



1426 HOUSE HEALTH, EDUCATION & SOCIAL SERVICES

1426 HOUSE HEALTH, EDUCATION & SOCIAL SERVICES

1 election under this subsection.

2 (c) Upon subsequent retirement, the retired member is entitled to receive an
3 additional benefit based on the credited service and the average base salary during the
4 period of reemployment in accordance with AS 14.25.110. If the initial benefit
5 payments to which the retired member is eligible have been actuarially reduced
6 because the member retired early under AS 14.25.110(b), the member shall also
7 receive an incremental benefit based on the amount of the actuarial reduction imposed
8 by AS 14.25.110(j) on the first benefit and the length of time that the employee was
9 reemployed and not receiving retirement benefits. The amount of the incremental
10 benefit is equal to the difference between the normal retirement benefit to which the
11 member would have been entitled had the member taken a normal retirement and the
12 early retirement benefit that the member has been receiving based on the member's
13 initial period of employment multiplied by the total number of months that the
14 member did not receive retirement benefits because of reemployment and that amount
15 actuarially adjusted to be paid over the expected lifetime of the member.

16 * Sec. 7. AS 14.25.043(a) is amended to read:

17 (a) If a retired member again becomes an active member, benefit payments
18 may not be made during the period of reemployment [UNLESS THE TEACHER
19 MAKES AN ELECTION UNDER (b) OF THIS SECTION]. The retirement benefit
20 must be suspended for the entire school year if the teacher is reemployed as an active
21 teacher for a period equivalent to a year of service. During the period of
22 reemployment, [THE MEMBER IS SUBJECT TO AS 14.25.050 AND] deductions
23 from the member's salary will be made in accordance with AS 14.25.050.

24 * Sec. 8. AS 14.25.168(d) is amended to read:

25 (d) A benefit recipient may elect major medical insurance coverage in
26 accordance with regulations and under the following conditions:

27 (1) a person who has less than 25 years of membership service and
28 who is younger than 60 years of age must pay an amount equal to the full monthly
29 group premium for retiree major medical insurance coverage;

30 (2) [A PERSON WHO IS AT LEAST 60 YEARS OF AGE BUT IS
31 YOUNGER THAN 65 YEARS OF AGE MUST PAY AN AMOUNT EQUAL TO

1 ONE-HALF OF THE FULL MONTHLY GROUP PREMIUM FOR RETIREE
2 MAJOR MEDICAL INSURANCE COVERAGE;

3 (3)] a disabled member, a disabled member who is appointed to
4 normal retirement, [OR] a person 60 [65] years of age or older, or a person who has
5 at least 25 years of membership service is not required to make premium payments.

6 * Sec. 9. AS 14.20.135 and AS 14.25.043(b) are repealed July 1, 2005.

7 * Sec. 10. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 REPORT TO LEGISLATURE. Annually, beginning in 2002 and ending in 2006, the
10 administrator of the teachers' retirement system shall report to the legislature by the 30th day
11 of the regular legislative session concerning the effect of this Act on the retirement system.

12 * Sec. 11. The uncodified law of the State of Alaska is amended by adding a new section to
13 read:

14 REGULATIONS FOR RETIRED TEACHERS. Notwithstanding sec. 14 of this Act,
15 the Alaska Teachers' Retirement Board may immediately proceed to adopt regulations
16 necessary to implement changes made by secs. 4, 6, and 8 of this Act. The regulations take
17 effect under AS 14.25.022, but not before July 1, 2001.

18 * Sec. 12. Section 11 of this Act takes effect immediately under AS 01.10.070(c).

19 * Sec. 13. Sections 5, 7, and 9 of this Act take effect July 1, 2005.

20 * Sec. 14. Except as provided in secs. 12 and 13 of this Act, this Act takes effect July 1,
21 2001.

SENATE CS FOR CS FOR HOUSE BILL NO. 242(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/5/01
Referred: Rules

Sponsor(s): REPRESENTATIVES KOTT, Stevens, Hayes, Dyson, Cissna, Crawford, Guess

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to reemployment of and medical benefits for retired members of the
2 teachers' retirement system and public employees' retirement system; relating to the
3 inclusion of cost-of-living differentials on compensation and benefits under the public
4 employees' retirement system; and providing for an effective date."

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

6 * Section 1. AS 14.20 is amended by adding a new section to read:

7 Sec. 14.20.135. Employment of retired teachers because of shortages. (a)

8 A school district or regional educational attendance area that has or anticipates having
9 a shortage of teachers qualified to teach in a particular discipline or specialty may, by
10 resolution, adopt a policy that permits the employment of retired teachers who are
11 qualified to teach in the discipline or specialty in accordance with this section. The
12 policy must describe the circumstances that constitute the shortage. If a shortage of
13 teachers exists as described in the policy, the district or attendance area shall notify the
14 administrator of the teachers' retirement system (AS 14.25) that it is hiring retired

1 teachers under this section.

2 (b) A teacher who retired under AS 14.25.110(a) and is subsequently
3 reemployed under this section may, within 30 days after the date of reemployment,
4 elect to continue receiving retirement benefit payments under AS 14.25 during the
5 period of reemployment by filing a waiver of coverage as set out in AS 14.25.043(b).

6 (c) A school district or regional educational attendance area may not employ a
7 teacher, principal, or administrator who participated in a retirement incentive program
8 under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or
9 ch. 92, SLA 1997, under this section.

10 (d) A retired teacher employed under this section is not eligible to acquire,
11 maintain, or reacquire tenure under AS 14.20.150.

12 * Sec. 2. AS 14.25.040(a) is amended to read:

13 (a) Unless a teacher or member has elected to participate in the optional
14 university retirement program under AS 14.40.661 - 14.40.799 or has filed an
15 election under AS 14.25.043(b), a teacher or member contracting for service with a
16 participating employer is subject to this chapter.

17 * Sec. 3. AS 14.25.040(a) is amended to read:

18 (a) Unless a teacher or member has elected to participate in the optional
19 university retirement program under AS 14.40.661 - 14.40.799 [OR HAS FILED AN
20 ELECTION UNDER AS 14.25.043(b)], a teacher or member contracting for service
21 with a participating employer is subject to this chapter.

22 * Sec. 4. AS 14.25.043 is amended to read:

23 **Sec. 14.25.043. Reemployment of retired members.** (a) If a retired member
24 again becomes an active member, benefit payments may not be made during the
25 period of reemployment unless the teacher makes an election under (b) of this
26 section. The retirement benefit must be suspended for the entire school year if the
27 teacher is reemployed as an active teacher for a period equivalent to a year of service.
28 During the period of reemployment, the member is subject to AS 14.25.050 and
29 deductions from the member's salary will be made in accordance with AS 14.25.050.

30 (b) A school district or regional educational attendance area that has
31 adopted a policy that permits the employment of retired teachers in accordance

1 with AS 14.20.135 shall notify the administrator that it is hiring retired teachers
 2 under AS 14.20.135. A teacher who retired under AS 14.25.110(a) and
 3 subsequently becomes an active member under a policy adopted in accordance
 4 with AS 14.20.135 may, within 30 days of the date of reemployment, elect to
 5 continue receiving benefit payments during the period of reemployment by filing
 6 a waiver of coverage with the administrator on a form provided by the
 7 administrator. An election under this subsection waives coverage for the period
 8 of reemployment and is irrevocable during the period of reemployment.
 9 Deductions from the member's salary may not be made under AS 14.25.050
 10 during the period of reemployment, and the member may not receive credited
 11 service for the period of reemployment. A member who participated in a
 12 retirement incentive program under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65,
 13 SLA 1996; ch. 4, FSSLA 1996; or ch. 92, SLA 1997, is not eligible to make an
 14 election under this subsection.

15 (c) Upon subsequent retirement, the retired member is entitled to receive an
 16 additional benefit based on the credited service and the average base salary during the
 17 period of reemployment in accordance with AS 14.25.110. If the initial benefit
 18 payments to which the retired member is eligible have been actuarially reduced
 19 because the member retired early under AS 14.25.110(b), the member shall also
 20 receive an incremental benefit based on the amount of the actuarial reduction imposed
 21 by AS 14.25.110(j) on the first benefit and the length of time that the employee was
 22 reemployed and not receiving retirement benefits. The amount of the incremental
 23 benefit is equal to the difference between the normal retirement benefit to which the
 24 member would have been entitled had the member taken a normal retirement and the
 25 early retirement benefit that the member has been receiving based on the member's
 26 initial period of employment multiplied by the total number of months that the
 27 member did not receive retirement benefits because of reemployment and that amount
 28 actuarially adjusted to be paid over the expected lifetime of the member.

29 * Sec. 5. AS 14.25.043(a) is amended to read:

30 (a) If a retired member again becomes an active member, benefit payments
 31 may not be made during the period of reemployment [UNLESS THE TEACHER

1 MAKES AN ELECTION UNDER (b) OF THIS SECTION]. The retirement benefit
 2 must be suspended for the entire school year if the teacher is reemployed as an active
 3 teacher for a period equivalent to a year of service. During the period of
 4 reemployment, [THE MEMBER IS SUBJECT TO AS 14.25.050 AND] deductions
 5 from the member's salary will be made in accordance with AS 14.25.050.

6 * Sec. 6. AS 14.25.168(d) is amended to read:

7 (d) A benefit recipient may elect major medical insurance coverage in
 8 accordance with regulations and under the following conditions:

9 (1) a person who has less than 25 years of membership service and
 10 who is younger than 60 years of age must pay an amount equal to the full monthly
 11 group premium for retiree major medical insurance coverage;

12 (2) [A PERSON WHO IS AT LEAST 60 YEARS OF AGE BUT IS
 13 YOUNGER THAN 65 YEARS OF AGE MUST PAY AN AMOUNT EQUAL TO
 14 ONE-HALF OF THE FULL MONTHLY GROUP PREMIUM FOR RETIREE
 15 MAJOR MEDICAL INSURANCE COVERAGE;

16 (3)] a disabled member, a disabled member who is appointed to
 17 normal retirement, [OR] a person 60 [65] years of age or older, or a person who has
 18 at least 25 years of membership service is not required to make premium payments.

19 * Sec. 7. AS 39.35.120(b) is amended to read:

20 (b) Inclusion in the system is a condition of employment for an employee
 21 except as otherwise provided for an

22 (1) elected official;

23 (2) employee making an election under AS 39.35.150(b); and

24 (3) [FOR AN] employee of the university who has elected to
 25 participate in the optional university retirement program under AS 14.40.661 -
 26 14.40.799.

27 * Sec. 8. AS 39.35.150 is amended to read:

28 Sec. 39.35.150. Re-employment of retired employees. (a) If a retired
 29 employee subsequently becomes an active member, benefit payments may not be
 30 made during the period of re-employment unless the member makes an election
 31 under (b) of this section. During the period of re-employment, deductions from the

1 employee's salary shall be made in accordance with AS 39.35.160. Upon subsequent
2 retirement, the retired employee is entitled to receive an additional pension based on
3 the credited service and the average monthly compensation earned during the period
4 of re-employment in accordance with AS 39.35.370.

5 (b) A member who retired under AS 39.35.370(a) and subsequently
6 becomes an active member may, within 30 days of the date of reemployment,
7 elect to continue receiving benefit payments during the period of reemployment
8 by filing an election with the administrator on a form provided by the
9 administrator. An election under this subsection waives coverage for the period
10 of reemployment and is irrevocable during the period of reemployment. During
11 the period of reemployment, deductions from the member's salary may not be
12 made under AS 39.35.160 and the member may not receive credited service. A
13 member who participated in a retirement incentive program under ch. 26, SLA
14 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or ch. 92, SLA
15 1997, is not eligible to make an election under this subsection.

16 (c) A member who has not made an election under (b) of this section is
17 subject to AS 39.35.120 and 39.35.160.

