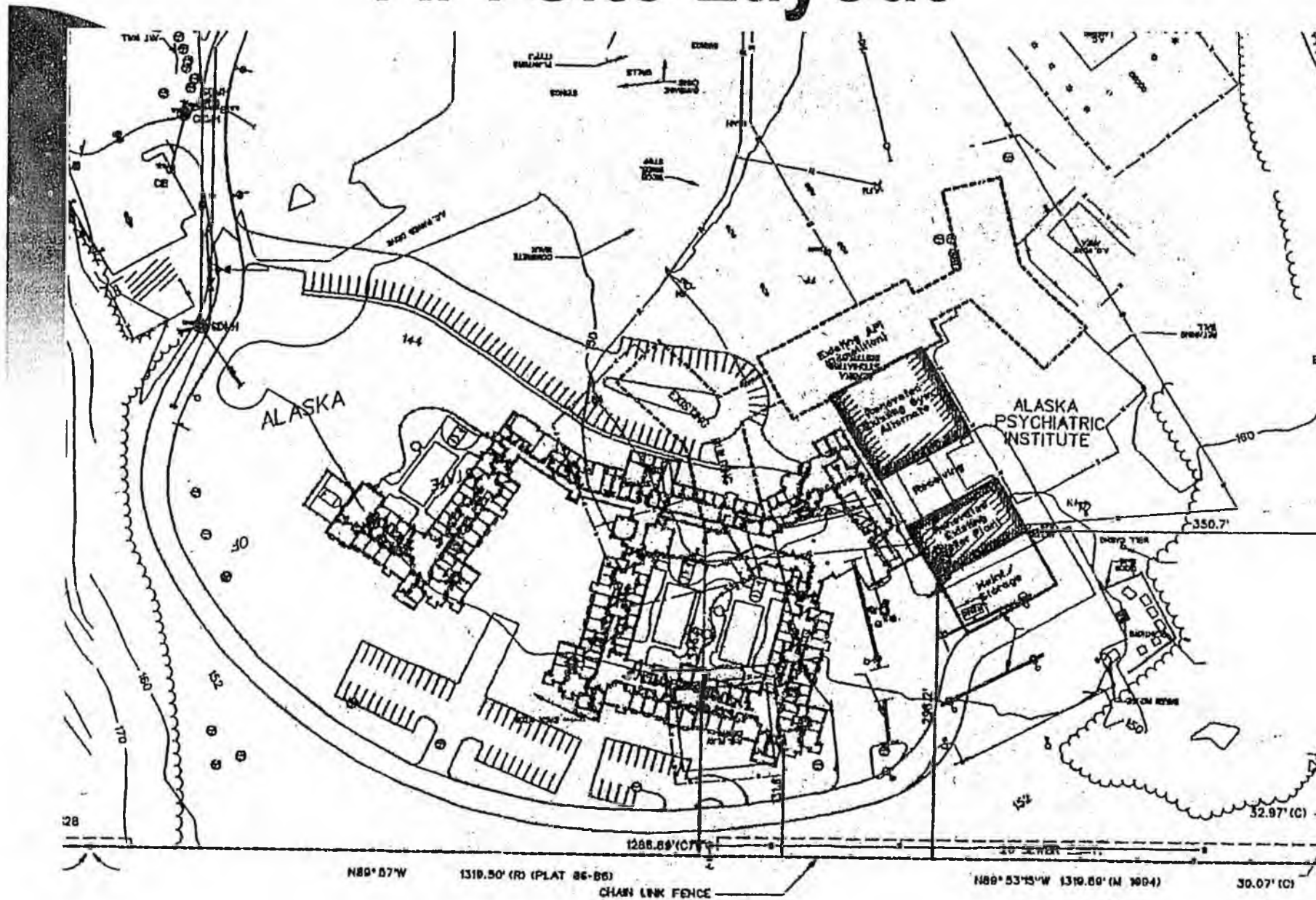
¹ Estimated cost of new construction and refurbishment is \$36M - \$2.5M for phased demolition of the West wing.

² Project also includes refurbishing 24,760 SF of existing facility for a total of 100,760SF.

³ Cost/SF based on 100,760 SF of combined new construction & refurbishment of existing facility is \$332/SF.

⁴ 22 inpatient beds plus extensive outpatient facilities.

API Site Layout



Replacing API is key to a broader effort...

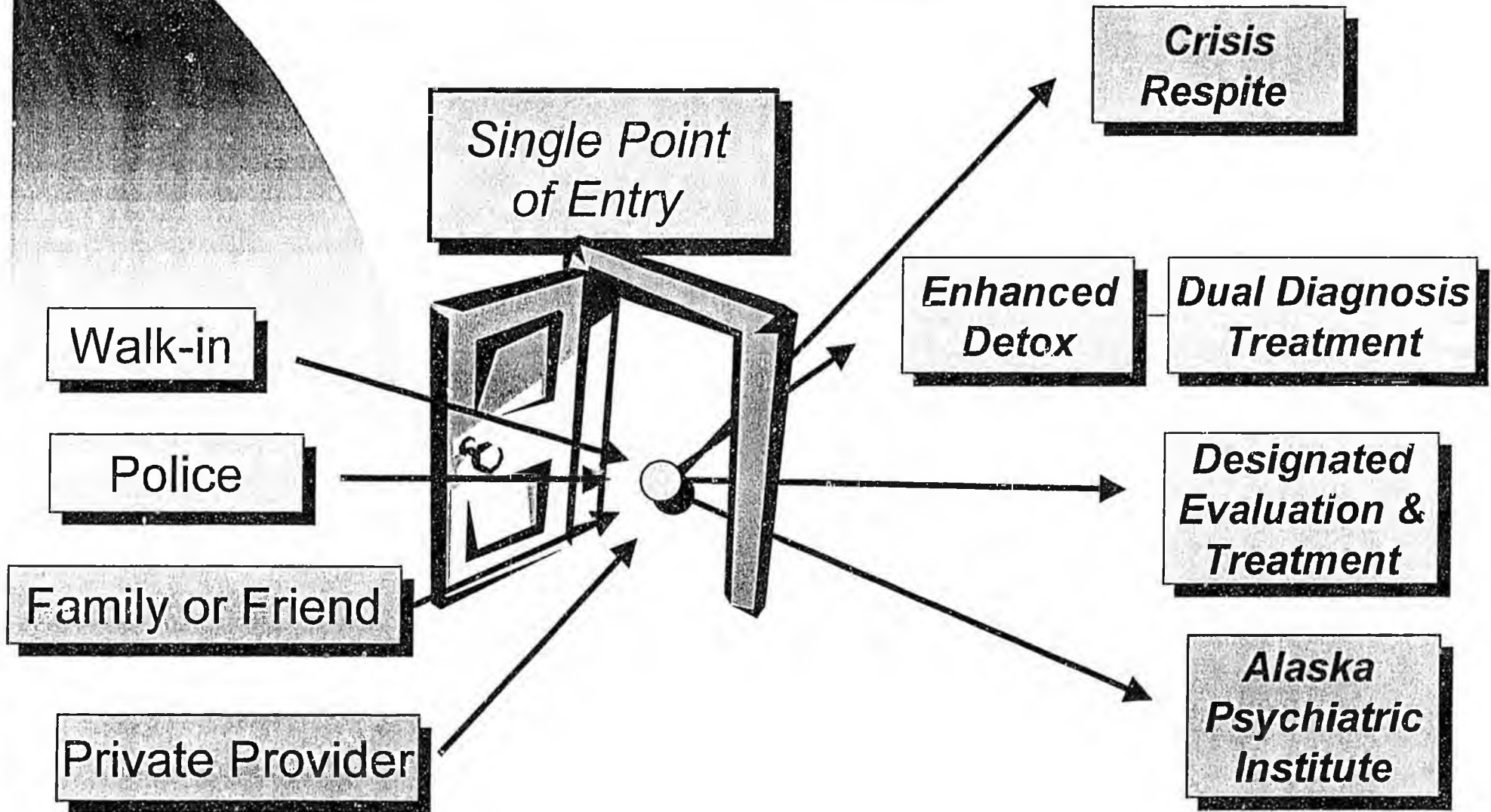


Develop private treatment alternatives to API hospitalization

Enhance the quality of care at API

Replace the API building

Private community services are under development



Why will API still be needed?



Because . . .

- The service is a core function of government - it does things private providers cannot or will not do
- Patient needs can exceed local private treatment options
- Inpatient treatment is nonexistent or uncertain in some communities
- The State must provide a safety net when local inpatient services are not available or not sufficient, whatever the reason
- API treats forensic and NGRI patients and provides competency evaluation services to courts

Why 54 beds expandable to 72?

- Successful operation at 54 bed design capacity is contingent on full array of private community services
- Community services are not all in place
- Patient census fluctuates above even current capacity
- Future needs are not predictable with absolute precision
- Irresponsible to build for an ideal situation without capacity to cope with emergencies or population growth

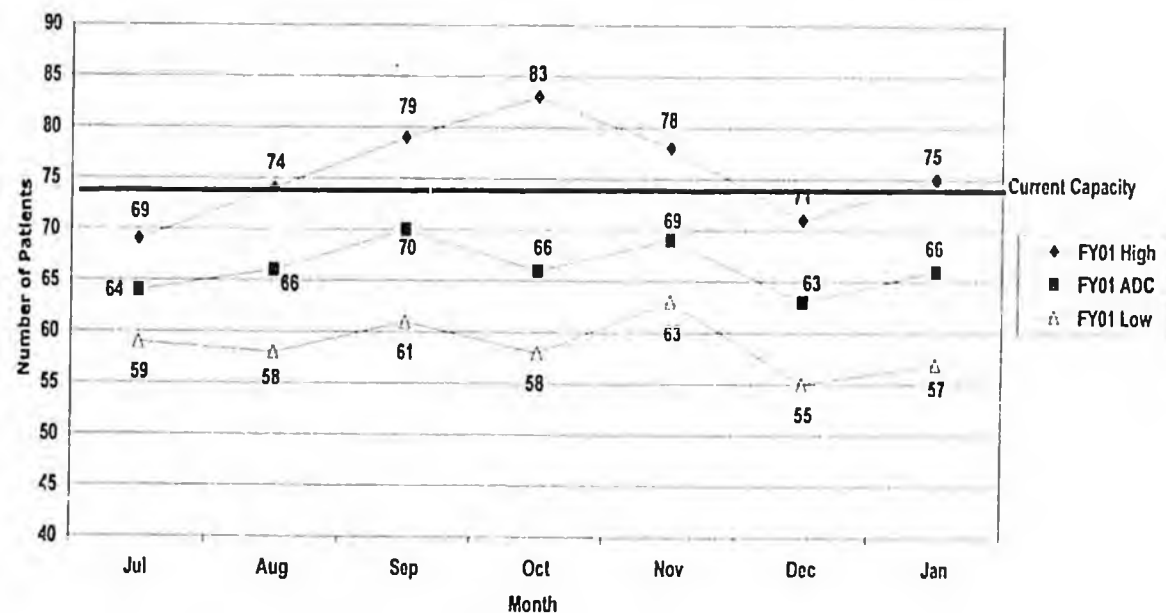
Why 54 beds expandable to 72?

