

1979-80

HOUSE HEALTH EDUCATION AND SOCIAL SERVICES COMMITTEE, VOL. 2

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1980 Tape Log

1980

TAPE LOG

1/17/1980 - 5/20/1980

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House HESS
Committee

Side Number 2

Dates 1/21 to 1/22

Bill Numbers Discussed

HB479									
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1/21	00	HB479	Public Hearing
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HOUSE HESS
Committee

Tape Number 2
Side Number 1
Dates 1/23 to 1/25

Bill Numbers Discussed

HB479	HB540	HB479							
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1/23	00	HB479	Public Hearing
	499	"	Richard Svobody, Asst Attorney General
1/23		HB540	
1/24	742	HB540	John Vania testimony
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Tape Number 2

HOUSE HESS
Committee

Side Number 2

Dates 1/25 to 1/25

Bill Numbers Discussed

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	140	"	Monty Wyss "
	172	"	John Baus "
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	352	"	Jan Taylor "
	427	"	Charles Barlow "
	467	"	Craig Loudon "
	580	"	Robert Buttane "
	632	"	K C Burke "
	657	"	Mayor John Dapovich "
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Tape Number 3

House HESS
Committee

Side Number 1

Dates 1/29 to 1/29

Bill Numbers Discussed

HB 987	HB 618								
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1/29	17	HB 987	Dale Staley testimony
	200	"	Charlie Artiga "
	328	"	Betty Briggs "
	678	"	Cliff Hartman "
	923	"	Carl Peterson "
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1/29	1010	HB 618	opening remarks
	1082	"	Sen. Rodley testimony
	1234	"	Florence Barnard "
	1245	"	William Hudson "
	1370	"	Helen Berne "
	1501	"	Bob Gore "
	1595	"	John Mulholland "
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evening



1980

MINUTES

1/16/1980 - 5/22/1980

MINUTES
HESS Committee Meeting
January 16, 1980

Committee members present:

Buchholdt
Munson
Beirne
Chatterton
Miles
Barnes

Overview of current programs, legislative needs -- Department of Health and Social Services

Commissioner Beirne and Deputy Commissioner Korhonen presented the overview.

They noted the following personnel changes:

Allen Korhonen, Deputy Commissioner
Deborah Behr, Special Assistant to the Commissioner
Judy Schuller, Information Specialist
Dean Theodore, Director of Division of Health

Comm. Beirne noted the following organizational changes:

1. The Department's advisory boards are becoming more involved in policy-making and in public relations.
2. The Department wishes to make the Office of State Health Planning and Development into a separate division.
3. The Division of Administrative Services and Management has been separated into two divisions, the Division of Administrative Services and the Division of Management and Budget.
4. The Department would like to divide the Division of Social Services into two divisions, the Division of Children and Youth and the Division of Adult and Senior Citizens. They feel a need for the latter division even if the Office of Aging is moved to the Department of Administration.

Comm. Beirne then noted the following plans for the coming year:

1. Development and implementation of a policy addressing the people's desire for conservatism and accountability in health and social services policies and management. The policy should emphasize the "self-help" concept for localities and recognize the fact that individual communities can and desire to solve their own problems. State government should have total responsibility only for the poorest and most financially dependent communities.

One manifestation of this policy is the Department's program to deinstitutionalize delinquent youth and return them to homes within the community.

Discussion of Medicare/Medicaid

The Chair noted the following problems with the Medicare/

Medicaid program and asked what steps the Department was taking to alleviate these problems:

1. Computer malfunctioning causing extreme delays in payment of doctor's billing statements.
2. Confusion among both patients and their doctors about exact amount of entitlements allowed for patient care.
3. Confusion about Department's policy on preventive medicine -- the Department encourages preventive medicine, but does not make clear how much it will pay for.

Comm. Beirne and Dep. Comm. Korhonen supplied the following answers to the Chair's questions:

1. They have contracted with Computer Science Corporation to install a new system capable of handling the present load of bills, and capable of keeping up with revisions in the law which might necessitate changes in the current computer program. (The old system was not capable of doing this, hence all the present problems.)
2. They will look into how they can more adequately educate doctors and patients as to entitlement amounts, and will consider giving training sessions and disseminating service manuals.
3. There was no discussion of the third problem noted by the Chair.

Delinquent Deinstitutionalization program discussion

The Comm. and the Dep. Comm. noted that the program had been highly successful in its first eight months. The Dept. stresses "adventure-based education" programs such as the Outward Bound summer program.

Comm. Beirne noted that the Department had been less successful in deinstitutionalizing Social Services children mainly because of more unstable family situations than their Corrections counterparts.

State prisons discussion

Rep. Munson brought up the fact that although male prisoners could have daily visitors at some institutions, female prisoners could only have visitors every other day, at the same institutions. The Department representatives noted that they would look into this.

The Chair noted that she had had an extremely informative visit at Leavenworth Penitentiary in Kansas. She also asked that the Department look into improving mail service to Alaskan prisoners in Outside federal prisons.

Then followed a discussion of a need for a new prison site in the Anchorage area.

It was then noted that bills relating to prison industries, introduced by Rep. Meekins and the Governor, will be taken up by the Committee this Session.

Alcoholism discussion

Rep. Miles noted that he was not going to support further allocation of money for alcoholism programs until he had a better idea of how many patients the Department has been able to cure. The Department noted that they would make every effort to come up with such a figure, despite numerous problems.

There was a brief discussion of a bill which will allow individual communities to decide whether or not they want alcohol to be imported into their areas.

Homemaker's program discussion

Rep. Munson cautioned the Department not to go "overboard" in its efforts to deinstitutionalize the severely handicapped.

MINUTES
HESS Committee Meeting
1/18/80

Committee members present:

Buchholdt, Chair
Munson
Beirne
Chatterton
Miles

Overview of current programs, interim accomplishments, plans for the forthcoming Session -- Department of Education

The presentation was made by Bill Thompson, Deputy Commission of the Department and Don McKinnon, Superintendent of Juneau public school system and Chair, Public School Foundation Program task force review.

The major part of the presentation was Mr. McKinnon's summary of the Foundation Program task force's final recommendations. The task force's final report has been sent to the Governor for his perusal.

The highest priority of the task force was to devise an equitable formula to equalize the amount of money that incorporated and nonincorporated areas have to spend on their school children. Since nonincorporated areas have traditionally not had the same sources of revenue that the incorporated cities and boroughs have had (taxes, licensing fees, etc.), they have also not had as much money to spend educating their children. The task force sought to rectify this inequality. The formula provides about \$1500 to be spent on each school-age child, with the government picking up a percentage of the tab. The less revenue that the formula predicts a particular area can generate on its own, the more the government subsidizes that school district. A district gets less from the government if it generates less income than the formula predicts it is capable of earning. Thompson and McKinnon provided the Committee members with copies of the task force's final report, where the specifics of this funding concept are discussed.

Rep. Munson brought up the fact that there is a great need for the Legislature to provide unincorporated areas with greater incentive to incorporate so that they can reap the benefits of having the ability to generate income. It was generally agreed that this is something that the Legislature and the state in general needs to address, but that the Foundation task force was not mandated to do so.

Mr. McKinnon also summarized the task force's recommendations to provide better funding for vocational education programs, special education programs, bilingual/multilingual education programs. The specifics of these funding needs are also discussed in the task force's final report.

Finally, Mr. McKinnon presented the task force recommendation that money be allocated for a study of "area differentials" figures. The task force recommends that transportation, freight, and utilities should be the factors looked at in order to come up with objective and constant area differential figures. An independent group should gather data and set up the initial system and each year after the system is instituted, the data can simply be fed into the computer and come up with the proper area differential figures.

At this point, Rep. Chatterton brought up a major concern of his. He is concerned that the state and the Legislature have no clear cut definition of what constitutes basic education, even though the Legislature is only mandated to provide money for provision of basic education to all Alaskans. He is concerned that the state provides far too much money for extra services, as opposed to services necessary to provide only a basic education. He feels that restrictions are needed as well as a process to determine legitimate programs for state funding.

The financial situation of the Department of Education and its proposed budget for the Foundation Program were then explained by Mr. Thompson. The total figure requested is 83 million dollars. Governor Hammond wants to phase in the program over many years, Mr. Thompson explained, providing 31 million for FY '81, with plans to review the budget request after that and then provide more funding.

Rep. Joe Montgomery, who joined the Committee at the table when Mr. Thompson began his financial presentation, expressed his concern that the Foundation's suggested funding formula program might result in giving too much money to some districts. Mr. Thompson responded that there was no way as of yet to prevent this from happening. However, he noted that it was hard to imagine that a district with no sources of revenue could be overfunded, especially when 874 entitlement considerations were worked into the proposed formula funding process. Also, he noted that the state can recapture any overfunded dollars through the formula process.

Rep. Munson asked if these proposals would come to the Legislature in the form of a bill from the Governor. Mr. Thompson responded that the Governor was planning to propose amendments to the current legislation.

Then followed brief miscellaneous discussion and the meeting was adjourned by the Chair.

MINUTES
HESS Committee Meeting
1/21/80

Committee members present:

Buchholdt, Chair
Munson
Beirne
Chatterton
Miles

Public Hearing on HB 479, revising the drug laws of the state

The Chair first announced that there are several bills other than HB 479 that relate to amending the drug laws of the state. HB 479 will be used as the vehicle for public hearings, which will be held at various times throughout the week of 1/21/80.

The following testimony on HB 479 was presented:

Rep. Charles Parr and Peggy Burke, Judiciary Committee Staff Counsel

82 Rep. Parr, the sponsor of HB 479, made the following points relating to HB 479:

1. The existing drug laws are entirely out-of-date.
2. HB 479 is fashioned after the "model law" that has been adopted in 44 other states.
3. HB 479 establishes a Control Substances Advisory Committee to recommend changes in scheduling of drugs so that if a new drug comes on the market, or new information is developed about the effects of a particular drug, the scheduling status of the drug can be changed.
4. The bill would establish regulations for the legitimate operations of pharmacists.
5. There are slang terms, along with medical ones, to describe all of the drugs that are to be initially categorized. The slang terms are used to educate the public as to the classification of certain drugs are not commonly known by their medical names. However, there is also a provision in the bill which specifically states that an improperly used slang term is not a bar to prosecution of a person accused of committing a crime related to a drug referred to improperly.
6. Penalties for each offense are matched with the new Criminal Code.
7. There was an attempt made to match the magnitude of certain drug crimes with other types of crimes.

205 Rep. Munson asked if the bill attempts to counteract the growing popularity and use of marijuana?

Rep. Parr answered the definition of manufacture includes growing plants for uses other than personal consumption.

233 Rep. Miles asked if the bill attempts to deal with the problem of the repeat offender.

Rep. Parr responded that it incorporates the same presumptive sentencing

269 The Chair noted that the composition of the advisory committee does not include a member of the public.

Rep. Parr responded that one or more public sector members could be added.

301 Rep. Munson asked if the advisory committee was a purely advisory body.

Rep. Parr noted that the Legislature would have an opportunity to veto an advisory committee recommendation before scheduling of a particular drug would become law.

337 Rep. Chatterton asked if the other bills differed substantially from this bill.

Rep. Parr responded that they were all essentially the same. He also noted that he was willing to accept some provisions from other bills in lieu of some provisions in HB 479.

395 Commissioner William R. Nix, Department of Public Safety

Comm. Nix pointed out that he was only addressing the law enforcement aspects of the bill. He stated that on the whole he was greatly encouraged by the bill, but that he had the following problems with it:

1. The Control Substances Commission should take the following criteria into account, in addition to those mentioned in the bill, when scheduling drugs -- the use of a drug related to other criminal activity, how does the profit potential encourage the use of a particular drug, and does addiction to a particular substance relate to the commission of other crimes.

2. The penalties established for possession do not take into account the purity of the drug in an offender's possession.

3. The bill does not address the fact that offenders rarely hold more illegal contraband than they know to be legal.

Comm. Nix then noted that the Governor's bill will reflect his position on HB 479.

498 Rep. Miles asked if relating drug crimes to the commission of other crimes would be legal in court.

Comm. Nix responded that for the purposes of HB 479, relating one crime to another was only for the purpose of scheduling substances.

Rep. Miles asked that HESS Committee staff look into this.

There were several other miscellaneous questions.

588 The Chair then asked if trafficking in prescription drugs was as serious a problem as trafficking in illegal drugs.

Comm. Nix responded that it was definitely as serious a problem but that punishment was generally more lenient.

More questions followed.

699 The Chair asked if it was possible to get some concrete data, such as demographic statistics, on drug dealers in the state.

Comm. Nix stated that he would look into this.

727 Commissioner Helen Beirne, Department of Health and Social Services

Comm. Beirne stated that the Department endorses the concept of HB 479 and is especially pleased with the similarity of the bill to the federal "model law" and the mechanism for changing the scheduling of a drug.

However, the Commissioner noted that the bill lacks recognition of the public health aspects of drug abuse. It does not address the matter of treatment for offenders. It should include a mechanism whereby treatment could become a way of serving time in addition to incarceration in the case of those persons who committed crimes largely because of their addiction to a particular drug. Also, the Department believes that the bill should set forth policies to monitor the distribution of prescription drugs and that the bill should somehow make recognition of the fact that alcohol is the no. 1 social problem in Alaska today. To do the latter, the bill should include alcohol as a Schedule VI substance.

Finally, the Commissioner noted that there could be some fiscal impact on HSS from the bill, but that more details would be forthcoming.

793 Rep. Miles asked that the Department's position on alcohol be clarified.

Robert Cole, Coordinator of the Office of Alcoholism & Drug Abuse, stated that the Department wished the bill to educate the public about the dangers of alcohol by classifying it as equally as dangerous as a Schedule VI drug. This would draw attention to the fact that abuse of alcohol is as serious as abuse of certain other drugs, such as marijuana.

835 Rep. Munson suggested that alcohol be put in a separate schedule, perhaps Schedule VII, so that there wouldn't be any misunderstanding of the Legislature's intent to educate.

There were a few more miscellaneous questions. Mr. Cole presented a book of statistics relating to drug abuse, The Alaska State Drug Abuse Plan 1970 - 1980 for the Committee's use.

The meeting was adjourned.

MINUTES
HESS Committee Meeting
1/22/80

Committee members present:

Buchholdt, Chair
Munson
Barnes
Chatterton
Hurlbert

Public Hearing on HB 479

The following people gave the following testimony:

Robert Cole, Coordinator, Office of Alcoholism & Drug Abuse

918 Mr. Cole stated that he was here to answer questions about prescription drugs. He noted in passing that there was a direct correlation between abuse of prescription drugs and women. It is possible that women are more likely to abuse prescription drugs than illegal drugs.

924 Rep. Chatterton asked if the abuse of illicit drugs was related to crimes.

Mr. Cole responded that it was related to such crimes as pharmacy burglaries and illegal prescription of drugs.

Mr. Cole drew the Committee's attention to the California version of the Uniform Control Substances Act for guidance in drawing up the final version of HB 479. He drew particular attention to Chapter 3 relating to regulation and control.

Charles Campbell, Director of the Division of Corrections

1018 Mr. Campbell made the request that HB 479 include money for the Div. of Corrections to establish a treatment program for prisoners. He noted that this was sorely needed and that there was little to nothing being done for prisoners now. He also noted that the Division had established budget priorities and that the treatment program was not high on the list. However, he feels that HB 479 is a perfect vehicle for funding such a program.

1060 Rep. Chatterton noted that he was more interested in hindering a first offense --by updating the drug laws -- than treating those who have already committed a drug crime and are serving time. He was not against treatment but feels that getting at the first offender is more important.

1120 Mr. Cole noted that existing treatment programs are already over capacity. This is why they are asking for more treatment programs in HB 479.

Dr. Vernon Stillner, Drector, Division of Mental Health and Developmental Disabilities

138 Dr. Stillner noted the differences in scheduling of certain drugs between the federal statute and HB 479. In the federal statute, Marijuana, opium, cocaine and LSD are all in schedule 1. In HB 479, marijuana is in schedule 6, and the other three drugs are in schedule 2.

Dr. Stillner further stated that he thought that a member of the public should be included on the advisory committee. He also feels that a pharmacologist and a physician should also be included because the committee should consider the pharmacological and physiological implications of scheduling as well as the other considerations mentioned in HB 479.

1170 Peggy Burke noted that there must have been a scheduling shift in the federal statute since HB 479 was drafted and that it was the intent of Rep. Parr to make HB 479 consistent with the federal schedule except in the case of marijuana.

1207 There followed a discussion about establishing some kind of linkage between Dr. Stillner's division and Corrections as far as treatment of prisoners is concerned.

Jim McCorcle, Board of Pharmacy

1255 Mr. McCorcle stated that he would like to see marijuana classified as a schedule 1 drug.

He also reiterated Mr. Cole's request for a physician on the advisory committee.

He also noted that scheduling changes should occur through an automatic mechanism instead through recommendation by the advisory committee because the recommendation process will cause delays in selling drugs by manufacturers to retailers.

1285 There followed a discussion, wherein it was generally agreed, that the simplest form of reporting requirements for pharmacists should be adopted.

Teri White, Research supervisor, Alaska Judiciary Council

1360 Ms. White described the data available to the Committee through the Alaska Judicial Council. She noted that they now have up-to-date information on drug abuse statewide and better information on addict/prisoners.

She noted that one study, which she will make available to the Committee, shows a very direct correlation between drug and/or alcohol histories and criminal histories. For example, no prior criminal record correlates generally with no prior drug addiction. Another example she noted was that half of offenders with a history of drug addiction have at least one prior felony conviction.

She also noted that alcohol, not drugs, were the biggest factor in violent crimes.

She also presented a memorandum which relates to drug sentences for possession and sale imposed in the last three years. One notable fact in the memorandum is that sentences imposed for possession are usually more severe than sentences imposed for sale of the amount of heroin. The opposite is true for cocaine.

1440 There followed a discussion on how to get an exact figure on the number of offenders.

After miscellaneous discussion, the meeting was adjourned.

MINUTES
HESS Committee Meeting
1/22/80
Evening Session

Committee members present:

Buchholdt, Chair
Barnes
Munson
Chatterton
Miles

The meeting consisted of a teleconference with Anchorage. The following persons gave the following testimony on HB 479.

1510 Don E. White, Executive Director of Moral Majority

Mr. White expressed his total opposition to HB 479. He is against the legalization of possession of any amount of any drug.

He expressed his approval of HB 101, the Peace officer's bill.

1530 Rep. Chatterton noted that HB 479 was a beginning, only, and that the final version of a drug law revision bill would probably represent a compromise of the various different plans currently before the House.

Mr. White responded that he did not wish any of HB 479's provisions to be included in the final version of the drug law revision bill.

1552 Kay Frank, District 6

Ms. Frank also expressed total opposition to this bill and the Governor's proposed legislation. She favors the peace officer's bill.

1578 Timothy D. Clark

Mr. Clark stated that he is totally against HB 479.

1593 Mike Durham, Outreach counsellor, Akela House

Mr. Durham praised HB 479 for its overall comprehensiveness and its attention to the pharmacological aspects of drug abuse.

He noted the following problems, however. There are no provisions for rehabilitation and treatment. He feels that the advisory committee should include a member experienced with drug rehabilitation and counselling. Also, there should be provisions addressing rehabilitation for minors. Finally, he would like the bill to address the problem of alcohol and made the statement that ignoring alcohol is "tantamount to an act of genocide to our native people".

1656 Rep. Munson asked how he felt about HB 479's possession amount cut-offs.

Mr. Durham noted that the decision would be "ultimately arbitrary" as to how much would constitute legal possession.

1683 Rep. Chatterton noted the composition of the advisory board was definitely subject to revision. He also noted that the bill would probably not include provisions relating to alcohol and rehabilitation because it was necessary to go "one step at a time" and establish the ground work first.

1701 Steven G. Wells

Mr. Wells is against HB 479 because he feels that it is far too lenient and will lead to legalization of all drugs.

1741 Rep. Miles noted that HB 479 allows for tougher financial penalties than any of the other drug law revision bills currently in the House.

1787 Farrow B. Mills, Pastor, Faith Baptist Church

Mr. Mills is against the bill. He would like to see tougher legislation enacted.

New tape:

75 Doug Millar

Mr. Millar is against HB 479. He would like to see capitol punishment reinstated for certain drug offenses such as selling to marijuana to minors and selling hard drugs to adults. The latter would require capitol punishment after the first offense.

There followed a discussion of the scheduling and publicity of the teleconference.

329 Marjory Hull, People for a Better Education

Ms. Hull expressed her total opposition to the bill. She was especially outraged by the fact that HB 479 would allow possession of less than a quarter ounce of cocaine. She also noted that she thought that financial penalties were not effective no matter how high the price.

388 Rep. Miles indicated that he would work to have the quarter ounce possession limit lowered.

410 Lori Ann Schultz

Ms. Schultz stated her opposition to HB 479 and pleaded for stronger drug laws.

457 Charles Crim

Mr. Crim would like to see a military restriction on the use of drugs and would like the final Alaska drug bill to coincide with the federal statutes.

477 Rep. Miles pointed out the HB 479 would increase the penalties for driving under the influence of marijuana.

499 Glenn Cleary, Minister

Mr. Cleary would like to see a bill that would not allow any amount of possession to be legal.

590 Doug Duffet, Fairbanks

Mr. Duffet is against any law that will minimize the penalty for possession or distribution.

622 Ronald King

Mr. King expressed his opposition to the bill because it is too lenient.

710 Charles R. Rush, Board of Pharmacy

Mr. Rush noted that regulation of pharmacists should be identical to the federal system. He does not want double registration requirements.

Mr. Rush also favors an automatic drug scheduling process as opposed to HB 479's advisory committee recommendation process.

760 Julie Gardiner

Ms. Gardiner noted her opposition to HB 479 because she feels that drugs are "nasty".

780 Rep. Munson asked if Ms. Gardiner felt that jail time would be the proper deterrent to drug abuse.

Ms. Gardiner responded in the affirmative.

The meeting was adjourned, after several more miscellaneous comments, due to teleconferencing time constraints.

Members present:

Buchholdt, Chair
Munson
Barnes
Miles
Chatterton

MINUTES
HESS Committee Meeting
1/23/80

Public Hearing on HB 479, a bill revising existing drug laws

There were no individuals who wished to testify, so the Committee entered into a general discussion of various provisions of the bill.

- 78 Rep. Munson expressed her concern that the bill might establish a really good situation for a small time dealer.
- 142 Rep. Chatterton recommended that the Committee find a person knowledgeable about drug dealing, from the dealer's standpoint, to testify before the Committee.
- There was general discussion of this point.
- 219 Rep. Munson noted that Peggy Burke was planning to look into the pharmacists' problems with HB 479.
- 238 There was general agreement expressed that the authority of the advisory board to change the classification of drugs was too broad. This authority should remain in the Legislature.
- 331 The members agreed that the composition of the advisory board should also be changed.
- 382 Rep. Chatterton noted that this ongoing discussion of changes was conceptual, only, and that motions were not in order at the present time. He also requested that the staff look into State v. David Stone for the Committee.
- 499 At the request of the Committee, Richard Sbodny, Assistant Attorney General, made the following comments:
- He stated that HB 479 would not change the burden of proof problem that the state currently faces under the present laws. It is hard to show that the accused intended to sell and distribute if he is not caught in the middle of a transaction. The amounts specified in the HB 479 as illegal still do not assume that an accused possessed that amount with the intent to sell.
- Rep. Miles asked Mr. Sbodny what the Committee could do to make it easier to prove that a person intended to sell.
- Mr. Sbodny responded that the Committee could write the bill so that it was presumed that a certain amount indicated intent to sell, much like the OMVI law. The state would still have to prove intent to sell beyond a reasonable doubt, but it would be easier than the law as currently written or as it would be written under HB 479.
- There was general discussion of this point.
- 696 Rep. Barnes stated that she would like to see the "three years junior" provision on p. 18, line 1 changed.
- There was general discussion of what the staff should study and the meeting was adjourned.

MINUTES
HESS Committee Meeting
1/24/80

Committee Members present:

Buchholdt, Chair
Munson
Beirne
Chatterton
Miles

Consideration of HB 540, an Act establishing the Alaska school competitive activities fund

The Committee heard the following testimony from the following individuals on HB 540.

John Vania, District 9

742 Mr. Vania noted the following points about the bill:

1. No more than 10% of a high school's population would be eligible for travel under the bill. This would keep down costs.
2. The bill would fund activities for both girls and boys.
3. The bill would help to equalize differences among school districts as far as competitive activities go. A poor district would not suffer as it does under current law and would be able to send as many kids to tournaments as bigger districts.
4. Basketball, and other well known sports, would get the same funding as the lesser known sports.

49 Rep. Chatterton asked if the existing Alaska School Activities Association did not already have the means to pay for travel to tournaments.

Mr. Vania responded that they did, but that they did not necessarily spend it on such activities. There was further discussion of this point.

924 There was a discussion between Rep. Munson and Mr. Vania about the difference in cost estimates of DOE and Mr. Vania's position papers. The figures are different because they are based on different factors.

981 Rep. Miles asked if the bill was constitutional and suggested that staff check into this.

987 The Chair stated that her primary reason for sponsoring HB 540 was to get urban kids into the rural parts of the state. Urban children could increase their exposure to rural lifestyles through travel to different parts of the state.

1030 The Chair noted that Les Wells, the Executive Secretary of the Alaska School Activities Association, was not opposed to passage of HB 540.

1042 Rep. Miles introduced a motion to change line 27, p. 1 by deleting the word "means" and substituting it with "include but are not limited to riflery,". The motion was carried.

772 John Jensen, City and Borough Assembly, Juneau

Mr. Jensen made the following points:

If the state doesn't finance travelling, the cities won't because they can't afford to.

Participation in competitive activities are extremely important to development of self esteem for young people.

Mr. Jensen would also like to see a third category of activities included in the bill, namely, activities which require individual excellence, such as voice, drama, etc.

It was generally agreed that this was not the proper vehicle for Mr. Jensen last suggestion.

1156 Karen Ryals, DOE

Ms. Ryals noted that while DOE has no official position on HB 540, it unofficially feels that :

Funding for the bill may wind up being spread much thinner than the Legislature intends.

There was discussion on this point and it was generally agreed that the 10% figure in the bill would prevent money being spent unwisely.

1228 Ron Lorensen, Josephson, Trickey & Lorensen, Inc.

Mr. Lorensen represents various school district throughout the state. He was available to answer questions about the position paper that he presented to the Committee. His position paper stated that after polling several of the superintendents that he represents, he found that none were in agreement on HB 540. Some felt that it was excellent to have funding for travel to tournaments, others felt that all funding should come through foundation money in one lump sum so that the individual districts could then decide how to spend the money allotted to them.

Mr. Lorensen also noted that the language of the bill should be more specific regarding the Legislature's intent regarding use of the funds.

1273 Based on Mr. Lorensen's last point, Rep. Chatterton (after discussion with the other members) moved that line 16, p. 1 should be amended. Between the words "students" and "who", "to statewide tournaments" should be added. The motion was passed by unanimous consent.

1292 Rep. Miles moved that HB 540, as amended by the Committee, should be reported out of committee, with the stipulation that staff research the constitutionality of the bill before it is reported out of the Finance Committee.

1297 Rep. Chatterton objected. He stated that the bill represented yet another addition to the amount of funds the Legislature provides for education. He wishes to see all funds consolidated into one vehicle instead of passing legislation piecemeal. He then withdrew his objection.

1304 The Chair stated that she agreed conceptually with Mr. Chatterton's objection but that she felt that HB 540 would take care of such a vital need that an exception to that general philosophy should be made.

1310 The motion was carried and HB 540 was reported out of committee.

There were a few miscellaneous comments, and the meeting was adjourned.

MINUTES
HESS Committee Meeting
1/25/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Hurlbert
Barnes

1326 The Chair opened the meeting with a summary and update of the HSS Medicaid payment situation. She explained that all backlogged bills should be paid by February 15. She also explained the reason for the delay and referred representatives with further problems to Ross E. Forncrook, at Computer Sciences Corporation.