18 (d) If the initial benefit payments to which the retired member is eligible have
19 been reduced because the member retired early under AS 39.35.370(b) or increased
20 because the member elected to receive a level income option benefit under former
21 AS 39.35.460, the member shall also receive an incremental benefit based on the
22 amount of the reduction imposed by AS 39.35.370(b) or the increase under former
23 AS 39.35.460 on the first benefit and the length of time that the employee was
24 reemployed and not receiving retirement benefits. The amount of the incremental
25 benefit is equal to the difference between the normal retirement benefit to which the
26 member would have been entitled had the member taken a normal retirement and the
27 early retirement benefit or benefit under the level income option that the member has
28 been receiving based on the member's initial period of employment multiplied by the
29 total number of months that the member did not receive retirement benefits because of
30 reemployment and that amount actuarially adjusted to be paid over the expected
31 lifetime of the member. In the case of a member who selected benefits under the level

1 income option, the total number of months may not include any month in which the
2 member was 65 years of age or older.

3 * **Sec. 9.** AS 39.35.150(a) is amended to read:

4 (a) If a retired employee subsequently becomes an active member, benefit
5 payments may not be made during the period of re-employment [UNLESS THE
6 MEMBER MAKES AN ELECTION UNDER (b) OF THIS SECTION]. During the
7 period of re-employment, deductions from the employee's salary shall be made in
8 accordance with AS 39.35.160. Upon subsequent retirement, the retired employee is
9 entitled to receive an additional pension based on the credited service and the average
10 monthly compensation earned during the period of re-employment in accordance with
11 AS 39.35.370.

12 * **Sec. 10.** AS 39.35.535(c) is repealed and reenacted to read:

13 (c) A benefit recipient may elect major medical insurance coverage in
14 accordance with regulations and under the following conditions:

15 (1) a person, other than a disabled member or a disabled member who
16 is appointed to normal retirement, must pay an amount equal to the full monthly group
17 premium for retiree major medical insurance coverage if the person is

18 (A) younger than 60 years of age and has less than

19 (i) 25 years of credited service as a peace officer under
20 AS 39.35.360 and 39.35.370; or

21 (ii) 30 years of credited service under AS 39.35.360 and
22 39.35.370 that is not service as a peace officer; or

23 (B) of any age and has less than 10 years of credited service;

24 (2) a person is not required to make premium payments for retiree
25 major medical coverage if the person

26 (A) is a disabled member;

27 (B) is a disabled member who is appointed to normal
28 retirement;

29 (C) is 60 years of age or older and has at least 10 years of
30 credited service; or

31 (D) has at least

1 (i) 25 years of credited service as a peace officer under
2 AS 39.35.360 and 39.35.370; or

3 (ii) 30 years of credited service under AS 39.35.360 and
4 39.35.370 not as a peace officer.

5 * Sec. 11. AS 39.35.675(b) is amended to read:

6 (b) The amount of a cost-of-living differential may not be included in the
7 employee's compensation for purposes of calculating benefits paid under this chapter
8 unless the employee has received a cost-of-living differential [IN A COMPARABLE
9 AMOUNT OR OF AT LEAST THAT MANY STEPS] for at least 50 percent of the
10 employee's credited service.

11 * Sec. 12. AS 14.20.135; AS 14.25.043(b); AS 39.35.120(b)(2), 39.35.150(b), and
12 39.35.150(c) are repealed July 1, 2005.

13 * Sec. 13. The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 REPORT TO LEGISLATURE. Annually, beginning in 2002 and ending in 2006, the
16 administrator of the teachers' retirement system shall report to the legislature by the 30th day
17 of the regular legislative session concerning the effect of this Act on the retirement system.

18 * Sec. 14. The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 TRANSITION: REGULATIONS. (a) Notwithstanding sec. 17 of this Act, the
21 Alaska Teachers' Retirement Board may immediately proceed to adopt regulations necessary
22 to implement changes made by secs. 2, 4, and 6 of this Act. The regulations take effect under
23 AS 14.25.022, but not before July 1, 2001.

24 (b) Notwithstanding sec. 17 of this Act, the Public Employees' Retirement Board may
25 immediately proceed to adopt regulations necessary to implement changes made by secs. 7, 8,
26 10, and 11 of this Act. The regulations take effect under AS 39.35.042, but not before July 1,
27 2001.

28 * Sec. 15. Sections 3, 5, 9, and 12 of this Act take effect July 1, 2005.

29 * Sec. 16. Section 14 of this Act takes effect immediately under AS 01.10.070(c).

30 * Sec. 17. Except as provided in secs. 15 and 16 of this Act, this Act takes effect July 1,
31 2001.

Alv Breeze Maiden

William "Bill" and Linda Auger
Post Office Box 9335
Ketchikan, Alaska 99901

April 18, 2005

VIA FACSIMILE

State of Alaska
Legislative Representatives
Juneau, Alaska

Re: Senate Bill 24/House Bill 161 – Reemployment of Retirees

Honorable Members of the Alaska State Legislature:

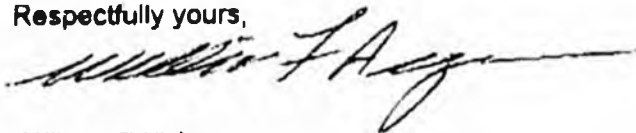
I am writing to urge your support of SB 24 and House Bill 161 regarding the reemployment of retirees. At the present time the Alaska Department of Fish & Game (ADFG) is negatively impacted in its ability to attract and retain the high caliber of expertise required in fisheries management. ADFG is no longer competitive in salary and benefits with other states' or federal resource management agencies. Currently positions advertised by ADFG receive few, if any, qualified applicants. Further, ADFG has experienced a very high rate of retirement by fishery and game managers in recent years, many of whom have moved directly into positions with federal agencies in Alaska. Many vacated positions remain unfilled. With a looming shortage of individuals pursuing math and science fields in the United States, it stands to reason that the State will continue to encounter issues in filling vacated positions. There is now no back up for those who remain. Alaska needs to restore a program that will attract top talent into ADFG. The retire/rehire program does not do that, but it performs a very necessary function in stabilizing the professional staff until a successful recruiting and retention program can be put in place.

The ramifications of ADFG staffing issues will seriously impact on the States' commercial and recreational fisheries. These industries are of vital importance to the financial well being of the State and its coastal communities.

In closing, I urge you to keep the current retire/rehire program in place. To terminate it now without a plan to cover for the expertise that will be lost will cause great damage to ADFG's capabilities and its professional reputation.

Thank you for your consideration and support of this important legislation.

Respectfully yours,



William "Bill" Auger

(907) 225-2737 Telephone/Facsimile

blauger@kpunet.net

Northern and Transboundary Panels
Pacific Salmon Commission
James E. Bacon, Northern Panel Chair
2030 Second Avenue
Ketchikan, Alaska 99901

April 16, 2005

State of Alaska
Legislative Representatives
Juneau, Alaska

Re: Senate Bill 24/House Bill 161 – Reemployment of Retirees

Honorable Members of Alaska State Legislature:

As members of the Northern and Transboundary Panels of the Pacific Salmon Commission (PSC) we strongly urge your support of Senate Bill 24 and House Bill 161 regarding the reemployment of retirees. The PSC was established by treaty between Canada and the United States for the conservation, rational management and optimum production of Pacific Salmon. In the Treaty process the United States North relies heavily on employees of the Alaska Department of Fish & Game (ADFG). Alaska's success in the Treaty forum has always depended on its ability to bring the best scientific expertise to the negotiating table. Several of the ADFG staff that are currently involved with PSC issues are in the existing retire/rehire program. A number of these individuals hold key positions in ADFG and in Alaska's Treaty team: including a panel chair and several members of key technical committees. These individuals are critical to Alaska's interests in the PSC. The depth of Alaska's talent has already been diluted. Losing these staff members would greatly increase Alaska's risk in Treaty negotiations and in its implementation.

Further, ADFG has experienced a very high rate of retirement by fishery and game managers in recent years, many of whom have moved directly into positions with federal agencies in Alaska. Several former ADFG staff that worked with PSC issues retired as early as possible and are among those who took federal resource agency positions. Others have retired and are working for ADFG part-time on contract but in non-PSC areas. Some of the vacated positions have not yet been filled. With a looming shortage of individuals pursuing math and science fields in the United States, it stands to reason that the State will continue to encounter issues in filling positions vacated by retirement. Positions advertised by ADFG receive few, if any, qualified applicants. There is now no back up for those who remain. Alaska needs to restore a program that will attract top talent into ADFG. The retire/rehire program does not do that, but it performs a very necessary function in stabilizing the professional staff until a successful recruiting and retention program can be put in place.

In closing, we urge you to keep the current retire/rehire program in place. To terminate it

State of Alaska
Legislative Representatives
April 16, 2005

Page Two

now without a plan to cover for the expertise that will be lost will cause great damage to ADFG's capabilities and its professional reputation.

Thank you for your consideration and support of this important legislation.

Respectfully yours,

Northern and Transboundary Panels
Pacific Salmon Commission



James E. Bacon
Northern Panel Chair

On behalf of panel members:

William Auger, Fish Industry-Gillnetter
Ketchikan, Alaska

James Becker, Salmon Industry
Douglas, Alaska

Rodney Brown, Salmon Fishery
Wrangell, Alaska

Richard (Rich) Davis, Salmon Industry
Juneau, Alaska

Arnold Enge, Salmon Fishery
Petersburg, Alaska

Dennis Longstreth, Fish Trolling Alternate
Port Alexander, Alaska

Howard Pendell, Fish Trolling Representative
Sitka, Alaska

Jev Shelton, PSC Commissioner
Juneau, Alaska

Russell Thomas, Fish-Recreational Fisherman
Ketchikan, Alaska

Robert Thorstenson, Jr., Fish/Seiner Representative
Juneau, Alaska

Each teacher rehired under the authority of AS 14.20.135 shall make contributions to the unfunded liability of the system at one-half the rate that the employer is making contributions to the unfunded liability of the system for other teachers.

Same changes for PERS

HB

185

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB185-EED-ACPE-3-14-05
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education
 Title An Act relating to immunization of postsecondary RDU ACPE
students for meningitis; and providing for an effective date. Component Program Administration & Operations
 Sponsor Rep. Mike Chenault
 Requester (H)HES Component No. 2738

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
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 ()						
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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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill proposes that any Alaska postsecondary institution that provides residential housing for students will be required to: 1) deliver written advisories regarding meningococcal disease; and 2) collect and maintain student certification that such written notice has been provided, or, alternatively, certification that the student has been immunized for the disease.

The Commission would implement by providing due notice to Alaska institutions and including this requirement within its institutional authorization compliance review program.

Prepared by: Diane Barrans, Executive Director Phone 465-6757
 Division: Executive Office, ACPE Date/Time 3/14/05 11:17 AM
 Approved by: Diane Barrans, Executive Director *Diane Barrans* Date 3/14/2005
 Agency: Alaska Commission on Postsecondary Education

STATE OF ALASKA

**REPRESENTATIVE
MIKE CHENAULT**

Official Business

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(907) 465-3779
Toll Free: (800) 469-3779
Fax: (907) 465-2833

HOUSE OF REPRESENTATIVES

03/04/05

To: Representative Wilson Chair
Representative Seaton Vice Chair
Representative Anderson
Representative Kohring
Representative McGuire
Representative Cissna
Representative Gardner

From: Representative Mike Chenault

Subject: Request for House Health, Education, and Social Services
Committee hearing

This office respectfully requests a hearing of the House Health, Education, and Social Services committee on HB 185 "An Act relating to immunization of postsecondary students for meningitis; and providing for an effective date" as soon as possible.

If you have further questions on the scheduling of this committee hearing, please contact Sue Wright in Room 505 (907) 465-3779.

Thank you for your time and cooperation.