As the State's safety net -
API must have a *flexible* inpatient bed capacity
AND HERE'S WHY:

The Bottom Line:

API *must* admit any person who is involuntarily committed or court-ordered to API for evaluation and/or treatment

High, Low & Average Daily Census FY01
Alaska Psychiatric Institute



Who can solve this problem?

The Alaska Legislature!



- By passing HB 130 or SB 96, this Legislature can finally solve this problem, and provide Alaska with a safe, modern, effective in-patient psychiatric hospital

ALASKA STATE LEGISLATURE



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Session:
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SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

To: Senate HESS Members

From: Aurora Hauke, Committee Aide

Date: March 9, 2001

Subject: SB 96 C.O.P.S FOR API DEMOLITION/CONSTRUCTION

Please find attached additional information to be included in the bill packet for SB 96 C.O.P.S FOR API DEMOLITION/CONSTRUCTION which was heard on February 28, 2001.

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS

RECEIVED

MAR 08 2001

ALASKA MENTAL HEALTH BOARD

TONY KNOWLES, GOVERNOR
STATE OF ALASKA

431 N. Franklin, Suite 200
Juneau, Alaska 99801
Office: (907) 465-3071
Fax: (907) 465-3079

March 7, 2001

Senator Lyda Green, Chair
Health Education and Social Services Committee
Alaska State Senate
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Green:

The Alaska Mental Health Board (AMHB) would like to contribute to the discussion concerning SB 96, which proposes a plan to finance the construction of a replacement for the Alaska Psychiatric Institute (API). As we listened to the outline of the plan to replace API ably presented by API Director Randall Burns to the committee on February 28 and the questions posed by committee members, we felt that some key historical perspective should be part of the discussion.

The plan embodied in SB 96 would replace API with a 54-bed facility (expandable to 72 beds). Committee members, looking at API census data, questioned whether a hospital of that size would be sufficient to meet Alaska's need for tertiary psychiatric care. As Director Burns pointed out, a 54-bed state mental hospital providing principally tertiary care would suffice if complementary community services were in place to serve a large part of the patient load now carried by API. The 18-bed expansion capacity provides both a safety net and the ability to respond as the state's population increases.

What the committee should also know is the "story behind the story" on the 54-bed proposal. That number, along with many other elements of future API services and corresponding community services, was the product of a series of negotiating and planning processes involving all stakeholders in Alaska's public mental health system. These began in 1992 and continue today under the auspices of the Community Mental Health/API 2000 Project. The crucial thing to know is that these processes led to a hard-won consensus plan to replace the API facility and devolve many of the services historically provided by API to the community. The mental health community, consisting of consumers and families, advocates, state agencies, community providers, and other interested parties, devoted tremendous energy and resources to developing this consensus plan for a mental health system in which a 54-bed state hospital would be a core component.

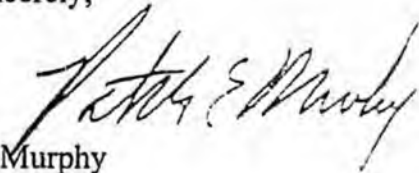
The AMHB was a key player, among many key players, during these processes. While we certainly understand why committee members might question, based on current census information, the number of beds planned for the replacement facility, the AMHB believes (as do, we believe, the vast majority of the stakeholders that developed the consensus position on API) that the hospital as planned has the appropriate number of

Senator Lyda Green
March 7, 2001
Page 2

beds. We further believe that any departure from this consensus should occur only as a result of a consensus decision. We believe that no such departure is necessary. What is necessary is the commitment and perseverance to develop the community service component (both in Anchorage and in other communities) to complement a smaller API.

It is time to replace API. It is also time to build the community infrastructure that will divert a large number of the Alaskans who now have no alternative to API. The fundamental idea is to put API in its place as an important, but smaller, element of the overall system of mental health service delivery. We hope that the committee will keep this history in mind as it considers SB 96. The AMHB would be happy to answer any questions the committee may have or provide additional materials that describe in detail its position on the future of API within the larger system. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pat Murphy".

Pat Murphy
Chair

Cc: Walter Majoros, Director DMHDD
Jill Ramsey, NAMI-Alaska
Jan McGillivary, MHAA
Katsumi Kenaston, AKMHCWeb
Faye Nieto, Parents, Inc.

TONY KNOWLES
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 15, 2001

The Honorable Rick Halford
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Halford:

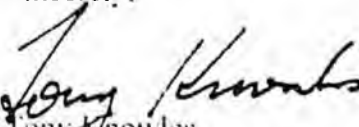
The Alaska Psychiatric Institute (API) is Alaska's only public psychiatric hospital. API provides services for persons who cannot be safely served in either community-based mental health centers or community hospitals. The current API facility dates from the early 60's, is permeated with asbestos, and must be replaced. I am transmitting this bill to finance capital construction for a replacement facility for the API.

The majority of patients at API have been involuntarily committed to treatment and come from all regions of the state. API is the ultimate "safety net" for persons who are mentally ill or otherwise suffer from mental disorders. In addition, API treats patients arrested and subsequently court-ordered to the facility for a variety of needs, including evaluations for competency to stand trial, treatment following a finding of incompetency, and persons previously found not guilty by reason of insanity.

The bill identifies funding sources for the \$58,750,000 necessary for the construction of the replacement facility. There is presently \$19,200,000 available from prior appropriations for this purpose that can be used for the project. In addition, the Legislature appropriated \$3,000,000 in Mental Health Trust Authority Authorized Receipts for the project. A lease-purchase agreement would be security for the remaining \$36,550,000, which the state would raise through the state bond committee's issuance of certificates of participation. The significant contribution of state money up front in the project will have the practical effect of lowering the lease payments because there will be additional security provided to the purchasers of the certificates of participation.

I urge your prompt and favorable action on this measure.

Sincerely,


Tony Knowles
Governor

Replacing the Alaska Psychiatric Institute

It Must Be Done Now

The Alaska Psychiatric Institute (API) has reached the end of its useful life. It opened in 1962 and since then has been in operation 7 days a week, 365 days a year for 39 years, providing the space to treat primarily indigent Alaskans needing in-patient psychiatric care. Old API, designed to support 225 beds, is permeated with hazardous asbestos, its life support systems are seriously worn, its roof requires replacement, and at 137,000 sq. ft it is highly inefficient for its present 74-bed capacity. In addition, API does not meet current seismic code. Clearly, API must be replaced.

Further, Old API was never designed as a psychiatric hospital: its large, ward-like patient bedrooms hold from four to six beds per room and the units have dorm-like group bathrooms, all of which fail to provide the therapeutic environment and privacy considered minimally acceptable under current patient care standards.

The Alaska Psychiatric Institute
has reached the end
of its useful life.
Clearly, API must be replaced.

Finally, several engineering studies have reported that the asbestos abatement and extensive renovations needed to make the existing API a safe and appropriate healthcare facility would be more expensive than the cost of constructing a replacement.

What solutions have been tried in the past?

The Department of Health and Social Services has been working to replace API for a number of years. However, implementing a replacement solution has proven difficult to achieve.

- A previous effort to construct a replacement facility proved unsuccessful when bids for construction substantially exceeded engineering estimates and appropriated funding.
- Previous efforts to develop strategic partnerships with neighboring institutions proved unsuccessful when essential land swaps among potential partners could not be consummated and the partners withdrew.
- A recent attempt to purchase the Charter North Hospital as a replacement was stymied when local planning and zoning processes and strong neighborhood opposition made it impossible to complete the purchase and use the facility.

What should be done now?

The only realistic option for replacing API is construction of a replacement hospital on the same parcel as the existing facility.

Two bills have been introduced that would finance construction of a new hospital. House Bill 130 and Senate Bill 86 would use a proven financing mechanism - Certificates of Participation - to fund construction of a replacement hospital and demolition of the old facility. This solution will:

- Build a hospital with 54 beds, expandable up to 72 beds as necessary to meet the State's need for capacity to serve civilly-committed, inpatient psychiatric patients.
- Re-use a portion of the current building (the gymnasium and storage space beneath it) and demolish the remainder - eliminating the hazardous waste and freeing campus space.
- Avoid land costs and potential delays or land use barriers by building on the current API site, which is zoned appropriately and is being conveyed to the State of Alaska by the Alaska Mental Health Trust to assure a permanent site for API.

How will the bills work?

The bills provide funding for the \$58,750,000 necessary for the construction of a replacement API facility by appropriating funds from two existing sources and financing the remainder. The bills appropriate \$22,200,000 currently available from the following sources:

- \$19,200,000 available from prior appropriations for construction or purchase of a new hospital.
- \$3,000,000 of Mental Health Trust Authority Authorized Receipts appropriated for the project.

The only realistic option for replacing API is construction of a replacement hospital on the same parcel as the existing facility.