1354 The rest of the meeting consisted of more testimony relating to HB 479, to revise the drug laws.

Peggy Burke, Rep. Parr's staff attorney, was asked by the Committee to explain certain sections of the bill that were the subject of controversy. Ms. Burke made the following points:

Possession of a certain amount of a particular substance, as outlined in the bill, would presume the person intended to distribute. That is, if a person holds more than the amount legally allowed in the bill, that person is presumed to hold that amount with the intent to sell and/or distribute that particular substance. Ms. Burke explained that due to the Supreme Court's decision in Raven, any legislation would have to set amounts as the only legal method to prove possession with the intent to distribute.

1400 Rep. Hurlburt asked if Ms. Burke felt that the general public desires more control over the use of marijuana. Ms. Burke replied that it depends on who you talk to.

1434 There followed a discussion of the MatSu valley case and why the defendants were not found guilty in that case. It was generally agreed that if the amount concept of the Parr bill were law at that point, the MatSu defendants would have been found guilty.

1491 Ms. Burke explained how the purity factor fits into HB 479. She explained that even though there might be less pure substance in one batch as opposed to another, a defendant would still be charged with the intent to sell if he/she possesses over the legal limit for a particular substance. For example, if a defendant possessed over a pound of pot, it would not make a difference if it had only a minimal amount of THC in it; the defendant would still be guilty of possession with the intent to distribute on the amount in his possession, only.

The rest of the meeting constituted a teleconference from all different parts of the state. Various witnesses gave testimony on HB 479. The following people made the following statements:

Fairbanks:

1554 Carl Port

Mr. Port was vehemently against HB 479, charging, among other things, that passage would result in armed guards posted in all Alaskan schools to protect undrugged children from drugged ones.

1600 Carla Noag

Ms. Noag expressed her strong opposition to the bill.

1610 Rick Adams

Mr. Adams stated that he is against the provision of the bill which makes it illegal for a minor to sell to another minor more than three years his junior. He feels that sale to any minor by another minor should be illegal.

k622 The Chair noted to Mr. Adams that several other people had problems with this provision and that the Committee would consider amending it.

1643 Timoth Dove, Fairbanks Libertarian Party

Mr. Dove advocated the repeal of all drug statutes. He stated that though he was strongly opposed to the use of drugs, he thinks that each person should be able to choose their own way of life. Each person should be free to choose their own behavior. We should not legislate morality.

1682 Rep. Miles engaged in a debate with Mr. Dove about his opinion.

1711 Thomas Simmons, Asst. Pastor, First Assembly

Mr. Simmons voiced his opposition to liberalization of drug laws because of his experiences with marijuana in Vietnam and because of the experiences of other members of his family.

1744 G. David Weeks

Mr. Weeks expressed his opposition to liberalization of drug statutes. He stated this we ought to criminalize the use of all drugs.

1750 Rep. Munson asked how Mr. Weeks thought that HB 479 would liberalize the current drug statutes.

Mr. Weeks responded that it would make it easier for the small time pusher, especially in selling to kids in schools. This prompted a long discussion between the Committee members and Mr. Weeks about whether or not HB 479 would greatly liberalize our drug statutes.

10 Rep. Barnes tried to summarize Mr. Weeks and other witnesses' (2nd side) worries by stating that a person in possession of 49 capsules would be okay, but a person in possession of 50 capsules would be prosecuted with intent to distribute.

32 Peter Schnars

Mr. Schnars stated that the legislature intended to outlaw only socially unacceptable drugs, while making the use of equally as harmful drugs such as alcohol legal. He also noted that the use of a substance should not be considered illegal if its use does not harm anyone else.

140 Monty Wyss

Mr. Wyss stated that he is against the graduated penalty provisions of the bill. He feels that possession of marijuana should be a felony and that selling to minors should be illegal.

172 John Baus

Mr. Bause stated that he favors the Alaska Peace Officers Bill (HB 101).

260 Joe Strauss

Mr. Strauss stated that HB 479 was better than present law but he felt there were major classification inconsistencies, that there should be stricter penalties for driving under the influence of marijuana and that in general, there should be stricter penalties for possession of all substances.

352 Jan Taylor, President PTA

Ms. Taylor expressed her support of HB 101.

427 Charles Barlow, Moral Majority

Mr. Barlow expressed his opposition to HB 479 and his support of HB 101.

467 Craig Loudon

Mr. Loudon stated that he was opposed to any liberalization of drug laws because of his own personal experiences with drugs. He also stated that HB 479 would make the dealing of a small time pusher easier.

Bethel:

580 Robert Buttcaner, City of Bethel

Mr. Buttcaner thinks that HB 479 would encourage drug abuse. He also thinks that treatment provisions should be included in the bill.

632 K.C. Burke

This witness felt that no one should be able to possess more than an ounce of marijuana for personal use.

Sitka:

657 Mayor John Dapovich

Mayor Dapovich stated that he felt that the bill ought to include a local option provision so that communities could decide for themselves what kinds of drug laws are needed. He also stated that he would like to meet with the Committee.

Ketchikan:

690 Roberta Johnson

Ms. Johnson stated that she felt that the bill should outlaw the use of all drugs outside of the home. She also noted the existence of juvenile runners for pushers and the problems associated with that situation.

Anchorage:

747 Mary Thew

Ms. Thew noted that people often equate decriminalization with legalization, and therefore we should not legalize the use of cocaine. She also would like to see HB 479 addressing the problem of kids dealing to other kids. She also noted her frustration about Alaska being considered a "drug paradise" in the lower 48.

Kotzebue:

866 Cesar McDowell, Northwest Arctic School District

Mr. McDowell noted that he was opposed to any legislation "arbitrarily" raising the legal amounts of schedule VI substances.

889 At this point the Chair noted that there is still a great deal of misunderstanding about what the Parr bill would do to change the present laws. She asked that more information be disseminated among the general public so that certain problems could be cleared up in people's minds.

Anchorage:

901 Marjory Rose

Ms. Rose noted her opposition to decriminalization of any drugs and stated that decriminalization of marijuana should be repealed.

926 Kay Linden, Anch. Chamber of Commerce Education Committee

Ms. Linden reaffirmed the Chamber of Commerce's desire for strong drug laws, like HB 101. She stated the Chamber's desire for more funding for METRO. She also noted her frustration with Alaska's reputation as a "drug haven".

959 Chuck Decker, Secretary, Alaska Pharmaceutical Association

Mr. Decker noted his opposition to double registration of pharmacists and suggested a provision be added to the bill which would state that any change in federal law relating to drug classification would automatically become state law.

He also noted the problem of crime in pharmacies and suggested that there be penalties for forged prescriptions in the bill.

1026 Bill Hatfield

Mr. Hatfield stated that there should be no "breaks" for any offenders except first time minors.

1064 Robert K. Clark

Mr. Clark noted the increasing body of research which describes the negative effects of marijuana use. He stated that we should re-criminalize the use of marijuana.

1141 There was more discussion of the problem of kids pushing drugs to other kids.

The meeting was adjourned.

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton
Barnes
Hurlburt

The meeting consisted of a public hearing on HB 453, a bill regarding labor relations between school boards and other public employers and their employees. The following testimony was heard:

1158 Rep. Parr, prime sponsor of HB 453

Rep. Parr described the history behind the bill, the relationship between REAAs and collective bargaining. He also described the provisions of the bill and suggested that perhaps a provision should be added that would repeal the judiciary's current authority to settle collective bargaining disputes between school boards and their employees.

1197 Rep. Beirne asked Rep. Parr if the bill would take away noncertificat employees' right to strike. Rep. Parr stated that it would not, though the section (2) of the bill dealing with that issue is presently rather unclear. Noncertificated employees would enjoy the right to strike unless their was a court order against their striking because of the harm a strike would cause to the community at large.

1238 Rep. Hurlburt prompted a discussion of who would negotiate a collective bargaining agreement under HB 543. Rep. Parr pointed out that the bill would force school boards to negotiate if a union was formed and a disagreement occurred. Now, the school board can simply turn its back on its employees, Rep. Parr stated.

1262 Ron Lorensen, attorney for several school districts in Alaska

Regarding section 1 of the bill, Mr. Lorensen pointed out that the Supreme Court recently provided a laundry list of negotiable and non-negotiable items for collective bargaining. He stated that there was no need for the Legislature to redefine items. He also stated that it was wrong to vest the Dept. of Labor with the authority to determine a new list of negotiable and non-negotiable items because they have no experience with this sort of thing. He questioned whether the Dept. of Labor would have the proper expertise.

Regarding the rest of the bill, Mr. Lorensen pointed out that classified employees have not expressed the need for collective bargaining. He wondered where the impetus for such legislation came from if not from the classified employees. He wishes to see a provision which would allow local school boards to decide on the labor relations policies of their particular district, instead of adopting the state wide policy of HB 543.

Mr. Lorensen also pointed out that the bill would bring school

district employees under the provisions of PERA. He noted that when PERA was originally passed, the legislature allowed localities to decide whether or not they wanted to come under PERA's provisions. He then stated that the legislature should now allow school districts the same option.

1329 Rep. Chatterton asked Mr. Lorensen if the school districts were comfortable with the Supreme Court's decision. Mr. Lorensen replied that they were comfortable with the fact of the decision, though not necessarily with the actual items classified as negotiable and non-negotiable. Rep. Chatterton responded that he thought that Mr. Lorensen did not seem very comfortable with the decision, and neither did the Supreme Court. The decision specifically states that the Legislature should clarify the situation. Mr. Lorensen then stated that clarification should be in the form of a list from the Legislature instead of an authorization for another agency to formulate the list without the necessary expertise.

1348 Rep. Munson noted that there were many unhappy classified workers in Anchorage. Mr. Lorensen pointed out that Anchorage was one of the localities that voted to opt out of PERA so that their problems were not really applicable to the current considerations before the Committee.

1363 Charlie Arteaga, NEA

Mr. Arteaga addressed his remarks to section 1 of the bill, only, and voiced his overall support of that section.

1375 The Chair asked Mr. Arteaga if he had any comment to make about several cards she had received in the mail that protested HB 543 because they feel that it forces a person to join a union in order to get a job. Mr. Arteaga responded that the bill would not force anyone to join any organization.

1393 Rep. Beirne asked what the costs of the bill would be. Mr. Arteaga responded that the possibility of increasing the cost of operating schools does exist whenever negotiations are an element in a school's budget.

Cliff Hartman, Executive Secretary, Elementary and Secondary School Principles and Superintendents.

1413 Mr. Hartman expressed the view that Section 1 effectively takes us back to where we were before the Supreme Court's ruling. It would make the distinction between negotiable and non-negotiable items more vague.

Mr. Hartman suggested that the way to determine whether an item should be negotiable or not is to see whether or not it would infringe upon educational policy if it was an item of negotiation. He stated that the Governor was considering establishing a Commission to study items of negotiation and that the Legislature should wait to enact legislation until the Commission's report would be published. This, he feels, would be better than having the Dept. of Labor come up with a list of negotiable items without the input of a commission.

Mr. Hartman suggested that the Committee study more closely the comments that the Supreme Court included in its decision.

He also noted that there is much confusion over which employees are included under the classification of noncertified. He suggested that this confusion is another reason why local school boards should be required to establish labor relations policies instead of establishing such a policy on a statewide basis through legislation. The circumstances, namely, the duties of particular employees, are different in different districts.

1509 The Chair asked the witness to define what he meant by "educational policy". Mr. Hartman stated that in order to differentiate between negotiable and non-negotiable items, it should be determined if the particular item would have more of an impact on students and the public than on the teachers.

1547 There followed a discussion of how to determine if negotiation would cost alot.

1607 Chuck O'Connell, NEA

Mr. O'Connell expressed his total support for HB 453. He provided the Committee with a legislative and litigative history of collective bargaining between school districts and their employees and attempted to show why legislation was so sorely needed now. He pointed out that the laundry list of negotiable items included in the Supreme Court's decision was not exhaustive but rather related only to the situation in Kenai which the Court was studying. The intent of the bill, according to Mr. O'Connell, is merely to provide a framework for future collective bargaining and provide for immediate as opposed to waiting years for a court decision.

1683 Rep. Hurlburt asked if the bill would provide for binding arbitration. Mr. O'Connell responded that the bill would only determine what items are negotiable, not mandate agreement during negotiation. The two further discussed the fact that clarification of what is negotiable and non-negotiable is the major intent of the bill.

1724 Bob Van Houte - CPO NEA

Mr. Van Houte stated that section 1 would merely provide a structure for collective bargaining. He also stated that section 2 would provide equity and fairness for those employees who do not currently enjoy the right to collective bargaining. He expressed his overall support of HB 453.

1751 Rep. Miles asked that staff review the Supreme Court decision and translate it into layman's terms.

1755 Rep. Chatterton pointed out that there was a later Supreme Court decision and asked that staff study that decision, too.

The meeting was adjourned.

MINUTES
House HESS Committee
1/29/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Beirne (came in half way)

The meeting consisted of a public hearing on HB 487, an Act regarding arbitration in teacher negotiations. The following testimony was heard:

17 Dale Staley, Assistant to Rep. Duncan--prime sponsor of HB 487

Mr. Staley explained that the bill represented one mechanism to immediately provide for arbitration between school districts and their employees, namely teachers. He stated that other portions of the bill would also be needed, but that HB 487 represented a good starting point.

45 The Chair asked Mr. Staley to define "other portions". He stated that the Governor is considering establishing a commission to research the need for teacher arbitration and that the commission's recommendations may provide the basis for subsequent amendments to HB 487.

There was general discussion on this point and Mr. Staley summarized his testimony in stating that HB 487 represented a general structure and framework for teacher arbitration and that refinement of specific points of the bill may be necessary at a later date.

119 Rep. Beirne asked if subsection (c) of AS 14.20.585 as written in HB 487 would put severe limitations on the arbitrator. Mr. Staley responded that he was not prepared to speak to that part of the bill but that his understanding was that the arbitrator would only be arbitrating a specific point in dispute, not the entire contract between the teachers and the school district.

152 Rep. Chatterton pointed out that the arbitrator would have the option to accept one of the last best offers of the two sides to the disputed point and that if that option were exercised then there would be no additional cost to the taxpayer.

There was further discussion of this point.

200 Charlie Arteaga, President, NEA

Mr. Arteaga expressed his support of HB 487. He noted that it was an equitable vehicle to avert future crises like the recent Anchorage teachers' strike. He also noted that it should not be considered a "stop gap" measure but an ultimate solution to the problem of teacher-school district negotiations.

226 Rep. Munson asked Mr. Arteaga if he was comfortable with subsection (c). Mr. Arteaga responded that (c) represented a compromise and that he was relatively comfortable with it.

- 237 Rep. Chatterton referred to lines 24-29, p. 1 of the bill and asked Mr. Arteaga if that section on court vacation authority coupled with (c) would not lead the teachers to go to court fairly regularly if they were not happy with the arbitrator's decision. Mr. Arteaga responded that it was more equitable to negotiate than to go to court.
- 292 Rep. Hurlburt asked what kinds of items of arbitration would be without a fiscal impact on the taxpayer. Mr. Arteaga stated that leave policies, which are paid for out of the foundation money and not through tax levies, would be an example of that type of arbitration item.
- 328 Betty Briggs, President, and Lori Sears, Anchorage Education Assoc. Ms. Sears explained that arbitration was needed to speed the process of negotiation. She pointed out that collective bargaining was not at issue but the statutes.
- Ms. Briggs pointed out that binding arbitration was needed because if agreement cannot be reached, the two sides must be "forced" to reach some kind of agreement.
- 403 Rep. Miles asked Ms. Briggs what would happen if the arbitrator refused a teacher demand because it would have an adverse tax impact on the community, in accord with (c). Ms. Briggs responded that the teachers would have to respect that decision and that that would be the end of it. She also pointed out that money matters were often not the points that needed to be arbitrated.
- There followed a discussion among all the Committee members and the witnesses about whether or not disagreement with an arbitrator's decision would lead the dissatisfied party into the courts.
- 513 Rep. Hurlburt made the comment that (c) would have an adverse impact on the REAAs because if money was needed to meet a teacher demand, than money would be removed from other parts of the educational system. Ms. Briggs responded that REAAs have documented surpluses and that it was up to the teachers to show that their demand would not cause a need for additional funding, before the demand could be arbitrated.
- 566 The Chair pointed out that future legislators could amend (c) if it was found to be unworkable in its present shape.
- 678 Cliff Hartman, Elementary & Secondary school supervisors/principals Mr. Hartman pointed out that binding arbitration would erode the whole system of the electorate having the final say over public policies. He stated that HB 487 would take control away from elected officials (the school board) and therefore erode the system of representative democracy.
- He expressed confusion over the language "local tax rate" in (c). He questioned if the Legislature meant the mill levy or the dollar collected on a given piece of property. He also pointed out that (c) would lead management into court.
- He suggested that the Committee wait for the Governor to appoint a commission and submit its research before acting on HB 487.

- 713 Rep. Miles engaged Mr. Hartman in a debate about other alternatives to binding arbitration and finding an immediate solution to the problem as opposed to waiting for an unformed commission's possible input. There was an extended debate, the sum total of which was that Mr. Hartman stated that there were no other alternatives-- the school board was an elected body and if the electorate was unhappy with its policies than it could choose not to reelect its members.
- 784 There followed a general debate over whether HB 487, had it been law at the time, would have averted teachers going to jail in Anchorage during the last teachers' strike there. The question of whether the teachers went to jail over the right to strike was also debated.
- 887 Rep. Hurlburt made the statement that he was opposed to (c) because it would adversely impact the REAAs.
- 923 Carl Peterson, Supt. of Lower Kuskokwim School District
- Mr. Peterson suggested that the Committee wait to act on HB 487 until the Governor's commission was formed and recommendations were formulated.
- He also expressed his concern that (c) would lead to much litigation over what constitutes "increased costs".
- 968 Vince Casey
- Mr. Casey noted that he was President of the Anchorage Board of Education during the past teachers' strike and made the comment that the course of the negotiations and the breakdown were "predictable".
- He also pointed out that the bill still doesn't clarify the teachers' right to strike.
- 1003 Rep. Hurlburt asked if Mr. Casey felt that teachers should have the right to strike. Mr. Casey stated that he would prefer that than seeing teachers go to jail. But he also stated that we ought to let the public in on the negotiating process before we resort to binding arbitration.
- 1018 There were a few final questions and comments and the meeting was adjourned.

MINUTES
House HESS Committee
1/29/80 (evening session)

Members present:

Buchholdt, Chair
Munson
Beirne
Chatterton*
Miles *

Rep. Miller also sat in at the Committee table for a part of the session.

1010 The Chair noted that the meeting would consist of a public hearing on HB 618/SB 328.

The following witnesses gave the following testimony:

1082 Senator Pat Rodey, prime sponsor of SB 328/HB 618

Sen. Rodey noted that the bill would establish a Commission that would replace the Governor's advisory commission on aging. The purpose of the Commission would be to centralize senior citizens affairs programs and give senior citizens one agency to answer their questions about where to go to get certain kinds of help. The commission would analyze all the various senior citizen programs throughout state government and make recommendations to the Governor.

Sen. Rodey noted that there were similiar entities in other states and that the Legislature should pass the bill.

1118 There followed a brief question and answer period.

1161 The Chair invited Sen. Rodey's aide, Jim Kelly, to the table to answer questions since Mr. Kelly was the primary author of the bill.

1164 Rep. Miller made a statement about the interim committee that the legislation arose out of. He stated that it was the best interim committee he had ever worked on and noted that HB 618 is the "flagship bill" of the entire package of legislation that the interim committee had introduced this Session. He lent his total support to HB 618, stating that it was "long overdue".

1234 Florence Barnard, Chair, AARR/NRTA Alaska Joint Legis. Committee

Ms. Barnard advocated passage of HB 618, especially so that older Alaskans would have one agency responsible for answering all of their questions and taking care of all of their problems.

1245 William Hudson, Commissioner of Administration

Mr. Hudson stated that he totally accepted the concept of HB 618-- the need for coordination of services to older Alaskans.

* These Members had other commitments and had to leave early

But, he noted some problems with the proposed commission directly administering funds. He noted that it might be illegal, and that federal regulations might not allow all programs with federal funding to be run from one agency. He stated that what might be in order was simply better use of existing agencies, with some sort of executive coordinator of all the agencies in the proposed commission.

1292 Rep. Munson asked Mr. Hudson about fiscal administration of the programs.
Mr. Hudson responded that to switch everything around seemed cumbersome to him.

1332 Rep. Miller and Mr. Hudson discussed the exact powers of the proposed commission. Rep. Miller noted that the commission would not directly administer other commissions with older Alaskan agencies under them.

1370 Dr. Beirne, Commission of Health & Social Services

Dr. Beirne also expressed her strong endorsement of the concept behind HB 618. She stated that the appropriate role of the commission would be that of an advisory nature only. She also stated that the staff of the Commission should not be dependent on federal funding for salaries since federal funding was so nondependable from year to year.

Dr. Beirne stated that HSS did not want to lose the Office of Aging. She said that moving the Office would further bureaucratize administration of aging programs. She noted that the proposed commission should not both administer funds and make policy because her experience was that the two did not mix well in the same agency.

1435 Mr. Kelly stated that the Office of Aging programs should be included in the proposed commission because those were the ones that were most in need of direct supervision by local senior citizens. Their needs were most affected by these programs, therefore, they should have a direct voice in their administration. Dr. Beirne responded that their could be a citizen advisory committee established in HSS instead of the proposed commission. There followed a discussion between Mr. Kelly and Dr. Beirne about how best to organize these programs.

1501 Bob Gore, Pioneer Homes

Mr. Gore stated that the Pioneer Homes were concerned about how HB 618 would effect their operations. They would like to preserve their programs the way they are.

1542 The Chair stated to Mr. Gore that HB 618 and the accompanying bills are not intended to change the present status, management or organization of the Pioneer Homes. Instead, the bills are designed to aid those senior citizens who have chosen to remain in their own homes.

1555 There was further discussion of this point.

1595 John Mulholland

Mr. Mulholland stated that he was enthusiastic about HB 618 for two reasons. First, it would create a commission with real power; he noted that senior citizens are tired of serving on advisory committees "with no clout". Second, the commission would create a entity accountable to senior citizens for the various state programs designed to help them.

1631 Louis Odsather, Grand Igloo, Pioneer Homes

Mr. Odsather stated that he was satisfied, after hearing others' discussions tonight, that the Pioneer Homes would preserve their independence.

1651 There was further reiteration of the Pioneer Homes program independence.

1658 Rep. Beirne noted that he had some major criticisms of the Pioneer Homes program that he hoped could be cleared up this Session.

1668 Dove Kull, Member, State Commission on Services to the Elderly

Ms. Kull made several comments, the sum total of which was that senior citizens wished to monitor their own programs, not have younger people do it for them. Hence, she advocated passage of HB 618.

1710 Lee McAnerney, Commissioner, C&RA

Ms. McAnerney noted that there would be no fiscal effect on CRA from HB 618. She asked if the commission would have the authority to delve into private records such as tax rebate records, etc. Mr. Kelly responded that that was not the intent of the legislation but that it could be amended so that it was specifically stated that the commission would not have access to confidential records. Ms. McAnerney also asked what the commission would do to assure that there was not an overlap between federal and state programs. Mr. Kelly answered that the commission would be advising only on state programs.

1754 Rose Palmquist, National Grey Panthers, several other organizations

Ms. Palmquist stated that senior citizens did not want "a bureaucracy of young people" handling their problems. Instead, older Alaskans want to determine their own future in conjunction with the state's ability to provide services for them. She stated emphatically that senior citizens do not want any form of welfare.

(new tape)

321 Lorena Showers

Ms. Showers noted that a hotline in every community was needed to answer the questions of senior citizens with problems. She also noted a need for more recreational space for senior citizens in Anchorage.

441 Mary Carl, Joint Legislative Committee

Ms. Carl noted that an information/referral service is extremely important to meet the needs of senior citizens.

MINUTES
House HESS Committee
1/30/80

Members present:

Buchholdt, Chair
Miles
Chatterton
Barnes

- 486 The Chair announced that the committee would consider HB 603, an Act making a special appropriation for a women's center at Anchorage Community College.
- 499 Rep. Chatterton moved for a unanimous consent decree that HB 603 be moved out of committee with a do pass recommendation to the whole House.
- 503 As there was no objection, the motion was carried unanimously.
- 506 The meeting was adjourned.

MINUTES
House HESS Committee
1/31/80

Members present:

Buchholdt, Chair
Munson
Barnes
Chatterton
Hurlbert
Miles

The meeting consisted of a briefing on the Foundation Program Task Force's recommendations to further improve the Foundation Program.

Nat Cole spoke about the equalization formula. He noted that the revision recommendations could be found on pp. 69-70 of the task force final report. He stated that under the current formula, the tax burden for the urban areas is much higher than that for the rural areas.

The Chair asked if increasing funding for urban areas would mean less funding for rural areas. Mr. Cole answered no.

Rep. Barnes asked Mr. Cole to define "basic needs". Mr. Cole responded that no one has been able to.

The Chair asked if the Legislature should define "basic needs". Mr. Cole responded that the state attempts to do that through specifying items like correspondence study, etc. But that he's always felt that "basic need" was what the local community was willing to go for. 874 monies, however, will eventually have to be addressed by the Legislature.

Rep. Chatterton made a statement about discrepancies among teacher salaries based on city and sex. Mr. Cole stated that salary levels were determined by districts, according to the amount of teaching experience and education that individual teachers possessed. If it would be done on a statewide basis, than the teachers would be, in effect, negotiating with the Legislature for their salary increases.

Rep. Munson asked if there were vast discrepancies among the salaries. Don McKinnon stated that he'd be "hard pressed" to answer that off hand, but that there were definite differences, because of travel in and out of remote areas and other factors, as well as those mentioned above.

Rep. Chatterton returned the discussion to the subject of basic education. He asked what would happen if the state said that it would fund only certain categories of education. He asked the task force to give him information tomorrow on funding only the following categories: geography, social studies, math, reading, writing, spelling, physical education, communications, electives (like algebra, chemistry, etc.) and sciences.

The meeting was adjourned.

MINTUES
House HESS Committee
2/1/80

Members present:

Buchholdt, Chair
Munson
Miles
Barnes
Chatterton
Hurlburt

The meeting consisted of the second half of a two-part discussion on the foundation program.

1165 Marshall Lind, Commissioner-DOE

Mr. Lind stated that he was here to answer any questions of the committee about the foundation program.

First, he responded to Mr. Chatterton's request yesterday for DOE to look into a plan that would pay for one teacher for every 25 kids, plus pay for the teaching of the subjects outlined yesterday, plus details relating to the infrastructure of the school. Mr. Lind noted that Mr. Chatterton's suggestions could be put in proposal form and the legislature would have direct control over the schools. However, he noted some serious problems with doing this. He suggested that there would be much debate among the legislators as to how much time should be devoted to the teaching of each subject. Other legislatures that have gone to such a program have spent inordinate amounts of time debating this subject. Also, Mr. Lind noted that the schools would lose all of their federal funding because they would no longer be complying with "social change" regulations that are attached to the spending of federal dollars. He also noted that the legislators would be constantly badgered by special interest lobbyists, chief among them--the local school boards. He closed with the comment that he was not recommending adoption of such a proposal, but that if it was the wish of the Committee, he would draft one.

1205 There was a good deal of extemporaneous discussion on Mr. Lind's remarks.

1236 Rep. Barnes asked if Mr. Lind was recommending the task force proposals. Mr. Lind responded that he was, and that the Governor was drafting a bill incorporating the task force proposals, but phasing them in over a period of years instead of spending the entire \$80 million (projected) at once. The cost for FY '81 would be \$30 million.