STATE OF ALASKA

**REPRESENTATIVE
MIKE CHENAULT**

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HOUSE OF REPRESENTATIVES

Sponsor Statement

HB 185 "An act relating to immunization of postsecondary students for meningitis"

The purpose of this bill is to remove postsecondary educational institutions from the applicability of the provisions of AS 14.48. This also requires postsecondary educational institutions to provide information, and receive a statement from the student having read the information on meningococcal disease prior to attending or living in student housing for said institution. The Center for Disease Control strongly recommends immunizations for all students. This recommendation has been taken seriously to the point that many educational facilities will not admit students without immunizations.

LEGAL SERVICES

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

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FAX (907) 465-2029
Mail Stop 3101

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

MEMORANDUM

February 17, 2005

SUBJECT: Immunization of Postsecondary Students
(Work Order No. 24-LS0642\A)

TO: Representative Mike Chenault
Attn: Sue Wright

FROM: Jean M. Mischel
Legislative Counsel

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

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. Current law allows the Postsecondary Education Commission to exempt postsecondary education institutions from the applicability of some or all of the provisions of AS 14.48. The amendment made by this bill section excludes the immunization requirement added by section 2 of the bill from that exemption.

Section 2. Requires postsecondary educational institutions to provide written information related to meningococcal disease to each student who intends to reside in campus housing. Requires all students who attend a postsecondary institution to sign a statement that the student has either received the required information from the institution or an immunization against meningococcal disease. Clarifies cost burden and civil liability issues pertaining to the notice and immunization.

Section 3. Adds an applicability provision related to civil cases.

Section 4. Adds an immediate effective date.

JMM:jad
05-102.jad

HB

186

Representative Jay Ramras
Co-Chair, House Resources
V-Chair, Economic Develop.
Tourism & Trade

House State Affairs
119 N. Cushman St. Suite 207
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

Alaska State Legislature



While in Session
State Capitol, Room 104
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House District 10

House of Representatives

MEMO

To: Representative Peggy Wilson, Chair Health, Education and Social Services

Fm: Jane Pierson *JWP*

Date: March 21, 2005

Re: House Bill 186 – Quarterly PFD Payments

Please accept this Memo as a request for the House Health, Education and Social Services Committee to hear HB 186. "An Act relating to quarterly payments of permanent fund dividend, and to a permanent fund dividend and eligibility for public assistance; and providing for an effective date."

Thank you in advance for scheduling HB 186 before the House Health, Education and Social and Services Committee.

Attachments:

- Sponsor Statement
- HB 186
- Zero Fiscal Note - Health & Social Services
- Fiscal Note – Department of Revenue
- Sectional for HB 186/24-LS0629\A
- Memo addressing the possible effects of quarterly PFD payments on an individual's or family's public assistance.
- Applicable statutes - AS 43.23.055, AS 43.23.075, AS 47.25.120 - 47.25.300
- February 3, 2005 letter to Sharon Barton, Director Permanent Fund Division
- February 9, 2005 letter to Representative Jay Ramras

Thank you.

Representative Jay Ramras
Co-Chair, House Resources
V-Chair, Economic Develop.
Tourism & Trade
House State Affairs
119 N. Cushman St. Suite 207
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

Alaska State Legislature



While in Session
State Capitol, Room 104
Juneau, Alaska 99801-1132
(907) 465-3004
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House District 10

House of Representatives

Sponsor Statement

House Bill 186

The Permanent Fund Dividend has been and continues to be a boon to the Alaskan economy for 22 years. The program allows our citizens to enjoy part of the state's oil revenue. Since the time of the permanent fund dividend's inception, many Alaskan businesses have profited from running sales near the time the dividend is distributed. Often, citizens will use their dividends to make down payments on high-end consumer products. Effectively ending up with more debt than they would have incurred had they not received a permanent fund dividend in the first place.

HB 186 allows those residents that are eligible to electronically receive a permanent fund dividend the ability to elect to receive their payments in either in one lump sum, as the current system allows, or to divide their permanent fund dividend income into four equal, quarterly payments, throughout the year. Under HB 186's language, this program would take effect the year beginning January 2006.

HB 186 will provide citizens with an opportunity to financially help themselves and their families throughout the year. However, this quarterly payment plan is not recommended for those receiving public assistance, due to the fact that payouts, especially for multiple family members, may interfere with the availability of federal public assistance.

Representative Jay Ramras
Co-Chair, House Resources
V-Chair, Economic Develop.
Tourism & Trade
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House District 10

House of Representatives

Sectional Summary House Bill 186, PFD Quarterly Payments Work Order 24-LS0629

Section 1. Removes the word annually to account for the new quarterly payment program.

Section 2. Explains the Permanent Fund Dividend optional quarterly payment program.

Section 3. Warns a Federal Public Assistance recipient of the possible effects of receiving the Permanent Fund Dividend in quarterly payments.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB186-DHSS-DPA-03-08-05

Revision Date/Time (Note if correction): _____

() Publish Date: _____

Title QUARTERLY PFD PAYMENTS AND PUBLIC ASSISTANCE ELIGIBILITY

Dept. Affected: Health & Social Services

RDU Public Assistance

Component PFD Hold Harmless

Sponsor RAMRAS

Requester HOUSE (STA)

Component No. 225

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
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 (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1037 GF/Mental Health						
1050 PFD Fund						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The PFD Hold Harmless program (PFD-HH) replaces public assistance benefits for individuals who would otherwise be denied because federal rules require that their PFD be counted as income or resources. Currently, the PFD is disbursed once per year. Public assistance recipients are held harmless in the month it is received and up to three additional months, for a total of four months per distribution year.

This bill provides for an optional quarterly PFD payment. We assume that recipients of public assistance benefits will not choose the quarterly payment option. All public assistance recipients are low-income and historically use the PFD to cover emergent needs, to satisfy debts, or to purchase clothing or other items needed to support self-sufficiency. Moreover, DPA will offer recipients information and education advising against election of the quarterly PFD option as the bill limits access to benefit replacement with hold harmless funding to only one four-month period per fiscal year.

Prepared by: Janet Clarke, Assistant Commissioner
 Division: Finance and Management Services
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-1630
 Date/Time 03/08/2005
 Date 03/08/2005

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 186
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Permanent Fund: Quarterly Payments RDU Revenue Programs & Support
 Component Permanent Fund Dividend
 Sponsor Ramras
 Requester _____ Component No. 981

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	25.0	25.0	25.0	25.0	25.0	25.0
Travel						
Contractual	335.3	35.3	35.3	35.3	35.3	35.3
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	360.3	60.3	60.3	60.3	60.3	60.3

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	0.0	67.5	86.2	105.0	112.5	111.2
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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						
1950 Permanent Fund Dividend Fund	360.3	60.3	60.3	60.3	60.3	60.3
TOTAL	360.3	60.3	60.3	60.3	60.3	60.3

Estimate of any current year (FY2005) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill authorizes optional quarterly payments beginning with the 2006 dividend for Permanent Fund Dividend recipients who also select direct deposit.

This fiscal note assumes that the department will have the authority to deny participation to any applicant whose dividend has been garnished before the first payment in October. Garnishors will file against each quarterly payment and anyone garnished subsequent to the October payment would be paid the total remainder of their dividend less the amount of the garnishment at the time of the next quarterly payment. Costs are summarized on page 2.

The major cost of quarterly payments is a one-time cost to design and write a new payment system that accommodates quarterly payments and synchronizes transactions with our mainframe database. This work will need to be done by contract. (Continued on page 2)

Prepared by: Sharon Barton Phone 907-465-4785
 Division Permanent Fund Dividend Date/Time 3/16/05 11:10 AM
 Approved by: _____ Date 3/16/2005
 Agency _____

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. HB 186

ANALYSIS CONTINUATION

The department estimates that it will take 17 person months to design and write a payment system for quarterly payments. An estimate of months and costs is difficult to calculate because PFD IT staff has no previous experience with the design and development of a somewhat complex payment system.

Ongoing operations costs assume approximately 5,000 participants and include direct deposit transaction costs, print and mail costs, and computer processing costs for three additional direct deposit payments; new forms development and printing; and staff months to handle the quarterly garnishments that will be filed, and increased public contacts for information and direct deposit changes. Additional participants would result in higher costs.

Costs include:

Expand and re-write PFD computer system to handle quarterly payments (by contract)	\$300.0
Print and mail costs for three additional payments	15.5
Computer processing costs for three additional payments	18.0
Direct Deposit transaction fees	1.8
6 month PPT position or six additional months for existing staff	25.0
Total	<u>\$360.3</u>

Revenue is based on a 2% rate of return of funds held until distribution for 5,000 applicants. Dividend amounts for each year are based estimates from the Alaska Permanent Fund Corporation.

STATE OF ALASKA

DEPARTMENT OF REVENUE PERMANENT FUND DIVIDEND DIVISION

FRANK MURKOWSKI, GOVERNOR

State Office Building
PO Box 110460
Juneau, AK 99811-0460
Telephone : 907-465-2323
Fax : 907-465-2096

FEB 11 2005

February 9, 2005

The Honorable Jay Ramras
Alaska State Legislature
State Capitol, Room 104
Juneau, AK 99801-1182

Dear Representative Ramros:

Regarding your follow-up questions about PFD quarterly payments:

- On-going operational costs (and I think this is conservative) based on current costs and rates would be approximately \$55.0 (based on 1% participation or about 5000):
 - Print and mail \$15.0
 - Administrative costs 22.0
 - Computer processing 18.0
- The second through fourth payments would remain in the Permanent Fund Dividend Fund and would earn interest. Interest earned is deposited in the General Fund not the Dividend Fund.
- As you know interest rates are very difficult to project. The Treasury Division cautiously advises that we might expect about 2.5% interest on short term investments this year. Your analysis of days of accrued interest for the four payments is generally correct. The exact number of days may vary but the concept is correct.
- At 2.5% interest, 5,000 participants who remain in the program all year, and a dividend of \$850, interest (approximately \$66.4) would cover the annual operating costs as projected above. Whether this would be true each year with its actual criteria is not knowable. As projected, interest for FY 2006 would not cover both operating costs and the re-write of the payment system.
- No, costs would not go down with additional participation. The cost would rise approximately \$15.6 for every 5,000 additional participants because print, mail and direct deposit costs are based on a per unit charge regardless of volume. The impact on our public information offices is difficult to project and no additional

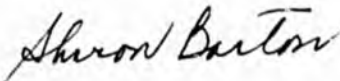
Representative Jay Ramras
February 9, 2005
Page 2

cost is included in the \$15.6. Other costs remain about the same regardless of volume.

- The re-write of the payment system is actually not "in process". In our long range plans, we have tentatively planned to re-write the system in FY 07 or 08. This plan assumed re-writing the current system with a single payment, a relatively simple project. Quarterly payments would add considerable complexity to the project and would require additional resources to accomplish, including expert advice on design. So, in answer to your question, the incremental cost of adding quarterly payments at that time would be still be high...perhaps as much as \$150.0.

I regret that this idea is not cheaper or easier to implement...the devil is always in the details. I realize that some of this information begs further explanation, and I am happy to provide all the details you may want.

Sincerely,



Sharon Barton
Director

cc: Jerry Burnett
DOR Legislative Liaison

Representative Jay Ramras
Co-Chair, House Resources
V-Chair, Economic Develop.
Tourism & Trade
House State Affairs
119 N. Cushman St. Suite 207
Fairbanks, Alaska 99701
Phone: (907) 452-1088
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Alaska State Legislature



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House District 10

House of Representatives

February 3, 2005

Sharon Barton, Director
Permanent Fund Division
P.O. Box 110460
Juneau, AK 99811-0460

Dear Ms. Barton:

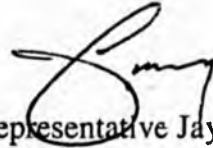
Thank you for the information you provided concerning the Permanent Fund Dividend, proposed Quarterly Payment Program, it was extremely informative. However, I do have a few questions concerning the proposal, which follow:

- After the initial set-up costs, what would be the annual cost of administering this program?
- Would monies that remain in the system through the Quarterly Payment Program earn interest until they are paid to the applicant?
- What rate of interest should be applied, to the monies left in the program, due to the Quarterly Payment Program?
 - October payment 0 days accrued interest
 - January payment 90 days accrued interest
 - April payment 180 days accrued interest
 - July payment 270 days accrued interest
- Would the monies that remain in the system produce a negative fiscal note, or pay for the program?
- If participation in the Quarterly Payment Program were to rise 2-3%, would the fiscal note go down substantially?
- Since the PFD payment system is in the process of being re-written, could we by statute incorporate the Quarterly Payment Program into the scheduled re-write, to save money?