The remaining \$36,550,000 would be raised through issuance of Certificates of Participation (COP's) by the State bond committee. A lease-purchase agreement would secure the COP's. The availability of significant existing funds as essentially a "down payment" on the project will have the practical effect of lowering the lease payments because there will be additional security provided to the purchasers of the COP's. The estimated total rental obligations under the lease-purchase agreement are \$3,700,000 annually for 15 years paid as part of the State's annual debt service payments. At the end of this time, the new hospital would revert to State ownership.

SB

112

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: SB 112
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: Long-Term Care Ombudsman; BRU: Mental Health Trust Authority
Mental Health Trust Authority Component: Mental Health Trust Authority
 Sponsor: Senate Health, Education & Social Services
 Requester: Senate Health, Education & Social Services Component Number: 1423

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	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type) 1094	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	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 fiscal note reflects the placing of the Alaska Mental Health Trust Authority staff positions in the exempt service and the establishment of a minimum salary for the Long-Term Care Ombudsman.

The Alaska Mental Health Trust Authority will absorb any and all costs for the staff positions that will be placed in exempt service within the current Trust income funded budget.

The Office of the Long-Term Care Ombudsman positions being transferred to the Alaska Mental Health Trust Authority by Executive Order 102 will remain classified. The costs of establishing a minimum salary for the Long-Term Care Ombudsman will be absorbed within the current federally funded budget.

Prepared by: Jeff Jessee, Executive Director Phone (907) 269-7960
 Division: Alaska Mental Health Trust Authority Date/Time 2/23/01 2:00 PM
 Approved by: Larry Persily, Deputy Commissioner Date Feb.23, 2001
 Agency: Department of Revenue

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SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/22/01

FURTHER: Finance

Date of 5-Day Notice: 02/20/01
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 02/28/01

Health, Education and Social Services Committee considered SENATE BILL NO. 112
LONG-TERM CARE OMBUDSMAN; MENTAL HEALTH AUTHORITY

"An Act placing certain employees of the Alaska Mental Health Trust Authority in the exempt service; establishing a minimum salary for the long term care ombudsman; and providing for an effective date."

and recommends:

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

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Revenue	2/23		X	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Karen D. Leman</i>	✓			
<i>Gary Lee</i>	✓			
<i>[Signature]</i>	✓			
<i>Betty Davis</i>	✓			
CHAIR: <i>Lynne [Signature]</i>	✓			

Senate HESS Committee
February 28, 2001
SB112

Testimony from Lisa Caress-Beu, Alaskan advocate for long term care residents:

SB 112 asks that certain employees of the Mental Health Trust Authority be placed in the exempt service. I would ask that the Legislature assure that the Office of the Long Term Care Ombudsman not be included in the exempt status, now or in the future.

It is critical that the Long Term Care Ombudsman's office remain within the classified section of the state government to assure that they are not exposed to the pressure of exempt status and the ability to be fired "at will".

The Long Term Care Ombudsman's office sometimes must investigate issues at long term care facilities that are under the oversight of the State of Alaska. The potential for appearance of retaliation against the office during an investigation of one of these facilities would be potentially devastating to the reputation and effectiveness of these important advocates for Alaska's senior residents of long term care.

Lisa Caress-Beu
2420 Chinook Avenue
Anchorage, AK 99516
(907)345-0515

SB 112 LONG-TERM CARE OMBUDSMAN; MENTAL HEALTH AUTHORITY

SECTIONAL ANALYSIS

Prepared by Aurora Hauke, Senate HESS Committee Aide

Sec.	Statute	Existing	Changes
1	AS 39.25.110 Public Officers and Employees Coverage of Personnel Exempt service	Lists positions that are exempt.	New paragraph (34) added. Chief executive officer and employees of the Alaska Mental Health Trust Authority are also exempt.
2	AS 47.30.026 Welfare, Social Services and Institutions Mental Health Mental Health Trust Authority Officers and staff	The annually elected chief officer may hire additional employees, appoint hearing officers, and contract for the services of consultants and others.	New subsection (d) added. The chief executive officer and employees hired under this section are in the exempt service.
3	AS 47.62.010(b) Welfare, Social Services and Institutions Office of the Long Term Care Ombudsman Office established	See Executive Order 102. Hiring guidelines for the Long Term Care Ombudsman.	The LTCO will be at least a range 21.
4	Uncodified law	None.	New section CONDITIONAL EFFECT added. This act takes effect only if Executive Order 102 docs.
5	Effective date		Takes effect immediately as conditioned by Sec. 4

ALASKA STATE LEGISLATURE



Interim:
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Session:
State Capitol
Juneau, Alaska 99801-1182
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(907) 465-3805 Fax

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

SPONSOR STATEMENT SB 112

“An Act placing certain employees of the Alaska Mental Health Trust Authority in the exempt Service; establishing a minimum salary for the long term care ombudsman”

Senate Bill 112 would place employees of the Alaska Mental Health Trust Authority (the Trust) in the exempt service, while establishing a minimum salary for the Long Term Care Ombudsman.

SB 112 was introduced at the request of the Alaska Mental Health Trust Authority to address concerns expressed about their ability to function efficiently as a state corporation.

Unlike other state boards, commissions and authorities whose employees are placed in the exempt service under AS 39.25.110(11), the Alaska Mental Health Trust Authority's employees are not in the exempt service. This is despite the fact that the fiduciary duty owed to the beneficiaries by the Trust requires that employees perform at the highest levels of competency, since their actions could jeopardize the assets and/or management of the Trust.

Additionally, this legislation establishes a minimum salary for the Long Term Care Ombudsman at a Range 21. Establishing a minimum salary of the Long Term Care Ombudsman will help ensure that a qualified individual can be hired for this crucial position.

LG/hm

SENATOR LOREN LEMAN, VICE-CHAIR

SENATOR JEI

TYE DAVIS

SPONSOR STATEMENT

550 West 7th Avenue, Suite 1820
Anchorage, AK 99501
Main line: (907) 269-7960
FAX: (907) 269-7866
Internet:
mhata@mhata.revenue.state.ak.us



The Alaska Mental Health Trust Authority

February 27, 2001

Senator Lyda Green, Chair
Senate Health, Education and Social Services Committee
State Capitol
Juneau, Alaska 99801-1182

Re: SB 112

Dear Senator Green,

This letter is in support of SB 112 that would place the employees of the Alaska Mental Health Trust Authority in the exempt service and establish a minimum salary for the Long Term Care Ombudsman.

Through oversight, the legislation creating the Alaska Mental Health Trust Authority (the Trust) made no provision regarding the category of service of either the Executive Director of the Authority or the staff. Therefore, all positions were deemed to be in the classified service by default. This has created a number of problems for the Trust and continues to be a barrier to the efficient operation of the agency.

At the time the initial Board of Trustees was appointed in 1995, it was forced to petition the State Personnel Board to have the Executive Director position established as partially exempt. Without this action, the Trustees would have been seriously restricted in their ability to hire an appropriate person for this critical position. Subsequently, due to the large assets of the Trust (over \$300 million and 1,000,000 acres of land) and the fiduciary duty owed to the beneficiaries, the Trust was forced to budget for a State Investment Officer position, which is already exempt by law, as a means of securing the services of someone they could be assured over time would adequately monitor the management of Trust assets by the Permanent Fund Corporation and the Department of Natural Resources. The remaining four staff are still in the classified service. This eclectic mix of employee positions in such a small office has been cumbersome and confusing at best.

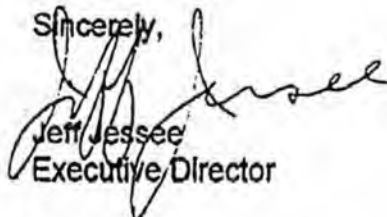
LETTER OF SUPPORT

The Trust is a state corporation similar in nature and function to the other boards, commissions and authorities whose employees are in the exempt service under AS 39.25.110 (11). These include, the Alaska Industrial Development and Export Authority, the Alaska Permanent Fund Corporation, the Alaska Aerospace Development Corporation, the Alaska Commission on Postsecondary Education and the Alaska Commercial Fisheries Entry Commission. The function of the Trust in developing a plan for the state and granting endowment income is extremely similar to that of the Alaska Science and Technology Foundation which is also in the exempt service under AS 39.25.110 (25). Finally, the fiduciary duty owed to the beneficiaries by the Trust requires that employees perform at the highest levels of competency and that any action that jeopardizes the assets or management of the Trust can be immediately addressed

The Trustees have agreed to accept responsibility for administering the Office of the Long Term Care Ombudsman. The Long Term Care Ombudsman is responsible for protecting the welfare of some of our most vulnerable Alaskans. Residents in the Pioneer Homes, nursing homes and community based assisted living homes often cannot speak for themselves. To mediate disputes and protect these individuals, the Long Term Care Ombudsman has extraordinary powers including the authority to subpoena confidential records and pursue legal actions if necessary. The Trustees believe that establishing a minimum salary for the Long Term Care Ombudsman is essential to ensure that a qualified individual can be found for this vitally important position. This position, as well as all others in the office, would remain in the classified service to protect them from any political pressure.

On behalf of the Trustees and the beneficiaries, thank you for considering SB 112. Please let me know if I can be of any further assistance.

Sincerely,



Jeff Jessee
Executive Director

Cc: Board of Trustees

S B

1 1 4

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 114
 (S) Publish Date: 2/22/01

Revision Date/Time _____ Dept. Affected: Education - Early Development
 Title: An Act relating to increasing the base student BRU: K-12 Support
allocation and the maximum amount of quality school.... Component: Foundation Program
 Sponsor: Rules Committee
 Requester: Governor Component Number: 141

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	34,686.0	48,010.5	60,912.0	74,236.5	87,561.0	87,561.0
Miscellaneous						
TOTAL OPERATING	34,686.0	48,010.5	60,912.0	74,236.5	87,561.0	87,561.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34,686.0	48,010.5	60,912.0	74,236.5	87,561.0	87,561.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	34,686.0	48,010.5	60,912.0	74,236.5	87,561.0	87,561.0

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 will increase the quality school funding grant amount in AS 14.17.480(a) from \$16 to \$65 per adjusted Average Daily Membership (ADM). This legislation also increases the base student allocation in AS 14.17.470 from \$3,940 to \$4,055 per adjusted ADM in FY2002. The base student allocation will then be adjusted to \$4,118 in FY2003, \$4,179 for FY2004, \$4,242 for FY2005 and \$4,305 for FY06 and beyond.