1257 Rep. Barnes asked if there would be a lawsuit against the state on the part of the urban districts if the equivalency formula was not refined as recommended by the task force. Mr. Lind responded that that was a distinct possibility.

1266 Rep. Munson asked how the new money would be divided among the districts. Mr. Lind responded that it would be on a percentage basis. Ms. Munson asked if any district would wind up with less money than they are getting now. Mr. Lind responded no, but that some would get a great deal less than others for an increase. He suggested that the legislature might want to consider writing some sort of minimum increase level into the bill.

1295 The Chair asked if Mr. Lind favored the 82 million figure of the task force or the 30 million figure of the Governor. Mr. Lind responded that he would have to check with his board before responding.

1308 Bob McHenry, Kusbuk School District Superintendent.

Mr. McHenry stated that he was here to answer any questions of the Committee about rural education.

1315 Rep. Hurlburt asked Mr. McHenry if he agreed with the findings of Ray Varnhart in his report, Small Rural High Schools. Mr. McHenry stated that the report was a damaging one, providing a false impression of the rural educational system. He noted that "we're not failing in rural Alaska" by having the high schools in the communities instead of sending kids off to boarding schools in urban areas. He noted that having high schools in the bush cost the state alot of money and that even more money could be used, but that the high cost was worth it for the improvement in the kids' education and emotional and pyschological make-up that resulted from being educated at home.

There followed much discussion of this among the committee members and Mr. McHenry. Mr. McHenry stressed the fact that allowing rural children to stay at home for their education was far more successful than sending them away, both in terms of developing leadership for bush communities and in terms of bringing up happy, well adjusted adults for life in the bush. He noted that the culture and other conditions of life in the bush are so different from urban living that it can often be quite damaging for a child to make the transition at a young age. Before in-community high schools, kids were forced to make the transition and it was often quite a painful one. He stated that higher quality education resulted from in-community high schools because the kids were better adjusted and more receptive to education. He stated also that they were more likely to be successful in their adult lives, whether in the bush or outside.

1567 At the end of the discussion between the committee members and Mr. McHenry, the Chair noted that she strongly favored local education for children and that she supported Mr. McHenry's statements.

1572 After miscellaneous remarks by the Chair, the meeting was adjourned.

MINUTES
House HESS Committee
2/4/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt

The meeting consisted of a public hearing on HB 561 and HB 618.

1157 The Chair turned the chairmanship over to Rep. Munson, because she had to go testify briefly before another Committee.

1181 Rep. Zharoff

Rep. Zharoff briefly discussed HB 618 which would provide \$3,300,000 in special appropriation money to build an addition onto the Chiniak school. He stated that the addition was sorely needed because of a projected federal job core center that would be built in Chiniak and greatly increase the population of the Chiniak school. He asked the Committee members to incorporate HB 618 into the Committee Substitute bill for HB 561.

There were general questions regarding the number of children the school was presently serving, what the projected increase would be, what the money would provide, what the community is like, etc.

1254 Rep. Miles stated that when the Committee was marking up HB 561, he would make a motion to include HB 618 in the CS for HB 561.

1271 Bill Thompson, DOE

Mr. Thompson noted that there had been no new appropriation for capitol improvements of rural schools since FY '75 hence the extreme need for the present requests.

He stated that project #2 was for Aleknagik and the North Shore communities, not just Aleknagik. Also, project #5 should read Dora Bay instead of Dove Bay.

He stated that various people were at the hearing to respond to any questions from the Committee.

Sen. Furguson was asked to testify by the Chair before a general question and answer period would begin.

1302 Senator Furguson

Sen. Furguson stated that there was a general need to address the elementary school problem, noting that several elementary school buildings in the state were in need of repair or replacement.

He asked the Committee to consider funding a swimming pool for the Kotzebue school district. It would be a pilot project to demonstrate that the such pools were good investments (the amount invested would be paid back in 10 years) and could be used for firefighting purposes as well as for physical education and recreation. He asked that the Committee recommend \$2 million for the project.

1341 Rep. Beirne and Sen. Furguson entered into a discussion about the pros and cons of insuring all of the states schools.

The question and answer session with the DOE panel began.

1382 Rep. Miles asked about project #6, constructing a sewage treatment plant for the Kilbuck school near Bethel. Mr. Thompson told him that the present facility was so inadequate that raw sewage was being dumped onto property adjacent to the school.

There followed a general discussion of sewage problems in Bethel.

Rep. Miles then asked how DOE determined who was in need of library facilities, such as project #23. Mr. Thompson responded that all the requests are evaluated by DOE and choices are made. Most elementary schools have library/media centers built into the original building. However, in the case of Levelock, there was no room for a library when the original building was constructed. So, DOE is now requesting money for a library for Levelock.

There was a general discussion of the selection process for requests for capitol improvements from the rural areas.

1443 Rep. Munson asked how DOE "prioritized" the requests. Mr. Thompson stated that there were federal and state regulations to comply with. Then, DOE takes safety into account and then it ranks similar projects by how many children will benefit from them.

1446 Bob Booker, Bob Richardson, Alaska Skill Center

Mr. Booker and Mr. Richardson described the need for a new facility to house the skill center in Seward. They stated that the new facility was projected to cost less than renovating the old facility. The proposed facility would include a gym, handball courts, a craft room, a game room, an auditorium, a library, 3 classrooms, and 2 conference rooms.

1499 There followed a discussion of how many students the new facility could serve. It would serve 800 students, which would lessen the waiting period for the approximately 300 to 600 children on the waiting list at any given time.

1515 The Chair (who had returned from her other commitment a few minutes earlier) asked when construction would be completed. Mr. Richardson stated that it would be about 2½ years after the bond was approved, which would mean sometime in 1981. There followed a discussion of why it would take so much time and why the legislature could not do anything about it. The basic problems are those of bureaucracy and raising the capitol.

1554 Dick Engen, Director of the Division of State Libraries and Museums

Mr. Engen described why the library fund was in need of replenishment. Basically, he stated that the \$3 million Community Library Fund matching grant program established in 1974 was practically used up.

The meeting was adjourned after some closing remarks by the Chair.

MINUTES
HESS Committee Meeting
2/6/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Hurlburt
Miles

The meeting consisted of a mark up session on HB 561 and a presentation from WAMI.

267 Rep. Chatterton proposed two amendments. Both arose from a memo from the state bond lawyer, stating that bond proposals should be in multiples of \$5,000 for easier accounting purposes.

The first amendment would change the amount \$22,060,900 to \$22,065,000 on p. 1, lines 7,14,25; and on p. 2, lines 12 and 14.

The second amendment would change the amount \$5,404,100 to \$5,400,000 on page 2, line 1.

Both amendments were passed unanimously, with the stipulation that the amounts stated could be amended further, if it was decided that more money would be needed for various capital improvements.

366 WAMI Medical Education Program Presentation

Drs. Robert Van Citters of the University of Washington and Wayne W. Myers of the University of Alaska made the presentation.

They presented an overview of all the various programs that WAMI operates. Other than sending students to medical school, WAMI also carries on a continuing education program in rural communities, provides a 24 hr. telephone information service for doctors through the WAMI area (Medcon), among other things. In Alaska, for example, WAMI runs a scientists in residence program in village areas and encourages rural students with academic handicaps in ways that will upgrade their skills for medical school.

In the future, WAMI plans a host of alcohol-related programs.

All of WAMI's present and future operations are detailed in the handout that the spokesmen presented to the Committee.

The Chair asked how students are selected for participation in WAMI. She was told that academic capability was a major factor determining acceptance (based on an aptitude test score) and that other factors included an interviewing committee's assessment of a potential student's "motivation" and other "human factors" to assess whether or not a particular student would "make a good doctor".

There was a discussion of how many native students were in WAMI medical school programs.

There was then a discussion of costs -- tuition and other types-- both on a national basis and a statewide basis.

There was then a discussion of the need for federal funding for the alcohol related future programs. The Committee was told that federal dollars were being asked for because there were federal programs already established, with money available, for those types of state efforts. The Doctors were told that if they were unable to get the federal support they should return to the legislature for money. They were told this by Rep. Munson.

There were a few more miscellaneous questions.

Dr. Van Citters closed the presentation by noting that WAMI was ranked among the top six medical schools, nationally. He also noted that the Alaskan students in the program were very capable and were following up their WAMI education by returning to rural Alaskan areas to practice medicine.

The meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/7/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton
Barnes

The meeting consisted of a public hearing on HCR 43, a resolution directing the Department of Health and Social Services to come into compliance with the federal Indian Child Welfare Act.

895 John Pugh, Field Director, Division of Social Services, H&SS

Mr. Pugh stated that H&SS was totally in favor of the resolution's intent and was doing everything in its power, presently, to come into further compliance with the Act. He objected to the wording of the second resolve of the resolution and suggested that it be changed so that it no longer would imply that the Department was not doing everything in its power to come into compliance with the Act already.

917 Rep. Chatterton asked if there would be any fiscal impact from the resolution. Mr. Pugh answered none on the state level.

929 The Chair asked how the Department places a child with more than one relative. Mr. Pugh answered that the native parent always has priority.

956 Rep. Munson asked why ^{in urban areas.} there was a problem finding foster homes. Mr. Pugh replied that there was a problem finding suitable native foster homes. He noted that there were several reasons for this, most notably economic and emotional factors involved in making the transition from the rural to the urban area. He also stated that the Department was having an advertising problem so that many suitable native families were not aware of the possibility of becoming a foster family.

970 The Chair asked how many foster homes were available. Mr. Pugh responded that there were 800 "slots", including about 450 foster homes at any given time.

993 Rep. Munson asked how long since the last increase in foster care funding. Mr. Pugh responded that the funding amount goes up every year. Increases are based on the rise in the cost of living plus geographic considerations.

1009 Emma Widmark, Alaska Native Sisterhood

Ms. Widmark expressed her support of the resolution and stated that resolve #2 was needed, especially the term "urgently", because of the frequency with which native children were being removed from their nuclear homes.

1067 Jennifer Evans, CINA, Alaska Native Child Welfare Task Force

Ms. Evans expressed her support of the bill. She also stated that resolve #2 should not be deleted or toned down because it was not to be interpreted as a reprimand of H&SS but only as further incentive for them to come into compliance with the Act.

1104 The Chair engaged Ms. Evans in a discussion about the small number of native foster homes in Anchorage. Ms. Evans noted that some of the reasons for this were that both parents work and therefore do not qualify to be foster parents, and that economic realities and housing problems also keep them from qualifying as foster parents.

1124 Brenda Knapp, Central Council, Tlingit-Haida Child Welfare Coordinator

Ms. Knapp stated that she fully supports HCR 43. She noted that the resolves should stay the way they are so that the H&SS will view compliance of the Act as one of its top priorities and devote more money and staff and other resources to that end.

1180 David Katzak, citizen

Mr. Katzak related to the Committee his unpleasant experiences dealing with the Child Placement Program and how his foster children were taken from him and his wife because of the "neutral home setting" clause of the present program. These children were blood relatives of Mr. Katzak.

1272 The Committee members and Mr. Katzak engaged in a discussion of what could be done to change this. Mr. Katzak responded that the state and the native groups would have to work much harder to find enough good homes for the displaced children.

1321 Mary A. Johns, citizen

Ms. Johns also discussed her personal experience with the Child Placement Program. She stated that resolve #2 should remain the way that it is currently worded. She also stated that native people are reluctant to become foster parents because of their terrible experiences with the bureaucracy and the stories they have heard about people's experiences, such as that of the Katzaks.

1402 Esther Clark

Ms. Clark made an impassioned speech about native people's loving relationships with their children and how the white culture had completely disrupted the native family network.

1438 Eleanor Ukes

Ms. Ukes expressed her support of the resolution.

1455 Marie Osterback

Ms. Osterback expressed her support of the bill because she felt that many foster parents abused their kids.

The Chair engaged Mr. Pugh in a discussion about training for foster parents. He responded that there were training centers. He also noted that in the bush, most of the foster homes were native ones and that there were not as many problems relating to abuse there.

1488 Gerald Ousterhout, Social Servies, BIA

Mr. Ousterhout noted that the "urgency" resolve should be directed at the Court System as well as the Department. He noted that both agencies were trying very hard and that they need more support to continue their efforts. He also stated that the biggest obstacle to coming into compliance is a lack of funding. This was clarified as a lack of state funding.

1547 The Chair made a motion to get the bill rewritten to reflect Mr. Ousterhout's suggestions. She noted that the members would take up the amended resolution at the beginning of the next meeting.

The meeting was adjourned.

MINUTES
HESS Committee Meeting
2/8/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton
Barnes

The meetgin consisted of a forum on WICHE. After the Chair welcomed the WICHE officers to the meeting, Kerry Romesburg, Director of the Division of Postsecondary Education, introduced Sen. Pat Saiki (Hawaii), WICHE Chairperson and Dr. Phillip Sirotkin, Executive Director of WICHE.

Sen. Saiki noted that regional cooperation among WICHE member states was imperative to the success of the states since education of our children is the states' best investment.

Dr. Sirotkin stated that WICHE had several programs other than the major one, student exchange. He went on to describe the various programs.

The Chair asked Dr. Sirotkin about WICHE's minority education program. He responded that the program had recently been expanded to help all minorities in the Western states not just Native Americans. He described a program that makes various Western graduate programs aware of special minority students and faculty in an attempt to bring about more aggressive recruitment of minorities in Western schools.

Rep. Munson asked the WICHE officers about their funding. Dr. Sirotkin described the various funding sources which include the member states (each will contribute at least \$42,500 in FY '81), private foundations and grant programs.

There followed a discussion of the upcoming Economic Development and Higher Education seminar that WICHE plans for March, 1980.

There was then a discussion of the intern program and where it gets its funding. WICHE is soliciting private corporations to accept interns and pay for some of their salary and room/board due to the success of placing interns in state agencies instead of sending them to Washington, D.C.

Sen Saiki closed WICHE's presentation by noting that it was a sincere effort to keep the communication lines open between member state legislators and the WICHE staff. She concluded by saying that legislative input is crucial to WICHE's continued success.

The meeting was adjourned.

MINUTES
House HESS Committee
2/10/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt
Barnes

The meeting consisted of a public hearing and mark up session on HB 453 and HB 487.

- 14 The Chair told the members to look over the committee substitute for HCR 43 and to sign the bill in the appropriate place if they wished to have the resolution reported out of committee. The committee substitute was signed by all and so CS HCR 43 was unanimously reported out of Committee.
- 42 Gayle Schoepflin, Pastor, Seventh Day Adventist Church
Mr. Schoepflin requested that the committee include a "conscience clause" in HB 453 so that those whose religious conviction prohibits them from joining a union would be protected. He cited various Congressional and Supreme Court support for this type of clause.
- 140 The Chair and Mr. Schoepflin discussed whether the language of the amendment presented by the Seventh Day Adventists should be included or whether the language of the present conscience clause in PERA should be amended to include teachers.
- 233 Ken Spray, Local 71
Mr. Spray stated that the conscience clause amendment should be consistent in wording for all public employees. He also urged quick passage of HB 453.
- 439 After lengthy discussion of what type of conscience clause to include in HB 453, the members voted on an amendment presented by Rep. Chatterton with language similar to the existing clause in PERA, but with a few additions relating to teachers. The amendment passed with Reps. Barnes, Chatterton, Beirne, and Miles voting for it and Reps. Munson, Hurlburt and the Chair voting against it.
- 480 Rep. Hurlburt offered an amendment to delete lines 18 through 22, page 1, of HB 453. After lengthy discussion of the amendment's effect on the bill, the amendment passed. Reps. Barnes, Chatterton, Beirne and Hurlburt voting for the amendment and Reps. Buchholdt, Munson and Miles voting against the amendment.
- 534 There then followed a discussion of whether the bill had any of the intent that it started with due to Rep. Hurlburt's amendment. There was much discussion of this, and comments to the effect that the bill could be amended again in another committee, and the bill was reported out.
- There was then testimony on HB 487.
- 619 Rep. Duncan, Juneau
Rep. Duncan, the prime sponsor of the bill, expressed his total support for HB 487.

MINUTES
HOUSE HESS Committee
2/11/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Hurlburt
Barnes

The meeting consisted of public hearing and mark-up on HB 487 and HB 561.

The Committee first took up HB 487.

1083 Rep. Chatterton moved an amendment adding a new section (d) to page 2, after line 6. The new section would read: "(d) The arbitrator may not make an award which incorporates union security provisions, including but not limited to a union shop or agency shop provision or agreement that fails to safeguard---" After a bit of discussion, the amendment was passed unanimously.

1124 The bill was moved out of committee. Reps. Munson, Chatterton, Miles and the Chair moted in favor of the motion.

The Committee then took up HB 561.

1129 B.A. Weinberg, St. Mary's School District

Mr. Weinberg testified to St. Mary's need for \$3,945,000 to build a public high school and a warehouse for school supplies.

There was a lengthy discussion of the need for such a school in St. Mary's, how many children it would serve, whether it would have been better to ask for the money through the bonding process instead of through special appropriation, and other aspects of the proposal.

1289 Dave Grey, Legislative Assistant to Rep. Nels Andersen

Mr. Grey asked the Committee to include \$1.38 million for a swimming pool to be constructed in Naknik and Dillingham. Each pool would be a 4 lane, 75 foot facility. He noted that he was also looking into using waste heat as the primary energy source for operation of the pools.

1355 Rep. Munson conveyed a request from Rep. Osterback to the Committee for \$300,000 each for a swimming pool at King Cove, Sand Point, Unalaska and Old Harbar. These would be plastic pools, costing \$1,200,000 total.

Rep. Munson also requested \$ 3 million each for two pools at the Bartlett and Service high schools in Anchorage.

Rep. Barnes then requested that the Committee attach \$ 6 million to HB 561 for purchase of the Administration Building in Anchorage. The rent payments are so exorbitant that it makes more sense to buy the building, Rep. Barnes stated.

There followed a brief "at ease".

662 Mr. Van Houte, NEA

Mr. Van Houte expressed his support of the bill, noting that management often winds arbitration battles. He also stated that the Committee should add a "conscience clause" to HB 487 if it felt that one was necessary.

727 Rep. Hurlburt prompted a discussion of multiple arbitrators from the locality instead of having one brought in to arbitrate from outside. Basically, Mr. Van Houte's position was that an outside arbitrator was needed for his professionalism, his lack of bias, and the fact that he did not have to live in the community after making a decision that one group in the community might be very unhappy with.

789 Bob Green, Alaska School Boards

Mr. Green stated the school boards total opposition to the principle of binding arbitration because it violated the premise that locally elected officials should be able to govern a locality's affairs.

He noted that much litigation would come of HB 487 and that the Committee would be better off to wait for the Governor's (as yet unappointed) Commission on arbitration to study the situation and suggest viable alternatives.

869 Rep. Munson asked why the school boards were so afraid of losing in binding arbitration. Mr. Green replied that the arbitrators were not good finance experts and that they were not able to see the future ramifications of their decisions. He stated that if the integrity of other of the school board's financial decisions could be maintained, then the boards would not have much of a problem with arbitration.

969 There followed much discussion of what constitutes an impasse.

Since it was then close to 3:00, the Chair noted that the Committee would take up HB 487 again at the beginning of the next meeting.

1020 Rep. Miles asked the Committee's pardon and noted that he had voted wrong on the first vote taken on Rep. Chatterton's amendment relating to the conscience clause. He asked that the Committee bring the bill again before the body for another vote. He then moved to rescind the body's action adopting amendment 1. There was no objection and it was done.

Rep. Chatterton then submitted another amendment, the conscience clause of PERA, without his further additions. This amendment was passed unanimously.

1066 HB 453 was again reported out of Committee unanimously.

1068 The meeting was adjourned.

There was then a discussion of how best to appropriate monies for both the Pitkas Point school and the Marshall school. It was finally decided that Pitkas Point should receive \$300,000 for maintenance and that Marshall should receive \$936,000 to build a new school at a new site. This would result in a total expenditure for these two places of \$1,236,000 instead of the original request of \$1,536,000.

- 1446 Rep. Chatterton suggested that Marshall receive \$940,000 to keep with the bond lawyer's request at the last hearing that bonds be issued in increments of \$5,000. There was no objection to this.
Rep. Chatterton also requested that Section 5 of the bill be clarified so that the voters know what they are voting for. The Chair suggested that they wait to clean up sec. 5 until they have voted on the proposed amendments to the bill.
- 1483 Rep. Hurlburt moved that the money for Pitkas Point and Marshall that was discussed earlier be appropriated in HB 561. The motion passed unanimously.
- 1495 At the invitation of the Chair, Steve Hole of DOE reiterated his earlier testimony on HB 561 that the bill be amended to reflect that the monies for items #2 through #28 should be appropriated directly to DOTPF instead of to DOTPF indirectly through DOE. Rep. Miles made a motion to this effect which was passed unanimously.
- 1514 Several motions were then made and passed unanimously, reflecting all of the requests made earlier in the meeting. Also, Rep. Zharoff's earlier request for \$3.3 million for an elementary and secondary school in Chiniak was also passed unanimously. Further, Rep. Hurlburt moved that \$1.3 million be appropriated for a swimming pool for Aniak. This motion was carried over the objection of the Chair. The Chair objected on the basis of a lack of information about the proposed swimming pool. Finally, Sen. Ferguson's request for a swimming pool demonstration project in Kotzebue, also requested in an earlier meeting, was also passed unanimously.
- 1691 The Chair noted that the overall figure of the appropriations would have to be changed to reflect the additional monies to be appropriated according to the amendments.
- 1726 Rep. Miles moved that the bill be reported out of committee. The motion passed unanimously. The Chair stated that the members would sign the bill after the appropriate changes in language were made.
- The meeting was adjourned.

MINUTES
House HESS Committee
2/12/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Miles

The meeting consisted of a teleconference from Anchorage and Fairbanks on HB 629, a bill regarding funding of community schools. The following witnesses gave the following testimony:

Anchorage:

Elisa Iden, Alaska Association for Community Education

Ms. Iden expressed her overall support for HB 629, despite the fact that it funds community schools only through 1988 and that it provides no mechanism for evaluation of the community school programs. She stated that she understood that there was a committee substitute in the works that would address these problems. She closed her remarks by noting that the government was showing itself to be responsive to the people by having a teleconference on HB 629.

Rep. Chatterton asked Ms. Iden whether or not the community schools were conducive to evaluation and if so, who should do the evaluating. Ms. Iden responded that all programs should be accountable and that she did not have any specific recommendation as to who should do the evaluation. She suggested that the Committee contact DOE for their advice.

Ann Babski, Community Schools

Ms. Babski stated her support for HB 629 because it would insure a "viable future" for community schools. She noted that community schools were a great example of a grass roots, community operation.

Hobarth Hyeth, Community Schools

Mr. Hyeth voiced his support for HB 629.

Lance Grolla, Mat-Su Borough

Mr. Grolla noted that community schools were a "wonderful program" benefitting everyone in the community including children. He further noted that they are the "biggest bargain around", provide useful leisure time for the unemployed, especially during the long winter months.

Fairbanks:

Pamela Twitchell, Regional Adult Learning Center/Ryan Hunter Comm. Schools Advisory Council

Ms. Twitchell "wholeheartedly" endorsed HB 629. She, too, noted that community schools provide constructive leisure time for the unemployed, especially during the long winters.

Helen Otey, Community Education Coordinator, Ryan Junior High School

Ms. Otey thought that HB 629 was a good bill because it allows each locality to decide how to fund the community schools, thus keeping the community involved in the system.

Anchorage:

Linda Olson, Sutton Community School

Ms. Olson noted that although there was no regular school in Sutton, there was a community school to keep everyone in the community involved in education.

Larry Davis, Elmendorf Community Schools

Mr. Davis stated that community schools provide many benefits to local residents. For example, they constitute a wide variety of programs and provide skills to many people who could not otherwise afford to acquire them.

Ron Larson, Mayor, Mat-Su Borough

Mr. Larson noted that it was always difficult to know what portion of the community school budget would be funded by the state and that HB 629 would alleviate this problem by allowing a locality to know the exact amount of funding that would be provided by the state. He also stated that accountability (evaluation) of the program was important to make sure that there was no duplication of course material offered between community schools and the community colleges. He noted that this was especially important because the money used to provide these services is taxpayer dollars.

Ariana Streno, Scenic Parks Community Schools

Ms. Streno, a 10 year old student at Scenic Park, supports HB 629.

Margaret Winter, Community Schools of Anchorage

Ms. Winter noted that community schools foster a better relationship between schools and their communities. She also stated that there was an acute lack of vandalism in community schools as compared to regular schools.

Kathie Meyer, Baxter Community School

Ms. Meyer voiced her support for HB 629, noting that becoming involved in community schools had allowed her to "transform being on the outside looking in" to becoming a "viable" entity in her community.

Dean Whitesell, Chester Valley/Susitna Borough

Mr. Whitesell noted his support for HB 629 on behalf of his family as well as himself.

Charlotte Thomas

Ms. Thomas noted that community schools provided her with a type of volunteer work lacking in the typical frustrations that she found elsewhere in being involved in her community. She further noted evaluation should be on a cooperative basis between the state and each locality.

Richard Dune, Tudor Community School

Mr. Dune noted that community schools were a great way to meet with his friends as well as keep in shape and keep from getting bored in the winter.

Sarah Hollup, Executive Director, South Central Alaska Chapter of the American Red Cross

Ms. Hollup stated that the Red Cross uses community schools to hold first aide and CPR classes.

Lodie McCobban, Chugiak-Eagle River Community School

Ms. McCobban noted that Chugiak was funded directly through the Anchorage school district unlike other community schools in the Anchorage area.

John Everett, Asst. Superintendent, Anchorage School District

Mr. Everett stated that HB 629 pleased him very much because Anchorage would gain about \$200,000 from the state for funding of community schools.

Mr. Everett also noted that both the state and the locality should evaluate the community schools program.

Betty Ransom, Fairview Comm. School Advisory Board Chairperson

Ms. Ransom noted her support for the community school concept because it facilitates community unification on economic, cultural and social levels.

Dave Rabouchie, Alaska Association of Realtors, Anchorage Board of Realtors

Mr. Rabouchie stated that community schools were not only a source of neighborhood cohesiveness and pride but also a factor making real estate within a community more attractive to potential buyers.

Happy Cronister, Rapid Creek Comm. School

Ms. Cronister stated that community schools allowed an entire community to benefit from schools instead of just kids and their families. She noted that there was no conflict, in her mind, between community schools and community colleges because they serve different purposes. Community colleges are for those interested in credits and a degree, whereas community schools were just for learning and did not cost anything.

Norma Frick, Inlet View Elementary principal

Ms. Frick noted her support for HB 629.

The Anchorage teleconference moderator noted that there are two letters of support coming from the audience.

The meeting was adjourned.

MINUTES
House HESS Committee
2/13/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Barnes

- 1096 The meeting consisted of a teleconference on HB 629, a bill relating to the funding of community schools.
The following people gave the following testimony:

Diane Carpenter, Bethel City Council

Ms. Carpenter expressed her strong support for community schools because the system is greatly responsive to community needs. In Bethel, it is a welcome relief from the trials of a long winter without much other recreation for leisure time. Ms. Carpenter stated that there was a need for continued funding from the state. Rep. Munson asked if Ms. Carpenter thought there was any overlap between the community schools and the community college systems. Ms. Carpenter stated that each system served different functions within the community.

Paul Sterling, President, Nome School Board

Mr. Sterling voiced a "yes" to HB 629, stating that the community school system "greatly enhanced community environment". Mr. Sterling also noted that state funding was needed to continue the community schools program.

Leroy Owens, Asst. Superintendent, Southwest Regional Schools (Dillingham)

Mr. Owens suggested that districts, especially REAAs, be allowed to incorporate community school funds with other funds provided under the Foundation Program so that together, the total amount of funds could be used to provide program services, based on the individual community's needs. He advocated this approach, he stated, because of a need for coordination among the various programs, and a need for long-range planning and direction of programs.