Sharon Barton letter
February 3, 2005

I look forward to hearing your responses to these questions. Should you have any questions concerning this matter, please do not hesitate to contact me.

Sincerely,



Representative Jay Ramras

JR:jwp

Sharon,

Great to have met you.
Thanks for your constructive
approach. We're excited
about working with you. JR

House Bill 186

What is the possible effect of quarterly Permanent Fund Dividend payments on an individual's or family's public assistance?

Due to the fact that receiving a Permanent Fund Dividend may put an individual's or family's income over the quarterly amount allowable by federal public assistance, Alaska has established a state general relief assistance program, under AS 47.25.120 – 47.25.300, to cover its citizens' public assistance benefits when they are ineligible for federal assistance. Benefits under this program may be received for only one four-month period during a fiscal year. Therefore, an individual or family receiving public assistance should not apply for the quarterly payment program since the quarterly payments may make them ineligible for any public assistance for three quarters of the year.

HB

193

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB193CS(HES)-DHSS-DHCS-04-20-05

Revision Date/Time (Note if correction): _____

() Publish Date: _____

Title RELATING TO LICENSING FUNCTIONS OF THE DEPT. OF HEALTH AND SOCIAL SERVICES

Dept. Affected: Health & Social Services

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

RDU Health Care Services

Requester HOUSE (HES)

Component Medical Assistance Admin.

Component No. 242

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual	198.2	198.2	198.2	198.2	198.2	198.2
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	198.2	198.2	198.2	198.2	198.2	198.2

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	99.1	99.1	99.1	99.1	99.1	99.1
1003 GF Match	99.1	99.1	99.1	99.1	99.1	99.1
1004 GF						
1037 GF/Mental Health						
1007 Inter/Agency Receipts						
Other(Specify Type-do not abbreviate)						
TOTAL	198.2	198.2	198.2	198.2	198.2	198.2

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This fiscal note assumes that the department will have to purchase the services of one full time lawyer and all associated costs from the Department of Law due to the provisions in this bill.

Sec 21 (f) This section appears to apply to all facilities as well as assisted living homes, the language is unlike anything that is currently used for setting other facility rates and could create boundless opportunity for litigation in the hospital and nursing facility rate setting area. The language seems to calculate a percentage but does not tell us what the percentage is to be applied to, this seems to be an attempt to write regulations into statute and usually results in years of litigation. (Continued on Page 2)

Prepared by: Janet Clarke
 Division: Finance and Management Services
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-1630
 Date/Time 04/20/2005
 Date 04/20/2005

**FISCAL NOTE
FN #**

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

BILL NO. HB193CS(HES)-DHSS-DHCS-04-20-05

ANALYSIS CONTINUATION

Analysis Continued:

Breakdown of costs: \$177.7 personal services (1,900 hours of legal services at an average cost of \$93.54/hr based on \$107.99 per attorney hour and \$77.93 per paraprofessional hour); \$20.5 direct case costs (case specific travel, outside contracts, transcription fees).

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB193CS(HES)-DHSS-DSDS-04-20-05

Revision Date/Time (Note if correction): _____

() Publish Date: _____
 Dept. Affected: Health & Social Services

Title RELATING TO LICENSING FUNCTIONS OF THE DEPT. OF HEALTH AND SOCIAL SERVICES

RDU Senior and Disabilities Svcs
 Component Senior/Disabilities Medicaid Svc

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester HOUSE (HES)

Component No. 2662

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	32,161.6	74,501.6	127,097.0	142,895.9	147,203.5	151,640.2
Miscellaneous						
TOTAL OPERATING	32,161.6	74,501.6	127,097.0	142,895.9	147,203.5	151,640.2

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1002 Federal Receipts	16,425.0	37,595.0	63,892.7	71,792.1	73,946.0	76,164.3
1003 GF Match	15,736.6	36,906.6	63,204.3	71,103.8	73,257.5	75,475.9
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	32,161.6	74,501.6	127,097.0	142,895.9	147,203.5	151,640.2

Estimate of any current year (FY2006) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Sec 23 of this bill proposes adding a new subsection (e) which would allow for "companion services" to eligible waiver recipients if the services are "necessary and will result in cost savings compared to the cost of institutionalization". Companion services are defined as "nonmedical care, supervision and socialization provided to a functionally impaired adult in accordance with a therapeutic goal in the recipient's plan of care".

con't on page 2

Prepared by: Steve Ashman, Director
 Division Division of Senior and Disability Services
 Approved by: Joel S. Gilbertson, Commissioner
 Agency Department of Health and Social Services

Phone 465-3819
 Date/Time 04/20/2005
 Date 04/20/2005

**FISCAL NOTE
FN #**

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

BILL NO. HB193CS(HES)-D ISS-DSDS-04-20-05

ANALYSIS CONTINUATION

Virtually all waiver recipients would be eligible for the new companion services as waiver eligibility is based on avoidance of institutional care.

Based on experience with the PCA program, the department estimates that there would be heavy use of companion services. Currently, there are approximately 2,500 waiver recipients. The fiscal note cost estimate is based on 20% of the waiver population utilizing companion services the first year, increasing to 40% the second year, and 60% the third year (and thereon) as people become aware of the availability of the service.

The bill does not stipulate a limitation on the number of hours of companion services that a waiver recipient may receive. Some recipients may request overnight companionship for 8 hrs or, potentially, a recipient may request 24 hours of companionship. The fiscal note costs are estimated at an average of 9 hrs per day the first year, increasing by an hour per day per year and leveling-off at an estimated average of 12 hours per day in fiscal year 2009. Costs are also based on \$20 per hour with a 3% inflationary increase per year.

The fiscal note also reflects the reverse of a transfer of 688.4 GF made in the FY05 budget to APA to pay for assisted living home rate increases.

Fiscal Note for CSHB 193 - DSDS Medicald portion						Revised
Avg # Waiver Recipients in FY04 & 05	20% 2006	40% 2007	60% 2008	60% 2009	60% 2010	60% 2011
2500	500	1000	1500	1500	1500	1500
# of Hrs p/day	9	10	11	12	12	12
Hrs x 365 days p/yr	3285	3650	4015	4380	4380	4380
Cost p/Hr	20.00	20.60	21.22	21.85	22.51	23.19
Cost of Companion Svc	32,850,000	75,190,000	127,785,405	143,584,328	147,891,858	152,328,613
Less Reverse of GF T/F to APA in FY05	(688,400)	(688,400)	(688,400)	(688,400)	(688,400)	(688,400)
Total Cost	32,161,600	74,501,600	127,097,005	142,895,928	147,203,458	151,640,213
50% Fed	16,425,000	37,595,000	63,892,703	71,792,164	73,945,929	76,164,307
50% GF less GF T/F	15,736,600	36,906,600	63,204,303	71,103,764	73,257,529	75,475,907
Check	32,161,600	74,501,600	127,097,005	142,895,928	147,203,458	151,640,213

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB193CS(HES)-DHSS-DBH-04-20-05

Revision Date/Time (Note if correction): _____

() Publish Date: _____
Dept. Affected: Health & Social Services

Title RELATING TO LICENSING FUNCTIONS OF THE DEPT. OF HEALTH AND SOCIAL SERVICES

RDU Behavioral Health
Component Svcs/Chronically Mentally Ill

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester HOUSE (HES) Component No. 800

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)
Miscellaneous						
TOTAL OPERATING	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)	(395.8)

Estimate of any current year (FY2006) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will reverse the Adult Public Assistance (APA) refinancing that was included in the FY05 budget and so the funding is added back to the APA component. This decrease in the Behavioral Health Services to the Seriously Mentally Ill (SSMI) component reflects a portion of the increase in the APA component.

In the FY05 budget, a GF reduction and transfers were made based on the reduction of APA payments to residents of assisted living homes to \$100 per month (the maximum amount residents could retain for their personal needs). The transfer of \$548.1 GF from APA to the SSMI component was to offset the resulting increase in expenditures that would need to be paid by SSMI to assisted living facilities as the state's share of an individual's cost of care when their income was reduced. (Continued on page 2)

Prepared by: Janet Clarke, Assistant Commissioner

Phone 465-1630

Division: Finance and Management Services

Date/Time 04/20/2005

Approved by: Joel S. Gilbertson, Commissioner

Date 04/20/2005

Agency: Department of Health and Social Services

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB193CS(HES)-DHSS-DSDS2-04-20-01
 () Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): _____
 Title: RELATING TO LICENSING FUNCTIONS OF THE DEPT. OF HEALTH AND SOCIAL SERVICES

RDU: Senior and Disabilities Svcs
 Component: Protection, Comm Svcs & Admin

Sponsor: (RLS) BY REQUEST OF THE GOVERNOR

Requester: HOUSE (HES) Component No. 2673

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)
Miscellaneous						
TOTAL OPERATING	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)	(548.1)

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will reverse the Adult Public Assistance (APA) refinancing that was included in the FY05 budget and so the funding is added back to the APA component. This decrease in the Senior and Disabilities Services, Protection Community Services and Administration (SDS PCSA) component reflects a portion of the increase in the APA component.

In the FY05 budget, a GF reduction and transfers were made based on the reduction of APA payments to residents of assisted living homes to \$100 per month (the maximum amount residents could retain for their personal needs). The transfer of \$548.1 GF from APA to SDS PCSA was to offset the resulting increase in expenditures that would need to be paid by PCSA to assisted living facilities as the state's share of an individual's cost of care when their income was reduced. (Continued on page 2)

Prepared by: Janet Clarke, Assistant Commissioner
 Division: Finance and Management Services
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone: 465-1630
 Date/Time: 04/20/2005
 Date: 04/20/2005

**FISCAL NOTE
FN #**

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

BILL NO. HB193CS(HES)-DHSS-DSDS2-04-20-05

ANALYSIS CONTINUATION

Analysis Continued:

§- 548.1 GF To reflect the cost increase to APA due to the provision in new subsection Section 21 (d) in this bill, this fiscal note represents reversal of the FY05 transfer to Senior & Disabilities Services Protection & Community Services for cost of care of non-Medicaid recipients in General Relief Assisted Living Home Subsidies.

There are related fiscal notes reversing the FY05 transfers and decrement in the APA, SDS Medicaid and DBH Service to Seriously Mentally Ill components.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB193CS(HES)-DHSS-04-20-05
 () Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note If correction): _____
 Title RELATING TO LICENSING FUNCTIONS OF
THE DEPT. OF HEALTH AND SOCIAL
SERVICES

RDU Public Assistance

Component Adult Public Assistance

Sponsor (RLS) BY REQUEST OF THE
GOVERNOR

Requester HOUSE (HES)

Component No. 222

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8
Miscellaneous						
TOTAL OPERATING	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1002 Federal Receipts						
1003 GF Match						
1004 GF	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8	2,595.8

Estimate of any current year (FY2005) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will reverse the Adult Public Assistance (APA) refinancing that was included in the FY05 budget and so the funding is added back to the APA component.

In the FY05 budget, a decrement of \$963.5 GF and transfers totalling \$1,632.3 GF were made based on the reduction of APA payments to residents of assisted living homes to \$100 per month (the maximum amount residents could retain for their personal needs). The transfers to Senior and Disabilities Services and Behavioral Health were to offset the resulting increase in expenditures that would need to be paid to assisted living facilities from those components as the state's share of an individual's cost of care when their income was reduced. There are related fiscal notes reducing the \$1,632.3 (transfer) portion of this transaction in the SDS and DBH components. The table on page 2 summarizes these transactions.