Prepared by: Eddy Jeans, School Finance Manager
 Division: Education Support Services
 Approved by: Commissioner Shirley J. Holloway, Ph.D.
 Agency: Education & Early Development

Phone 465-8679
 Date/Time 2/20/01 12:00 AM
 Date 2/21/01

For distribution information, call the Governor's Legislative Office

Alaska Department of Education & Early Development
 Public School Funding Formula
 Prepared 2/20/2001

Amount increased >>>	\$49	\$115	\$63	\$61	\$63	\$63
New allocation amount >>>	QS Grants	Base Allocation	Base Allocation	Base Allocation	Base Allocation	Base Allocation
Districts	\$65	\$4,055	\$4,118	\$4,179	\$4,242	\$4,305
	FY02	FY02	FY03	FY04	FY05	FY06
Alaska Gateway	57,456	134,845	73,872	71,527	73,872	73,872
Aleutian Region	15,202	35,679	19,546	18,925	19,545	19,545
Aleutians East B.	46,391	108,878	59,646	57,752	59,646	59,646
Anchorage	3,286,950	7,714,271	4,226,079	4,091,918	4,226,079	4,226,079
Annette Island	30,214	70,911	38,847	37,614	38,847	38,847
Bering Strait	263,359	618,087	338,604	327,855	338,604	338,604
Bristol Bay B.	29,276	68,708	37,640	36,445	37,640	37,640
Chatham	30,276	71,056	38,927	37,691	38,926	38,926
Chugach	15,425	36,200	19,831	19,202	19,831	19,831
Copper River	67,573	158,589	86,879	84,120	86,879	86,879
Cordova	40,814	93,788	52,475	50,809	52,476	52,476
Craig	44,384	104,167	57,065	55,254	57,065	57,065
Delta/Greely	50,575	118,699	65,026	62,962	65,026	65,026
Denali B.	36,094	84,711	46,407	44,934	46,407	46,407
Dillingham	56,507	132,618	72,652	70,345	72,652	72,652
Fairbanks B.	1,082,052	2,539,509	1,391,209	1,347,045	1,391,209	1,391,209
Galena	157,439	369,501	202,422	195,996	202,422	202,422
Haines B.	33,994	79,783	43,707	42,319	43,707	43,707
Hoonah	23,592	55,368	30,332	29,369	30,332	30,332
Hydaburg	10,977	25,762	14,113	13,666	14,113	14,113
Iditarod Area	68,455	160,659	88,013	85,218	88,013	88,013
Juneau B.	383,430	899,885	492,981	477,330	492,980	492,980
Knife Point	16,018	37,595	20,595	19,942	20,596	20,596
Kashunamiut	38,276	89,831	49,212	47,649	49,212	49,212
Kenai Peninsula B.	726,490	1,705,028	934,059	904,406	934,059	934,059
Ketchikan Gateway B.	173,642	407,526	223,253	216,165	223,254	223,254
Klawock	21,145	49,627	27,187	26,324	27,187	27,187
Kodiak Island B.	227,323	533,512	292,272	282,994	292,272	292,272
Kuspuk	73,302	172,034	94,245	91,253	94,245	94,245
Lake & Peninsula B.	80,027	187,820	102,893	99,626	102,893	102,893
Lower Kuskokwim	484,678	1,137,509	623,157	603,374	623,157	623,157
Lower Yukon	256,444	601,860	329,714	319,247	329,714	329,714
Mat-Su B.	924,944	2,170,788	1,189,213	1,151,461	1,189,214	1,189,214
Nenana	75,953	178,257	97,654	94,554	97,653	97,653
Nome	70,786	166,131	91,011	88,122	91,011	91,011
North Slope B.	255,172	598,872	328,079	317,663	328,078	328,078
Northwest Arctic B.	293,238	688,210	377,020	365,051	377,020	377,020
Pelican	3,372	7,914	4,336	4,198	4,336	4,336
Petersburg	50,085	117,549	64,396	62,352	64,396	64,396
Pribilof	20,798	48,810	26,740	25,891	26,740	26,740
Sitka B.	111,980	262,810	143,973	139,404	143,974	143,974
Skagway	15,146	35,545	19,473	18,854	19,472	19,472
Southeast Island	33,894	79,547	43,578	42,194	43,578	43,578
Southwest Region	108,355	254,303	139,314	134,891	139,314	139,314
St. Mary's	20,543	48,214	26,413	25,574	26,412	26,412
Tanana	16,265	38,173	20,912	20,248	20,913	20,913
Unalaska	35,998	84,485	46,283	44,813	46,283	46,283
Valdez	70,517	165,499	90,664	87,786	90,665	90,665
Wrangell	36,744	86,235	47,242	45,742	47,241	47,241
Yakutat	18,123	42,531	23,300	22,560	23,300	23,300
Yukon Flats	56,110	131,688	72,142	69,852	72,142	72,142
Yukon/Koyukuk	79,758	187,188	102,546	99,291	102,547	102,547
Yupik	60,456	141,885	77,728	75,261	77,728	77,728
Alyeska Central School	53,743	126,132	69,098	66,905	69,098	69,098
Mt. Edgecumbe High School	23,738	55,710	30,520	29,551	30,520	30,520
TOTAL	\$10,363,498	\$24,322,492	\$13,324,495	\$12,901,494	\$13,324,495	\$13,324,495

**OFFICE OF THE GOVERNOR**
Press Releases**ALASKA IN THE NEWS**

February 20, 2001

Release 01052

KNOWLES CALLS FOR NEW INVESTMENT IN SCHOOL EXCELLENCE
Backs Task Force Report, Will Seek \$45 Million More for Education in FY02

Saying a new investment in education is necessary as the next step toward school excellence in Alaska, Gov. Tony Knowles today announced his intent to increase funding for education by nearly \$45 million in the upcoming budget year.

"This is a big investment in Alaska's future," Knowles said at a news conference at Anchorage's Kincaid Elementary School. "If we truly are serious about improving student achievement - about preparing our students for the jobs of the 21st century - then this is also a very necessary investment."

Knowles said he has accepted all the recommendations of an Education Funding Task Force he appointed in December and will submit necessary budget amendments and bills to the Legislature beginning Wednesday. The 11-member task force was comprised of business, education, and elected leaders from around the state.

Several task force members were on hand for today's Anchorage announcement, including Roger Chan, vice president and chief financial officer for VECO, Inc., who was vice chair of the task force; and Ernie Hall, an Anchorage businessman who serves on the state Board of Education and Early Development. Also on hand for the announcement was Shirley Holloway, commissioner of Education and Early Development.

"I am pleased that, after careful consideration, Gov. Knowles has agreed with the recommendations of the task force, and will support new funds to help all students and schools meet high academic standards," said the chair of the task force, Ketchikan City mayor and former school superintendent Bob Weinstein. "Members of the task force are ready to work with the Governor and the many members of the Legislature who have indicated that education funding is a top priority for this session."

Knowles said he was impressed by the approach of the task force, which recommended very specific initiatives and programs to improve student achievement in Alaska. "Unlike many past proposals to increase education funding, the task force recommendation clearly defines how the task force arrived at the amount needed by local school districts," Knowles said. "It was also specific about additional dollars that need to be spent at the state level to support local efforts."

As a result of the report Knowles said he will introduce three bills that total \$36.6 million and will:

- Boost education formula funding by \$34.6 million - \$24.6 million to increase the base student allocation in the funding formula from \$3,940 to \$4,055 per student, and \$10 million to increase Quality Schools grants from \$16 to \$65 per student.
- Allocate \$800,000 to a teacher loan assumption program that will help recruit new Alaska teachers by paying off their student loans - no matter where they went to school - at a rate of \$2,000 per year up to a total of \$10,000. The proposal will help attract and keep top-notch teachers.
- Keep school funding fair by suspending a provision in the old SB36 that pays only 60 cents on

the dollar for new enrollment growth in some rural school districts while urban districts get full payment for more students. The Department of Education and Early Development estimates it will cost \$1.2 million next year to make sure enrollment growth is funded at 100 percent for all school districts. The task force recommends suspending the 60 percent provision while a complete study of district education costs is under way.

Knowles said he also will introduce budget amendments Wednesday totaling approximately \$8 million:

- \$7 million to support the task force recommendations for direct assistance to low-performing schools, incentives for excellent schools and a Center for School Excellence to coordinate and deliver assistance to students and schools not making the grade.
- Approximately \$1 million to back task force recommendations to fund the district cost factor study and data collection and analysis necessary to determine which schools need the most help.

The budget amendments can be covered within the governor's original school foundation budget for FY02 because he kept the foundation formula for next year at current levels even though the state's share of school aid will drop due to increases in local and federal aid. Knowles did this in anticipation of the task force report, saying that this was not the time to reduce state support for educational excellence.

The full task force report is available on the Department of Education and Early Development's web page at www.eed.state.ak.us. Look for it under an item entitled "In the News."

The state Board of Education and Early Development last week adopted the report and forwarded a recommendation to the Governor that he vigorously seek funding to implement its findings.

Besides Weinstein, Chan and Hall, the other eight members of the task force were Carl Marrs, president and CEO, Cook Inlet Region Inc.; Janice Loudon, president, Alaska Parent-Teacher Association; Jim Palmer, vice president, BP Exploration; Rich Kronberg, president, NEA-Alaska; Carl Rose, executive director, Association of Alaska School Boards; Pat Abney, Anchorage assembly member and longtime teacher; Darroll Hargraves, executive director, Alaska Council of School Administrators; and Roy Nageak, state Board of Education and Early Development.