Mr. Owens' testimony prompted discussion about whether community schools funding should be considered a part of basic education, as some of the other programs that Mr. Owens was referring to, would be.

Mellissa Strombe, Northwest Artic School District

Ms. Strombe stated that HB 629 was "financially inadequate" for her district's needs since there would be no substantial increase in state funding for localities.

The Chair responded that the idea behind community schools was that the locality should provide more money, not the state. This prompted discussion about what the original concept of community schools had been, and what it was today.

Dr. Doug Dralle, Sitka Parks and Recreation

Dr. Dralle supported community schools because of their wide variety of courses and the large numbers of people that they serve.

Dennis Daggett, Kenai Community School Advisory Board

Mr. Daggett expressed his support for the bill, and asked the legislature not to cut back funding for Kenai. Under questioning, he noted that although Kenai is not presently contributing to the funding of community schools, it will be contributing one third of the cost next year.

Jennifer Baggett, Big Lake Comm. School Advisory Council (Wasilla)

Ms. Baggett stated that the state should provide total funding for community schools.

Karl Pojhola, Asst. Superintendent, Kodiak School District

Mr. Pojhola noted that it was not always easy to figure out where local funding dollars came from. There was plenty of money in the Kodiak community schools from Kodiak, but it was not easy to figure out exactly how much came from each local source.

Lisa Menter, Andy Preston, Joy Winneston, Desmond Miller (Sitka)

Ms. Menter and her students expressed their support for the bill.

Daryl Hargraves, Superintendent, Nome public schools

Mr. Hargraves voiced his support for the bill because community schools help other community groups provide their services to a locality, without increasing their funds.

Harry Purdy, Superintendent, Dillingham City schools

Mr. Purdy suggested that the Committee amend the bill to provide total funding for those community without the necessary resources to provide the locality's portion of the funding necessary to run the community school system.

Dan Harman (Sitka)

Mr. Harman stated that the community schools provided several opportunities for new learning and social experiences.

Ken Kassner, Homer Community Schools

Mr. Kassner noted that the community schools were "a terrific umbrella organization". He further noted that they had "injected vitality" into the community college system.

Nel Fite, Big Lake Comm. Sch. Advisory Council (Wasilla)

Ms. Fite noted her support for HB 629.

Ian Fulk, Kodiak Parks & Recreation Director

Mr. Fulk detailed the various sports programs offered in the Kodiak community schools.

Pauline Chanel, Bethel Advisory Board

Ms. Chanel voiced her support for the bill because it would help people of all ages in the community.

Karen Dimond, Sitka

Ms. Dimond noted that she and her friends "love community schools", and that almost everyone she knows derives some benefit from them.

Beverly Kroner, Director, Kenai Comm. School

Ms. Kroner urged "longterm baseline funding" for community schools.

Gary Stevens, Kodiak Community College

Mr. Stevens noted that the level of cooperation between Kodiak community schools and the Kodiak Community College was very high.

Nix Charles, Jr. (Bethel)

Mr. Nix noted that the community schools program provides a very important use of local tv and radio, and gives people access to these community services.

Mary Holden, Kodiak local arts council

Ms. Holden noted that without community schools, Kodiak would lose a lot of "great programs".

Julie Gorham, Kuskokwim Comm. College (Bethel)

Ms. Gorham voiced her support for HB 629.

Leut. John Schoenz, Kodiak

Lieut. Schoenz voiced his support for the bill.

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Chuck Evans, Kodiak

Mr. Evans stated that community schools were the best program that he had seen in his 28 years in the "education business". He stated that a "firm support base" was needed so that localities would not have to worry each year about where their funding was coming from.

The meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/14/80

Members present:

Buchholdt, Chair
Miles
Chatterton
Hurlburt
Barnes

The meeting consisted of a hearing and mark-up session on HB 629.

- 106 Linda Layfied, Director of the Juneau Community Schools program voiced her support for the bill and described some of the various courses that are offered through Community Schools in Juneau.

The Chair suggested that the Committee members go over the bill and suggest possible ways of improving it.

There followed a discussion of how evaluation should be written into the bill. It was finally decided that the Committee would wait for the recommendations of the DOE auditors currently evaluating the Community Schools program.

There was then discussion of a proposal of Rep. Munson to require documentation of local matching funds sources. Joe McGill, of DOE, said that he would get the commissioner's clarification on whether or not this was currently required under statute.

There was a discussion of what could constitute in kind contributions to the local match part of the funding. Rep. Chatterton suggested that supplies, energy costs, janitorial costs and other such services should be included in the definition of in-kind contributions. It was generally agreed that this would be good.

There was then a discussion of how the legislature could implement its intent that travel outside of the community not be included in the definition of community school courses that state money could be spent on. It was generally agreed that the existing Title was specific enough, but that an additional DOE regulation would take care of the travel problem.

- 551 Rep. Chatterton moved for unanimous consent that staff be asked to prepare the language for an additional section in the bill to fund evaluation of the program by DOE and localities. The amendment would include a provision stating that the report must be submitted to the 12 Legislature by the 15th day of the Session. The motion passed.

- 747 Rep. Chatterton suggested another amendment to raise the state's contribution from 2% to 3% and to provide that the state would never pay more than a locality contributed to the community schools program. There was much discussion of this amendment, and general disagreement among the other Committee members with Rep. Chatterton's amendment. Rep. Chatterton withdrew the second part of his amendment, and eventually withdrew the first half of the amendment as well.

The Chair noted, as the meeting was coming to a close, that by Monday, she would try to have the auditor's report, and the language for amendments dealing with evaluation and a definition for in-kind contributions.

Rep. Chatterton asked that clarification of the percentage given by the state to localities after the third year of program operation also be provided.

The meeting was adjourned.

MINUTES
House HESS Committee meeting
2/19/80

Members present:

Buchholdt, Chair
Munson
Barnes
Miles

1021 The Chair started the meeting by calling the Committee's attention to a rough draft of a proposed committee substitute for HB 629, the community schools legislation. She noted that the Committee members should look over the proposed CS and study it for further deliberation next week. She also noted that staff had tried to incorporate all of the concerns voiced by the members during the last mark-up session on HB 629. Finally, she noted that the audit report would not be completed for another month but that staff had tried to anticipate what the auditors would say and incorporate their comments into the language of the proposed CS.

1040 Mr. Jerry Hiley, DOE, testified on the proposed CS. He expressed the Department's concern that the section on auditing was unclear. He noted that it would be an extremely difficult task to audit all the community schools and present a report to the Legislature by the 15th day of the next Session. The community schools schedule is quite different from that of the Legislature. Plus, Mr. Hiley noted, it would take a great deal more money than is currently allocated to fund such an extensive auditing program. He noted that the current system employed by DOE to audit community schools would be more workable. They try to audit a third of all comm. schs. each year which means that each school gets evaluated every three years.

There was general discussion among the Committee members about Mr. Hiley's point and it was generally agreed to work out the problem with new language. However, Mr. Hiley then noted that present language might be alright after all since it states that "An annual report of all sites evaluated" would be made to the Legislature.

The Chair further stated that funding for auditing of comm. schs. would be authorized in the DOE budget for the upcoming fiscal year.

The rest of the meeting consisted of a public hearing on HB 651, a bill establishing an independent community college system.

1124 Pat O'Rourke, Chancellor, Alaska Community Colleges

Mr. O'Rourke voiced his opposition to the bill for several reasons. Generally, he believes that better education can be provided to students at a good price if the community colleges remain tied to the University system. Specifically, Mr. O'Rourke noted that there would not be any less bureaucracy under two separate systems but only a "shifted" bureaucracy, that there would still be overlap and duplication in course offerings and in the "mission" of the two systems, that there would be significant increase in administrative costs to run two separate systems, that "resource allocation" would be more complex and cutthroat competition among the different localities would result, that there would be great student confusion over transferability of credits, that there would be years of property litigation, that there would be less coordination of higher education in Alaska and that the community colleges would be able to attract less students than it presently attracts.

Mr. O'Rourke and the Committee engaged in lengthy discussion of several points

in his testimony. In general, they discussed "elitism" in education---the fact that a University education was considered better than a community college education and that separating the two systems would further propagate this belief. They also discussed the fact that many of the problems that Mr. O'Rourke mentioned are occurring now. Mr. O'Rourke responded consistently to this point by stating that the problems could only be ironed out by continuation of the current administrative system instead of separating the community colleges from the University. He noted, for example, that he "sees the beginnings of acting like a single system". The fiscal impact of HB 651 was also discussed. Mr. O'Rourke provided a rough figure on fiscal impact of 4.1 million. There was much discussion of this figure--whether or not it is accurate, the fact that it represents about 85% in additional administrative costs, and the fact that only about a third of it would be offset in the sense that less administrative funding would be needed for the University if it is no longer in charge of the community college system.

In sum, Mr. O'Rourke noted that although he had often entertained dreams of separating the two systems, in reality, he was convinced that separation would be to the great detriment of the students and of the taxpayers. He also reiterated that he was "speaking" his "own conscience" and not officially representing the position of the University.

1542 Jay Barton, President, University of Alaska

President Barton endorsed Chancellor O'Rourke's statements and pleaded with the Committee to give him more time to make the community college system work in rural Alaska before abolishing it. He noted that he and the Board of Regents were totally committed to improving education in rural Alaska and that keeping the community college system intact would be a big factor in the success or failure of their mission. Under questioning from the Committee, President Barton noted that he was committed to "getting his house in order".

1651 The meeting was adjourned.

MINUTES
HESS Committee Meeting
2/19/80
evening session

Members present:

Buchholdt, Chair
Munson
Hurlburt

1657 The meeting consisted of a teleconference on HB 651, a bill establishing an independent community college system.

Carolyn Floyd, President, Kodiak Comm. Coll.

Ms. Floyd noted various problems with the bill. She stated that there were several areas where the language was unclear. There were no specifics about the division of property and she thought that the division might be unconstitutional. She also noted that the bill could be interpreted to mean that tuition would be free for community colleges. She stated that there would be an acute conflict for the teacher board member because that person would be making decisions about his own working conditions and would not be able to resolve the conflict between his duties as a board member and his needs as a teacher. She also noted that a student board member would be serving a term longer than his term of enrollment in the college system under the present language. She noted further that the language of the bill was "sex biased" because it referred to top administration officials as "he" and that there would be great difficulty in transferring faculty and placing those who were not transferred into other jobs. Finally, and among other things, she noted that the system could not be separated and functioning by July, 1980, the deadline under the present language of the bill.

For all the above reasons, Ms. Floyd voiced her opposition to HB 651.

Charlotte Hatfield, Librarian, Kodiak Comm. Coll.

Ms. Hatfield stated that she supports HB 651, largely because it would provide ample recognition of the distinctly different philosophies and types of education offered by the University and the community colleges. She noted that the Board of Regents recent reorganization of the community college system, including the appointment of Chancellor O'Rourke, was a largely cosmetic device that looked good but provided no real fundamental change in the treatment of community colleges. She stated that people who attend community colleges are geared more towards learning for the sake of acquiring more knowledge or job-related skills rather than learning to acquire a degree.

Donnis Thompson, Chairman, Kenai PAC

Ms. Thompson noted that she, personally, was in favor of HB 651. She also stated that an official position from the Kenai policy advisory council (PAC) for the community college in Kenai would be coming to the Committee at the end of the week.

Dr. Rod Enos, President, Ketchikan Community College

Dr. Enos stated that he agreed with Ms. Floyd's earlier comments. He further stated fear for the rural communities if the comm. colleges were separated from the University and said that he was not sure that the entire bill was constitutional. He noted that the reorganization had helped community colleges and that the Legislature should give it more time to prove itself.

John Devons, Acting President, Prince William Sound Comm. Coll.

Mr. Devons stated that the disadvantages of separation outweigh the advantages, especially for small colleges. Small schools are currently able to use the University's library, computer and other facilities. These services would not be provided under HB 651. Separation would lead to duplication of course offerings and other services which would eventually increase administrative costs and decrease the amount of funds available to provide courses. He stated that the communication problem between the University and the community colleges would grow wider and he suggested that the new President Barton might be able to bridge that communication gap if he's given a chance to implement his policy towards community colleges.

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George Irwin, President, Kuskokwim Comm. Coll.

Mr. Irwin voiced his opposition to HB 651, noting that the curriculum transfer from one college to a college in another locality would be much worse if the schools were all separate entities. He also noted that the separate community colleges might be subject to much regulation since it would be effectively a state agency. He said that President Barton should be given time to make his plan work and that the Board of Regents would pose all sort of legal obstacles to effecting the separation and transfer of property and facilities by July, 1980.

George Day, Kenai Peninsula

Mr. Day noted that he was not for or against the specific contents of HB 651 because he had not had a chance to read the bill yet. However, he noted his generalized support for all efforts to separate the community colleges from the University in order to counteract the comm. college's "second class status". He also noted that the Kenai Peninsula Community College had recently been accredited and so it might well prosper if it were independent.

Mike Metty, Acting President, Northwest Community College

Mr. Metty applauded the commitment to the community college system that he felt was evident in HB 651 on the part of the Legislature. He favors the bill, largely because he feels that local control leads to further responsiveness. He noted that the separation will help to resolve the credit transfer problem, although there are still many further steps needed to take. He stated that comments from the Nome PAC would be forthcoming.

Willard Jones, Diesel instructor, Ketchikan Comm. Coll.

Mr. Jones noted that HB 651 was a good bill because separation of the two systems would come eventually regardless of the legislature's immediate action on HB 651.

Mary McIntyre, Business teacher, Chuckchee Comm. Coll.

Ms. McIntyre stated that whether or not separation would cost more than the present system should not be a top priority consideration of the Committee in deciding whether or not to vote for separation. Other factors were infinitely more important than fiscal factors.

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Dennis Steffy, Chairman, Division of Applied Sciences, Kenai Comm. Coll.

Mr. Steffy stated that the reorganization of the comm. college system had not even begun to address the fundamental problems of the system as it currently is operated. He stated that these problems were amply put forth by other witnesses. He said that the new President's refusal to negotiate the recent contract presented by the community college employees is evidence of his real attitude to community colleges, despite all the rhetoric. He compared the present discussion of HB 651 to a divorce where each party is concerned about the division of property and what he will be left with. The students-- what would be to their benefit--- are what we should be talking about, he stated, not "building or losing empires". He voiced his total support for autonomy for the colleges and expressed confidence in the legislature to come up with the best plan to implement autonomy.

Dr. John Wilsey, President, Kenai Peninsula Comm. Coll.

Dr. Wilsey said that he was "vitaly interested" in HB 651 because it would establish equity between the community colleges and the University. However, he stated that the bill might create a highly centralized bureaucracy as it is currently written. He also stated that the bill needs to further address the problem of extreme competition for funding among the comm. colleges. He stated the board composition problems mentioned by Ms. Floyd and suggested a locally elected board with a legal tax base.

Dr. David Johnson, President, Ketchikan PAC

Dr. Johnson suggested that the PACs be given more power instead of passing HB 651. This would increase local control of the community colleges. He noted that the Ketchikan PAC's position on HB 651 would be forwarded to the Committee.

The Chair asked all the PACs to forward their positions on the bill, and the meeting was adjourned.

MINUTES
House HESS Committee
2/20/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Beirne
Hurlburt
Barnes

670 The Committee first took up HB 487, providing arbitration for school districts and their employees. The Chair stated that the CS for HB 487 was ready and that she wished to have the bill reported out of committee today. There was a discussion of tax rate increases. Rep. Chatterton suggested that the word "rate" be deleted from line 5, p. 2 of the CS. He also offered a motion to delete "an award" from line 9, p. 2 and to change subsection (d) to (3). The second motion was passed, but the first was not. This was due largely to Mr. Bob Van Houte's testimony, at the Chair's request. Mr. Van Houte stated that the motion would defeat the purpose of the bill. Taxes would increase if certain teacher needs such as medical benefits were granted by an arbitrator. However, the tax rate would not increase. The tax rate would only increase if outrageously costly teacher demands were met. The idea of the present language was to prohibit an arbitrator from awarding such costly demands but to allow them to award less costly demands that would increase taxes, but not the tax rate.

757 There was a motion, which passed, to report out the bill.

766 The Committee then interviewed Timothy Burgess, the appointed student regent to the Board of Regents. Under questioning, Mr. Burgess stated that he believes in "quality education". He feels that he will be good at establishing communication between the Regents and the students and the teachers in the University system. He also stated that he felt capable of representing all the diverse elements composing the student body. He would be able to get along with the Board while still holding the interests of the students as his first priority. He stated that he is not "overawed" by his assignment, although he knows that it will involve a lot of hard work.

Rep. Miles moved that the Committee recommend that Mr. Burgess be confirmed by the full House. The motion passed unanimously.

914 The Committee then took up HB 651.

Kerry Romesburg, Commissioner, Postsecondary Education

Mr. Romesburg noted that the Comm. College board was split in its position on HB 651 and so he would try to speak to all aspects of the bill instead of lobbying any particular position on it.

He stated that in the past, the Board has voted not to separate, but to give more power to the PACs, and to enact other measures which would improve local control of community colleges. He stated that this led to the appointment of Chancellor O'Rourke.

He commented on the composition of other states community college and state

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university administration systems. He noted that the predominant structure was a 2 board system, with one coordinator board. There were only 4 states where the two systems are entirely separate. Under questioning from Rep. Munson, Mr. Romesburg stated that transferability was not necessarily easier under one system or another. Transferability could be worked out under any system if there was a commitment to it. He further stated that the real problem with transferability was that transferability of courses existed but that transferability of certain courses as credit towards a particular major was always a subject of dispute between campuses.

Mr. Romesburg noted the faculty and student board members problems that were also brought up in last meeting's teleconference on HB 651. He also stated that there would be a grave problem finding jobs for those teachers that were not needed in the community college system, although Postsecondary would certainly make an effort to place such teachers. He stated that the really major problem with the language of the bill is the property transfer section. He questioned the constitutionality of this section and stated that realistically speaking, it was ridiculous to think that the Regents would give up land legally theirs without a court battle.

Mr. Romesburg noted in conclusion that he had statistical and other material to pass on to the Committee as soon as it was prepared. He also noted that a position paper from the Board would be forthcoming as soon as they could decide upon a position.

Rep. Chatterton asked if a new system was needed or better people working in any system that were committed to community colleges. Mr. Romesburg agreed that the people element was the most important.

The Chair stated that she introduced the bill because she was asked by constituents to do so but also because she believes in autonomy for the community college system.

Rep. Hurlburt pointed out that the urban areas seem to favor the split and the rural ones do not.

1261 The Committee took up HB 561, a capitol improvement bond bill. The Chair noted that the CS was before the Committee and that she wanted to get the bill passed out today. She allowed Mr. Van Houte to speak to the bill. Mr. Van Houte requested the Committee consider including in the bill \$2 million for school districts, if they so request, to buy mobile trailer homes for their teachers in rural areas. He stated that the need for this was extremely grave due to the present lack of adequate housing in many areas of the Bush. He stated that the appropriation would be a loan and that the school districts would pay back the state within two years the money borrowed. The districts would try to amortize a portion of the loan by charging reasonable rent to the teachers living in the trailers. Under questioning from Rep. Munson, Mr. Van Houte stated that he knew that this was not the proper vehicle to provide immediate relief for the teachers, but hoped that if the HESS Committee included it in HB 561, the Finance Committee might see fit to find the proper vehicle for his request.

Rep. Munson offered a motion to take care of Mr. Van Houte's request. Rep. Chatterton offered an amendment that would insure that the money would only be available to rural school districts and only upon the school district's request. The motion, with the amendment, passed.

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1382 Rep. Barnes offered several motions, all of which were passed. She added an additional \$ 1.5 million to item (37) to provide for a rifle range at Service Hanshaw as well as the swimming pool.

She also added \$4,750,000 to remodel all schools to better provide services to the handicapped.

Thirdly, she added \$2,500,000 for remodeling of the Anchorage Borough School District Maintenance Building.

1413 There was a motion to report out the bill which was passed unanimously.

1420 The Chair asked the Committee to look over the proposed CS for HB 629 and prepare to mark it up on Monday.

The meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/21/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton
Barnes

The meeting consisted of a teleconference from Anchorage and Fairbanks on HB 618, establishing the Older Alaskans Commission.

1426 George Parkko, Igloo 15, Pioneers' Homes (Anchorage)

Mr. Parkko expressed concern about keeping the Pioneer Home system intact.

The Chair explained that there was an amendment that would be offered by Senator Rodey that would explicitly state the bill's intent to keep the Pioneer Home system as is. Sen. Rodey's aide, Jim Kelly, further elaborated on the effect the amendment would have. He stated that the Commission would have no direct power over the Pioneer Homes.

Dorothy Sugg, North Star Council on Aging (Fairbanks)

Ms. Sugg expressed her desire to have a commitment that the Governor's advisory commission on aging and the Office on Aging would remain intact. She also stated that the Commissioners should be chosen with input from lay senior citizens.

Mr. Kelly stated that there was also an amendment that Sen. Rodey planned to offer that would clarify the bill's intent to have the Office on Aging transferred to the new Commission and not abolished. He also noted that the Governor's advisory commission has no objection to being disbanded but that there is some question as to whether such a commission will be required to remain in existence while a citizen's advisory commission-- which the Older Alaskans' Commission would be-- was in operation.

Jerry Gerardy, Anchorage

Mr. Gerardy complained about "certain stigmas" in the bill. He did not want a CRA or HSS member on the Commission. The former is a discriminatory organization and the latter has too much else to do, according to Mr. Gerardy. He stated that the "jealousy" between them would cause problems for the Commission.

Marie Pinaultberri, Dep. Comm. of CRA, responded to Mr. Gerardy in stating that she was sorry if a CRA employee had made discriminatory comments about senior citizens and that this was intolerable. She also stated that it made no major difference to the Department if they were included on the Commission or not but that they would do their best to serve seniors if they were included.

Loretta Wilhelm, Northern Alaska Health Resources Association (Fairbanks)

Ms. Wilhelm cautioned against unnecessary duplication of services to seniors and noted that clarification of certain sections of the bill was expedient. She also asked how older Alaskans without birth certificates could get longevity bonuses.

Vernon Perry, Director of the Longevity Bonus Program, responded to Ms. Wilhelm and told her that there were several other allowable ways to prove a senior's

eligibility for Longevity Bonus. A baptismal certificate, evidence of collecting social security payments or sworn affidavits from acquaintances were examples given of these various ways.

Rose Palmquist, Anchorage

Ms. Palmquist voiced her support for the Pioneer Home language amendment. She also stated that the Office of Aging was known to be on the bottom of the HSS priority list and that the new Commission, including the Office on Aging, definitely had to be in the Department of Administration. She stated further that the 6 lay members of the Commission should be chosen solely by lay elderly.

Kerry John, Executive Director, OPAG

The lack of accurate up-to-date data collection on seniors points out "the need for a coordinated look at senior citizens programs", according to Ms. John. OPAG supports HB 618 because the Commission would be a vehicle to provide the needed coordination. She stated that the Commission should reconsider providing full voting status to the Department Commissioner members and that there should be "municipal" branches of the Commission.

Florence Oar, President, Board of Directors for the Caverly Senior Center, Anchorage

Ms. Oar voiced her support for HB 618.

Since there were no more witnesses on the teleconference network, the Chair asked if anyone present in the Committee Room wanted to testify at that time.

Edna Adrian

Ms. Adrian suggested that the word "consumer" be added to the description of the 7 seniors to be on the Commission so that it would be clear that these Commission members would be seniors not involved in providing services but rather those who are provided with such services.

Dove Kull

Ms. Kull suggested that the Commission was needed for coordination and to let seniors help themselves instead of being helped by other people.

There was a long discussion of the present level of funding for senior citizens programs.

Louis Odsather, Pioneer Homes of Alaska

Mr. Odsather stated that the Pioneers want to see the language of the bill reflect the "oral assurances" that they have gotten that the bill will not effect the Pioneer Homes or the longevity bonus program. He stated that the "deck is stacked against Pioneers which is not acceptable."

Under questioning from the Committee, Mr. Odsather said that the language of the Rodey amendment relating to this was not good enough.

The meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/22/80

Members present:

Munson, Acting Chair
Barnes
Miles
Chatterton

298 The meeting consisted of a teleconference from all parts of the state except Anchorage and Fairbanks on HB 618, a bill establishing the Older Alaskans Commission.

Marion Fitzgerald, Kodiak

Ms. Fitzgerald would like Kodiak to have input to the selection of members for the Commission and would like to work with the Commission to provide additional services to seniors in Kodiak.

Louis Odsather, Grand Igloo, Pioneers of Alaska (Wasilla)

Mr. Odsather reiterated his testimony of yesterday.
The Chair stated her plan to offer an amendment that would explicitly preserve the independence of the Pioneer Home system and the Longevity Bonus Program, in addition to the language of an amendment that would be offered by Sen. Rodey for the same purpose.

Ruby Coyle, Soldotna

Ms. Coyle voiced her support for the Commission especially the coordination and public awareness aspects of it. She would like to see the Kenai Peninsula represented on the Commission.

Elizabeth Myser, Pioneers Auxiliary #7, Ketchikan

Ms. Myser stated her opposition to HB 618 on behalf of the women Pioneers. She stated that the Commission would be yet another "bureaucratic control over our lives" and that it would use federal funds to "interfere with rather than to promote the lives of the elderly". She also objected to the "price tag" necessary to run the Commission. She stated that she favored the Chair's proposed amendment.

Arnold Hanson, Kodiak Island Borough Assembly

Mr. Hanson voiced his support for HB 618, especially the section dealing with provision of residential care for the elderly.

Les Keller, President, Igloo #1, Nome

Mr. Keller favors passage of HB 618, provided that the Chair's proposed amendment is attached to the bill.

Waldo Coyle, Soldotna

Mr. Coyle expressed his support of the bill.

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Glenn Trew, Ketchikan

Mr. Trew stated that the bill should be amended along the lines suggested by the Chair. Rep. Chatterton responded to his comments by stating that the Older Alaskans Commission would not "revise, repeal or change" the Pioneer Home or Longevity Bonus programs.

Robert Hoschouer, Igloo #31, Pioneers of Alaska, Wasilla

Mr. Hoschouer read a letter that he had sent to various legislators in opposition to HB 618 without the proposed amendment of the Chair.

Dennis Murry, Sr. Citizens Center, Kodiak

Mr. Murry noted the need for self-determination as his major reason for supporting HB 618. He suggested that the language be amended to more explicitly recognize this need. He suggested that the Pioneer and Longevity Bonus programs should not be excluded from the Commission's perusal because of a strong feeling that all programs for the elderly should be evaluated by and accountable to one body. He also stated that providers of programs should not be on the Commission.

Francis Broderick, Ketchikan

Mr. Broderick pointed out that the bill does not prohibit geographical discrimination during the selection process for Commission members. Rep. Chatterton stated, after Mr. Broderick's testimony, that he would introduce an amendment that would state that geographical considerations would be taken into account for the Commission membership selection. He also stated that he would introduce an amendment to change the number of voting members on the Commission from eight to an odd number.

Ilene Compton, Ketchikan

Ms. Compton stated that the Chair's amendment should be included in the bill. She also stated that the age of seniors should be changed from 60 to 65 or 70.

Gerome Seley, Kodiak

Seley endorsed the bill and recommended passage of HB 374 allowing for protective residential care for seniors.

Bert Romo, Ketchikan

Mr. Romo expressed modified support for the bill. He asked for clarification on exactly what programs the Commission would be administering. Jim Kelly provided Mr. Romo with the requested clarification.

RB Graham, Wasilla

Mr. Graham endorsed the statements of Mr. Odsather and Mr. Hoschouer and enactment of the Chair's proposed amendment.

Beth Bishop, Dir., SE Nutrition Program for Elderly, Juneau

Ms. Bishop expressed support for HB 618 but also pleaded with the Committee to consider and pass HB 611 which would provide additional funding for continuation of services provided by the Office of Aging. This needed state funding is in

page three.

addition to federal funding, not to replace federal funding.