Prepared by: Janet Clarke, Assistant Commissioner Phone 465-1630
 Division Finance and Management Services Date/Time 04/20/2005
 Approved by: Joel S. Gilbertson, Commissioner Date 04/20/2005
 Agency Department of Health and Social Services

ANALYSIS CONTINUATION

Analysis Continued:

\$ 395.8 GF reversal of transfer to Behavioral Health Services to Seriously Mentally Ill component for cost of care of non-Medicaid recipients Assisted Living Home Subsidies

\$ 548.1 GF reversal of transfer to Senior & Disabilities Services Protection & Community Services for cost of care of non-Medicaid recipients in General Relief Assisted Living Home Subsidies

\$ 688.4 GF reversal of transfer to SDS Medicaid component for cost of care for Medicaid waiver recipients

\$ 963.5 GF reversal of decrement to APA program due to refinancing cost savings due to cost shifting to Medicaid for those residents on Medicaid waiver services.

\$2,595.8 GF Total cost increase to APA due to the provision in new subsection Section 21 (d) in this bill.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB193-LAW-HS-02-28-0
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
Title "An Act relating to the licensing, regulation, enforcement, and appeal rights of certain ... facilities" RDU CIVIL
Sponsor House Rules Component Human Services
Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
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 ()						
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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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would centralize almost all DHSS licensing statutes under a new chapter to AS 47. Currently, there are 12 different statutory schemes for the licensure of different entities by the DHSS. By centralizing these disparate procedures into a streamlined licensing process under a uniform statutory framework, the DHSS hopes to be able to administer these functions in a much more efficient and cost effective manner. Significant revisions to the corresponding regulations will be required and will result in a fiscal impact to the Department of Law in the first year or two following passage of this legislation. The Department of Health and Social Services has received a federal grant, requested in the Division of Public Health's FY 2006 budget, that will allow centralization to occur. The grant includes the funds needed by Department of Law for regulation revision and review.

Prepared by: Kathryn Daughhete, Director Phone 465-3673
Division Administrative Services Date/Time 4/12/05 3:48 PM
Approved by: Kathryn Daughhete for David Marquez, Attorney General Date 4/12/2005
Agency Department of Law

FISCAL NOTE

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: HB193CS(HES)-DHSS-DSDS-04-26-05
 () Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): _____

Title RELATING TO LICENSING FUNCTIONS OF
THE DEPT. OF HEALTH AND SOCIAL
SERVICES

RDU Senior and Disabilities Svcs

Component Senior/Disabilities Medicaid Svc

Sponsor (RLS) BY REQUEST OF THE
GOVERNOR

Requester HOUSE (HES)

Component No. 2662

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	10,759.6	23,671.2	26,038.3	28,642.1	31,506.3	34,657.0
Miscellaneous						
TOTAL OPERATING	10,759.6	23,671.2	26,038.3	28,642.1	31,506.3	34,657.0

CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	6,195.4	13,629.9	14,992.9	16,492.1	18,141.3	19,955.5
1003 GF Match	4,564.2	10,041.3	11,045.4	12,150.0	13,365.0	14,701.5
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	10,759.6	23,671.2	26,038.3	28,642.1	31,506.3	34,657.0

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Revisions to CS HB 193 provide for expansion of reimbursable waiver services for Older Alaskans (OA) and Adults with Physical Disabilities (AD) to include Adult Companion Services.

The addition of Adult Companion Services is intended to restore non-medical care, supervision and socialization services formerly provided as a part of Respite Services.

Con't on page 2

Prepared by: Janet Clarke, Assistant Commissioner
 Division: Finance and Management Services
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-1630
 Date/Time 04/25/2005
 Date 04/26/2005

CS HB 193 - Companion Services Fiscal Note Calculation - Revised 4/25/05

	Work Related Supervision	Overnight Supervision	Basic Services	Total
# Recipients	135	135	1085	
Cost Per Hour	\$19.72	\$19.72	\$19.72	
# Hrs Per Week	n/a	n/a	10	
# Hrs Per Day	10	9	n/a	
# Days Per Week	5	3	n/a	
# Weeks Per Yr	50	52	52	
Total	6,655,500	3,737,729	11,126,024	21,519,253

	1/2 Year FY06	Full Yr Plus 10% - FY07	Plus 10% - FY08	Plus 10% - FY09	Plus 10% - FY10	Plus 10% - FY11
Cost	10,759,626	23,671,178	26,038,296	28,642,125	31,506,338	34,656,972
Fed	6,195,393	13,629,864	14,992,851	16,492,136	18,141,349	19,955,484
GF	4,564,234	10,041,314	11,045,445	12,149,990	13,364,989	14,701,487

General Relief Assisted Living Payment vs. Medicaid/Room and Board Payments

Under AS 47.25.195(e), General Relief payments made to assisted living homes must be at least \$70 per day per resident. This payment is inclusive of room, board, and assistive services provided. The department has the discretion to pay more than \$70 per day if the resident's care needs justify it.

Under the Medicaid home and community-based waiver, Medicaid pays for the assisted services and residents pay for room and board. Medicaid rates vary more because providers can obtain cost-based rates. But the combined room and board/cost-based Medicaid payments range from \$93 per day to over \$250 per day, with an average of about \$138 per day.

Technical Concerns about Proposed Amendments to HB 193

Assisted Living Issues

- The amendments change or add provisions to AS 47.07.070, which is the Medicaid facility rate setting statute. This statute is not used to set assisted living home rates. Combining hospital and nursing home rate-setting with assisted living payment provisions could have unintended consequences. It could impose very restrictive, administratively burdensome facility rate-setting requirements on assisted living homes; it would also apply concepts used in assisted living rate setting (like administrative and general costs) to hospitals and nursing homes. At the very least, the amendments as written would create significant ambiguity, probably leading to facility-rate setting litigation. (Sec. 20, Sec. 21, Sec. 52).
- Proposed Section 21 would establish a minimum daily reimbursement rate under Medicaid for assisted living home room and board. Under federal law, Medicaid cannot pay a fee for room and board. In fact, while it seems to be the intention of the bill, no provision specifically reverses APA payment reduction or provides APA recipients with the ability to pay \$28 per day in room and board.
- Proposed Section 56 would repeal the Medicaid cost of care regulations establishing a lower personal needs standard to reflect the APA refinance (7 AAC 43.1058(j) and 7 AAC 43.1058(k)(1)(B)). However, it does not repeal 7 AAC 43.1058(l), which provides an \$8.65 per day increase in Medicaid payments to assisted living home providers. This would have the effect not simply of restoring the cost of care change, but giving providers an \$8.65 per day raise for people above the APA income level.

Retroactive Effective Dates

It would be difficult to retroactively reverse the payment policy for assisted living homes, since it involves giving residents more money for room and board, providers collecting that extra money from residents, and repaying Medicaid for the rate increase. Since the increase would be all general funds, it might be simpler to establish a one-time grant program to providers for the retroactive period.

The Department probably cannot calculate and make retroactive payments until early FY 06.

Companion Services

Companion services would be added to other services available to Medicaid waiver recipients; they do not inherently replace other services. The proposed service has a very broad definition, including nonmedical care, supervision, and socialization for adult recipients as long as it is in accordance with a therapeutic goal. It includes nighttime

care. It would be very difficult to apply utilization controls with this explicitly permissive statutory language.

While the proposed amendments would link the use of companion services to situations where there are cost savings, the language implies that the savings are in comparison to institutional services, not to services the recipient would otherwise receive under the waiver. Because of the high cost of nursing home care in Alaska, recipients could receive substantial amounts of companion services in addition to their existing waiver services, and still meet this institutional cost neutrality test. However, the net effect would be a substantial increase in Medicaid waiver expenditures.

_____ Other service definition (Specify): _____

n. _____ Adult companion services:

_____ Non-medical care, supervision and socialization, provided to a functionally impaired adult. Companions may assist or supervise the individual with such tasks as meal preparation, laundry and shopping, but do not perform these activities as discrete services. The provision of companion services does not entail hands-on nursing care. Providers may also perform light housekeeping tasks which are incidental to the care and supervision of the individual. This service is provided in accordance with a therapeutic goal in the plan of care, and is not purely diversional in nature.

_____ Other service definition (Specify): _____

o. _____ Private duty nursing:

_____ Individual and continuous care (in contrast to part time or intermittent care) provided by licensed nurses within the scope of State law. These services are provided to an individual at home.

_____ Other service definition (Specify): _____

p. _____ Family training:

_____ Training and counseling services for the families of individuals served on this waiver. For purposes of this service, "family" is defined as the persons who live with or provide care to a person served on the waiver, and may include a parent, spouse, children, relatives, foster family, or in-laws. "Family" does not include individuals who are employed to care for the consumer. Training includes instruction about treatment regimens and use of equipment specified in the plan of care, and shall include updates as necessary to safely maintain the individual at home. All family training must be included in the individual's written plan of care.

_____ Other service definition (Specify): _____

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

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

March 3, 2005

Honorable Peggy Wilson, Chair
House Health, Education and
Social Services Committee
Alaska State Capitol, Rm. 108
Juneau, AK 99801

Dear Representative Wilson,

The Department of Health and Social Services respectfully requests a hearing in the House Health, Education, and Social Services Committee on House Bill 193 "An Act relating to the licensing, regulation, enforcement, and appeal rights of ambulatory surgical centers, assisted living homes, child care facilities, child placement agencies, foster homes, free-standing birth centers, home health agencies, hospices or agencies providing hospice services, hospitals, intermediate care facilities for the mentally retarded, maternity homes, nursing facilities, residential child care facilities, residential psychiatric treatment centers, and rural health clinics; relating to criminal history requirements, and a registry, regarding certain licenses, certifications, approvals, and authorizations by the Department of Health and Social Services; making conforming amendments; and providing for an effective date."

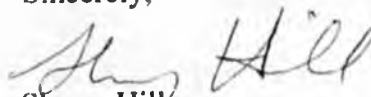
The proposed bill will streamline the department's licensing processes by consolidating virtually all of the licensing functions related to standards, enforcement, and appeal rights into a single chapter of the Alaska Statutes.

The Governor's transmittal letter providing additional information about the bill and a fiscal note should be on file with the committee. The department will provide the committee with a sectional analysis of the bill in the next several days.

Honorable Peggy Wilson
Page 2

Your favorable consideration of this request will be appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sherry Hill".

Sherry Hill
Special Assistant

cc: Kevin Jardell, Legislative Director
Office of the Governor

Dr. Richard Mandsager, Director
Division of Public Health

Lori Roland 11 pgs 11/17/15 465-2267

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4/19/05

CS FOR HOUSE BILL NO. 193()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the licensing, regulation, enforcement, and appeal rights of
2 ambulatory surgical centers, assisted living homes, child care facilities, child placement
3 agencies, foster homes, free-standing birth centers, home health agencies, hospices or
4 agencies providing hospice services or operating hospice programs, hospitals,
5 intermediate care facilities for the mentally retarded, maternity homes, nursing
6 facilities, residential child care facilities, residential psychiatric treatment centers,
7 runaway shelters, and rural health clinics; relating to criminal history requirements,
8 and a registry, regarding certain licenses, certifications, approvals, and authorizations
9 by the Department of Health and Social Services; making conforming amendments; and
10 providing for an effective date."