-30-

Contact:

Bob King, Press Secretary at 907-465-3996

Claire Richardson, Deputy Press Secretary at 907-465-3996

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WWW.GOV.STATE.AK.US

funding task force
SB114

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- [Kelly Bosilan](#)
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Article last updated:
Wednesday, February 21, 2001 6:22 AM MST

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Knowles asks \$45 million more for education

By DIANA CAMPBELL
Staff Writer

Gov. Tony Knowles said Tuesday he is asking for a \$45 million increase in the state's \$900 million education budget. Knowles based the increase on recently appointed state education funding task force recommendations.

"It's a very balanced approach to funding," Knowles said.

Knowles was in Fairbanks making rounds announcing his education plans, as well as a plan to increase veteran beds in the state-run Pioneers' Homes. He also discussed the natural gas line with community leaders.

The governor appointed the education task force in December to study school funding in Alaska. The 11-member panel of business, education and elected leaders issued a report Feb. 1 that called for the increase.

Knowles said he will introduce three bills as a result of the report. He will ask that the education formula be increased by \$36.6 million. Part of the increase will be used to increase the per student allocation in the funding formula from \$3,940 to \$4,055.

He is also going to ask that \$10 million of the increase go toward upping Quality Schools grants from \$16 to \$65 per student.

Knowles also wants to introduce a bill to allocate \$800,000 to a teacher loan assumption program that will help recruit new Alaska teachers by paying off student loans.

He will also ask the state Legislature to suspend a provision of state law that pays 60 cents on the dollar for new student enrollment in some rural school districts while paying urban districts 100 percent.

The governor will introduce amendments that will add \$7 million to help low-performing schools and reward excellent schools.

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Knowles is also asking for \$1 million to study which schools need the most help.

The state education board backs the task force plan, Knowles said.

"Education isn't just about money, it's about results," Knowles told the Greater Fairbanks Chamber of Commerce at its general membership meeting.

Knowles later visited the Pioneers' Home to discuss his plan to establish a Pioneers' and Veterans Home system that will add beds for older military veterans.

Alaska is one of two states without a veterans' home. By combining the two, the state can provide homes for at least 125 veterans while reviving the Pioneers' Home system.

Knowles wants \$5.1 million for the Pioneers' Home budget. About \$2.6 million will come from residential fees, and the rest will come from the state's general fund.

Currently 100 beds are unfilled because the homes do not have enough staff due to budget cuts over the years, Knowles said.

The new system would increase space for other Alaskans, he said.

Concerning the natural gas pipeline, Knowles again voiced support for an Alaska Highway route while speaking at the chamber meeting. His plan is to begin the permitting process this year, he said.

He has asked the Legislature for \$2 million. Part of that money will be for staff of the Department of Natural Resources, Department of Fish and Game and the Department of Environmental Conservation to begin permitting work.

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SB

116

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/22/01

FURTHER: Judiciary
Finance

Date of 5-Day Notice: 04/06/01
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 04/12/01

Health, Education and Social Services Committee considered SENATE BILL NO. 116
AK TEMPORARY ASSISTANCE PROGRAM AMENDMENTS

"An Act relating to the Alaska temporary assistance program; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 116 (HES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Health & Social Services	2/15/01		X	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>Craw D. Hansen</i>	✓			
<i>Asmussen</i>	✓			
<i>Betty Davis</i>	✓			
CHAIR: <i>Lyle Beer</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 116
(S) Publish Date: 2/22/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
Title: ATAP Program Amendments BRU: Public Assistance
Component: ATAP
Sponsor: Rules
Requester: Governor Component Number: 220

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						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	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:
Although this proposed legislation may allow more than 20% of the eligible ATAP caseload to receive benefits beyond 60 months, there are no projected financial impacts. The ATAP program is partially funded by the federal TANF block grant which does not vary regardless of the number of families served. Also, federal law requires the State to contribute a fixed amount of state funds toward the program, called maintenance of effort (MOE). Additionally, caseloads are projected to continue their downward trend.

Prepared by: Jim Nordlund Phone: _____
Division: Director of Public Assistance Date/Time: _____
Approved by: Elmer A. Lindstrom, Special Assistant Date: 2/15/01 4:29 PM
Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

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

March 2, 2001

Honorable Lyda Green, Chair
Senate Health, Education and
Social Services Committee
State Capitol, Room 125
Juneau, AK 99801-1182

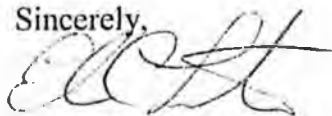
Dear Senator Green,

The Department of Health and Social Services respectfully requests a hearing in the Senate Health, Education and Social Services Committee on Senate Bill 116 "An Act relating to the Alaska temporary assistance program; and providing for an effective date."

This legislation would allow the department to refine the methodology used to determine hardship exemptions from the 60-month limit on receiving benefits through the Alaska temporary assistance program as well as to clarify the existing statutory provisions for seasonal reductions in benefits for two parent families.

A copy of the fiscal note submitted to the legislature at the time of introduction is attached. Your favorable consideration of this request will be most appreciated.

Sincerely,



Elmer A. Lindstrom
Special Assistant to the Commissioner

CC: Mike Abbott, Legislative Director
Office of the Governor

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

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

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
 Title: ATAP Program Amendments BRU: Public Assistance
 Component: ATAP
 Sponsor: Rules
 Requester: Governor Component Number: 220

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						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2001) cost: 0.0

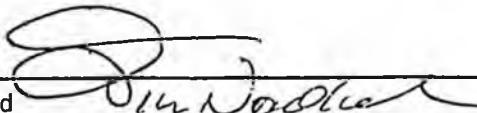
Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Although this proposed legislation may allow more than 20% of the eligible ATAP caseload to receive benefits beyond 60 months, there are no projected financial impacts. The ATAP program is partially funded by the federal TANF block grant which does not vary regardless of the number of families served. Also, federal law requires the State to contribute a fixed amount of state funds toward the program, called maintenance of effort (MOE). Additionally, caseloads are projected to continue their downward trend.

Prepared by: Jim Nordlund 
 Division: Director of Public Assistance
 Approved by: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 2-15-01
 Date/Time: _____
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SB
Proposed Amendment to HB 116

SEC 47.27.015 Disqualifying conditions

(f) The number of families for which an exemption is in effect under (a)(1) of this section may not exceed [10 PERCENT OR THE MAXIMUM PERCENTAGE OF FAMILIES ALLOWED AN EXEMPTION UNDER FEDERAL LAW, WHICHEVER IS GREATER] 20 percent of the average monthly number of families who were receiving Aid to Families With Dependent Children in state fiscal year 1994.

(g) A person who is an alien is not eligible for assistance under this chapter unless the person is a qualified alien under 8 U.S.C. 1641 or an alien excepted under 8 U.S.C. 1613

(h) A family that includes an adult who is eligible for the disregard of specific months under 42 USC 608(a)(7)(D) shall not have those specific months count for the purpose of disqualification under (a) of this section.

*Discuss w/
Reed*

**Proposed Amendment to
Senate Bill No. 116
3/15/2001 DRAFT**

Sec. 47.27.015. Disqualifying conditions. (a) A family is not eligible for assistance under the Alaska temporary assistance program if the family includes an adult who

(1) has received benefits under the Alaska temporary assistance program, or a program of another state operated under a federal assistance grant program for needy families, for a total of 60 months as the caretaker or spouse of a caretaker of a dependent child or as a pregnant woman, unless the caretaker or pregnant woman is

(A) a person who the department has reasonable cause to believe is or recently has been the victim of domestic violence, as defined in AS 18.66.990, and the physical, mental, or emotional well being of the victim would be endangered by a strict application of the time limit otherwise applicable under this subsection;

A victim of domestic violence will receive an extension beyond the 60-month time limit when it is determined that the individual is unable to gain or keep employment, participate in work activities, or achieve self-sufficiency as a result of the effects of domestic violence. If appropriate, the determination to allow an extension will be made in consultation with a domestic violence program and include a services plan that is designed to lead to work and alleviate the conditions that endanger the victim's well-being.

Proposed Amendment to
Senate Bill No. 116
3/15/2001 DRAFT

(B) determined, under regulations of the department to be physically or mentally unable to perform gainful activity;

The individual has a diagnosed physical condition or mental disorder severe enough to limit them from obtaining or retaining any type of employment either part- or full-time. Decisions to extend will be made in consultation with a qualified health professional. Exemptions will include but are not limited to:

1. The individual is physically ill or incapacitated as supported by documentation from a physician or other licensed medical professional and as a result of the illness or incapacity is not able to work;
2. The individual is diagnosed with a severe mental disorder and as a result of the disorder is not able to work;
3. The individual has applied for SSI but has not yet received a final determination of eligibility;
4. The individual is receiving needed treatment but is not job ready.

Proposed Amendment to
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(C) a parent who is providing care for a child who is experiencing a disability;

[OR]

The individual is a parent who is not able to work because they are needed in the home to care for a disabled child with a diagnosed severe emotional, mental or physical condition.

- **The need for care must be supported by documentation from a physician or other licensed medical professional;**
- **The parent must be responsible for the personal care of the child;**

(D) a family determined by the department to be exempt from this paragraph by reason of hardship; [OR]

Hardship means that a family experiences severe or extraordinary barriers to employment and due to circumstances beyond their control is in need of additional months of assistance. To receive a hardship extension, a family must be identified as belonging to one of the defined categories below:

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Lack of success at employment:

The individual complies with the Family Self-Sufficiency Plan and participates in work activities, and due to circumstances beyond their control, cannot earn wages sufficient to leave Temporary Assistance.

Exemptions would include but are not limited to:

- Diagnosed medical or mental health conditions that act as an impediment to employment for which care has been prescribed by a physician or other licensed medical professional including substance abuse and mental health treatment.
- Diagnosed functional limitations or impairments that act as an impediment to employment and take into consideration such factors as literacy level; learning or developmental disability; traumatic brain injury; or organic brain disorder.

Caring for a disabled relative

The individual is not able to work because they are needed in the home to care for a disabled relative with a diagnosed severe emotional, mental or physical condition. In addition the following conditions must apply:

- The need for care must be supported by documentation from a physician or other licensed medical professional;
- The individual must be responsible for the personal care of the relative:

**Proposed Amendment to
Senate Bill No. 116
3/15/2001 DRAFT**

Disaster

Families who are impacted by a specific catastrophic event meeting the criteria for a formal disaster declaration under state or federal laws.