Dr. Rusty Wanson, MD, Kodiak

Dr. Rusty stated that in his experience advisory commissions were not very effective. He stated that the Commission should be given further "authority". He also stated that he did not think that the Pioneer Homes should be exempted from the Commission's perusal because they get so much of the state money that is provided to fund senior citizen programs each year.

The meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/25/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton
Hurlburt
Barnes

1165 The first part of the meeting consisted of a presentation by the Governor's Mental Health Advisory Commission. Jeff Smith, Regional Priorities Director of MAUNILA Corporation made the presentation.

Mr. Smith stated that the Commission would like to see the Department of Corrections in H&SS given more money to open a new community mental health center in Anchorage. However, the Department, according to Mr. Smith, is not planning on requesting this money; the Commission, on the other hand, thinks that the funding (and the additional center) are sorely needed.

Mr. Smith talked about the need for a facility at API to house some mental health patients currently institutionalized in Etescadero, California, who are no longer able to be taken care of there. API needs money to provide the staff, security and other needs for the additional unit. The facility would be adequate for the time that it takes to come up with and implement a long term solution to the problem of housing these patients formerly housed in California.

Mr. Smith then asked for additional funding for the Commission itself to do its work and especially to carry out the on-site evaluation visits of the various mental health centers to make recommendations regarding funding. Under the current funding situation it is impossible for the Commission to make quality evaluations and to carry on its other business, as well.

He noted that the Commission would like to see HB 466 defeated. The measure would sunset the Pyschiatric Licensing Board. Mr. Smith noted that the Board is currently improving and correcting its licensing practices and that it should, therefore, be allowed to remain in existence. He further noted that the Commission would like to see no action taken on HB 2 and would like to participate in further redrafting of that bill after the Session is over.

Mr. Smith concluded his comments by expressing frustration over the treatment that the Commission receives from the Department of Health and Social Services. The Commission is unsure of its role, anymore, he stated. He noted that the Commission is mandated to provide input into the funding of the various state mental health centers but that it was consistently told what the Department's policies would be and was not treated as an equal partner with equal input into such decisions. He urged the Committee to remind the Department that the Commission's advice should be sought before making funding decisions instead of telling the Commission after the decision was made, how much money the individual centers would get.

Rep. Barnes then noted that she was ready to remind the Department of its responsibility in this area and asked that Dr. Vreeman of the Anchorage Mental Health Center be allowed to speak about the problems that AMHC faces in receiving funding from the state, the federal government, and the Municipality of Anchorage. Dr. Vreeman

elaborated on the problems that exist in getting funding from the Municipality. Basically, he stated that the Municipality thinks that it knows more about how AMHC should operate than AMHC does. Thus, it makes AMHC's ability to get funding very difficult. The Municipality asked the state for \$575,000 for AMHC's FY 81 budget, a "grossly inadequate" figure, according to Dr. Vreeman, especially in light of declining federal support for the Center. The Municipality also provides \$200,000 to AMHC, the amount it is required to provide if AMHC is to get a matching grant from the state. However, it takes \$70,000 of that \$200,000 back from AMHC to pay administrative costs of watching over AMHC.

Rep. Barnes noted that the Municipality's "harassment" of AMHC was bad for the entire community.

A member of the audience then stated that the Commission's policy, as mandated by statute, "may be providing for inequitable review of grants." She stated that it was not the Commission's duty to "take sides" and that it "just wants both to have an equal opportunity."

The Chair stated that she would discuss the various problems mentioned with Commissioner Beirne and report back to the Committee.

1491 The Committee then turned to a discussion of a proposed Committee Substitute
for HB 629, the community schools legislation. They first discussed an amendment
that would provide for evaluation of the community schools every ~~three~~ years
instead of every year. Rep. Munson asked unanimous consent that the amendment
1533 be passed and it was.

1539 Rep. Miles asked that various phrases in the bill referring to cash be simplified
so that cash was more readily understood. His motion was also adopted unanimously.

The Chair stated that her research had concluded that raising the state contribution
to community schools to 3% of the locality's Foundation support was too much. She
stated that the Committee should keep the level at the 2% proposed in the CS so
that volunteerism and local funding contributions would continue. The rest of
the members concurred with the Chair's wishes.

1571 Rep. Miles moved that the bill be reported out of Committee. The motion was
adopted unanimously.

The meeting was adjourned.

MINUTES
House HESS Committee
2/26/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Barnes
Chatterton

1582 The Committee first took up HB 618.

1602 Rep. Barnes moved the adoption of an amendment offered by Sen. Rodey. The amendment is for page 3, line 10 and reads "The governor shall solicit nominations from existing senior citizens' organizations prior to making the appointments." The motion was adopted by unanimous consent.

Rep. Chatterton and Rep. Barnes brought up the point that having an even number of voting members on the Commission was not a good idea and Senator Rodey concurred and suggested that the number of voting members be reduced by one instead of increased by one. Accordingly, Rep. Chatterton moved that the number seven be changed to six on line 2, p. 3. Also, on line 5, p. 3, he moved that the number six be changed to five. Both motions were adopted.

1651 Sen. Rodey suggested another amendment to change the phrase "community-based programs" to "community-oriented programs" on line 17, page 4. This is language preferred by the seniors and would expand the scope of programs included under the Act, Sen. Rodey explained. Rep. Barnes moved the amendment and it was adopted
1657 unanimously.

1670 Sen. Rodey offered a third amendment to page 5, line 29. The section "Assumption of program responsibilities" would be deleted and a new section would be added consisting of the following language: "The Office on Aging shall be transferred from the Department of Health and Social Services to the Older Alaskans Commission, Department of Administration." The Senator explained that this language would further clarify the legislation's intent to keep the Office on Aging intact in its present form. Rep. Barnes moved the amendment and Reps. Miles and Beirne objected.

Rep. Beirne objected because he felt that the whole bill was discriminatory in that it favored a certain group of seniors -- namely, the Pioneers -- over all others

Rep. Miles stated that his objection was based on the idea that if a change in the Office of Aging was needed to provide better services to seniors than a change should be made within H&SS. The problem would not go away simply by changing departmental authority, he maintained. Sen. Rodey explained that "if the Commission is to have any clout, it must be able to administer the \$5.5 million" in federal monies that the Office on Aging currently administers. If the Commission is not given this authority, it may as well not exist, Sen. Rodey stated. Danny Plotnick, head of the Office on Aging, agreed with the Senator. There was considerable discussion of this point. Eventually, Rep. Miles removed his objection, but the motion to adopt the amendment was still subject to a vote since Rep. Beirne still objected to it. The motion passed by a vote of 5 to 1, with Rep. Beirne voting against the motion.

43 Sen. Rodey offered a fourth amendment to line 2 of page 6. The following language would be added: "The pioneers' Homes program and the Alaska Longevity Bonus program shall remain under the authority of the Commissioner of the Department of Administration. Rep. Munson offered another amendment which consisted of Sen. Rodey's fourth amendment plus the language "and these

New
tape

30

page two.

Rep. Munson stated that she was offering the additional language in response to the various expressions of concern over the future of these two programs by several witnesses who had testified before the Committee. There was much discussion of the relative need for the additional language and whether or not it was legally sound or perhaps even "clumsy". After many comments, Sen. Rodey said that he would check with the Pioneers Legislative Committee and draft further language if it was necessary after talking with them. Rep. Munson withdrew her amendment.

302 A vote was taken on Sen. Rodey's fourth amendment and it was passed 5 to 1, Rep. Beirne voting against it.

323 Rep. Chatterton moved that on p. 6, line 4 the number "seven" be changed to "six" and that on line 7 the number "three" be changed to "two". The amended was passed by unanimous consent.

405 Rep. Chatterton offered an amendment to page 2, after section (4). The amendment would read: "(5) provide a full range of employment services for older Alaskans". Rep. Chatterton explained that the amendment would allow the Commission to help older Alaskans seek jobs. The amendment was passed by unanimous consent.

Rep. Beirne offered an amendment which would have prohibited discrimination in favor of older Alaskans who have lived in the state for a certain length of time.
441 The amendment failed by a vote of 4 to 2, Reps. Barnes and Beirne voting for it.

447 Rep. Miles moved to report out the bill. His motion was passed unanimously. The bill report was signed and the bill was reported out.

458 The Committee then took up SCR 40 am.

467 Rep. Barnes moved to report out the bill. Her motion was passed unanimously.

476 The Chair then called for consideration of SB 338 am. She explained that the bill would allow disabled people to register for parking permits instead of forcing them to register all their vehicles. The bill would also provide a control number to protect such people from injury or other harassment. The bill would also provide for decals to designate the helpers of the disabled so that they might be able to park in specially designated places when they are conducting business for the disabled.

507 Rep. Munson moved to report out the bill. Her motion was passed by unanimous consent.

515 After closing remarks, the meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/26/80
Evening session

Members present:

Buchholdt, Chair
Munson
Chatterton
Barnes

- 514 The meeting consisted of a teleconference with Anchorage and Fairbanks on HB 651, a bill establishing an independent community college system. There were no witnesses to testify (only observe) in Fairbanks, and the following people testified from Anchorage:

Bob Kuhner

Mr. Kuhner talked generally about the "need for the system to change" and for community colleges to be given their autonomy. He specifically noted that the land transition could be easily accomplished and that all the talk of how complex this would be was exaggerated.

The Chair noted that she was not so sure that the Board of Regents was ready to transfer any land, regardless of the lease arrangement that was worked out.

Bob Leach

Mr. Leach talked about how the University implements policies for community colleges without consulting them first. When "we attempt to show them their gross mistake, they walk away without doing anything about it." As an example, Mr. Leach described the bond situation involved with construction of a student center at Anchorage Community College.

Rep. Barnes asked the Committee staff to check into Mr. Leach's complaint.

John Rolston

Mr. Rolston also described how the University hampers community college efficiency. He stated that it is very hard to figure out summer course offerings because it is so hard to get funding information from the Board of Regents. He said that the major reason behind his support of HB 651 was to let localities have the main voice in funding their colleges. He assumes that all who support the bill figure that the Legislature will give the community colleges more money if they are independent-- they will be able to deal with the Legislature more directly. Only then will they get "adequate representation" and "attention to community college issues."

Con Bunde

Mr. Bunde stated that he was ambivalent about autonomy. He was concerned about duplication of bureaucracy but wonders if the competition between the University and the community colleges for students that would result from HB 651 wouldn't be ultimately beneficial to the community at large. He stated further that at present, the community colleges don't have enough funding to provide quality education. He said that since ACC may be "gerrymandered out of existence", autonomy is its only defense.

Since the teleconference was running short on time, the Chair asked if there were those who wished to testify on the actual provisions of HB 651, or if there were any students who would like to testify. The following people

page two.

Joyce Kelly

Ms. Kelly noted that ACC fills a large void, especially for older students who have never been to college before. She said that comm. colleges should be given as much money as they ask for.

Bill Mackey

Mr. Mackey said that he would try to answer any questions of the Committee. Rep. Munson asked how he felt about having a student and a faculty member on the proposed board, in light of other comments made about this subject in other hearings. Mr. Mackey stated that there would not be any problems with either person--conflicts of interest were inherent in any board position and that both were necessary to represent all the different constituents in the community college population. He stated that the time element in the bill would not be a factor for the student member because most students stay longer than two years, so that they would be able to serve a two year term after being at the college for at least one year previously, without having to resign after the first year of their two year term.

The Chair asked if there should be an age minimum for a comm. college student. Mr. Mackey stated that anyone, even a teenager, should be allowed to attend if he was qualified.

Rep. Chatterton and Mr. Mackey had an extended discussion about comm. college funding and the need for more local participation in funding.

Rep. Munson asked how Mr. Mackey felt about the proposed role for the Comm. College Councils. He stated that he thought they would balance the local control and statewide funding interests very well.

There were other miscellaneous questions and then a discussion of how much would be needed to fund HB 651. Mr. Mackey felt that if the transfer was to be a "lateral" one as opposed to a vertical one, then there shouldn't be a need for any more funding than there is now under one system. His point was that the system was to be split, not expanded.

Pat Bracke

Ms. Bracke voiced the idea that a classified employee should be one of the members of the board.

The Chair noted that the Committee would consider her suggestion.

Ed Knisley

Mr. Knisley read a letter in support of the bill from Merriam Johnson.

The Chair asked the teleconference moderator to poll the room in Anchorage to see if there was anyone opposed to the bill who wanted to testify. The moderator answered that there was no one in the room at the time who was opposed to HB 651.

Bob Douglas

Mr. Douglas commented that the comm. colleges were currently experiencing an identity crisis. He noted that he favored autonomy.

page three.

Ed Knisley

Mr. Knisley testified about the philosophy behind community colleges. He noted that a chart of the University organization system graphically demonstrated how a low a priority community colleges are to the Regents-- they are listed in a small box in the corner of the chart. He talked about the need for money to provide "special interest" and job related education.

The meeting was adjourned as the teleconference had to go off the air.

MINUTES
House HESS Committee Meeting
2/27/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton

The meeting consisted of a mark up session on HB 610 and HB 611.

1405 Sen. Rodey explained the \$ 1,000,000 appropriation bill--HB 610. The money would be appropriated to the Older Alaskans Commission to supplement the present level of federal funding. The Chair added that this was in response to the interim Elderly Committee's hearings where many senior citizens stated that they thought the state should contribute money to senior citizen programs in addition to federal funding.

There was a brief discussion of whether or not the extra million dollars would cause alot of extra work, and hence a need for additional staff, for the Older Alaskans Commission than the level of work presently carried by the Office on Aging. It was eventually decided that this could be worked out later, after it was seen how far the \$1,000,000 would go to cover the additional costs of staff, etc.

The Chair expressed her feeling that the Commission's job was to coordinate the activities of other programs, only. It was not to create new programs, or enter into extensive research, or otherwise broaden itself beyond the scope of coordination activities. She said that she would feel sorely "mised" if the Commission became anything more than a "clearinghouse". Senator Rodey agreed with the Chair that that was precisely what the function of the Commission should be.

Beth Bishop of the Southeast Nutrition Programs stated at this point that there was a great need for additional funding to pay the basic operational costs of the nutrition programs.

1544 Rep. Chatterton moved and asked unanimous consent that the following amendment be included in HB 611 (the first half of the amendment is Sen. Rodey's language). On page 5, after line 8, insert the following: "(L) educational activities; and (M) employment services;"

1558 The amendment was adopted.

1560 Rep. Miles moved that the Committee report out HB 611 and asked for unanimous consent.

1563 The motion was adopted.

1565 Rep. Miles moved that HB 610 be reported out and asked unanimous consent.

1566 The motion was adopted.

1567 The meeting was adjourned.

MINUTES
House HESS Committee Meeting
2/28/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Barnes

1567 The first item of business was HB 617, an act providing for \$15,000,000 in bonds for construction and development of senior citizen housing.

Dove Kull

Ms. Kull testified to the need for more such housing for those seniors who do not wish to live in an institution.

George Briggs, Director, Housing Management, ASHA

Mr. Briggs stated that ASHA is in total support of the content of HB 617. He stated that a direct appropriation would be more direct and a faster way of getting construction started and suggested that the Committee might like to consider taking that route instead of ~~providing~~ for bond money.

Mr. Briggs also stated that the Committee should consider allowing ASHA to govern spending of the bond money. He further stated that the "seed money" approach to construction would probably be the most beneficial. This concept is one where the state provides some money and the federal government provides the bulk of the money for maintenance and operating expenses once the buildings are constructed and occupied.

He also stated that the Committee might want to consider the lack of pay back provisions in the bill.

After Mr. Briggs testified, Dr. Beirne engaged him in a lengthy discussion of present financing of senior citizen housing and how ASHA determines eligibility of each person for senior citizen housing.

Jim Kelly was asked to comment on how the Senate felt about a direct appropriation vs. the bonding method in this particular measure. He replied that they did not consider that issue, they just reported out the bill with very little discussion.

Rep. Miles voiced his total support for the bill. Rep. Munson asked him if he thought that the direct appropriation approach was better. He stated that he thought it was not, since bonds were a tried and true method and the more conservative approach.

Rep. Beirne stated that he was in support of the bill because he wants to see a more equitable distribution of the state's largesse to all senior citizens, not just to the Pioneers.

Jim Kelly made the comment that he had talked with Jack Chenowith and was told that HB 617 contained nothing that would make ASHA pay back the state anything other than interest and other miscellaneous payments.

00 The Committee began mark up on HB 617.

new
tape Rep. Miles proposed two amendments, which were both adopted unanimously.

The first one was to page 1, line 12. After construction, Rep. Miles added a comma, deleted the word "and" and on line 13 after "development" he added a comma and "and planning".

The first one added a new sentence to page 1, after line 27. "The entire sum of \$15 million shall be disbursed upon request of the Alaska State Housing Authority after the adoption of regulations governing the use of the funds consistent with the purpose described in Section 1 of this act." The language was suggested by ASHA to reflect Mr. Briggs statement about giving ASHA the authority to govern allocation of the bond money.

There followed a long discussion between various members of the Committee and various people in the audience of whether or not the legislature should build new housing or subsidize existing senior citizen housing so that rent would be inexpensive for renters. There was also a discussion of how best to subsidize ASHA, through the federal government or through the state. It was determined that the ASHA could only get subsidized funds from the federal government.

154 Rep. Miles moved to report out the bill and asked unanimous consent.

159 The motion was adopted.

166 The Committee then took up HB 914, a bill appropriating \$2.3 million for construction of a senior citizen center in Anchorage. Rep. Miles explained the intent of the bill and he also asked that the appropriation be lowered to \$1.7 million because the Municipality had already appropriated the other \$800,000 for the center.

Danny Plotnick of the Office on Aging testified in support of the bill.

283 The Chair offered an amendment to the bill adding a new section 2 that would provide \$800,000 in funds for a "roundhouse" ethnic cultural center in Anchorage.

370 The other members indicated that they had no objections, after some discussion of the center, and the motion was passed unanimously.

371 Rep. Miles moved that the numbers in the bill be changed to reflect the Committee's change in intent. The motion passed unanimously.

380 Several members moved the bill be reported out of committee.

381 The motion was passed unanimously.

MINUTES
House HESS Committee
2/29/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Hurlburt

450 The Committee first took up HB 690, a bill relating to general obligations for the University of Alaska.

John Shively, Board of Regents

Mr. Shively stated that he was here to answer any questions from the members about HB 690.

He was questioned about why the Governor chose the projects that he did, the University's computer needs, bookstore needs, what would be in the proposed art building and what were the Yak estates.

The Chair stated that further testimony was needed before marking up HB 690, and put off mark up until another hearing could be scheduled and other witnesses could speak.

610 The Committee then took up HB 391.

Richard Spaziani, DOE

Mr. Spaziana made several comments about what would happen if the private sector was given a competitive edge over the University in the awarding of grants. The essence of his comments, however, was that the University was better equipped to handle most contracts and that since it had the needed resources and personnel already functioning, it could usually do the job within the time frame required by the source of the money for the contract.

The Chair stated that Mr. Spaziani's comments implied that the process was really not one of competitive bidding at all. The agency involved knows in advance that it is going to award the contract to the University and thus the competitive bidding process is a charade. It wastes taxpayer money to advertise, etc. and gives people "false hope". It is "deceitful" of the state and federal governments to promulgate regulations which force open bidding when all involved, except the private sector who go through the time and hassle to prepare their RFPs, know that the contract will be awarded to the University.

There was further discussion of whether or not the University is always awarded most contracts and why. Mr. Spaziani noted that other schools are competitive with the University though the private sector is generally disadvantaged because of lacking the resources and the personnel already intact and functioning to do the job in the time allotted. He also stated that one reason why DOE chooses the University so often is because DOE must guarantee the product to the federal government (the source of the money for the grant contract), "or else".

Rep. Munson asked Mr. Spaziani about the prevalence of subcontracting on behalf of the University to private sector corporations after being awarded the grant. When this happens, Rep. Munson noted, the University takes a large portion off the top of the grant, but subcontracts the work out to a private outfit, and usually has nothing else to do with the work or the grant. Mr. Spaziani

page two.

responded that this did happen but not often. He also noted that often state agencies are the only authorized recipients of certain kinds of federal monies and that that type of grant must be awarded to the University, and then it is often subcontracted out to another private firm. He said that 85% of the time grants were subject to competitive bidding and that 15% of the time they had to be awarded to another state agency or an educational institution.

There was further discussion of the deceitful quality of the competitive bidding process. The Chair noted that the people participating in what they think is a competitive process are often unaware of its fixedness. She stated that "they think that they have an equal chance."

There was more discussion, and Mr. Spaziani concluded his testimony by stating that passage of HB 391 would mean that much federal grant money would be lost because it would not conform with federal regulations to discriminate in favor of the private sector.

Dennis Demerich, President's Office, University of Alaska

Mr. Demerich stated that he had a package of information for the Committee that related to HB 690.

He then read a letter from President Barton about HB 391.

The letter stated that HB 391 would take away the University's present position as a research agency for the state. This would mean that the University would no longer be functioning as a land grant institution.

The letter also noted that the bill doesn't give preference to Alaskan private firms over firms from Outside.

The major point of the letter was that the 20% lower figure in the bill would make the University uncompetitive with private business. Also, since there are so few private businesses within the state that have the proper resources to the job at that low a price, most of the grants would be awarded to firms from Outside.

Rep. Muson asked about Alaskan firms access to the University's resources. She was told that they do have access to the University's libraries, for example.

1290 Rep. Hurlburt moved that the bill be reported out of Committee. The motion was adopted by unanimous consent.

1291 The meeting was adjourned.

MINUTES
House HESS Committee
3/3/80

Members present:

Buchholdt, Chair
Miles
Chatterton
Barnes

1297 The Committee took up HB 628, a bill revising the drug laws of the state.

1304 Dan Hickey, Chief Prosecutor for the State

Mr. Hickey testified to the content and the merits of HB 628. Commissioner Nix of Public Safety sat with Mr. Hickey while he gave his testimony and helped Mr. Hickey in answering questions from the Committee.

Mr. Hickey stated that the bill represents a fusion of the existing statutes into one "comprehensive restatement of law". The bill would also take care of existing loopholes in the law. He noted, however, that the bill was not a "panacea for drug abuse". In other words, the bill would not eliminate drug abuse altogether, but rather would allow law enforcement to concentrate on the major aspects of drug trafficking. HB 628 conforms to the new criminal code, most notably, to the presumptive sentencing provisions of the code. The bill also relates drug abuse to other criminal activity, something that neither HB 479 nor SB 65 would do. The bill would also take care of the Board of Pharmacy's problems with federal and state regulation overlap. However, Mr. Hickey said that it does not take care of the Board's desire to see the schedules become incorporated into Title 11, something that the Chief Prosecutor is not against doing.

Mr. Hickey went over each section of the bill for the Committee. Some of his most notable remarks about these sections were: schedule II drugs (Cocaine, LSD, etc.) are treated more severely under HB 628 than under existing law, intoxicating liquor is a schedule VI drug--recognizing the seriousness of its abuse in Alaska, as well as its potential to be controlled, bootlegging is treated as a felony if alcohol is sold to a minor, to more than one adult, or if the crime is a second offense, hashish is in a higher schedule than marijuana because of more serious law enforcement problems associated with its use, and possession of more than a pound of marijuana for any type of use is a felony.

Rep. Barnes asked Mr. Hickey why he personally did not support SB 65. He stated that there were several reasons. It does not conform with the criminal code, especially the presumptive sentencing provisions of the code, it "ignores the problems associated with enforcement of pot", and it addresses several "procedural questions" that confuse the issue and are included in the wrong vehicle for reform. He noted, however, that there were some good provisions of SB 65 that were also included in the Governor's and Rep. Parr's bills. Rep. Barnes asked if it wasn't odd that the Peace Officer's Association does not support the Governor's bill. Mr. Hickey stated that it wasn't odd, especially since the Chiefs of Police were in support of the bill. Commissioner Nix noted that the Peace Officer's Association vote to support SB 65 instead of HB 628 was 4-3, and that there was still considerable disagreement among the ranks of the Association as to which was the better bill. Rep. Barnes stated that all of the law enforcement should be able to come to some kind of a consensus on the bill so that their position would be clear.

There were further miscellaneous questions.

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1654 Jim McCorcle, Board of Pharmacy

Mr. McCorcle reiterated Mr. Hickey's statement about how HB 628 takes care of the Board's concerns. He stated that the Board would like to see a change made in the proposed classification of drugs from a numerical to an alphabetical system. Also, the Board would like to have no duplication of registration and be able to continue registering with the federal government only. Thirdly, the Board would like to see the Board, in stead of the Commissioner, have a say in the classification of prescription drugs.

The meeting was adjourned.

MINUTES
House HESS Committee
3/4/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Hurlburt
Barnes

00 The meeting began with testimony on the bills to revise the drug laws of the state, currently before the Committee.

Frank Gold, Kila, Inc., Fairbanks

Mr. Gold stated that he was not here to talk to specific provisions of the various bills and to which would be better than the others. Rather, he was here to make one request of the Committee--that they include treatment as an option to incarceration for convicted first time offenders of heroin. He stated that addicts need to know that that option exists for them or else they will not admit to their addiction and will plead not guilty to the charge of possession and try to get off, instead of pleading guilty and going into treatment instead of to jail. Mr. Gold would like the bill to explicitly state that treatment would be an option for the judge to decide when sentencing a person convicted of possession, although he admitted that there is nothing in the bill that would prohibit a judge from sending a person to a treatment center instead of to jail.

There were several questions from the Committee for Mr. Gold. Basically, the questions concerned which types of abuse were better than others.

Mr. Gold stated in the course of questioning that Kila, Inc. was a methadone treatment program with a 90% success rate.

492 The Chair stated that she was appointing a subcommittee to come up with a committee substitute for the various drug bills before the Committee. Rep. Munson would be the Chair of the subcommittee, and Reps. Miles and Chatterton would serve on the subcommittee. All of staff and perhaps Mr. Gold would be available as resources for the subcommittee during the course of its consideration of the various bills.

545 The Committee then took up HB 617. This bill was already passed out of Committee with amendments. When it was sent to the drafters, the Chair explained, it was returned with a note from Jack Chenoweth strongly advising against inclusion of the last sentence of the bill regarding ASHA's authority over the money allocated for construction of senior centers.

594 Rep. Chatterton moved that the sentence in question be deleted and that a letter of intent from the Committee be attached to the CS which includes the deleted sentence. The motion was adopted by unanimous consent.

615 The meeting was adjourned.

MINUTES
House HESS Committee
3/4/80 - evening

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Barnes

619 The meeting was on HB 751, a bill relating to the after-hours rights of University faculty. The first part of the meeting consisted of a teleconference with Fairbanks and Anchorage.

Dr. Woodward Thrombley, University Vice President, Fairbanks

Dr. Thrombley stated that the University did not have any problem with the concept of the bill. He said that there was an "antiquated" regulation on the books that stated that faculty needed the authorization of their immediate supervisor to carry on outside activities but that no one upheld that regulation. Thus, the University's policy was that faculty could do whatever they wanted to do on their own time. He said that the University could and would amend the regulation to reflect the tenor of the times and he wondered if in light of the proposed change, whether the legislation was necessary. He stated repeatedly that the regulation had no applicability to general attitudes towards free speech and other forms of expression in 1980, and that it was a carry over from "the Dark Ages".

The Chair stated that the policy was unclear, and that its use had been questioned and that the legislature was responding to the present uncertainty surrounding the regulation by introducing HB 751. Dr. Thrombley reiterated his comments about the regulation being old fashioned and requested that the University be permitted to amend the regulation in lieu of passage of the bill.

There was further discussion and then Dr. Thrombley suggested language for an amendment to the bill. The amendment would have the effect of condoning the outside activity unless it conflicted with faculty teaching or research or public service duties, or involved the use of University facilities or property, or was purported to be officially sanctioned by the University. This type of amendment, he stated, "would cover everything that the University would object to". There was discussion of this proposed amendment, especially the "public service" aspect of it. The Chair also brought up the issue of the Anchorage nurses, and suggested that the Anchorage witnesses should now be heard.