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

12 * Section 1. AS 09.55.560(1) is amended to read:

1 (1) "health care provider" means an acupuncturist licensed under
2 AS 08.06 an audiologist or speech-language pathologist licensed under AS 08.11; a
3 chiropractor licensed under AS 08.20; a dental hygienist licensed under AS 08.32; a
4 dentist licensed under AS 08.36; a nurse licensed under AS 08.68; a dispensing
5 optician licensed under AS 08.71; a naturopath licensed under AS 08.45; an
6 optometrist licensed under AS 08.72; a pharmacist licensed under AS 08.80; a
7 physical therapist or occupational therapist licensed under AS 08.84; a physician or
8 physician assistant licensed under AS 08.64; a podiatrist; a psychologist and a
9 psychological associate licensed under AS 08.86; a hospital as defined in
10 AS 47.32.900 [AS 18.20.130], including a governmentally owned or operated
11 hospital; an employee of a health care provider acting within the course and scope of
12 employment; an ambulatory surgical facility and other organizations whose primary
13 purpose is the delivery of health care, including a health maintenance organization,
14 individual practice association, integrated delivery system, preferred provider
15 organization or arrangement, and a physical hospital organization;

16 * Sec. 2. AS 09.65.095(b)(2) is amended to read:

17 (2) "hospital" means a hospital as defined in AS 47.32.900
18 [AS 18.20.130], including a governmentally owned or operated hospital.

19 * Sec. 3. AS 09.65.096(d)(2) is amended to read:

20 (2) "hospital" has the meaning given in AS 47.32.900 [AS 18.20.130]
21 and includes a governmentally owned or operated hospital;

22 * Sec. 4. AS 11.61.195(a) is amended to read:

23 (a) A person commits the crime of misconduct involving weapons in the
24 second degree if the person knowingly

25 (1) possesses a firearm during the commission of an offense under
26 AS 11.71.010 - 11.71.040;

27 (2) violates AS 11.61.200(a)(1) and is within the grounds of or on a
28 parking lot immediately adjacent to

29 (A) a public or private preschool, elementary, junior high, or
30 secondary school without the permission of the chief administrative officer of
31 the school or district or the designee of the chief administrative officer; or

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(B) an entity [A CENTER], other than a private residence, licensed as a child care facility under AS 47.32 [AS 47.33 OR AS 47.35] or recognized by the federal government for the care of children; or

(3) discharges a firearm at or in the direction of

(A) a building with reckless disregard for a risk of physical injury to a person; or

(B) a dwelling.

* Sec. 5. AS 11.61.220(a) is amended to read:

(a) A person commits the crime of misconduct involving weapons in the fifth degree if the person

(1) is 21 years of age or older and knowingly possesses a deadly weapon, other than an ordinary pocket knife or a defensive weapon,

(A) that is concealed on the person, and, when contacted by a peace officer, the person fails to

(i) immediately inform the peace officer of that possession; or

(ii) allow the peace officer to secure the deadly weapon, or fails to secure the weapon at the direction of the peace officer, during the duration of the contact;

(B) that is concealed on the person within the residence of another person unless the person has first obtained the express permission of an adult residing there to bring a concealed deadly weapon within the residence;

(2) knowingly possesses a loaded firearm on the person in any place where intoxicating liquor is sold for consumption on the premises;

(3) being an unemancipated minor under 16 years of age, possesses a firearm without the consent of a parent or guardian of the minor;

(4) knowingly possesses a firearm

(A) within the grounds of or on a parking lot immediately adjacent to an entity [A CENTER], other than a private residence, licensed as a child care facility under AS 47.32 [AS 47.33 OR AS 47.35] or recognized

1 by the federal government for the care of children;

2 (B) within a

3 (i) courtroom or office of the Alaska Court System; or

4 (ii) courthouse that is occupied only by the Alaska

5 Court System and other justice-related agencies; or

6 (C) within a domestic violence or sexual assault shelter that
7 receives funding from the state;

8 (5) possesses or transports a switchblade or a gravity knife; or

9 (6) is less than 21 years of age and knowingly possesses a deadly
10 weapon, other than an ordinary pocket knife or a defensive weapon, that is concealed
11 on the person.

12 * **Sec. 6.** AS 18.07.031(b) is amended to read:

13 (b) Notwithstanding the expenditure threshold in (a) of this section, a person
14 may not convert a building or part of a building to a nursing home that requires
15 licensure as a nursing facility under AS 47.32 [AS 18.20.020] unless authorized
16 under the terms of a certificate of need issued by the department.

17 * **Sec. 7.** AS 18.20.130 is amended to read:

18 **Sec. 18.20.130. Definitions.** In AS 18.20.075 - 18.20.130 [AS 18.20.010 -
19 18.20.130],

20 (1) "department" means the Department of Health and Social Services;

21 (2) "governmental unit" means the state, a municipality, or other
22 political subdivision, or a department, division, board, or other agency of any of them;

23 (3) "hospital" means an institution or establishment, public or private,
24 devoted primarily to providing diagnosis, treatment, or care over a continuous period
25 of 24 hours each day for two or more nonrelated individuals suffering from illness,
26 physical or mental disease, injury or deformity, or any other condition for which
27 medical or surgical services would be appropriate.

28 * **Sec. 8.** AS 18.20.310(a) is amended to read:

29 (a) If the department finds that a nursing facility, or a partner, officer, director,
30 owner of five percent or more of the nursing facility's assets, or managing employee of
31 the nursing facility substantially failed or refused to comply with AS 08.68.340 -

1 08.68.390, AS 08.70, AS 18.20.075 - 18.20.085 [AS 18.20.010 - 18.20.130],
2 AS 47.07, or with a regulation adopted under any of those statutes, or, for a nursing
3 facility that provides Medicaid services under AS 47.07, failed or refused to comply
4 with the Medicaid requirements of 42 U.S.C. 1396r (Title XIX of the Social Security
5 Act, as amended) or a regulation adopted under that statute, the department may take
6 the following actions:

7 (1) ban the admission of new residents to the nursing facility;

8 (2) as provided in AS 18.20.320, deny payment under AS 47.07 and
9 AS 47.25.120 - 47.25.300 for any Medicaid or general relief-medical resident admitted
10 to the nursing facility after notice by the department of denial of payment; residents
11 who are eligible for Medicaid or general relief-medical are not responsible for
12 payment when the department takes action under this paragraph;

13 (3) assess a civil fine in accordance with AS 18.20.340;

14 (4) suspend or terminate the nursing facility's participation in the
15 Medicaid program;

16 (5) suspend, revoke, or refuse to renew the nursing facility's license
17 issued under this chapter;

18 (6) seek an appointment of temporary administration as provided in
19 AS 18.20.360 or of a receiver under AS 18.20.370;

20 (7) in case of an emergency, seek an order from the court either to
21 close the nursing facility or to transfer residents from that facility, or both.

22 * **Sec. 9.** AS 18.23.070(3) is amended to read:

23 (3) "health care provider" means an acupuncturist licensed under
24 AS 08.06; a chiropractor licensed under AS 08.20; a dental hygienist licensed under
25 AS 08.32; a dentist licensed under AS 08.36; a nurse licensed under AS 08.68; a
26 dispensing optician licensed under AS 08.71; an optometrist licensed under AS 08.72;
27 a pharmacist licensed under AS 08.80; a physical therapist or occupational therapist
28 licensed under AS 08.84; a physician licensed under AS 08.64; a podiatrist; a
29 psychologist and a psychological associate licensed under AS 08.86; a hospital as
30 defined in AS 47.32.900 [AS 18.20.130], including a governmentally owned or
31 operated hospital; and an employee of a health care provider acting within the course

1 and scope of employment;

2 * **Sec. 10.** AS 18.26.220 is amended to read:

3 **Sec. 18.26.220. Facility compliance with health and safety laws and**
4 **licensing requirements.** A medical facility constructed, acquired, improved,
5 financed, or otherwise under the provisions of this chapter and all actions of the
6 authority are subject to AS 18.07, AS 47.32 [AS 18.20], and any other present or
7 future state licensing requirements for the facilities or services provided under this
8 chapter. A medical facility issued a certificate of need under sec. 4, ch. 275, SLA
9 1976, by virtue of being in existence or under construction before July 1, 1976, must
10 fully meet the requirements of AS 18.07 in order to be eligible for funding under this
11 chapter.

12 * **Sec. 11.** AS 18.50.950(4) is amended to read:

13 (4) "child adoption agency" means a child adoption agency licensed as
14 a child placement agency under AS 47.32 or former AS 47.35;

15 * **Sec. 12.** AS 21.86.030(c) is amended to read:

16 (c) Nothing in this section relieves a health maintenance organization that
17 wishes to exercise the power described in (a)(1) of this section from the requirements
18 of

19 (1) AS 18.07, regarding obtaining a certificate of need;

20 (2) AS 47.32 [AS 18.20], regarding regulation of hospitals; and

21 (3) other statutes applicable to hospitals or other health care facilities.

22 * **Sec. 13.** AS 25.23.185(c) is amended to read:

23 (c) A child adoption agency licensed under former AS 47.35 and a child
24 placement agency licensed under AS 47.32 shall maint. in records of the information
25 required to be furnished to the court under this section or under regulations of the
26 commissioner implementing this section. If a child adoption agency or child
27 placement agency ceases to place persons for adoption, it shall transfer its records to
28 the commissioner.

29 * **Sec. 14.** AS 25.27.244(s)(2) is amended to read:

30 (2) "license"

31 (A) means, except as provided in (B) of this paragraph, a

1 license, certificate, permit, registration, or other authorization that, at the time
2 of issuance, will be valid for more than 150 days and that may be acquired
3 from a state agency to perform an occupation, including the following:

4 (i) license relating to boxing or wrestling under
5 AS 05.10;

6 (ii) authorization to perform an occupation regulated
7 under AS 08;

8 (iii) teacher certificate under AS 14.20;

9 (iv) authorization under AS 18.08 to perform
10 emergency medical services;

11 (v) asbestos worker certification under AS 18.31;

12 (vi) boiler operator's license under AS 18.60.395;

13 (vii) certificate of fitness under AS 18.62;

14 (viii) hazardous painting certification under AS 18.63;

15 (ix) security guard license under AS 18.65.400 -
16 18.65.490;

17 (x) license relating to insurance under AS 21.27;

18 (xi) employment agency permit under AS 23.15.330 -
19 23.15.520;

20 (xii) registration as a broker-dealer, an agent, a state
21 investment adviser, or an investment adviser representative under
22 AS 45.55.030;

23 (xiii) certification as a pesticide applicator under
24 AS 46.03.320;

25 (xiv) certification as a storage tank worker or contractor
26 under AS 46.03.375;

27 (xv) certification as a water and wastewater works
28 operator under AS 46.30;

29 (xvi) commercial crewmember fishing license under
30 AS 16.05.480 other than an entry permit or interim-use permit under
31 AS 16.43;

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- (xvi.) fish transporter permit under AS 16.05.671;
- (xviii) sport fishing operator license under AS 16.40.260;
- (xix) sport fishing guide license under AS 16.40.270;
- (B) does not include
 - (i) a vessel license issued under AS 16.05.490 or 16.05.30;
 - (ii) a license issued to a child care facility under AS 47.32 [AS 47.35];
 - (iii) a business license issued under AS 43.70;
 - (iv) an entry permit or interim-use permit issued under AS 16.43; or
 - (v) a driver's license issued under AS 28.15;

* Sec. 15. AS 37.05.146(c)(67) is amended to read:

(67) fees received by the Department of Health and Social Services under AS 47.32 [AS 47.33.910 FOR LICENSING ASSISTED LIVING HOMES];

* Sec. 16. AS 44.62.330(a) is amended by adding a new paragraph to read:

(45) Department of Health and Social Services relating to the centralized registry under AS 47.05.330 - 47.05.390.

* Sec. 17. AS 44.64.030(a) is amended by adding a new paragraph to read:

(36) AS 47.32 (licensing by the Department of Health and Social Services).