Children at risk of placement

A child for whom an interagency team review determines that the termination of assistance would be likely to result in the child being placed into emergency shelter or foster care.

(2) is determined to be fleeing to avoid prosecution, custody, or confinement after conviction, in this or another jurisdiction, for a crime that is classified as a felony or a class A misdemeanor under AS 11 or the criminal laws of the jurisdiction where the criminal activity was committed.

(b) A family is not eligible for assistance under this chapter for a period of 120 months beginning on the date the adult applicant for the family is convicted or having fraudulently misrepresented the applicant's residence in order to receive assistance in more than one state under a program financed with federal money under any successor federal program that replaces the aid to families with dependent children program.

(c) A family is not eligible for the following time periods if the family's

**Proposed Amendment to
Senate Bill No. 116
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demonstrated need for assistance is due to a refusal of or voluntary separation from suitable employment by the adult applicant, or a custodial parent or caretaker, without good cause:

- (1) one month for the first refusal or separation without good cause;
- (2) six months for the second refusal or separation without good cause; and
- (3) 12 months for the third and subsequent refusal or separation without good cause.

(d) A family is not eligible for assistance for up to 12 months if the family's demonstrated need is due to an intentional transfer of an asset or assets at less than fair market value for the purpose of establishing eligibility for assistance. A period of ineligibility shall begin on the first day of the month following the transfer of the asset or assets and shall remain in effect for a number of months equal to the fair market value of the transferred asset or assets divided by the maximum payment amount for the family as established under AS 47.27.025, or for 12 months, whichever is less.

(e) An Alaska temporary assistance program applicant or participant who is administratively disqualified for making a false statement or misrepresentation knowing it was false, or for knowingly failing to disclose a material fact, in order to obtain or increase assistance or services under this chapter is not eligible to receive assistance under this chapter for a period of

- (1) six months following the first disqualification;
- (2) 12 months following the second disqualification; and

Proposed Amendment to
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(3) permanently following the third disqualification.

(f) The number of families for which an exemption is in effect under (a)(1) of this section may not exceed 10 percent or the maximum percentage of families allowed an exemption under federal law, whichever is greater.

(g) A person who is an alien is not eligible for assistance under this chapter unless the person is a qualified alien under 8 U.S.C. 1641 or an alien excepted under 8 U.S.C. 1612(b). However, a qualified alien may only be eligible for assistance under this chapter if the person is not precluded by the limited eligibility provision of 8 U.S.C. 1613.

(h) A family that includes an adult who is eligible for the disregard of specific months under 42 USC 608(a)(7)(D) shall not have those specific months count for the purpose of disqualification under (a) of this section.

(i) In determining if an individual or a family meets the criteria under (a)(1) the department will take into consideration compelling reasons for not achieving self-sufficiency. Compelling reasons under this section include the availability of services or treatment documented in the family's self-sufficiency plan.

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 21, 2001

The Honorable Rick Halford
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Halford:

Five years ago my Administration worked with the Legislature to create a new welfare law for Alaska. Under the banner of welfare reform, we repealed the Aid to Families with Dependent Children and Job Opportunity and Basic Skills programs and created the Alaska Temporary Assistance Program (ATAP). We have had great success with the program, with more Alaskans transitioning from welfare to work and our caseload dropping by more than 40 percent. Like many other states addressing welfare reform, we recognize what changes are needed to improve our program administration and ensure its continued success. These changes are addressed in the bill I transmit today.

The bill repeals the percentage limit on the number of families that may continue on assistance for more than 60 months due to hardship. Removal of this limit will permit the Department of Health and Social Services to base its hardship exceptions on objective criteria rather than on a fixed percentage of overall caseload. As families are successful in finding work and the overall caseload decreases, the number of hardship cases makes up a greater percentage of the total.

Alaska set an extremely aggressive goal, compared to other states, in capping our hardship cases at a specific percentage of the total. Other states either avoided time limits completely or set a broader range of exemptions to the limits. We now recognize the fixed percentage in our law artificially bars needy families with disabled adults from receiving essential cash assistance and services for their children. The first families will begin to exceed the 60-month lifetime limit in July of 2002.

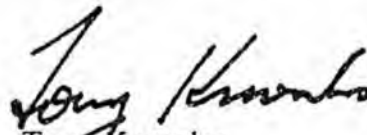
The Honorable Rick Halford
February 21, 2001
Page 2

The bill also addresses the seasonal reduction provisions for a two-parent needy family by removing outdated eligibility requirements as cited in a Superior Court ruling. This change permits the department to apply the seasonal reduction provision to all two-parent needy families in which both parents are physically and mentally able to work.

Finally, the bill requires disabled parents to have self-sufficiency plans. The state can better serve these parents by promoting their efforts toward self-sufficiency.

We have seen dramatic, positive changes for poor Alaska families. Thousands of recipients have been assisted into work and the state has saved millions of dollars in welfare benefit payments. The reform measures provided a durable framework for a new era of welfare in Alaska. I urge your favorable consideration for these improvements to the program.

Sincerely,



Tony Knowles
Governor

**Alaska Temporary Assistance Program Amendments:
Bill Summary
HB 142/SB 116**

Division of Public Assistance
February 8, 2001

**Section 1
Two-Parent Seasonal Reduction**

Two-parent families who receive Alaska Temporary Assistance (ATAP) benefits are subject to a seasonal benefit reduction during the months of July, August, and September when summer employment opportunities are high. During these months, ATAP payments to two-parent families are cut in half.

This section clarifies the statutory language regarding the seasonal reduction to two-parent families to support regulations that will reduce ATAP payments for able-bodied two-parent families by 50% during the months of July, August, and September regardless of employment status or which parent is the family's principal wage earner. In November 2000, the Superior Court found the Department's regulation inconsistent with the statute. The court found that to apply the two-parent seasonal benefit reduction the department must make a determination of which parent is the family's primary wage earner (PWE) and make a determination of whether the PWE is unemployed before it reduces the family's benefit in half. This would require the Division of Public Assistance (DPA) to return to policies similar to those in effect for ATAP's predecessor program Aid to Families with Dependent Children (AFDC). Setting this eligibility criteria discourages formation of two-parent families and does not "make work pay." It also involves cumbersome rules and administratively demanding processes that are both unnecessary and do not promote a family's self-sufficiency goals.

**Section 2
The 20% Cap on Exemptions**

July 2002 marks the first month families in Alaska will exceed the 60-month time limit for receiving Temporary Assistance benefits. Although the 60-month limit is a key element of welfare reform, there are families who will need continued support after receiving 60 months of assistance.

There has been a 42% overall caseload reduction in ATAP since November 1996. The rate of caseload decline is slowing, however, and many clients who remain on the caseload have significant challenges to employment such as family violence, learning disabilities, mental and physical health problems and problems with substance abuse. Some, but not all, of these families will be eligible for an exemption from the 60-month limit. Federal and state laws cap the exemptions at 20% of the current caseload and define eligibility criteria for the exemptions. As the caseload has declined sharply, so has the number of possible exemptions under the 20% rule. Less than half the families who could be considered for an exemption when ATAP passed can now receive one. In future years, the number of families receiving greater than 60 months of assistance will exceed the number of exemption slots available. Many of these recipients will be

unable to work despite their best efforts. The 20% cap in both federal and state laws precludes the use of either federal or state funds to serve many families who are truly needy.

This section repeals the arbitrary 20% cap on exemptions to the 60-month limit on benefits and allows the Department to grant extensions to each family based on the criteria in current law. Extensions can then be granted to all families who meet the specific criteria. This change is necessary to avoid placing families who meet the criteria on a waiting list for an extension, and meanwhile, denying supports for basic needs.

Family Self-Sufficiency Planning for Incapacitated Adults

This section repeals a provision now in statute which exempts incapacitated adults (physically or mentally unable to perform gainful activity) from completing a Family Self-Sufficiency Plan (FSSP). This change will help these vulnerable families to address their challenges by requiring them to engage in appropriate self-sufficiency activities such as wellness plans, treatment activities or pursuit of disability benefits. Even if the adult cannot work, the FSSP can be used to promote activities that will enhance well-being and quality of life for the individual and the family.

Section 3 Regulations

This section allows DHHS to immediately adopt regulations necessary to implement this legislation.

Sections 4 & 5 Effective Dates

FAMILIES FACING THE ALASKA TEMPORARY ASSISTANCE PROGRAM 60-MONTH TIME LIMIT

The Alaska Temporary Assistance Program (ATAP) provides assistance with basic needs and employment services to needy Alaskan families. Eligibility for the program is time-limited – state and federal law limits most families to a lifetime maximum of 60-months of assistance.

July 2002 marks the first month that some families in Alaska will reach the 60-month time limit for receiving Temporary Assistance. Although the time limit on Temporary Assistance is a key element of welfare reform, there are truly needy families who, despite their best efforts, will need continued support beyond 60 months. These families experience serious personal and social problems that interfere with their ability to find and keep work.

A survey of case managers who work with long-term recipients (those who have had 40 or more months of assistance) completed by the Division of Public Assistance reveals that the challenges faced by these families mirror national data on welfare recipients and include:

- **Physical health problems** - 49% suffer with moderate to severe health problems that make it difficult or impossible to work.
- **Disabled children in the home** – 21% care for children with severe medical or emotional problems.
- **Disabled relative in the home** – 11% care for another adult with a severe medical problem.
- **Domestic violence** - 23% reported family violence that impacted their ability to find or keep work.
- **Mental health issues** - 33% experienced mental health problems that interfere with employment.
- **Substance abuse** - 16% have problems with alcohol or other drugs.
- **Learning disabilities** – 12% experience a learning disability, which makes it difficult to read, write or handle mathematic calculations.
- **Literacy** – 18% have low literacy rates.
- **Multiple challenges** – 56% experienced two or more challenges, 28% faced three or more challenges.