Mona Ravin, Anchorage

Ms. Ravin is one of the nurses recently "nonretained" by the Anchorage School of Nursing because of her outside activity, namely a nursing clinic practicing the Gottlein method of nursing. The Gottlein method emphasizes the importance of spiritual and emotional wellbeing as well as a healthy body to one's physical wellbeing.

Ms. Ravin gave a brief history of the events leading up to her termination. She said that the University encourage professional practice in conjunction with teaching and research, so she and three other nurses opened a clinic downtown, with no advertised connection to the University. She was required to seek approval for including the research that developed from her practice as fulfillment of her research commitment to the University. She was denied this, but was also told to quit her practice or lose her job. She had her own professional license and otherwise went to great lengths to demonstrate that her practice was not

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by the University, etc. Still the University, insisted on enforcing the regulation of needing approval for an outside activity against her. She tried to use the grievance procedure at the University, to no avail. She was suspended without pay for one month, was subjected to consisted harrasment by University officials and was eventyally "non-retained". She stated that, despite Dr. Thrombleys various remarks and repeated reassurances, the "so-called antiquated" regulation was very definitely enforced against her.

There were several questions from the Committee members about the specifics of Ms. Raven's case.

Carl O'Connell, NEA, Anchorage

Mr. O'Connell expressed his support for the bill because it would extend the same civil liberties to the University "professionals" as other professionals elsewhere currently enjoy. He further stated that Dr. Thrombley's comments do have some merit in that faculty should not be allowed to use University facilities or supplies for their outside activities. He also stated that Dr. Thrombley's proposed amendment would be alright with NEA. He added that it was clear from the testimony that no one was opposed to the concept of the bill, but rather that the controversy arose over the specific language of the legislation.

Rep. Miles proposed the following amendment in lieu of Dr. Thrombley's suggested language: On line 16, delete the remainder of the sentence following "does not" and insert " a) interrupt the fulfillment of the teaching or research duties; b) involve the use of University property, supplies, or facilities; or c) carry the representation of being officially or unofficially endorsed by the University." Rep. Miles then asked for feedback from the witnesses about this language. The Anchorage witnesses had no objection to the proposal, but Dr. Thrombley had a problem with the fact that "public service" activities were not included in the definition of prohibited activities. There was much discussion of the pros and cons of not including public service activities within the definition of prohibited outside activities. The Committee more or less decided not to include it because it is a vague, unclear phrase. Whether or not a particular activity would be considered to interfere with a faculty member's public service duties would be decided on a discretionary basis, and there would not be a definite standard to go by. Thus, the law would, in effect, be very similar to the current University policy.

The Chair asked why the nurses were being "non-retained", and why they were a threat, in light of Dr. Thrombley's apparent agreement with the Committee's view that a new policy addressing outside activities is needed at the University. Dr. Thrombley responded that "there is nothing wrong with what they are doing" and that they could do "exactly what they want". Rep. Barnes asked what the University planned to do to rectify the situation with the nurses. Dr. Thrombley stated that as soon as the complaints had been channeled through the various grievance procedures, the ultimate outcome of the situation would be decided by President Barton. He stated that, as of yet, President Barton did not have the full story or all the facts of the situation and that he needed to be better educated before making a final determination of the nurses' future with the University. "We will rectify the situation if they have been mistreated, we will make up for it", he stated.

The Anchorage teleconferece moderator then notified the Committee that there were four more witnesses to speak. Since the network would have to go off the air soon, the other witnesses were allowed to speak.

Jeff Stewart, Anchorage

Mr. Stewart voiced his support for the bill, and provided a hypothetical situation for the Committee to support his theory that the proposed bill, especially with the amended language would be a "codification" of the existing University regulation. In other words, Mr. Stewart was saying that the legislation would strengthen the University's ability to disallow certain outside activities instead of prohibiting them from making such a decision altogether. There was some discussion of Mr. Stewart's point, but the Committee seemed to disagree with him.

Linda Waggoner, Anchorage

Ms. Waggoner, another of the nurses recently "non-retained", questioned the alledged good faith of the University in rectifying her situation. She stated that, despite Dr. Thrombly's comments to the contrary, the Dean of the Nursing School was using the University regulation to "harass" she and her fellow practicing nurses. Moreover, she stated that she had spoken with Barton in detail about their situation in November. Since that time, she had also spoken to three Chancellors. She further noted that only two weeks ago, Tom Gruening, the University attorney, had written the most conservative interpretation of the University regulation in question, to date. She stated that all of these events definitely made her question the University's ability to act in good faith in this situation regardless of Dr. Thrombly's assurances. She then stated that she wanted to make it clear to the Committee that it was not the entire Nursing School faculty that voted to "non-retain" her. Rather, it was an executive committee whose members were the 8 faculty that were most vehemently opposed to the clinic's method of operation. She questioned the fairness of such a body, blatantly slated to vote against her.

Rep. Miles then remarked that he had looked through the administrative code and had found out that the regulation in question was adopted less than six months ago, despite the "Dark Ages" statement.

Rep. Chatterton stated to Ms. Waggoner that he was not sure that the legislation would help the nurses, although it would prohibit the University of acting in this manner in the future. He suggested that she and her peers seek the help of the Ombudsman, Frank Flavin.

Mary Bolin, Anchorage

Ms. Bolin, another of the "non-retained" nurses stated that the who incident had been a severe financial strain and that she would never have pursued the issue if she did not feel it to be a real violation of her rights. She also stated that she was "originally made an associate professor for the very same thing that she was being fired for". She also stated that she was still being paid, and that she was working in a nonprofessional capacity in the Nursing School, despite the controversy, because there was no one else to do what she was doing.

The Chair stated that the teleconference network had to go off the air so that the Fairbanks delegation could use it. The teleconference was disconnected.

1561 Rep. Miles moved his amendment. It was adopted by unanimous consent.

1565 Rep. Chatterton moved that the bill be reported out of Committee, as amended. His motion was adopted by unanimous consent.

1567 The meeting was adjourned.

MINUTES
House HESS Committee
3/5/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Miles (for voting at end)
Hurlburt (for quorum at beginning)

1562 The Committee first took up HB 862, a bill providing for a special appropriation to the Growing Child program.

Rep. Munson, prime sponsor

Rep. Munson stated that the money would be to distribute various child development and parenting skills materials to new parents. She stated that she had no problems with the HSS's proposed language changes in the bill. She stated that the materials would be one example of preventive education, as opposed to spending so many state dollars on taking care of people after their problems develop. She remarked that it would be helpful to develop materials to address the different habits and customs in the various Alaskan cultures, as well as the materials that the bill would pay for, as these materials are addressed to women in mainstream white culture.

1620 Dr. Vernon Stillner, Director, Division of Mental Health, H&SS
Vernilla Randall-Phillips, Division of Public Health, H&SS

Dr. Stillner provided the Committee with various statistics related to infant mortality and suggested that some of these deaths could be prevented if women are more properly educated about child rearing. He strongly endorsed the concept of "preventive" vs. "curative" services. He also reiterated Rep. Munson's point that materials addressing specific cultural peculiarities were needed.

Ms. Phillips testified to the specifics of various adolescent problems and the relationship between the problems and poor parenting in the child's very early life. She said that the state can help parents better understand their feelings, like anger and depression, so that they could better contribute to their children's emotional well being.

Rep. Chatterton asked what the Committee could do to educate people about prenatal problems, such as fetal alcoholism, as well help parents to better understand problems with children after birth. He suggested that money be appropriated to disseminate materials dealing with pre-birth problems as well as post natal care. Dr. Stillner said that the need was definitely there but that HB 862 would be a good starting point to establish a mechanism to distribute the materials and get it running smoothly before starting up a whole group of programs. There was further discussion of this point.

The Chair asked the Committee should also provide money for the cultural adaption of materials and suggested that, in certain communities, oral distribution would be more appropriate. Dr. Stillner agreed that this would be good, but he stated that the Department's fiscal note did not reflect this addition. Rep. Munson asked how much this would cost. Dr. Stillner did not know "off hand". Rep. Munson suggested that the bill could be amended later in the legislative process after the proper estimates were drawn up.

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00 The Committee then took testimony on HB 802, a bill relating to nurse midwives.
new
tape Rep. McKinnon, prime sponsor

Rep. McKinnon stated that the bill would allow insurance companies to reimburse clients for midwife births and provide that hospitals would not be able to receive licensing if they did not provide facilities for midwife deliveries.

Rep. Munson asked Rep. McKinnon if he intended to have maternity coverage in all insurance policies because the way the bill was presently written, that seemed to be the intent. Rep. McKinnon stated that was not his intent, and that perhaps there was a drafting error in the bill. There was further discussion of this, and it was finally decided that the situation would be resolved from one witness's further testimony.

Rep. Chatterton asked what the bill would do to hospital malpractice costs. Rep. McKinnon stated that he was not sure.

260 Deborah Behr, H&SS Special Asst. to the Commissioner, presented Ms. Phillips, Portia Kaufman, and Margaret Crawford for testimony.

Ms. Phillips provided an overview of the nurse midwife practice in the U.S. She said that all states allowed nurse midwives to practice, though three states allow only a limited practice. She also described how a midwife would be registered and what qualifications she must have.

Ms. Kaufman talked about hospital licensing. She said that licensure of midwives would promote adequate, safe care. She said that the aim of licensure was to promote "quality care" and "not to limit health care to a particular category of provider."

Ms. Crawford, a nurse midwife practicing in Juneau and employed by the Department, said that the bill would reverse the trend from home deliveries to hospital deliveries. Nurse midwives specialize in hospital deliveries with a family atmosphere, and she stated that people would be more apt to have babies in a hospital with the family-type surroundings. Midwives also are different from doctors, as far as delivery goes, because they tend to think of giving birth as a normal physiological function whereas doctors tend to think of it as a sickness. She also stated that costs are lower, and there is less infant mortality with nurse midwife assisted births. Studies that she described have proven these facts.

There were a few questions for the panel.

532 Rep. Chatterton proposed that the Committee mark up HB 862 before adjourning. It was agreed to do this. Rep. Chatterton proposed that the amendments proposed by the Department be accepted, with the addition of "prenatal care". The amendments were passed unanimously and so the bill was changed in the following ways: Lines 8 and 9 of the title were changed to read, "...materials related to prenatal care, child development, and parenting skills." Lines 13 and 14 were amended to read, "...educational materials related to prenatal care, child development, and parenting skills." Rep. Chatterton also asked unanimous consent to amend the amount of money appropriated from "\$68,200" to "\$125,000". The motion was passed.

570 The Chair stated that she would change the fiscal note to reflect that the additional money would be to cover some costs of cultural adaptation of materials.

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574 Rep. Chatterton moved that the bill be reported out of Committee. His motion was adopted by unanimous consent.

578 The meeting was adjourned.

MINUTES
House HESS Committee
3/6/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Barnes
Hurlburt

00 The Committee first took testimony on HB 831, a bill relating to breathalyzer testing and HB 833, a bill relating to OMVI convictions.

Dennis Kelso, ALCAN Association, consultant to Rep. Meekins on the bills (Rep. Meekins is the chief sponsor of both bills).

Mr. Kelso described what the bills would do. HB 831 would make the fact that a person refused to take a breathalyzer test when arrested for drunk driving allowable evidence of guilt in a criminal prosecution. It would also mandate that an officer must tell a person arrested that his refusal to take the test could be used against him in prosecution of his case. HB 833 would make it illegal to operate a motor vehicle with more than .10 alcohol in a person's blood. Mr. Kelso explained that under present law, one is only presumed to be drunk with .10 alcohol in his blood. HB 833 would not judge the level of intoxication but rather state that it would be illegal to drive with more than .10 alcohol in the blood, regardless of one's level of intoxication. The bill would also make the law more consistent by measure alcohol levels in terms of breath instead of blood. This would be more consistent because the breathalyzer is commonly used in Alaska to measure intoxication.

Mr. Kelso stated that making these "technical" changes would make enforcement of drunk driving easier and correct the current loopholes in existing law relating to OMVI offenses. He provided various statistics to the Committee to demonstrate the severity of the drunk driving problem in the state.

Rep. Chatterton asked how HB 833 would deal with the crime of driving under the influence of drugs other than alcohol. Mr. Kelso stated that it really didn't because there were no reliable standards to measure drug intoxication by. Usually, when trying to prove the crime of driving while under the influence of drugs, prosecutors use other evidence in order to bring about a conviction. Other evidence is more convincing, Mr. Kelso stated.

Rep. Hurlburt asked if the bill would cover drunk operation of a boat. Mr. Kelso stated that a "motor vehicle" could be interpreted as a boat or a snowmobile as well as a car. However, he deferred that question to later witnesses, specifically Barry Stern from the Department of Law.

Rep. Miles asked if anyone arrested for a driving offense could be asked to take a breathalyzer. Mr. Kelso stated that he thought so, but that Mr. Stern could probably provide a more thorough answer to that question.

696 Alan Bailey, Anchorage Municipal Prosecutor

Mr. Bailey stated that he supported the bill. Jurors often do not understand

that a person can refuse to take a breathalyzer test under current law. Consequently, he stated, juries often do not convict OMVI cases because they think that the troopers made a mistake in not administering the test instead of the real reason for no breathalyzer test which is that a person does not have to take one. He also stated that the average level of those who refuse to take the test is 40% higher than those who consent to taking it. This was learned in a study that was conducted for a year and three months in Anchorage during a period when the law relating to involuntary administration of the test was unclear due to conflicting court decisions.

In response to questions from the Committee, Mr. Bailey stated that suspensions of licenses in lieu of taking the test were imposed regularly and that he thought that operating a boat while drunk would be convictable under HB 833 as long as the legislature had not defined a motor vehicle to include only land vehicles in another statute. Rep. Munson also asked Mr. Bailey if he thought that the mandatory 3 day sentence was a deterrent to juries to convict OMVI offenders. He responded negatively because other factors, such as loss of one's driving license and attending a treatment program, were greater hardships than doing the time in jail. The Chair asked if a person's ability to delay the sentence, and the ability to serve the time on the weekend, made it easier on the offender than if he were sent straight to trial and then to jail. Mr. Bailey responded that the second and third offenders (those who would perhaps not be deterred by the first sentencing) serve a much longer sentence and that is a much greater inconvenience. Rep. Munson added that through her personal experience bailing out a friend on an OMVI arrest, she felt that even waiting at the jail for a few hours before bail was paid was deterrent enough for many people.

Mr. Bailey, after further discussion of Rep. Munson's last point, made one final observation. He stated that HB 831 was needed to get those who really need it into treatment and rehabilitation. The ability to refuse to take the test is one more way in which they can put off facing up to their addiction to alcohol.

1224 Dennis Windren, Juneau Police Department

Mr. Windren, a police officer for the past six years, instructs other officers in the administration of breathalyzer tests. He was present before the Committee to answer any questions, he stated. Rep. Munson asked how many drinks are necessary to be legally drunk? Small wheels which allow a person to compute the number of drinks necessary, based on weight and time limitations, were passed out, explained, and discussed by various of the witnesses. Mr. Windren answered a few questions and stated that drunk drivers kill more people in Alaska than murderers, rapists, etc.

1437 Barry Stern, Assistant Attorney General, Department of Law

Mr. Stern stated the Department's "strong support" for the bill and recommended a few minor "technical changes" to make the bills even stronger and better for enforcement of OMVIs. Rep. Munson asked if he would wait until the bill reached the Finance Committee so that the sponsor of the bill, Rep. Meekins, could hear his testimony on the changes and decide if they were necessary or not. Rep. Hurlburt asked about boats. Mr. Stern stated that operating a boat while under the influence would be covered due to the definition of motor vehicle in Title 28. He stated that there was a definition of motor vehicle in Title 11 that specifically refers to "vessels" and that the Committee

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amend Title 28 to say that as well but that it was not absolutely necessary.

1545 Charles Smith, Department of Public Safety

Mr. Smith stated that everything he wanted to say was very well covered by the other witnesses. He responded to a few questions asked earlier by Committee members. He stated that village officers do receive training with breathalyzer machines. This prompted a discussion of the difficulty of maintaining these machines in some small villages due to a lack of technical training to operate and check the machines. After much discussion of this point, Mr. Kelso pointed out that there were other methods to test intoxication that could be used in these unusual circumstances if the Committee would take it upon itself to amend the present statutes and the administrative code to allow these exceptions in situations where they were more appropriate.

1696 George Mundel, H&SS

Mr. Mundel expressed his support for the bill.

1697 Rep. Barnes moved and asked unanimous consent that HB 831 be reported out of Committee. The motion was passed.

1701 She ten moved and asked unanimous consent that HB 833 be reported out of Committee. The motion was passed.

1706 The meeting was adjourned.

MINUTES
House HESS Committee Meeting
3/7/80

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Barnes

The meeting consisted of a public hearing on HB 651, a bill establishing an independent community college system, and a mark up session on HB 820, a bill appropriating money to the Unalaska Development Corporation to restore the Unalaska Russian Orthodox church. The Committee first took up HB 651.

38 Pat Sparks, Anchorage Community College

Mr. Sparks testified in support of HB 651. He stated that autonomy would make the community college system more responsive to local needs and allow local control of these colleges. He also stated that the University is much less responsive to the community college system's needs than to University needs. He also stated that Chancellor O'Rourke's earlier estimate of the cost of the bill was confusing. The estimate of \$4.1 million included \$1.5 million of existing costs to the University in order to maintain the community colleges. Thus, the additional cost to the state would only be \$2.6 million. He stated that at a meeting in Anchorage recently, Chancellor O'Rourke had concurred with this revised figure and agreed that the earlier figure was misleading.

Rep. Barnes asked Mr. Sparks how the \$2.6 million could be spent by the comm. colleges if the present system is maintained. He responded that the money was less important than the change in status. If the \$2.6 million was appropriated and the system was left intact, the same structural problems would still exist.

Rep. Chatterton stated that the proposed organizational chart did not seem to reflect a big change in administration. Mr. Sparks said that the biggest change was in the role that the comm. college councils would have under the proposed arrangement. They would have "more clout", he stated, because they would have direct access to the Board of Trustees and the President of the new system.

Rep. Munson stated that the need for more money was the real reason behind the push for autonomy but that she was not sure that the autonomy would bring more funds with it every year. There was lengthy discussion on this point. Mr. Sparks' points were summarized by his statement that "we don't fear competition...we just don't think it's fair at this point."

Rep. Barnes asked what areas the community colleges felt they were being "shortchanged" in. Mr. Sparks commented in very general terms about duplication. Rep. Barnes asked him to be more specific and he responded that there were too few courses for so many students in most departments.

Rep. Munson stated that if the systems were separated it would be most important for the community colleges to have clearly defined, limited roles and that she would not be pleased if a mushrooming of four-year colleges in Alaska eventually resulted from HB 651.

939 Mariam Carlson, Anchorage Community College

Ms. Carlson testified to specific problems that others claimed would result from passage of HB 651. She stated that the solution to the property transfer difficulty would be for the community colleges to lease facilities from the University during the transitional stage. She stated that as soon as the community colleges were accredited, credit transfers would no longer be a problem. She further mentioned several areas in which the community colleges were being "shortchanged". She mentioned accounting, computer information, speed reading, time management, career development, supervision, psychology, and math. Rep. Barnes asked her if the comm. colleges had requested the Regents to provide money for these types of courses. She stated that they had not.

She concluded her presentation by mentioning several areas of language change for the bill. There was discussion of this amongst the Committee members.

--1294 Don Abel, Regent, University of Alaska

Mr. Abel voiced his opposition to the bill. He stated that the problems could be solved under the present organizational set up at the University. He stated that it would be a waste of money and that the "\$2.6 million extra is just bait", meaning that the community colleges would eventually ask for much more than that from the state. He stated that the committee should consider the welfare of the students above all else.

Rep. Barnes asked Mr. Abel to provide the Committee with information about the bonds used to build the student center. She requested that the information be provided as soon as possible.

Rep. Munson stated that it was as important for the University to define its role as well as for the community colleges to define theirs. Mr. Abel stated that the Regents were just beginning to do that.

1652 The Committee then took up HB 820.

1667 Rep. Chatterton moved that the bill be reported out of Committee. The motion was passed by unanimous consent.

1672 The meeting was adjourned.

MINUTES
House HESS Committee
3/10/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt
Barnes

20 The Committee took up HB 651, a bill establishing an independent community college system in Alaska. The Chair stated that the citizen policy advisory councils had not communicated their recommendations to the Committee as of yet and that she wished to wait until that time to take final action on the bill. The Committee would continue to take testimony from other sources, however.

65 Jack Chenoweth, Legislative Counsel

The Committee asked Mr. Chenoweth to come and testify to some of the legal matters that were brought up by other witnesses. He was asked first to discuss how the land transfer would come about. He stated that as the bill is presently drafted, trustees of the new system will hold title to land of the community colleges. Land that is presently occupied by community colleges but owned by the University would be transferred in title to the trustees. This transitional period would be "overseen" by the Commission on Postsecondary Education.

The Chair asked Mr. Chenoweth how the bill would insure that the University would give up land. Rep. Munson added to the Chair's comments that this was a particular concern in Anchorage where the University and ACC share the many of the same facilities on the same land. Mr. Chenoweth reiterated his original statements and added that any parts of present campuses that now house community college facilities would be land that would be owned by comm. colleges under the new system.

Rep. Barnes asked if the community colleges or the University now own the land that community college facilities presently stand on. Mr. Chenoweth responded that he would have to check the federal land grant statutes to make sure that the transfer would be possible but that he did not envision any problems. Rep. Barnes asked if the University would be able to fight the transfer in the court system. Mr. Chenoweth responded that that would depend on the land grant statutes.

The Chair asked Mr. Chenoweth to do his research and come back to the Committee with answers as soon as possible.

Rep. Chatterton and Mr. Chenoweth debated whether the transfer could be affected without a sentence in the bill forcing the University to give over the property.

Rep. Munson asked if a leasing arrangement could be worked out if the land grant statutes do contain language which would allow the University to keep title of the community college land. Mr. Chenoweth responded that this would probably be possible.

Rep. Chatterton and Mr. Chenoweth discussed whether localities would be

page two.

able to contribute to the new comm. college system.

The Committee then took up their CS for SB 199. The Chair asked the members to look over the CS and consider testifying on it in front of the Finance Committee when they take it up on March 11. She stated that the Committee would also make a recommendation to the Finance Committee as a body.

The meeting was adjourned.

MINUTES
House HESS Committee
3/11/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Hurlburt
Barnes

- 668 The Chair remarked that HB 651 would be set aside indefinitely, until Mr. Chenoweth and the community college advisory councils had presented their positions and answers requested by the Committee.
The Committee then took up HB 374, to provide nursing and residential care.
- 685 The Chair asked Rep. Munson, the Chair of the subcommittee established last year to write a committee substitute for the bill, to report on the subcommittee's findings. Rep. Munson stated that the subcommittee's greatest concern was the cost of the legislation. They had come up with two alternatives that would be less expensive. One would be a demonstration project and the other would be legislation providing for residential care only. Since the original sponsor of the bill, Rep. Duncan, was not amenable to these changes, the subcommittee decided to bring the bill back to the full Committee for its perusal.

There was a discussion of whether or not AS 47.25.108 existed. Jim Kelly, an aide to Sen. Rodey, pointed out that that section would be created by the bill under consideration.

- 813 Helen Beirne, Commissioner, H&SS

Comm. Beirne's testimony consisted of a reiteration of the position paper presented to the Committee from the Department. She noted that the Department favored the concept of the bill, that experts all agreed that seniors should be kept close to home but that relocation to a Pioneers' Home was too costly for many middle income seniors. The bill would provide residential and nursing care services for these seniors, those "who presently fall between the cracks", she stated. In other words, there are many who need help from the state because they can't afford to pay for care, but at the same time they are not eligible for welfare cost of care programs. She stated that it might be a good idea to consult the Older Alaskans Commission, if created, before the bill is passed, and that it might be possible to work the bill into existing programs "without the onus of welfare" attached to it.

After Comm. Beirne's testimony, there was a discussion of the fiscal note between members of the Committee and members of the Department. The high figure (\$12,640,000) was attributed to inflation and the difficulty of predicting how many people would qualify for the program, according to the Department spokespeople.

- 1140 Sue Green, Department of Administration

Ms. Green also suggested that the Committee should hold further consideration of the bill until hearing from the OAC, in conjunction with the Pioneers. She stated that HB 618 should be passed and that the OAC should then develop a position on HB 374. She stated that this would be especially appropriate since there were so many fiscal concerns. It is hard to predict how many people will choose to use the service though it is fairly easy to predict how many people might choose to use it, she said. She further stated that HB 781 could provide the same care as HB 374 in a less costly and more efficient manner. It would utilize the existing administrative structure of the Castastrophic

Illness Program. This approach, she noted, would also provide a needed service to many more older Alaskans, not just Pioneers.

1250 The Chair referred the bill back to the Subcommittee, noting that there were things to be ironed out before the bill was taken up in full Committee again.

1260 Jim Kelly, aide to Sen. Rodey

Mr. Kelly testified that there were other bills that arose from the State Committee for Services to the Elderly that would also provide the same care as HB 374 would. The cost of these bills was in the \$3-4 million range.

1290 The Chair suggested that the members go and testify before the Finance Comm. on CS SB 199.

1294 The meeting was adjourned.

MINUTES
House HESS Committee Meeting
3/12/80

Members present:

Buchholdt, Chair
Barnes
Beirne
Chatterton
Munson

1312 The meeting consisted of a teleconference to all sites. The subject of the teleconference was HB 936, a bill to provide services for displaced homemakers.

Stan Jenkins, National Alliance of Businesses (Anchorage)

Mr. Jenkins limited his comments to the employment sections of the bill. He applauded the bill's attempt to provide incentive to employers in the form of tax credits, to hire displaced homemakers. He stated that without the credit, displaced homemakers were not attractive employees because they needed so much training and because they were not a tax advantage. He suggested that the bill's language be made more specific in describing what categories of employers would be eligible for the credit. He also noted that the credit would be meaningless if tax repeal were enacted and that the Committee should consider adding what he termed a "negative income tax" to the bill. This would provide a payment to employers for hiring displaced homemakers if tax repeal is enacted.

Lynn Woods, Commission on the Status of Women (Anchorage)

Ms. Woods summarized research done by the Commission about displaced homemakers. She stated that 30 other states had passed similar legislation. She also asked that mental health care be included as one of the services provided by the centers. She also requested that the Act, if passed, take effect before July 1, 1981, as it is currently scheduled to.

Diane Carpenter, community college instructor, Bethel City Council

Ms. Carpenter voiced strong support for the concept of the bill. She suggested that private corporations be set up to provide the services instead of having state agencies established.

Gene Kingrea, Dir., Fairbanks displaced homemakers center

Ms. Kingrea stressed that both men and women were displaced homemakers. She stated that transitional counselling was a must for the bill since that was such a difficult time for displaced homemakers. She stated that the bill she not refer only to married people but to all involved in "dependency relationships". She suggested other specific language changes for the bill including adding dental care, shortening the length of homemaking from six to two years as an eligibility requirement, and deletion of the tax credit to businesspersons for hiring displaced homemakers. She made this last recommendation because she felt that displaced homemakers could compete equally with others in the job market and that they did not need a special status in order to get employment.

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00 Patty King, Kenai Women's Resource Center

Ms. King suggested that the language of the bill was unclear as to whether or not those agencies that did not provide all the services mentioned in the bill would still be eligible for funding. She felt that it was important for all agencies providing services to displaced homemakers to be able to get funding under the bill regardless of how many of the services listed they were providing.

Kay Ackerman, Women's Resource Center, Kodiak

Ms. Ackerman reiterated Ms. King's testimony.