* Sec. 18. AS 47.05.010 is amended to read:

Sec. 47.05.010. Duties of department. The Department of Health and Social Services shall

(1) administer adult public assistance, the Alaska temporary assistance program, and all other assistance programs, and receive and spend money made available to it;

(2) adopt regulations necessary for the conduct of its business and for carrying out federal and state laws granting adult public assistance, temporary cash assistance, diversion payments, or self-sufficiency services for needy families under

1 the Alaska temporary assistance program, and other assistance;

2 (3) establish minimum standards for personnel employed by the
3 department and adopt necessary regulations to maintain those standards;

4 (4) require those bonds and undertakings from persons employed by it
5 which in its judgment are necessary, and pay the premiums on them;

6 (5) cooperate with the federal government in matters of mutual
7 concern pertaining to adult public assistance, the Alaska temporary assistance
8 program, and other forms of public assistance;

9 (6) make the reports, in the form and containing the information, that
10 the federal government from time to time requires;

11 (7) cooperate with the federal government, its agencies or
12 instrumentalities in establishing, extending, and strengthening services for the
13 protection and care of homeless, dependent, and neglected children in danger of
14 becoming delinquent, and receive and expend funds available to the department by the
15 federal government, the state or its political subdivisions for that purpose;

16 (8) cooperate with the federal government in adopting state plans to
17 make the state eligible for federal matching in appropriate categories of assistance, and
18 in all matters of mutual concern, including adoption of the methods of administration
19 that are found by the federal government to be necessary for the efficient operation of
20 welfare programs;

21 (9) adopt regulations, not inconsistent with law, defining need,
22 prescribing the conditions of eligibility for assistance, and establishing standards for
23 determining the amount of assistance that an eligible person is entitled to receive; the
24 amount of the assistance is sufficient when, added to all other income and resources
25 available to an individual, it provides the individual with a reasonable subsistence
26 compatible with health and well-being; an individual who meets the requirements for
27 eligibility for assistance shall be granted the assistance promptly upon application for
28 it;

29 (10) grant to a person claiming or receiving assistance and who is
30 aggrieved because of the department's action or failure to act, reasonable notice and an
31 opportunity for a fair hearing by the department, and the department shall adopt

1 regulations relative to this;

2 (11) enter into reciprocal agreements with other states relative to
3 public assistance, welfare services, and institutional care that are considered advisable;

4 (12) establish the requirements of residence for public assistance,
5 welfare services, and institutional care that are considered advisable, subject to the
6 limitations of other laws of the state, or law or regulation imposed as conditions for
7 federal financial participation;

8 (13) establish the divisions and local offices that are considered
9 necessary or expedient to carry out a duty or authority assigned to it and appoint and
10 employ the assistants and personnel that are necessary to carry on the work of the
11 divisions and offices, and fix the compensation of the assistants or employees except
12 that a person engaged in business as a retail vendor of general merchandise, or a
13 member of the immediate family of a person who is so engaged, may not serve as an
14 acting, temporary or permanent local agent of the department, unless the
15 commissioner of health and social services certifies in writing to the governor, with
16 relation to a particular community, that no other qualified person is available in the
17 community to serve as local welfare agent: for the purposes of this paragraph, a
18 "member of the immediate family" includes a spouse, child, parent, brother, sister,
19 parent-in-law, brother-in-law or sister-in-law;

20 (14) provide education and health-related services and referrals
21 designed to reduce the number of out-of-wedlock pregnancies and the number of
22 induced pregnancy terminations in the state;

23 (15) investigate reports of abuse, neglect, or misappropriation of
24 property by certified nurse aides in facilities licensed by the department under
25 AS 47.32 [AS 18.20].

26 * Sec. 19. AS 47.05.055(a) is amended to read:

27 (a) If the department has reason to believe that a certified nurse aide employed
28 in a facility licensed by the department under AS 47.32 as a hospital or nursing
29 home [AS 18.20] has committed abuse, neglect, or misappropriation of property in
30 connection with the person's duties as a certified nurse aide at the facility, the
31 department shall investigate the matter. The department shall conduct proceedings to

1 determine whether [IF] a finding of abuse, neglect, or misappropriation of property
2 should be made. These proceedings shall be conducted under AS 44.62.330 -
3 44.62.630. A finding under this subsection that a certified nurse aide has committed
4 abuse, neglect, or misappropriation of property shall be reported by the department to
5 the Board of Nursing.

6 * **Sec. 20.** AS 47.05 is amended by adding new sections to read:

7 **Article 3. Criminal History; Registry.**

8 **Sec. 47.05.300. Applicability.** (a) The provisions of AS 47.05.310 -
9 47.05.390 apply to any individual or entity that is required by statute or regulation to
10 be licensed or certified by the department or that is eligible to receive payments, in
11 whole or in part, from the department to provide for the health, safety, and welfare of
12 persons who are served by the programs administered by the department.

13 (b) Those individual service providers subject to AS 47.05.310 - 47.05.390
14 under (a) of this section include

- 15 (1) public home care providers described in AS 47.05.017;
16 (2) providers of home and community-based waiver services financed
17 under AS 47.07.030(c); and
18 (3) case managers to coordinate community mental health services
19 under AS 47.30.530.

20 **Sec. 47.05.310. Criminal history; criminal history check; compliance.** (a)
21 If an individual has been charged with, convicted of, found not guilty by reason of
22 insanity for, or adjudicated as a delinquent for, a crime that is inconsistent with the
23 standards for licensure or certification established by the department by regulation,
24 that individual may not own an entity, or be an officer, director, partner, member, or
25 principal of the business organization that owns an entity. In addition, an entity may
26 not

- 27 (1) allow that individual to operate the entity;
28 (2) hire or retain that individual at the entity as an employee,
29 independent contractor, or volunteer of the entity;
30 (3) allow that individual to reside in the entity if not a recipient of
31 services; or

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(4) allow that individual to be present in the entity if the individual would have regular contact with individuals who receive services from the entity, unless that individual is a family member of or visitor of an individual who receives services from the entity.

(b) The department may not issue or renew a license or a certification for an entity that is in violation of (a) of this section or that would be in violation based on the information received as part of the application process.

(c) The department may not issue or renew a license or certification for an entity if an individual is applying for a license, license renewal, certification, or certification renewal for the entity and that

(1) individual has been found by a court or agency of this or another jurisdiction to have neglected, abused, or exploited a child or vulnerable adult under AS 47.10, AS 47.24, or AS 47.62 or a substantially similar provision in another jurisdiction; or

(2) individual's name appears on the centralized registry established under AS 47.05.330 or a similar registry of this state or another jurisdiction.

(d) An entity shall provide to the department a release of information authorization for a criminal history check for an individual who is not a recipient of services from the entity and, after the entity has been issued a license, license renewal, certification, or certification renewal by the department,

(1) who intends to become an owner of the entity, or an officer, director, partner, member, or principal of the business organization that owns the entity;

(2) whom the entity intends to hire or retain as the operator of the entity's business;

(3) whom the entity intends to hire or retain as an employee, independent contractor, or volunteer of the entity; or

(4) who will be present in the entity or at the places of operation of entity, and would have regular contact with individuals who receive services from the entity, but who is not a family member or visitor of an individual who receives services from the entity.

1 (e) An individual for whom a release of information authorization has been
2 provided to the department shall submit the individual's fingerprints to the department,
3 with the fee established under AS 12.62.160, for a report of criminal justice
4 information under AS 12.62 and for submission by the Department of Public Safety to
5 the Federal Bureau of Investigation for a national criminal history record check. The
6 Department of Public Safety shall provide the report of criminal justice information
7 and the results of the national criminal history record check to the department for its
8 use in considering an application for a license, license renewal, certification, or
9 certification renewal, or in considering other approval or selection regarding an entity,
10 for compliance with the standards established in this section. For purposes of
11 obtaining access to criminal justice information maintained by the Department of
12 Public Safety under AS 12.62, the department is a criminal justice agency conducting
13 a criminal justice activity. The department may waive the requirement for fingerprint
14 submission if an individual is unable to provide fingerprints due to a medical or
15 physical condition that is documented by a licensed physician.

16 (f) The provisions of this section do not apply if the department grants an
17 exception from a requirement of (a) - (e) of this section under a regulation adopted by
18 the department.

19 (g) The department shall adopt regulations listing those criminal offenses that
20 are inconsistent with the standards for licensure or certification by the department.

21 (h) An individual service provider is subject to the provisions of (a) - (g) of
22 this section as if the individual service provider were an entity subject to those
23 provisions.

24 (i) For purposes of (b) and (c) of this section, in place of nonissuance or
25 nonrenewal of a license or certification, an entity or individual service provider that is
26 not required to be licensed or certified by the department or a person wishing to
27 become an entity or individual service provider that is not required to be licensed or
28 certified by the department is instead ineligible to receive a payment, in whole or in
29 part, from the department to provide for the health, safety, and welfare of persons who
30 are served by the programs administered by the department if the entity, individual
31 service provider, or person

1 (1) is in violation of (a) of this section or would be in violation based
2 on information received by the department as part of an application, approval, or
3 selection process;

4 (2) has been found by a court or agency of this or another jurisdiction
5 to have neglected, abused, or exploited a child or vulnerable adult under AS 47.10,
6 AS 47.24, or AS 47.62 or a substantially similar provision in another jurisdiction; or

7 (3) appears on the centralized registry established under AS 47.05.330
8 or a similar registry of this state or another jurisdiction.

9 **Sec. 47.05.320. Criminal history use standards.** The department shall by
10 regulation establish standards for the consideration and use by the department, an
11 entity, or an individual service provider of the criminal history of an individual
12 obtained under AS 47.05.310.

13 **Sec. 47.05.330. Centralized registry.** (a) The department shall by regulation
14 provide for a centralized registry to facilitate the licensing or certification of entities
15 and individual service providers, the authorization of payments to entities or
16 individual service providers by the department, and the employment of individuals by
17 entities and individual service providers.

18 (b) Except for the name of each victim being redacted before the information
19 is placed on the registry, the registry shall consist of the following information for an
20 entity or individual service provider, an applicant on behalf of an entity or individual
21 service provider, or an employee or volunteer of an entity or individual service
22 provider:

23 (1) decisions, orders, judgments, and adjudications finding that the
24 applicant, employee, or volunteer committed

25 (A) abuse, neglect, or exploitation under AS 47.10, AS 47.24,
26 AS 47.62, or a substantially similar provision in another jurisdiction; or

27 (B) medical assistance fraud under AS 47.05.210 or a
28 substantially similar provision in another jurisdiction;

29 (2) orders under a state statute or a substantially similar provision in
30 another jurisdiction that a license or certification of the entity or individual service
31 provider to provide services related to the health, safety, and welfare of persons was

1 denied, suspended, revoked, or conditioned.

2 (c) As a condition for applying for licensure or certification of an entity or
3 individual service provider, or for payment to an entity or individual service provider
4 by the department, an applicant must agree to submit timely to the registry the
5 information required under this section relating to the entity, any individual, the
6 applicant, employees, and volunteers of the entity or individual service provider.

7 (d) Within 24 hours of a court decision, order, judgment, or adjudication that
8 an entity, individual service provider, or employee or volunteer of an entity or
9 individual service provider committed an act listed under (b) of this section, the entity,
10 individual service provider, or employee or volunteer of an entity or individual service
11 provider shall report the court action to the department.

12 (e) Within 24 hours of receiving notice of an allegation that an employee,
13 volunteer, or former employee or volunteer of an entity or individual service provider
14 committed an act listed under (b) of this section within the past 10 years, the entity or
15 individual service provider shall report the allegation to the department.

16 (f) The department shall prescribe by regulation the form or format by which
17 an applicant shall submit required information to the registry.

18 (g) Notwithstanding any contrary provision of law, the department may also
19 submit information described in this section to the registry. An entity or individual
20 that is exempt from department licensure or certification and that does not receive
21 money from the department for its services may voluntarily submit information
22 described in this section to the department for placement in the registry.

23 (h) Information contained in the registry is confidential and is not subject to
24 public inspection and copying under AS 40.25.110 - 40.25.125. However, information
25 contained in the registry may be released to entities, individual service providers, and
26 governmental agencies authorized and in a manner provided under this section and
27 regulations adopted under this section.