Real Families With Real Needs

Examples of Families who are Helped by HB 142/SB 116

Frank* is a 48-year-old father of two children whose wife, Marianne, has significant medical problems requiring him to care for her. Marianne is permanently disabled and receives Social Security. Frank and their two children receive Temporary Assistance. One of the children is blind, requiring extra care. Frank participates in a home-based training program while he cares for his family, and plans to begin his own computer repair business, but it could be awhile before he works his way off assistance. The family has only 18 months before reaching the time limit.

Diane is a 40-year-old single mother with two children, one with severe medical problems. The child is in special education classes, but is ill often, which requires Diane to be available for care. She has not found an employer who is able to accommodate her need for frequent sick leave. The family has only 17 months left before reaching the time limit.

Theresa is a 36-year-old mother battling depression while raising three children. In addition to Theresa's medical condition, she had serious challenges with a teenage son. Theresa and her son are both doing better and she hopes her medical condition is stabilized. Theresa has been working part-time this last year and is attempting to get a full-time job. The family has 20 months before reaching the time limit.

Deborah is a 46-year-old mother supporting her husband Charlie, who is incapacitated, and their five children. Deborah dropped out of high school and has minimal job skills. The family does not own a car and must use public transportation. Charlie is applying for Social Security disability benefits, and Deborah works full-time, resulting in a very low monthly benefit payment – but the family's assistance is still counting towards the 60-month time limit. They have four kids, one with a serious medical problem, plus they took in a nephew who might otherwise have gone into the child welfare system. The family has 20 months before reaching the time limit.

Helen is a 27-year-old single mother with 3 children. She has a learning disability and a low reading level and has received some remedial help in literacy. She is now employed and has a supportive boss who helps her work through the learning difficulties she encounters on the job. With further assistance, Helen may attain full-time employment at a higher wage, but it could take some time. The family has 25 months before reaching the time limit.

**all names have been changed to protect confidentiality*

Proposed Exemption Criteria for Families Reaching the 60-Month Time Limit for Receiving Temporary Assistance

State law provides that recipients may be eligible for an exemption from the 60-month time limit if they meet certain criteria. The Division of Public Assistance has been further developing these criteria for adoption in regulation. The criteria includes families in the following circumstances:

- **Victim of domestic violence**

A family would receive an exemption if an individual were unable to find or keep employment, participate in work activities or achieve self-sufficiency as a result of the effects of domestic violence.

- **Adult who is physically or mentally unable to perform gainful activity**

An exemption would be allowed for families with an adult who has a diagnosed physical condition or mental disorder severe enough to limit them from obtaining or retaining any type of employment either part- or full-time.

- **Parent who is providing care for a child who is experiencing a disability**

A parent would be exempted if he or she is not able to work because they are needed in the home to care for a disabled child with a diagnosed severe emotional, mental or physical condition. A licensed medical professional must verify the need for care.

- **Hardship**

Hardship means that a family is experiencing severe or extraordinary barriers to employment and, due to circumstances beyond their control, is in need of additional months of assistance. To receive a hardship exemption, a family must belong to one of the categories below:

- **Lack of success at employment**

The recipient complies with the Family Self-Sufficiency Plan and is doing everything possible to become self-supporting, but cannot earn wages sufficient to leave Temporary Assistance. Examples of situations that could qualify include but are not limited to:

- Diagnosed medical or mental health conditions that act as an impediment to employment for which care has been prescribed by a licensed medical professional;
- Diagnosed functional limitations or impairments that act as an impediment to employment and take into consideration such problems as literacy level, learning or developmental disability or other brain disorders.

- **Caring for a disabled relative**

The recipient is not able to work because they are needed in the home to care for a disabled relative with a diagnosed severe emotional, mental or physical condition that is verified by a licensed medical professional.

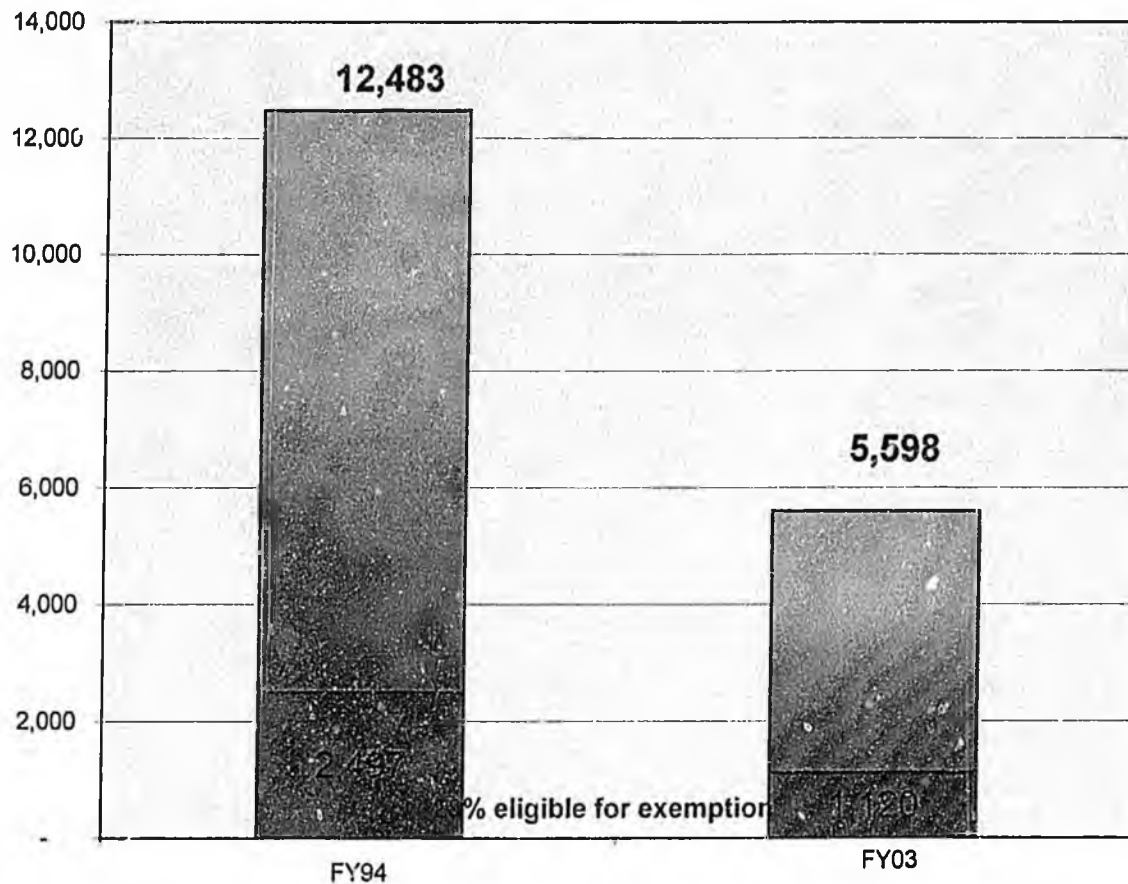
- **Disaster**

Families are impacted by a specific catastrophic event meeting the criteria for a formal disaster declaration under state and federal laws.

- **Children at risk of placement outside the home**

It is determined, based on prior involvement with Division of Family and Youth Services and a current assessment, that a child would likely be removed from the home and placed into emergency shelter or foster care if assistance was ended.

**Comparison of Number of Families
Eligible for 60-month Exemption, FY94 and FY03**



In FY94 the average monthly ATAP caseload was 12,483. By FY 2003, we expect the caseload will be 5,598. 20% of the FY94 caseload is 2,497, and 20% of the FY03 average caseload is 1,120. This is a 55% decline in the number of families eligible for an exemption to the 60-month limit.

**Projected Number of Temporary Assistance Families
Exceeding the 60-Month Time Limit**

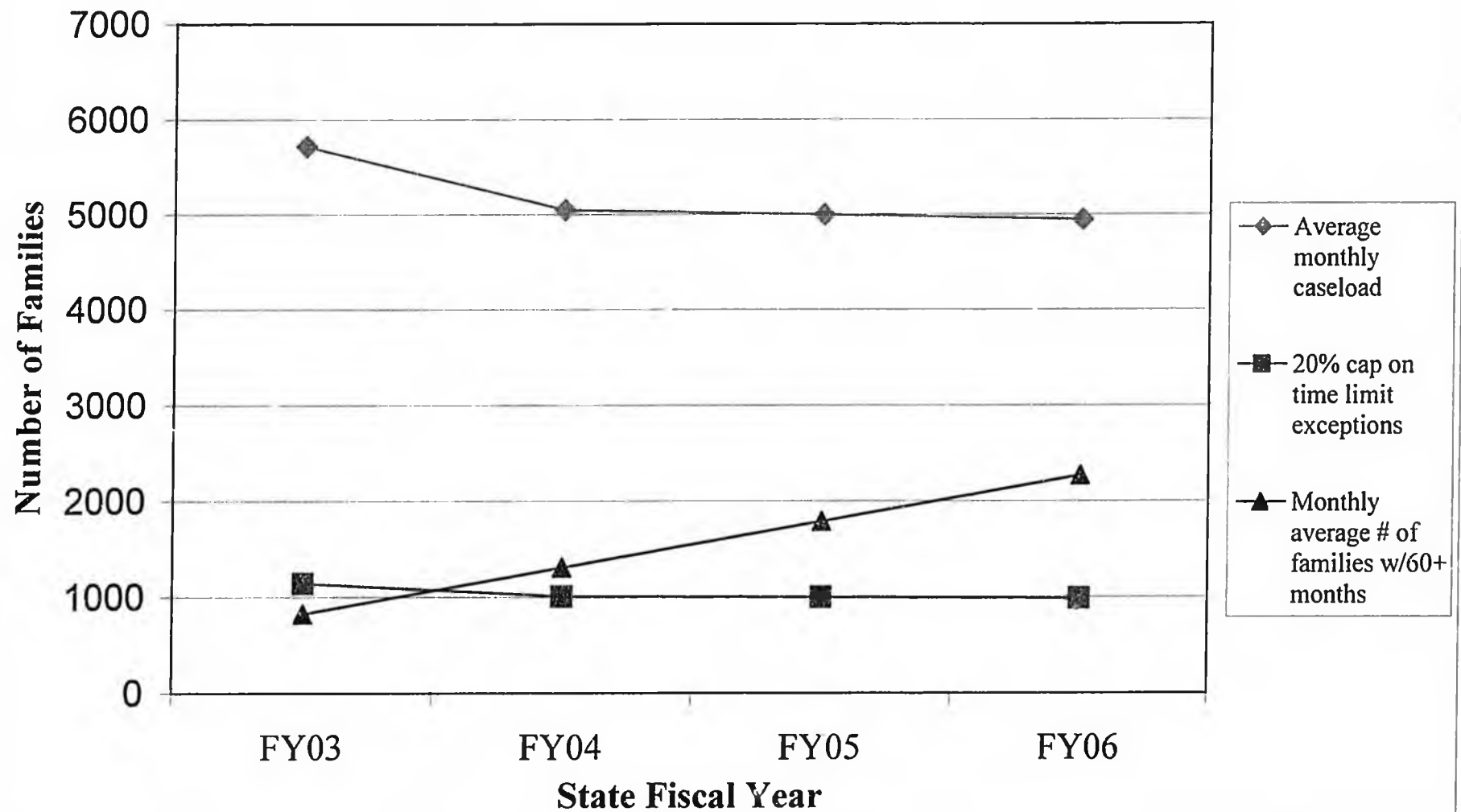
Fiscal Year	Average Monthly Caseload	Change From Previous Year	Exemptions Allowed under 20% Cap	Projected Average Families Over 60 mo.	Hardship Families Projected Eligible for Exemption	Non-Hardship Families Cut-Off	Hardship Families Cut-Off
FY94	12483		2497				
FY97	12096	0.6%	2419				
FY98	10514	-13.1%	2103				
FY99	8890*	-15.4%	1778				
FY00	7596*	-14.6%	1519				
FY01	6091**	-19.8%	1240				
FY02	5888	-3.3%	1178				
FY03	5598	-4.9%	1120	825	713	112	0
FY04	5262	-6.0%	1052	1265	1097	168	45
FY05	4900	-6.9%	980	1553	1349	204	369