Florence Hawkjetton, Kotzebue

The suggestion to add "subsistence support" to the list of services provided in the bill was made by Ms. Hawkjetton. She also suggested that financial aid for continuing education be provided as well. She stated that she, too, thought that the length of time homemaking requirement should be lowered to two years.

Corrine Rader, Ketchikan

Ms. Rader also voiced her opposition to the six year requirement for homemaking.

Dr. Donna Avac, Anchorage

Dr. Avac commended the Committee for incorporating past concerns into the bill. She reiterated earlier witnesses' statements that the Act should take effect before July 1, 1981, and that funding should be provided for agencies that do not provide all of the services listed in the bill.

Barbara Soul, Alaska Women's Resource Center, Mat-Su valley

Ms. Soul expressed her support for the bill.

Sister Alice, Catholic charities, Fairbanks

Sister Alice supported the bill, stating that it would help people get away from dependency on AFDC and other similar programs.

Jacky Rhuman, Bethel

Ms. Rhuman voiced her support of HB 936.

Joan B. Schrader, Kenai

Ms. Schrader expressed her concern that training for the proper jobs would not be adequate as the bill is currently written. She also addressed many specific areas of language concern in the bill, including the tax credit section. She, too, feels that displaced homemakers are as marketable as others in the job market.

Pamela Herman, Kotzebue

Ms. Herman voiced her support for the bill. She began to share statistics with the Committee about displaced homemakers, when the teleconference network experienced technical difficulties.

667 Since the teleconference network continued to experience technical difficulties, the meeting was adjourned.

MINUTES
House HESS Committee Meeting
3/17/80

Members present:

Buchholdt, Chair
Munson
Hurlburt
Miles

935 The meeting consisted of a public hearing on HB 752, a bill to fund the cultural facilities fund.

939 Rep. Duncan, prime sponsor

Rep. Duncan explained that the authorizing legislation for the cultural facilities fund has been passed last year and that HB 752 would appropriate money for the fund in the amount of \$52 million. That figure was derived from the Cultural Facilities Committee and was based on their applications for facilities to be built in various communities around the state. More applications would be forthcoming and so should more funding, Rep. Duncan explained.

1070 Most of the rest of the meeting, except for the testimony of two witnesses, consisted of testimony from people around the state participating through the teleconference network.

Carol Durfner, Cul. Fac. Advisory Committee (Anchorage)

Ms. Durfner described the great need for facilities and land for cultural events in every community of the state. She then described the "rating scales" used to award funding for applications from communities. She answered questions from the Committee about the proposed Anchorage facility and how it would be funded. She explained that the present strategy was to ask for funding through project 80s legislation.

Dr. Bob Johnson, Kodiak

Dr. Johnson expressed his support for HB 752 and stated that cultural needs were as important as social and economic needs.

Lois Hermanson, Dillingham

Ms. Hermanson stated that the people of each community will have a voice in their cultural facility because they will be able to vote on it after state funding is approved. If they don't want the facility, the money will be returned to the state to be used for a facility in another site.

Mike Cavolieio, City Manager, Saxman (Sitka)

The witness stated his support for HB 752, saying that it would help the City of Saxman preserve its rich totem pole heritage.

Ron Inoye, Fairbanks

Mr. Inoye said that the money could be used to enhance existing facilities. He also stated that many communities need assistance to plan future facilities.

Kathy Suttle, Kenai

Ms. Suttle supports the bill and read a statement from the Mayor of Kenai also in support of the bill.

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Ruth Hart, Anchorage

Ms. Hart commended the application process for funding of the facilities. She also stated that the bill would preserve the cultural heritage of all different cultures within the state.

Pat Szabo, Kodiak

Ms. Szabo read a statement in support of the legislation and stated that school gyms are the current facilities used to house cultural facilities in the state and that they are not adequate to meet the needs of the arts.

Jay Satterfield, Dillingham Arts Council

Mr. Satterfield voiced his support for the legislation.

Mathilda Kushnick, Ketchikan

Ms. Kushnick stated that Saxman needs a long house to pass along the native cultural heritage to the younger generation and to house artifacts that are currently being housed in inadequate locations.

Ruth Burnette, Fairbanks City Council

Ms. Burnette voiced the support of the Fairbanks City Council for the bill.

Frances Meeks, Kenai

Mr. Meeks expressed support for HB 752.

Marlene Lund, Southeast Alaska Regional Arts Council

Ms. Lund expressed support for all facilities on a statewide basis. She also noted that the council could help communities in the planning of their facilities and otherwise assist in the application process.

new
tape
00 Carolyn Floyd, President, Kodiak Community College

Ms. Floyd supports the bill and feels that it will enhance further development of the arts in Kodiak.

Dan O'Brien, Dillingham

Mr. O'Brien expressed his support for the bill.

Ron Wendete, Ketchikan

Mr. Wendete noted that the local vote portion of the legislation keeps taxpayers from being saddled with a tax burden that they do not want.

Sid Wright, Petersburg High School (witness in Juneau)

Mr. Wright stated that gyms are inadequate to put on cultural presentations. He also stated that the plans for the Petersburg facility include design safeguards. He concluded by stating that the facilities would "provide a legacy for our children".

Robert Sanderson, John Morris, Hydaburg (witnesses in Juneau)

The witnesses expressed a need for a facility for Hydaburg. Currently, presentations take place in the library and other illfitted places. Everyone in the community is for the facility and the City has donated land as a site. Maintenance has been planned for extensively

page three.

Bob Vaughn, Chair, Association of the Arts, Fairbanks

Mr. Vaughn went on record as "heartily endorsing" the bill even though Fairbanks does not have a solid plan for how to use forthcoming funds yet.

Francis Jones, Kenai Arts Guild

Mr. Jones described the inadequate facilities presently housing cultural events in Kenai and stated that Kenai is asking for about \$ 5 million from the state to build a multi-purpose facility.

Clothilde Behovel, Sitka Fine Arts Facility Committee

Ms. Behovel explained that the City would maintain the building and that a balance of arts and athletics is sorely needed.

Donald Fields, Kodiak

Mr. Fields stated that HB 752 would promote community participation, enhance management skills in the community and provide meaningful entertainment for the community's youth.

David Carlson, Mayor, Dillingham

Mr. Carlson stated that he was very much in favor of the bill and that preparations for the site and for local funding were underway.

Tom Joelson, Asst. City Manager, Valdez

Mr. Joelson described Valdez's plans for the money. They will build a theatre/auditorium complex and are asking for 50% of the funding for it from the state.

Virginia Klepser, Chair, Alaska State Council on the Arts, Ketchikan

Ms. Klepser voiced her support for the legislation.

Mayor William Wood, Fairbanks

Mayor Wood stated that he is "rather excited" about the whole process of funding cultural facilities.

1028 After closing remarks, the meeting was adjourned as the teleconference network had to go off the air.

Members present:

Buchholdt, Chair
Munson
Miles
Barnes

1028 The first item on the agenda was to confirm two members to the State Board of Education.

Vincent Casey

Mr. Casey was up for confirmation for a second term on the state board of education. He was asked by the Chair to talk about his philosophy of education. He stated that he supports emphasis on "basics", self discipline and equal access to education for all children in the state. In response to questions from the Committee, Mr. Casey stated that he was supportive of successful "alternative" programs and that he wished to open the state board up to the public in a meaningful way. He also stated that the board should be more involved in providing quality education in the unorganized boroughs and that he hopes to help the state board evolve a better method of dealing with the rural areas school boards. Finally, Mr. Casey stated that the state board should provide for mechanisms to make local boards more accountable.

Both Reps. Munson and Miles commended Mr. Casey for his work with schools in the state.

1323 Rep. Miles moved his endorsement by the Committee. The motion was passed
1366 and the Committee recommended by its action that Mr. Casey be confirmed to serve a second term on the state school board.

1374 Alaire Stanton

Ms. Stanton was before the Committee for confirmation of her appointment to serve a first term on the state school board. She stated that her philosophy was to bring education to all children while taking into account each child's specific needs. She also stated that she was in favor of the state school board taking a stronger role in the provision of quality education for the rural areas. In response to questioning, she also stated that she hoped that the school board would also take a stronger position in bringing about a more equitable distribution of state funding for education. School board members should also receive pay for their service, she further stated.

00 Rep. Barnes noted that she strongly disagreed with Ms. Stanton's last point
new tape in Ketchikan at the moment, she said, because of the current problems that the school board was trying to straighten out that she had intimate knowledge of. She also pointed out that another member of the state school board was also a member of her local board and that her term was not up for a long time to come.

After much discussion, Rep. Miles pointed out that perhaps the Committee was not being fair to Ms. Stanton, in light of the other member's dual appointments, and in light of her obvious qualifications to serve on the state board. Rep. Miles suggested that she check back with the Governor

Ms. Stanton replied that she would resign her position on the local board if the Committee wished her to. It would be easier on her personally, she stated, because it would be less work but it would be hard on Ketchikan. She was concerned about "equitable treatment for all board members", however, and asked the Committee what it planned to do about the other member. She felt that a consistent policy in this regard was very important.

The Committee members all agreed to this and the Chair stated that she would have to look into the matter. Since the other member was not up for confirmation, it might be possible only to have the legislature request the school board to ask the member to resign her local board position. In any case, the Chair stated, the situation would be settled and a policy would be enacted in some form or another. The Chair asked Ms. Stanton to contact her in the following day so that her confirmation conditioned upon her resignation of the Ketchikan position could be straightened out and so that the policy towards other board members could also be firmed up.

- 318 The Committee then took up HB 752, the bill appropriating money to the cultural facilities development fund. Rep. O'Connell testified to the needs of the Kenai peninsula for a civic center and for funding for the center through HB 752.
- 535 Rep. Munson moved that the Kenai request for \$5,477,550 be added to the total request of HB 752. The motion was passed by unanimous consent.
- 555 Rep. Munson then moved that \$18 million also be added to the bill for a museum in Anchorage. This motion also passed by unanimous consent.
- 639 Rep. Munson then moved the bill be reported out of Committee with the appropriate adjustment made to the total figure. The Chair added that there would be a letter of intent attached to the CS stating what the Committee intended the money to be spent for.
- 658 The motion passed by unanimous consent.
- 660 The Committee then took up HB 672. After a small discussion, Rep. Barnes moved that the bill be reported out of Committee. The motion was passed by unanimous consent.
- 715 The meeting was adjourned.

MINUTES
House HESS Committee
3/18/80
Evening Session

Members present:

Buchholdt, Chair
Munson
Chatterton

- 715 The meeting consisted of a teleconference and a public hearing on HB 956, a bill providing \$450,000 for development of a transitional mental health facility in Anchorage.

All those who testified through the teleconference network were from Anchorage.

Robert D. Bowers, Governor's Mental Health Advisory Council

Mr. Bowers testified that he was "basically in favor of the intent of the bill" because there was no comprehensive transitional facility in Anchorage to meet the needs of mental patients at the moment. He noted that there were some problems, however. \$450,000 was not nearly enough money and the bill includes no specific description of the program and facility operations that the money would pay for, he stated.

The Chair explained to Mr. Bowers that the \$450,000 figure came from a specific proposal and budget outline that was presented to the Committee. Rep. Munson added that the Committee's main concern is just "to get the money available".

Dr. Vreeman

Dr. Vreeman reiterated Mr. Bowers' testimony, but he also stated that he "wholeheartedly" supports HB 956.

Mason Robinson, Superintendent, API

Mr. Robinson voiced API's support for the bill but asked where the facility would be.

Rep. Munson explained that an appropriation bill does not normally include specifics regarding facility location and program operations. She stated further that her idea was to provide money for "start up costs" for such a program and facility. The Chair reiterated Rep. Munson's statement and said that the bill was not designed to be a "comprehensive package" but rather to provide seed money for a "pilot program".

Gladys Thompson

Ms. Thompson favors the intent of the bill but sees that the perennial zoning problem that such facilities encounter would arise again. However, she noted that various events in Anchorage made her hopeful for zoning reform.

Jim Parsons, Alaska Mental Health Association

Mr. Parsons stated that he agreed with Mr. Bowers' concern over the "lack of detail in so short a bill". He also expressed his concern over the zoning problem that he was sure that the facility would run into. He does favor the bill, however, because it would serve the needs of those patients who need some formal care but are also capable of getting a job and otherwise living within the community at large.

Betty Halsey, REACH

Ms. Halsey noted that she shared the concerns of the other witnesses and that she wondered if there would be a huge agency fight over who would implement the bill. However, she stated that the bill was good because it would help the entire family of a mental patient by taking some of the burden off the family by having a place for the patient to stay outside of the family home for the transitional period.

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Paul Choquette, AMHA and a "consumer"

Mr. Choquette voiced his support for a "wonderful, wonderful idea". He asked that the government remember to work closely with the consumers. He also noted that the bill would save money in the long run because it would cut down on the number of people who repeat their stays at API.

There was a discussion between the Committee members and Mr. Choquette about the zoning problem.

Fred Selkregg, AMHA

Mr. Selkregg noted his support for HB 956. He said that upgrading existing boarding homes was not, in his opinion, as good as an expenditure as building a new yet comprehensive service facility.

Dr. R. Fechi, Municipality of Anchorage

Dr. Fechi expressed the Municipality's support for the facility but noted the same problems as some of the other witnesses.

Rep. Munson again explained the reasons why the bill lacked specificity. She also noted that the pilot program would serve all Alaskans discharged from API, not just Anchorageites.

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There were no further witnesses in Anchorage, so the Chair asked if anyone in the Committee Room would like to testify on the bill.

Dr. Vernon Stillner, Division of Mental Health and Developmental Disabilities, H&SS

Dr. Stillner voiced the Department's support of the intent of the bill. He stated that Anchorage would be an appropriate place for a pilot program since API and the Anchorage Community Health Center are there. He suggested that the Committee consider a similar facility for youth at some point.

There were several discussions with Dr. Stillner and the Committee. Rep. Chatterton asked if the facility would be for those coming in as well as coming out of API and Dr. Stillner responded that it could be. There was also discussion of whether severely disturbed patients would ever be chosen for the facility since it will house so few patients. There was also a discussion of who pays for such a service, ultimately. It was also decided that youth and children should not be served in the same facility but in separate ones.

549 Roger Van Waggoner, Executive Director, Hope Cottages

Mr. Van Waggoner stated that Hope Cottages had parallel experiences to those of the kind of facility envisioned in HB 956 and that those experiences might be "helpful" to the Committee. One such experience is "exclusionary" zoning policies, he stated. He harangued such policies. He also stated that eventually the problem of retarded people with emotional problems as well would need to be addressed.

654 The meeting was adjourned.

MINUTES
House HESS Committee
3/19/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Barnes

655 The Committee's first order of business was to reconsider the confirmation of Alaire Stanton to the state Board of Education. The Committee discussed a staff report which showed that two of the board members were not registered voters and that many of them had no political party affiliation. The Committee members discussed the ramifications of these findings and it was generally agreed that future board members should be affiliated with one party or another. It was also agreed that future members should be registered voters. The Chair explained that Ms. Stanton and she had discussed the Governor's lack of a position on Ms. Stanton's dual board positions. Since the Governor is presently out of town, it was decided that final action on Ms. Stanton's appointment would not be taken until he returns and has a chance, personally, to reconsider his position on the matter. The Chair told the Committee that she would write a letter to the Speaker telling him that Mr. Casey and Mr. Burgess had been confirmed in their appointments.

974 The Committee then took up HB 15.

Rep. Randy Phillips, prime sponsor

Rep. Phillips stated that the bill would amend present longevity bonus statutes to allow senior citizens who have lived here for 30 years cumulatively (instead of consecutively) to qualify for the bonus. He said that this would amount to a form of tax relief for older people on social security who are not paying state taxes.

Rep. Miles said that he fully supported the bill. He then left the Committee room.

1107 Vern Perry, Director of Pioneer Benefits Division, H&SS
Mary Schaeffer, Administrator, Longevity Bonus Program

Both witnesses strongly supported the bill and suggested minor language changes to make the intent of the bill clearer. They also suggested that an effective date be added to the bill.

The Chair made the proposal that the section of the existing statute relating to absence from the state be partially repealed. This would have the effect of allowing those who leave the state to qualify for their longevity payments immediately upon their return, instead of having to wait a full year to qualify. Rep. Munson was in agreement with the Chair, stating that in the long run it might save the state money because people could go outside for indefinite periods of time, knowing that they would qualify immediately for the payment when they return. The other members were also supportive of the Chair's proposal. The witnesses stated that the fiscal impact would not be that great since there were not too many older people in this category at present.

1372 Hesdon D. Scoogel, Petersburg

Mr. Scoogel said that he was in full agreement with the Chair's proposal. He related personal experiences depicting the extreme necessity for the bill.

1495 Rep. Munson moved that the Chair's proposal to amend AS 47.45.030 as specifically stated in Committee be added as a new section 4 to HB 15. The motion was passed by unanimous consent. Rep. Munson then moved that a new section 5 be added to the bill that would include an effective date clause for July 1, 1980. This motion was also passed unanimously.

1522 Rep. Barnes moved that the word "continuously" be added to line 18 of the bill between the words "state" and "for". This amendment was suggested

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Mr. Perry and Ms. Schaeffer. Rep. Munson objected to the amendment stating that it would defeat the purpose of the amendment which just passed. After much confusing discussion, Mr. Perry stated that it would be best to leave out the whole 5 years clause altogether.

1615 At that point, Rep. Barnes withdrew her motion and moved to strike the five years clause from line 18. This motion passed unanimously.

1632 Rep. Munson moved that the bill be reported out of Committee as amended. This motion passed unanimously.

1638 The Committee then took up HB 861, a bill to establish a water and sewer revolving fund. Rep. Munson, the bill's prime sponsor, explained that the purpose of the bill would be to allow areas that are in the process of being developed to get funding to put in sewer lines. Presently, an area has to wait until it is entirely populated before it can afford to put in these utilities. She said that, since introducing the bill, she had been provided information that had convinced her that the water problems were already taken care of under existing law and that the bill should be amended to relate to sewer problems, only.

1695 Keith Kelton, Department of Environmental Conservation

Mr. Kelton stated that the Department had no serious problem with the bill but had a few remarks to make about it. First, there is another bill, SB 436, that would raise state participation in the construction grant program to 75%. This would take care of many of the problems that new areas have, he said. He also suggested that the program called for in HB 861 would perhaps be better placed in another department's program as the Construction Grant Program did not have the proper expertise or capability at present and would have to develop that expertise and capability in order to carry out the bill's provisions. Lastly, Mr. Kelton stated that \$5 million would be inadequate to cover expenses for very long. It would last about five months, he said.

1754 Rep. Miles reentered the Committee room.

There was discussion among the members and the witness about whether there was a need for the bill given Mr. Kelton's information.

Mitch Gravel, Municipality of Anchorage

Mr. Gravel stated that the Municipality fully supports the bill.

new Rep. Munson stated that she would find out which Department the revolving fund
tape should be put in, and generally research the need for the bill and bring
00 her information back to the Committee.

The meeting was adjourned.

MINUTES
House HESS Committee
3/21/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Barnes
Hurlburt

- 820 In addition to other opening remarks, the Chair asked the Committee members to consider the school construction bills packet placed before them. She asked them all to familiarize themselves with the bills and the backup on them before April 3 when the Committee would take them up in Committee.
- 909 The Committee then took up HB 79, a bill relating to the practice of optometry. The Chair explained that there was really no need for further testimony as both sides had provided the Committee with plenty of testimony and correspondence stating their respective views. She said that there seemed to be no way to compromise on the bill and that it was simply up to the Committee to take action one way or another.
- 925 Rep. Hurlburt moved that the bill be "untabled". There was a discussion as to whether or not the bill had been tabled last session. When it was decided that it was tabled, Rep. Hurlburt's motion was passed by unanimous consent and the bill came before the Committee.
- 1034 Rep. Miles moved that the Committee substitute for HB 79 be reported out of Committee.
- 1039 The motion was passed unanimously.
- 1044 The Committee then took up HB 936, a bill providing services for displaced homemakers.
- 1062 Liz Muktarian, H&SS
Ms. Muktarian testified in support of the bill. Her testimony echoed the comments of others made during the previous teleconference on the bill.
- 1183 Fred Ali, Deputy Director of the CETA program, C&RA
Mr. Ali voiced the Department's support for the concept of the bill but suggested several changes in the bill's language. Chief among his concerns were: 1) would the centers receiving funding under the bill have to provide all or only a part of the services mandated, 2) would coordination with other state agencies be mandatory so that program overlap would not occur, 3) how would the "mechanics" of the program be implemented, and could they be implemented smoothly, 4) in lieu of the tax credit section, could the Committee consider supporting SB 496, the Alaska Job Credits bill instead, and 5) the effective date clause of the bill. He also suggested that the bill could be expanded to cover job and other services for all types of disadvantaged people, not just displaced homemakers. He closed his statements by saying that the Department was "very proud" of the Fairbanks displaced homemakers program and that it would like to see other programs in the state developed along those lines.

There were various questions about Mr. Ali's testimony and a discussion of the Department's fiscal note.
- 1615 Rep. Miles left the Committee meeting.
- 1615 Doris Simon, Assistant Director of Employment Services, Dept. of Labor
Ms. Simon noted the Department's support for the concept of the bill but suggested some changes. She stated that the intent of the bill could be taken care of by expanding the Department's WIN program.

Rep. Hurlburt left the Committee meeting.

page two.

Under question from the Committee, Ms. Simon stated the expansion could only be in the job-related areas of the bill and that WIN would be hard pressed to cover other areas such as health care counselling that the bill would mandate coverage for.

1779 Rep. Hurlburt returned to the Committee meeting.

Ms. Simon emphasized that she was really attempting to get the Committee to see the need for coordination among the state departments in implementing the bill.

1810 Jerry Hiley, DOE

Mr. Hiley expressed for the bill and for Mr. Ali's comments about it. He also suggested that the money be spent first on developing pilot programs before it is spent statewide.

new -- After miscellaneous questions for Mr. Hiley, the Chair said that she would
tape like staff, in conjunction with Mr. Ali, to prepare a list of the amendments
00 suggested by witnesses in this hearing and in the previous teleconference.
She also asked that a CS for the bill be prepared reflecting those amendments.
She stated that the Committee would take up the amendments and the CS at
a mark up session on the bill sometime in the near future.

125 The meeting was adjourned.

Introduced: 2/18/80
Referred: Health, Education & Social Services

1 IN THE HOUSE

BY MCKINNON, ROGERS AND PHILLIPS

2 HOUSE BILL NO. 802

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to nurse midwives."

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

8 ~~DELETE~~ → * Section 1. AS 18.20 is amended by adding a new section to read:

9 Sec. 18.20.055. NURSE MIDWIFE STAFF PRIVILEGES. A hospital may
10 not be issued a license unless the hospital permits nurse practitioners,
11 certified as nurse midwives in accordance with regulations adopted under
12 AS 08.68.410(5), to practice as nurse midwives in the hospital.

13 * Sec. ¹ AS 21.42 is amended by adding a new section to read:

14 Sec. 21.42.347. ~~REQUIRED PROVISION FOR~~ ^{FOR} COVERAGE OF COST OF SERVICES
15 PROVIDED BY NURSE MIDWIVES. All individual and group health insurance
16 policies providing coverage on an expense-incurred basis, and all indi-
17 vidual and group service or indemnity contracts issued by a nonprofit
18 corporation, shall provide that the health insurance benefits applicable
19 to maternity shall be payable for maternity services furnished by ad-
20 vanced nurse practitioners certified to practice as nurse midwives in
21 accordance with regulations adopted under AS 08.68.410(5).

22 ~~DELETE~~ → * Sec. 3. AS 21.51 is amended by adding a new section to read:

23 Sec. 21.51.335. SERVICES PROVIDED BY NURSE MIDWIVES. A policy of
24 disability insurance providing indemnity for hospital, nursing, medi-
25 cal, or surgical services may not be issued or delivered in the state
26 unless indemnity is provided in a reasonable amount for the cost of
27 maternity services furnished to covered persons by advanced nurse prac-
28 titioners certified to practice as nurse midwives in accordance with
29 regulations adopted under AS 08.68.410(5).

~~ELETE~~ → * Sec. 4. AS 21.54 is amended by adding a new section to read:

2 Sec. 21.54.080. SERVICES PROVIDED BY NURSE MIDWIVES. A policy of
3 blanket or group disability insurance providing indemnity for hospital,
4 nursing, medical, or surgical services may not be issued or delivered in
5 the state unless indemnity is provided in a reasonable amount for the
6 cost of maternity services furnished to covered persons by advanced
7 nurse practitioners certified to practice as nurse midwives in accor-
8 dance with regulations adopted under AS 08.68.410(5).

~~ELETE~~ → * Sec. 5. AS 21.84 is amended by adding a new section to read:

10 Sec. 21.84.285. SERVICES PROVIDED BY NURSE MIDWIVES. A society
11 may not deliver or issue for delivery in the state a certificate or
12 other evidence of a contract of health insurance unless the benefits
13 provided include indemnity in a reasonable amount for the cost of matern-
14 ity services furnished to members and their families by advanced nurse
15 practitioners certified to practice as nurse midwives in accordance with
16 regulations adopted under AS 08.68.410(5).

~~ELETE~~ → * Sec. 6. AS 21.87 is amended by adding a new section to read:

18 Sec. 21.87.125. SERVICES WHICH MUST BE PROVIDED BY SERVICE COR-
19 PORATIONS. A medical service corporation, hospital service corporation,
20 or combined medical and hospital service corporation

21 (1) furnishing services under AS 21.87.120(a)(1) must also
22 provide for its subscribers maternity services furnished by participant
23 nurse midwives;

24 (2) providing indemnity under AS 21.87.120(a)(2) must also
25 provide to its subscribers indemnity for the cost of maternity services
26 furnished to subscribers by nonparticipant nurse midwives, subject to
27 AS 21.87.070(4);

28 (3) providing indemnity under AS 21.87.120(a)(3) must also
29 provide to its subscribers indemnity for hospital services furnished to

1 the subscriber while under the care and treatment of a certified partici-
2 pant nurse midwife or under the care and treatment of another nurse
3 midwife upon referral of a participant nurse midwife.

4 *Sec. 2. AS 21.84.590(6) is amended to read:

5 (6) AS 21.42.290 and AS 21.42.347

6
7 * Sec. ~~7.~~³ AS 21.87.330(8) is amended to read:

8 (8) "participant physician" means a doctor, dentist, osteo-
9 path, optometrist, chiropractor, nurse midwife, or other licensed health
10 care practitioner who has entered into a service agreement with a ser-
11 vice corporation; and

12 * Sec. 4. AS 21.87.330(9) is amended to read:

13 (9) "physician" means a doctor, dentist, osteopath,
14 chiropractor, nurse midwife, [INCLUDES ALSO "] surgeon["], or
15 other licensed health care practitioner.
16

17
18 * Sec. ~~8.~~⁵ AS 21.87.330 is amended by adding a new paragraph to read:

19 (10) "nurse midwife" means a registered professional nurse who
20 is certified as an advanced nurse practitioner under AS 08.68.410(9) and
21 authorized to practice as a nurse midwife under regulations adopted in
22 accordance with AS 08.68.410(5).
23

24 *Sec. 6. AS 21.87.340(15) is amended to read:

25 (15) AS21.42.35 and AS 21.42.347
26
27
28
29

MINUTES
House HESS Committee
3/20/80

Members present:

Buchholdt, Chair
Munson
Miles
Hurlburt

63 The Committee took up HB 820, a bill providing for the practice of midwives in hospitals.

100 Rep. Joe McKinon, prime sponsor

Rep. McKinon presented a proposed committee substitute to the Committee that would take care of technical problems with the bill. He also stated that the bill, as amended, would have a much better chance of passing the Senate. The CS would still allow nurse midwives to deliver babies and be covered under various insurance policies, but the doctor associated with the midwife would formally admit the patient and, technically, the nurse midwife would be doing the work as his associate.