28 (i) A person is presumed to be acting in good faith and is immune from civil
29 and criminal liability if the person

30 (1) makes a report of medical assistance fraud, abuse, neglect, or
31 exploitation;

1 (2) submits information to the registry; or

2 (3) fails to hire or retain an employee or volunteer because the
3 employee or volunteer is included in the registry.

4 (j) A person about whom information is placed in the registry may request the
5 department to delete or modify the information to correct inaccuracies. The
6 department shall investigate the request and make necessary deletions or
7 modifications.

8 **Sec. 47.05.340. Regulations.** The department shall adopt regulations to
9 implement AS 47.05.300 - 47.05.390.

10 **Sec. 47.05.390. Definitions.** In AS 47.05.300 - 47.05.390, unless the context
11 otherwise requires,

12 (1) "criminal history records" has the meaning given in AS 12.64.010;

13 (2) "criminal justice activity" has the meaning given in AS 12.62.900;

14 (3) "criminal justice agency" has the meaning given in AS 12.62.900;

15 (4) "criminal justice information" has the meaning given in
16 AS 12.62.900;

17 (5) "department" means the Department of Health and Social Services;

18 (6) "entity" means an entity listed in AS 47.32.010(b) and includes an
19 owner, officer, director, member or partner of the entity;

20 (7) "individual service provider" means an individual described in
21 AS 47.05.300(a), and includes those listed in AS 47.05.300(b);

22 (8) "license" includes a provisional license.

23 * **Sec. 21.** AS 47.10.141(b) is amended to read:

24 (b) A peace officer shall take into protective custody a minor described in (a)
25 of this section if the minor is not otherwise subject to arrest or detention. Unless (c) of
26 this section applies, when a peace officer takes a minor into protective custody under
27 this subsection,

28 (1) the peace officer shall

29 (A) return the minor to the minor's parent or guardian at the
30 parent's or guardian's residence if the residence is in the same community
31 where the minor was found and if the minor's parent or guardian consents to

1 the return, except that the officer may not use this option if the officer has
2 reasonable cause to believe that the minor has experienced physical or sexual
3 abuse in the parent's or guardian's household;

4 (B) take the minor to a nearby location agreed to by the minor's
5 parent or guardian if the parent or guardian does not consent to return of the
6 minor under (A) of this paragraph and the officer does not have reasonable
7 cause to believe that the minor has experienced physical or sexual abuse in the
8 parent's or guardian's household; or

9 (C) if disposition of the minor is not made under (A) or (B) of
10 this paragraph, take the minor to

11 (i) an office specified by the Department of Health and
12 Social Services;

13 (ii) a program for runaway minors licensed by the
14 department under AS 47.10.310;

15 (iii) a shelter for runaways that has a permit from the
16 department under AS 47.32 [AS 47.35.085] that agrees to shelter the
17 minor;

18 (iv) a facility or contract agency of the department; or

19 (v) another suitable location and promptly notify the
20 department if an office specified by the department, a licensed program
21 for runaway minors, a shelter for runaways that will accept the minor,
22 or a facility or contract agency of the department does not exist in the
23 community;

24 (2) if the peace officer plans to take the minor to an office, program,
25 shelter, or facility under (1)(C) of this subsection, the peace officer shall give the
26 highest priority to taking the minor to an office, program, shelter, or facility that is
27 semi-secure;

28 (3) a minor under protective custody may not be housed in a jail or
29 other detention facility but may be housed in a semi-secure portion of an office,
30 program, shelter, or other facility under (1) (C) of this subsection;

31 (4) the peace officer, immediately upon taking a minor into protective

1 custody, shall

2 (A) advise the minor of available mediation services and of the
3 right to social services under AS 47.10.142(b); and

4 (B) if the identity of the minor's parent or guardian is known,
5 advise the minor's parent or guardian that the minor has been taken into
6 protective custody and that counseling services for the minor's parent or
7 guardian and the minor's household may be available under AS 47.10.142(b).

8 * **Sec. 22.** AS 47.10.392 is amended to read:

9 **Sec. 47.10.392. Certificate required.** A private residence may not be held
10 out publicly as a shelter for runaway minors unless the residence

11 (1) is designated a shelter for runaways by a corporation that is
12 licensed to make the designation under AS 47.32 [AS 47.35.085]; and

13 (2) has a valid permit from the department signifying that designation.

14 * **Sec. 23.** AS 47.10.399(2) is amended to read:

15 (2) "shelter for runaways" or "shelter for runaway minors" means a
16 private residence whose legal occupant agrees to shelter, with or without
17 compensation, a runaway minor accepted into the residence by the legal occupant and
18 that

19 (A) is not simultaneously licensed under AS 47.10.310 as a
20 program for runaway minors;

21 (B) has been designated a shelter for runaways by a corporation
22 licensed for that purpose under AS 47.32 [AS 47.35.085]; and

23 (C) has a permit issued by the department under AS 47.32
24 [AS 47.35.085].

25 * **Sec. 24.** AS 47.10.990(10) is amended to read:

26 (10) "foster care" means care provided by a person or household under
27 a foster home license required under AS 47.32 [AS 47.35.015];

28 * **Sec. 25.** AS 47.10.990(24) is amended to read:

29 (24) "secure residential psychiatric treatment center" has the meaning
30 given "residential psychiatric treatment center" in AS 47.32.900 [AS 47.35.900].

31 * **Sec. 26.** AS 47.12.990(14) is amended to read:

1 (14) "secure residential psychiatric treatment center" has the meaning
2 given "residential psychiatric treatment center" in AS 47.32.900; [AS 47.35.900.]

3 * **Sec. 27.** AS 47.24.013(a) is amended to read:

4 (a) If a report received under AS 47.24.010 regards the abandonment,
5 exploitation, abuse, neglect, or self-neglect of a vulnerable adult who is 60 years of
6 age or older that is alleged to have been committed by or to have resulted from the
7 negligence of the staff or a volunteer of an out-of-home care facility, including a
8 facility licensed under AS 47.32 [AS 18.20], in which the vulnerable adult resides, the
9 department shall transfer the report for investigation to the long term care ombudsman
10 under AS 47.62.015.

11 * **Sec. 28.** AS 47.24.017(d) is amended to read:

12 (d) If the protective services under this section include the placement of a
13 vulnerable adult in an assisted living home at the state's expense, the minimum daily
14 reimbursement rate to the assisted living home for the vulnerable adult is \$70. The
15 department may, under its regulations, provide for a daily rate higher than \$70 if the
16 additional care provided to the vulnerable adult in the assisted living home justifies the
17 additional reimbursement. In this subsection, "assisted living home" means an assisted
18 living home licensed under AS 47.32 [AS 47.33].

19 * **Sec. 29.** AS 47.25.071(b) is amended to read:

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

22 (1) be currently licensed under AS 47.32 [AS 47.35] and applicable
23 municipal licensing requirements;

24 (2) participate in the day care assistance program under AS 47.25.001 -
25 47.25.095; and

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

28 * **Sec. 30.** AS 47.25.095(2) is amended to read:

29 (2) "child care facility" means an establishment licensed as a child
30 care facility under AS 47.32 [AS 47.35], including day care centers, family day care
31 homes, and schools for preschool age children, that provides care for children not

1 related by blood, marriage, or legal adoption to the owner, operator, or manager of the
2 facility;

3 * **Sec. 31.** AS 47.25.095(4) is amended to read:

4 (4) "day care facility" means a center or home licensed in accordance
5 with the provisions of AS 47.32 as a child care facility [AS 47.35] or recognized by
6 the federal government for the care of children;

7 * **Sec. 32.** AS 47.25.195(f)(1) is amended to read:

8 (1) "assisted living home" means an assisted living home licensed
9 under AS 47.32 [AS 47.33];

10 * **Sec. 33.** AS 47.30.915(5) is amended to read:

11 (5) "evaluation facility" means a health care facility that has been
12 designated or is operated by the department to perform the evaluations described in
13 AS 47.30.660 - 47.30.915, or a medical facility licensed under AS 47.32
14 [AS 18.20.020] or operated by the federal government;

15 * **Sec. 34.** AS 47.31.100(4) is amended to read:

16 (4) "evaluation facility" means a health care facility that has been
17 designated by the department to perform the evaluations described in AS 47.30.670 -
18 47.30.915, including a facility licensed under AS 47.32 [AS 18.20.020] or operated by
19 the federal government;

20 * **Sec. 35.** AS 47 is amended by adding a new chapter to read:

21 **Chapter 32. Centralized Licensing and Related Administrative Procedures.**

22 **Sec. 47.32.010. Purpose and applicability.** (a) The purpose of this chapter
23 is to establish centralized licensing and related administrative procedures for the
24 delivery of services in this state by the entities listed in (b) of this section. These
25 procedures are intended to promote safe and appropriate services by setting standards
26 for licensure that will reduce predictable risk; improve quality of care; foster
27 individual and patient rights; and otherwise advance public health, safety, and welfare.

28 (b) This chapter and regulations adopted under this chapter apply to the
29 following entities:

30 (1) ambulatory surgical centers;

31 (2) assisted living homes;

- 1 (3) child care facilities;
- 2 (4) child placement agencies;
- 3 (5) foster homes;
- 4 (6) free-standing birth centers;
- 5 (7) home health agencies;
- 6 (8) hospices, or agencies providing hospice services or operating
- 7 hospice programs;
- 8 (9) hospitals;
- 9 (10) intermediate care facilities for the mentally retarded;
- 10 (11) maternity homes;
- 11 (12) nursing facilities;
- 12 (13) residential child care facilities;
- 13 (14) residential psychiatric treatment centers;
- 14 (15) rural health clinics;
- 15 (16) runaway shelters.

16 **Sec. 47.32.020. Requirement to obtain a license.** (a) An entity may not
17 operate a facility described in AS 47.32.010(b) without first obtaining a license under
18 this chapter unless the entity is exempt under regulations adopted under AS 47.32.030.

19 (b) If an entity encompasses more than one type of activity listed in
20 AS 47.32.010(b), the entity shall apply for and receive a separate license under this
21 chapter before operating that type of activity unless exempt under regulations adopted
22 under AS 47.32.030.

23 **Sec. 47.32.030. Powers of the department; delegation to municipality.** (a)
24 The department may

- 25 (1) administer and enforce the provisions of this chapter;
- 26 (2) coordinate and develop policies, programs, and planning related to
- 27 licensure and operation of entities listed in AS 47.32.010(b);
- 28 (3) adopt regulations necessary to carry out the purposes of this
- 29 chapter, including regulations that
- 30 (A) establish fees for licensing of each type of entity listed in
- 31 AS 47.32.010(b);

1 (B) impose requirements for licensure, including standards for
2 license renewal, that are in addition to the requirements of this chapter or of
3 any other applicable state or federal statute or regulation;

4 (C) impose requirements and standards on licensed entities that
5 are in addition to those imposed by this chapter or by any other applicable state
6 or federal statute or regulation, including

7 (i) requirements and standards necessary for an entity or
8 the state to receive money from the department from any source,
9 including federal money;

10 (ii) record-keeping requirements;

11 (iii) reporting requirements; and

12 (iv) requirements and standards regarding health, safety,
13 and sanitation;

14 (D) provide for waivers, variances, and exemptions from the
15 requirements of this chapter, including the requirement to obtain a license, if
16 the department finds it necessary for the efficient administration of this
17 chapter; and

18 (E) establish requirements for the operation of entities licensed
19 under this chapter;

20 (4) investigate

21 (A) entities described in AS 47.32.010(b);

22 (B) applicants for licensure, including individuals named in an
23 application; and

24 (C) other persons that the department has reason to believe are
25 operating an entity required to be licensed under this chapter, or are residing or
26 working in an entity for which licensure has been sought under this chapter;
27 this subparagraph does not apply to persons receiving services from an entity
28 for which licensure has been sought under this chapter;

29 (5) inspect and monitor licensed entities for compliance with this
30 chapter, regulations adopted under this chapter, and any other applicable statutes or
31 regulations;