Note: All Figures FY01 and later are estimates

* TCC excluded

** TCC, T&H, AVCP excluded FY01 forward

Results of Decrease in Caseload and Increase in Families with 60+ Months of Assistance



STATE OF ALASKA

DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

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April 10, 2001

Honorable Lyda Green
Chair of the Senate HES Committee
Alaska State Legislature
State Capitol, Room 125
Juneau, AK 99801-1182

Re: Proposed CSSB 116

Dear Senator Green:

This is a response to the two questions posed for the Department of Law at the Senate HES Committee on Monday, April 9, 2001.

QUESTION 1: The first question was posed by Sen. Ward and sought clarification of the meaning of Alaska Native village for the purpose of the federal law's exclusion from the 60 month limit. The federal law cited in Section 1 of proposed CSSB 116 states:

(D) Disregard of months of assistance received by adult while living in Indian country or an Alaska Native village with 50 percent unemployment.

(i) In general

In determining the number of months for which an adult has received assistance under a State or tribal program funded under this part, the State or tribe shall disregard any month during which the adult lived in Indian country or an Alaskan Native village if the most reliable data available with respect to the month (or a period including the month) indicate that at least 50 percent of the adults living in Indian country or in the village were not employed.

(ii) "Indian country" defined

As used in clause (i) the term "Indian country" has the meaning given such term in section 1151 of Title 18.

The TANF legislation did not define or otherwise address the classification of "Alaska Native village. However, when the department adopted regulations to address time limits at 7 AAC 45.600(c), Alaska Native village was identified by reference to the ANCSA law:

For the purposes of this subsection, "Alaska Native village" means a village listed in 43 U.S.C. 1610 or 1615 (secs. 11 and 16 of the Alaska Native Claims Settlement Act). To determine the population and unemployment status of the adults living in a village or on a reservation, the division shall use the most current state or federal statistical data available, consistent with federal law.

An excerpt from federal law that lists the ANCSA recognized Alaska Native villages is enclosed with this letter.

QUESTION 2: The second question was directed to determining whether section 2 of CSSB 116 solved the problem raised by the court case. Because there were a number of issues raised in the court case and the court addressed only the one that it needed to in order to remand the case to the department, this question can be posed in a number of ways:

A) Does the language of CSSB 116 address the problem in the statutory language that was identified by the court?

YES. By removing the antiquated AFDC program based language, and replacing it with language that more clearly identifies two-parent families in terms of the ATAP program classifications set out at AS 47.27.010, the language that appears to require the department to evaluate each family on the basis of primary wage earner and employment status is removed.

B) Does the language in CSSB 116 maintain the categories that were originally intended to be subject to the seasonal reduction in the original ATAP legislation?

NO. This language requires that the seasonal reduction be applied to all two-parent families, without regard to whether there are two parents in the family who are capable of working. Thus, this language is a policy shift from the former language which exempted two-parent families in which one or more of the parents were incapacitated, or, in the language proposed in SB 116, "unless the second needy parent is determined, under regulations of the department, to be physically or mentally unable to perform gainful activity."

This category has already been defined by the department for the purpose of application of AS 47.27.015, 47.27.025, and 47.27.030 at 7 AAC 45.235. A copy of that regulation is enclosed for your reference.

Honorable Lyda Green
Chair of the Senate HES Committee

April 10, 2001
Page 3

C) Does the language in CSSB 116 address the complaint raised by the plaintiff in the court case?

NO. The plaintiff sought to expand the category of families that were exempt from the seasonal reduction by adding the category of those families in which one of the parents was providing care for a child who is experiencing a disability. (This family has a child who requires constant care due to her serious disabilities.)

If you have any other questions about the court case or the bill language, please feel free to contact me.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:


Kristen F. Bomengen
Assistant Attorney General

KFB:ebc

Enclosures

(b) List of Native villages subject to chapter; review; eligibility for benefits; expiration of withdrawals for villages; alternative eligibility; eligibility of unlisted villages

(1) The Native villages subject to this chapter are as follows:

NAME OF PLACE AND REGION

Afognak, Afognak Island.
 Akliok, Kodiak.
 Akiachak, Southwest Coastal Lowland.
 Akiak, Southwest Coastal Lowland.
 Akutan, Aleutian.
 Alakanuk, Southwest Coastal Lowland.
 Alatna, Koyukuk-Lower Yukon.
 Aleknagik, Bristol Bay.
 Allakaket, Koyukuk-Lower Yukon.
 Ambler, Bering Strait.
 Anaktuvuk, Pass, Arctic Slope.
 Andreadsey, Southwest Coastal Lowland.
 Aniak, Southwest Coastal Lowland.
 Anvik, Koyukuk-Lower Yukon.
 Arctic Village, Upper Yukon-Porcupine.
 Atka, Aleutian.
 Atkasook, Arctic Slope.
 Atmautluak, Southwest Coastal Lowland.
 Barrow, Arctic Slope.
 Beaver, Upper Yukon-Porcupine.
 Belkofsky, Aleutian.
 Bethel, Southwest Coastal Lowland.
 Bill Moore's, Southwest Coastal Lowland.
 Biorka, Aleutian.
 Birch Creek, Upper Yukon-Porcupine.
 Brevig Mission, Bering Strait.
 Buckland, Bering Strait.
 Candle, Bering Strait.
 Cantwell, Tanana.
 Canyon Village, Upper Yukon-Porcupine.
 Chalkyitsik, Upper Yukon-Porcupine.
 Chanilut, Southwest Coastal Lowland.
 Charfornak, Southwest Coastal Lowland.
 Chevak, Southwest Coastal Lowland.
 Chignik, Kodiak.
 Chignik Lagoon, Kodiak.
 Chignik Lake, Kodiak.
 Chistochina, Copper River.
 Chitina, Copper River.
 Chukwuktoligamute, Southwest Coastal Lowland.
 Circle, Upper Yukon-Porcupine.

Clark's Point, Bristol Bay.
 Copper Center, Copper River.
 Crooked Creek, Upper Kuskokwim.
 Deering, Bering Strait.
 Dillingham, Bristol Bay.
 Dot Lake, Tanana.
 Eagle, Upper Yukon-Porcupine.
 Eek, Southwest Coastal Lowland.
 Egegik, Bristol Bay.
 Eklutna, Cook Inlet.
 Ekok, Bristol Bay.
 Ekwok, Bristol Bay.
 Elim, Bering Strait.
 Emmonak, Southwest Coastal Lowland.
 English Bay, Cook Inlet.
 False Pass, Aleutian.
 Fort Yukon, Upper Yukon-Porcupine.
 Gakona, Copper River.
 Galena, Koyukuk-Lower Yukon.
 Gambell, Bering Sea.
 Georgetown, Upper Kuskokwim.
 Golovin, Bering Strait.
 Goodnews Bay, Southwest Coastal Lowland.
 Grayling, Koyukuk-Lower Yukon.
 Gulkana, Copper River.
 Hamilton, Southwest Coastal Lowland.
 Holy Cross, Koyukuk-Lower Yukon.
 Hooper Bay, Southwest Coastal Lowland.
 Hughes, Koyukuk-Lower Yukon.
 Huslia, Koyukuk-Lower Yukon.
 Igiugig, Bristol Bay.
 Iliamna, Cook Inlet.
 Inalik, Bering Strait.
 Ivanof Bay, Aleutian.
 Kaguyak, Kodiak.
 Kaktovik, Arctic Slope.
 Kalskag, Southwest Coastal Lowland.
 Kaltag, Koyukuk-Lower Yukon.
 Karluk, Kodiak.
 Kasigluk, Southwest Coastal Lowland.
 Kiana, Bering Strait.
 King Cove, Aleutian.
 Kipnuk, Southeast Coastal Lowland.
 Kivalina, Bering Strait.
 Kobuk, Bering Strait.
 Kokhanok, Bristol Bay.