277 There were several questions raised about the specific language of the bill, and the Chair, at the suggestion of Rep. McKinon, asked Don Koch, Division of Insurance, to come to the table to answer questions. Mr. Koch explained that the original bill mandated nurse midwife maternity coverage for all insurance providers, including those whose programs were designed to specifically cover one type of medical cost, such as dental care. The CS would mandate, instead, that carriers could not discriminate against nurse midwives only in regard to maternity coverage. Also, other language changes in the CS would force hospital insurance carriers to cover maternity care provided by midwives. The original bill would have only forced the other types of carriers to provide this coverage because of the statutes quoted in the original version of the bill.

Mr. Koch stated that the Division of Insurance would fully support the bill as long as the CS was adopted by the Committee.

569 Barbara Walker, Alaska Nurses Association

Ms. Walker expressed the Nurses Association's support for the bill. She voiced four recommendations from the Association for the Committee: 1) Cover nurse midwives under Blue Cross, 2) extend medicaid coverage to nurse midwives, 3) expand the bill to cover care by all nurses, and 4) to pass the CS instead of the original bill.

Rep. Munson asked Mr. Koch and Debby Behr about the feasibility of having Medicaid coverage for nurse midwives. Ms. Behr stated that she did not think that the Department would have any trouble with that, although she would like to check out specific language with the federal government and also with the Commissioner. The Committee decided to let Medicaid coverage be considered at another point in the legislative process on HB 802.

773 Rep. Miles moved that the CS for HB 802 be adopted by the Committee. The motion was passed by unanimous consent.

777 Rep. Miles moved that CS HB 802 be reported out of Committee. This motion was also passed unanimously.

799 After closing remarks, the meeting was adjourned.

MINUTES
House HESS Committee
3/24/80

Members present:

All members were present at the beginning of the meeting.

126 The first item of business for the Committee was HB 935, a bill providing a special appropriation to Rural CAP to study children's needs.

164 Bill Parker, prime sponsor

Rep. Parker stated that Rural CAP had the most expertise in the state as far as preschool children's needs assessment capability is concerned. He also noted that there are no real development plans for kids at this age even though it is widely agreed that these are the most important years in a child's development. He also stated in response to questioning that no state agency was interested in doing the study--another reason why Rural CAP is expected to receive the grant.

418 Phil Smith, Executive Director, Rural CAP

Mr. Smith described the "budget crunch" that Head Start programs were currently experiencing in Alaska. He stated that the study was needed before comprehensive recommendations could be made concerning the subject of planning education for preschool kids.

806 Marie Pignalberri, Deputy Commissioner, C&RA

Ms. Pignalberri voiced the Department's support for the bill and stated that she hopes that the day care concerns of C&RA will be coordinated with Rural CAP's study.

850 There was a lengthy discussion of the proposed budget and the time frame for expenditure of the funds requested. It was finally decided that the Chair would revise the budget with input from Mr. Smith.

938 Rep. Miles moved to report the bill out of Committee. The motion was passed by unanimous consent. The Chair noted that the Committee members would wait until the CS was prepared, with the new budget reflected in it, to sign the bill report.

956 The Committee then took up HB 936. There were several amendments made to the bill, as reflected in the attached partial CS. Since there was only enough time to cover amendments through page 3 of the bill, the Committee put off further consideration of HB 936 until later in the week.

Both Reps. Miles and Chatterton left the Committee during the above discussions and amending of HB 936.

The meeting was adjourned.

Proposed CS for HB 936 (Work completed by Committee thus far)

1 For an Act entitled: "An Act relating to displaced homemakers; and providing
2 for an effective date."

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

4 Section 1. LEGISLATIVE FINDINGS AND INTENT. (a) The legislature finds
5 that there is an increasing number of persons in the state who, after having
6 fulfilled the role of homemaker for a number of years of their life, find
7 themselves "displaced" through the death of a spouse, divorce, separation,
8 desertion, or loss of family income. The legislature finds that displaced
9 homemakers are often without any source of income, face continuing discrimina-
10 tion in employment because they frequently have no recent work experience and
11 may be older than other applicants for employment, are subject to high rates
12 of unemployment and are ineligible for unemployment insurance because they have been
13 engaged in unpaid labor in the home, may be ineligible for categorical
14 welfare assistance, are ineligible for social security if they have
15 been divorced from the family wage earner, may have lost their rights as
16 beneficiaries under employers' pension and health plans through death of a
17 spouse or divorce despite the contribution of years to the well-being of the
18 family, and may be ineligible for Medicaid and unable to purchase private
19 health insurance because of age and lack of income. The legislature further
20 finds that homemakers are an unrecognized part of the work force of the state
21 who have made an invaluable contribution to the welfare of society.

22 (b) It is the intent of the Act to

23 (1) provide the necessary counseling, aptitude testing, training,
24 employment placement, and other services for displaced homemakers [;]
25 through contracts with public or private nonprofit organizations and by utilizing
26 expanding existing state programs.

27 (2) improve the mental and physical health and welfare of this
28 growing group of members of the community; and

29 (3) provide displaced homemakers with independence and economic
30 security vital to a productive life.

31 Sec. 2. AS 47 is amended by adding a new chapter to read:

32 CHAPTER 90. DISPLACED HOMEMAKERS.

33 Sec. 47.90.010. PROGRAM ESTABLISHED. (a) The commissioner, in
34 consultation with state and local governmental agencies, community groups,
35 and groups concerned with displaced homemakers, may contract with public or
36 private nonprofit organizations for multipurpose service centers for displaced
37 homemakers [.] and expand existing state programs through reimburseable service
38 agreements.

39 (b) The commissioner shall adopt regulations prescribing the standards to

Proposed CS for HB 9
page 2.

1 be met by each multipurpose service center for displaced homemakers
2 in accordance with the policies established in this chapter.

3 (c) The commissioner shall establish a competitive contract procurement
4 process that ensures free and open competition for funds allocated for
5 programs established in this chapter. As part of this procurement process,
6 it is intended that public or private nonprofit organizations and state
7 agencies may propose to provide all or a portion of the services listed
8 under AS 47.90.020.

9 Sec. 41.90.020. MULTIPURPOSE SERVICE CENTERS. A multipurpose service
10 center for displaced homemakers established under AS 47.90.010 may provide
11 the following services:

12 (1) job counseling services which shall

13 (A) be specifically designed for displaced homemakers;

14 (B) counsel displaced homemakers regarding job opportunities; and

15 (C) consider and build on the skills and experience of a
16 homemaker and emphasize job readiness as well as skill development;

17 (2) job training and job placement services which shall

18 (A) emphasize short-term training programs which expand
19 upon homemaking skills and volunteer experience and which lead to
20 gainful employment;

21 (B) develop through cooperation with state and local
22 government agencies and private employers training and placement
23 programs for jobs in the public and private sector;

24 (C) assist displaced homemakers in gaining admission to
25 existing public and private job-training programs and opportunities
26 including vocational education, reentry into secondary and postsecondary
27 educational facilities, and apprenticeship training programs; and

28 (D) assist in identifying community needs and creating new
29 jobs, including nontraditional occupations for displaced homemakers,
30 for displaced homemakers in the public and private sector;

31 (3) health counseling services including referral to existing
32 health programs with respect to

33 (A) general principles of preventive health care;

34 (B) health care consumer education, particularly in the
35 selection of physicians and health care services including health
36 maintenance organizations and health insurance;

37 (C) mental health care and transitional counseling;

38 (D) family health care, dental care and nutrition;

39 (E) alcohol and drug abuse; and

40 (F) other related health care matters;

41 (4) financial management services which provide information
42 and assistance relating to insurance, taxes, estate and probate matters,

Proposed CS for HB 9

page 2.

- 1 mortgages, loans, and related financial matters;
- 2 (5) educational services including
- 3 (A) information, including the availability of monetary
- 4 assistance programs, relating to courses offering credit through
- 5 secondary or postsecondary education programs and reentry programs,
- 6 including bilingual programs if appropriate; and
- 7 (B) information about other programs [DETERMINED BY THE
- 8 COMMISSIONER TO BE] of benefit to displaced homemakers;
- 9 (6) legal counseling and referral services; and
- 10 (7) information services with respect to federal and state
- 11 employment, education, health, public assistance, and unemployment assistance
- 12 programs which the commissioner determines to be of benefit

The Committee stopped its deliberations at this point (end of page 3 in original bill).

MINUTES
House HESS Committee Meeting
3/25/80

Members present:

Buchholdt, Chair

Munson

Miles

Beirne (Dr. Beirne arrived nine minutes early at the meeting)

Chatterton

Hurlburt

00 Opening remarks

25 The Committee first took up HB 374, a bill to equalize the cost of residential care for the elderly. The Chair asked Rep. Munson to recap action taken on the bill last year. Rep. Munson explained that she worked with the Departments of Administration and H&SS to prepare a CS for the bill but that the prime sponsor of the bill, Rep. Duncan, was not pleased with the proposed CS. She recommended that the Committee look at both the CS and the original bill.

130 Rep. Duncan, prime sponsor

Rep. Duncan stated that the bill had been through much discussion since he had introduced it and that many complications had developed since that time. He feels that the intent of the bill is simply to provide an alternative form of care for those Pioneers who do not wish to enter Pioneer Homes. The revised fiscal note prepared by the Department of H&SS is to get the bill moving, he said. The misunderstanding surrounding the bill's intent is unfortunate, he also said. He asked that the Committee pass the original bill and not consider the CS.

There was much discussion of the merits of the CS versus the original bill. Rep. Munson explained that the CS was prepared last year when the legislature was experiencing a tight budget situation. Since financial constraints are not a problem this year, she recommended that, in light of Rep. Duncan's statements, that the Committee consider the original bill.

Dr. Beirne and Mr. Duncan discussed who the bill would help, if it would discriminate against nonPioneer elderly. Dr. Beirne reiterated his problems with the bill several times and culminated his statements with the comment that the Pioneers "already get an inordinate amount of the pie".

During this discussion both Rep. Miles left the Committee and Rep. Hurlburt joined it.

748 Dove Kull

Ms. Kull testified to the need for the bill so that fewer families would be separated because of old age and illness.

892 Debby Behr, H&SS and George Michaels, Div. of Administration

The witnesses were asked by the Chair to come and elaborate on the new fiscal note that they had prepared. They explained the particulars behind the fiscal note---how the various estimates were made and what figures they were based on. After much discussion of these figures and what types of care should be included in the bill, Rep. Munson suggested that the Committee had spent enough time already on the bill and that they should stop playing around with it and pass it out. The Chair agreed with Rep. Munson and said that she would like to revise the fiscal note to reflect her concern that less money be spent on administering only a pilot program and more money be spent on providing services throughout Alaska.

page two.

- 1610 Rep. Chatterton moved that the bill be reported out of Committee. The motion was passed unanimously. The Chair noted that she would prepare a revised fiscal note.
- 1635 The Committee then took up HB 956, a bill providing a transitional mental health facility for Anchorage.
- 1643 Rep. Munson moved that the bill be reported out of Committee with the following minor amendments reflecting testimony received on the previous teleconference on HB 956. On line 7 of the bill, add the words "the operation of" between "for" and "a". Add the same language to line 13 between "for" and "a". Also, change the date on line 16 to 1982. Rep. Munson's motion passed unanimously.
- 1672 The Chair directed the Committee to study the school construction packages in preparation for the April 3 meeting and also to study the health care legislation summary that she passed out at that time.
- 1683 The meeting was adjourned.

MINUTES
House HESS Committee
3/25/80
Evening Session

Members present:

Buchholdt, Chair
Munson
Beirne
Chatterton

00 The business before the Committee was mark up of HB 479, a bill revising the state's drug laws.

The Chair asked Rep. Munson, Chair of the subcommittee assigned to prepare a proposed CS for the bill, to report to the full Committee on the subcommittee's deliberations. Rep. Munson explained that the Committee used HB 479 as the main vehicle for the legislation but that many of the provisions of the Governor's bill, HB 628, were incorporated into HB 479. The proposed CS also contains provisions from HB 101, the so-called "Peace Officers' Bill", she further explained. All of the drug schedules remained unchanged from the original HB 479 (also the same as HB 628), she stated, and the subcommittee had amended the powers of the advisory board and had changed various penalty provisions for distribution, and possession. They had, for example, left present law regarding possession on the books (in keeping with the suggestion of the Peace Officers), and had made the penalty for distribution of any drug to a minor an unclassified felony. Rep. Munson closed her remarks by stating that HB 479 was now "a pretty tough bill".

The Committee, after a few questions, began to go through the bill and make further changes. Please refer to the CS to see the exact language of these changes. All Committee members agreed on all of the amendments made, and they were passed unanimously. The following amendments were made: the Committee further lessened the powers of the advisory board by allowing them to recommend schedule deletions and additions instead of promulgate regulations regarding such changes; it switched around the provisions regarding legal possession amount limits to put greater emphasis on numerical descriptions of legal amounts; it changed the marijuana possession provisions by referring to existing law instead of quoting that law verbatim in the bill; it deleted the definition of "precursor" from the bill; it corrected the repealer section; and it provided for an effective date of October 1, 1980 for the bill and changed the title to reflect this addition.

During work on the bill, Dr. Beirne left the Committee room but returned to vote on motions and on final action on the bill.

new
tape
100

Rep. Munson moved that CS HB 479, as amended by the Committee, be reported out of committee. The motion was passed unanimously.

Rep. Chatterton commended Rick Sbodny, for his invaluable help with the Committee's work on the bill. The other members and staff concurred with Rep. Chatterton's commendation.

After closing remarks, the meeting was adjourned.

Members present:

Buchholdt, Chair
Barnes
Chatterton
Hurlburt
Beirne
Miles

139 The Committee took up HB 830, regarding consolidation of state advisory drug abuse and alcohol abuse boards.

172 Cindy Whalin, aide to Rep. Meekins, prime sponsor

Ms. Whalin provided the Committee with a section-by-section analysis of the bill.

359 During Ms. Whalin's testimony, Dr. Beirne arrived.

454 Bob Cole, Director, alcoholism abuse program, H&SS

Mr. Cole testified in favor of the bill. He stated that the provisions in the bill relating to matching grant money were designed to help those communities with no tax generating base to get money from the state despite their lack of a tax base. These provisions would allow a community unable to generate local financial support for a program to get most or all of the money needed from the state. However, communities that could generate local money would only be able to get 75% of the program costs from the state. Mr. Cole also reiterated a comment that Ms. Whalin had made earlier that the advisory boards affected by HB 830 had all approved the changes called for in the bill. In response to a question from Rep. Chatterton, Mr. Cole stated that the alcohol board's role was a dual one in that it was mandated to protect public safety by combatting alcohol abuse while at the same time it was also expected to improve commerce by promoting the sale of alcohol in the state.

600 Rep. Miles left the Committee room.

722 Rep. Barnes left the Committee room.

735 Rep. Miles returned to the Committee room.

The Chair asked Mr. Cole why the boards had lent their support to the bill when in the past, they had always been against such a bill because they would each lose a considerable amount of the power in the consolidation process. Mr. Cole said that the answer lay largely in the amount of pressure that the boards had received from the local programs that they administer.

809 Dennis Kelso, consultant to Rep. Meekins about HB 830

Mr. Kelso stated that in the past there was only minimal attention focused upon the problems associated with the promotion of alcohol sales by the boards. By combining the boards, Rep. Meekins attempts to combine control of the effects of commercialization and treatment programs. The idea behind the bill is to consolidate and coordinate these two, often conflicting, goals. He also stated that the problem of matching grant contributions from local communities has often crippled rural small communities in dealing with these problems in the past. Without the ability to generate local funds, they were unable to receive any state funds and, thus, went (and are going) without programs.

During the discussion with Mr. Kelso, Rep. Barnes returned to the Committee room and Rep. Miles left the room and returned again.

There then followed a lengthy discussion of whether or not urban areas should be "penalized" because they are able to generate local funds. The Committee members seemed to feel that all communities should receive equal funding from

1460 the state and that the state should pay for a large percentage of all the local programs, even if it was possible for the locality to pay for a part of the program itself. In other words, the Committee was seeking to strive for equality in state funding, despite localities' individual financial situations. (In the middle of this discussion, Rep. Miles left the committee room again.) Many of the witnesses tried to convince the Committee that the provisions in the bill should remain as they are and that local areas without tax bases should be given a break because they so sorely needed the funding.

1540 David Katzeek

Mr. Katzeek testified to the need for inequitable funding in favor of rural areas in this bill, despite his overall support for and agreement with the concept of equality in state funding.

The Committee reiterated its earlier remarks in this regard.

There was a discussion of the effectiveness of alcohol abuse programs and how difficult it is to quantify their effectiveness.

1763 The meeting was adjourned with the Committee expected to work further on the bill in the near future.

MINUTES
House HESS Committee Meeting
3/26/80

Members present:

Buchholdt, Chair
Miles
Chatterton
Hurlburt
Munson
Beirne

00 The Committee took up HB 690, general obligation bonds for the University of Alaska.

34 Jay Barton, President, University of Alaska

President Barton explained that many of the items listed in HB 690 had already been taken care of through other bills. He explained that the items left would not make a balanced package and would not be approved by the electorate, he thought. He also explained that he was aware of the legislature's concern that bonds should be saleable due to the present weakness of the bond market. He suggested that the legislature give him an amount to work with, and that he would provide them with a new priority list in a matter of hours from which to chose projects.

299 Dr. Beirne entered the Committee room.

The Chair suggested that either the Committee could choose projects or they could wait for the bill to reach Sen. Hackney's committee and let him take care of it.

Rep. Hurlburt brought up the needs of the McGrath community for a learning center.

Rep. Chatterton suggested that it would be politically more expedient for Mr. Barton if the Committee would choose the projects with his advise, instead of the other way around. It was agreed that this would be the best approach.

With this decision made, the Committee discussed the merits of the various projects included on the priority list of the University. After much discussion, they finally included the following projects for funding under HB 690:

- #2-UA/Fairbanks: Seward Marine Education Center
- #8- Learning Center: McGrath and Galena
- #12-UA/Fairbanks: Central Receiving
- #13-CC/Prince Wm. Sound: Classroom/Office/Library
- #15-CC/Sitka: Sewer connection
- #17-CC/Anch: Applied Science Bldg.
- #22-CC/Anch: Purchase ABE Bldg.
- #25-UA/Anch: Bookstore
- #30-CC/Chukchi: Voc. ed. Bldg., equipment

Kenai peninsula: classroom + shop building

655 Rep. Miles left the Committee room.

1046 Rep. Chatterton made a motion to include all the above items in HB 690. The motion passed unanimously.

1085 Rep. Chatterton then made a motion to report the bill out of Committee. That motion also passed unanimously.

1119 The meeting was adjourned.

MINUTES
House HESS Committee
3/28/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Barnes

1119 The first item on the Committee's agenda was HB 651, a bill to establish an independent community college system.

1130 Kerry Romesburg, Executive Director, Postsecondary Education Commission

Mr. Romesburg reported to the Committee on the stance of the community college policy advisory committees (PACs) and on the Commission's position with regard to HB 651. He stated that the PACs were opposed to this type of bill at the present time. He emphasized the temporal aspect of their position. He also stated that they were not happy with the present structure of the University and the community college system, but that they were not for separation at this time.

The Commission is not in favor of adopting a funding formula for comm. colleges because it is not possible to accurately estimate the appropriate level of funding that would be necessary.

Both groups favor a CS for HB 651 which would establish an interim subcommittee composed of two representatives, two senators, and Mr. Romesburg as an ex officio member, to look into the problems and to come up with a solution.

He stated, in response to questioning, that if the present problematic aspects of the relationship between the University and the community colleges can be worked out, then there would be no need for separation. Perhaps the subcommittee could devise some appropriate solutions.

The Chair stated that such a CS would, of course, carry a price label but that it would be much less than the cost of the original bill. Rep. Munson approved this approach and the Chair stated that she would draft a CS reflecting the subcommittee suggestion when she received the PACs' formal statement of their position.

1320 The Chair then requested that the Committee members carefully study their packets on HB 977, the health care legislation that the Committee would be discussing all next week.

1350 The Committee then took up HB 936.

The Chair explained that she had heard many complaints that HB 936 would destroy the nuclear family. She stated that this was certainly not the intent of the bill and that she did not personally feel that it would do that. Rep. Halford, who was sitting in on the meeting, said that he would report back to those who had generated such feelings and explain that he did not think that the bill would destroy the family, either. He had read through it, and would stay for the Committee's mark up on the bill and inform those who were concerned.

The Committee looked over its past work on the bill, presented in the form of a draft CS. It then took up further amendments to the bill.

1454 Rep. Munson moved that the following sentence be added to the end of section 2, AS 90.030, after the wording on line 5, page 4 of the original bill: Under the procurement process established under AS 47.90.010, the commissioner will give preference to applicants proposing to fill staff positions with displaced homemakers. The motion passed unanimously.

1503 Rep. Munson then moved that Mr. Ali's (who was present at the meeting) wording for AS 47.90.060 be added and that the original wording be deleted. The amendment passed unanimously.

page two.

- 1553 Rep. Chatterton moved that lines 8 through 14, page 5 be deleted. The motion was passed unanimously.
- 1565 There was a discussion of item (A) under the definition of a displaced homemaker. It was finally decided to delete "without compensation" from the definition on line 2, page 5. Rep. Barnes made the motion which was passed unanimously.
- 1840 The Committee returned to page 4 of the bill, line 17 and deleted "AS 47.90.060 and AS 43.20.037" and replaced it with "this Act".

new tape

- 300 Rep. Chatterton brought up several objections to Mr. Ali's proposed effective date clause. There was much discussion of an appropriate effective date among the Committee members and it was finally decided to use January 1, 1981 as an effective date. The Committee also decided to attach a letter of intent and a fiscal note to the bill reflecting the need for FY '81 funding to C&RA to do the necessary regulation adoption, consultation and other functions necessary to start up the program before 1/1/81.
- 530 The Committee then returned to a discussion of the proper definition for displaced homemakers, at Mr. Chatterton's insistence. After much disagreement as to the proper course of action, the Committee finally decided on the following amendment by Rep. Chatterton, further amended by Rep. Munson: page 5, delete lines 2-5 and replace that language with "(A) has been a homemaker for at least six years dependent on the income of a family member; and ". Also, reletter section (C) to section (B). The motion was passed unanimously.

The Committee also added the following words, on motions by Rep. Chatterton, to page 1 of the draft CS: Line 24, add "opportunities" between "placement" and "and". Line 29, delete "provide" and add "assist" and delete "with" and add "in achieving".

- 751 Rep. Munson moved and asked unanimous consent that the bill be reported out of Committee as amended. The motion passed.
- 757 The meeting was adjourned.

MINUTES
House HESS Committee
4/1/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Miles
Beirne
Hurlburt

00 The Chair brought the meeting to order. The meeting consisted of a hearing on HB 977, comprehensive state health insurance, that was broadcast over the teleconference network.

95 Donald Ching, Hawaii State legislator

Mr. Ching came from the State of Hawaii to talk about the similarities and the differences between the existing Hawaii statute and HB 977. He prefaced his remarks by stating that HB 977 was comprehensive and "far reaching" and that it could represent an answer to the people's problems regarding health insurance. He stated that the following provisions were what made the bill comprehensive and more complete than the Hawaii statute: (1) coverage for employee dependents, (2) medicare coverage, (3) coverage for the uninsurable, (4) the establishment of a joint underwriting association, and (5) the allowance of deductibles.

Mr. Ching explained that the Hawaii statute was currently under litigative attack by Standard Oil Company. That suit is presently before the 9th Circuit Appeals Court.

He noted that Hawaii had set up a supplementation fund to pay premiums for employees unable to meet that obligation. He stated that that fund had hardly been touched and that through its investments it had made over \$800,000 for the State of Hawaii. He used this as an example of how little money the Hawaii statute was costing the state. He stated that employers pay the biggest chunk of the health insurance costs in Hawaii.

There was a discussion about the fact that around 97% of Hawaii's population is covered by some type of health insurance.

Rep. Hurlburt asked if natives would be able to opt out of the Alaska plan due to existing coverage by the Indian Health Service. Mr. Ching stated that it was his understanding that that would be a "political and social" decision that the Alaska legislature would have to make and that costs would need to be taken into account. The Chair explained that native groups had indicated that they would introduce an amendment to the Act to have the Act treat them as individuals, not as members of a racial group, so that they could receive coverage under it.

Rep. Chatterton asked about dependent coverage. Mr. Ching explained that employees who wish to have dependents covered must pay for the additional premiums themselves. However, he noted that most employers will pick up this tab for their employees.

800 Rep. Miles left the Committee room.

Rep. Beirne asked if Mr. Ching thought that Alaska, given its oil wealth, should pick up 100% of the cost of the bill. Mr. Ching cautioned that the legislators should provide as much as they could, but that they should not get themselves into a position that they could not extricate themselves from without extreme political costs. He stated that they should provide a level of funding that they could support in the bad times as well as the good. "Don't pay too much of the tab in the beginning...", he stated, "you can still be heroes further down the road."

page two.

Mr. Ching stated that he was not very optimistic about national health insurance legislation passing Congress because there are too many diverse geographical interests to resolve. Rather, he feels that states should attack the problem on their own and that if a plan does develop that would benefit the country as a whole, then that plan can be lobbied for on a national level. He reiterated his earlier point that maybe the Alaska plan will develop into a prototype for national legislation, or for implementation on a statewide basis in other states. He stated that only time would tell, however, if administrative and other problems would develop.

Mr. Ching stated that the Committee was very likely to run into opposition from insurance companies and that he did not think that there was any way to avoid it.

The Chair asked if there were any people about on the teleconference network that would like to ask a question of Mr. Ching. A person from Nome asked why state employees were exempted from the Act. Mr. Ching stated that they are already covered under a program designed especially for state employees.

1000 Rep. Hurlburt left the Committee room.

Mr. Ching stated that if there was any further assistance that the State of Hawaii could offer in the area of administration of the program or in any other area, it would be forthcoming.

The Chair asked if there was anyone in the audience in Juneau who wished to testify. Since no one responded, the meeting was adjourned.

Members present:

All members were present at the start of the meeting.

758 The Chair stated that the Committee would be hearing testimony on HB 977, providing comprehensive health care in the state, for most of the week. The first witness would be John Ingrassia, from Minnesota, to talk about how the Minnesota plan resembles one part of HB 977. A Mr. Ching from Hawaii would be with the Committee tomorrow to discuss another section of the bill (he was originally scheduled to come before the Committee today but was unable to get here on time).

802 John G. Ingrassia, Supervisor, Life and Health, Insurance Division, Dept. of Commerce, State of Minnesota

Mr. Ingrassia described the Minnesota health insurance for the Committee. He began his testimony by stating that the most important part of the Minnesota plan that is included in HB 977 is the creation of an association to control expenses incurred through the provision of catastrophic illness coverage. All health insurance carriers would participate in the association and thereby share the risks of the plan. The state would cover the losses of the carriers by allowing them to deduct any losses taken from their tax liability to the state.

There would be three different categories of plans that employers could provide. Insurance carriers could develop several different options for employers to choose from within each category. However, an employee could not pick and choose which items he or she would like his insurance to cover, rather, he or she would have to choose one of the preplanned packages that the insurance company or the employer would present to him. \$250,000 would be the maximum life time benefit.

Mr. Ingrassia stated that Alaska might want to consider mandating that all plans include "chemical dependency" coverage as well as coverage for alcoholism. The plans cover treatment for "conditions" such as pregnancy, obesity, etc., as well as coverage for illnesses and diseases.

There would also be a state plan providing minimum benefits that an individual could pay for if he could not find someone to cover him because he had a heart attack or some other serious illness that no one wished to provide further insurance against.

1300 Rep. Miles left the Committee.

The self employed would be covered because they would also qualify for the state plan since they would not be getting a plan from their employer in the private sector.

There would also be a provision in the Act that would allow employees to receive coverage when they are in a period of unemployment.

Mr. Ignassio stressed the point that everyone could get coverage through one form or another, even those who traditionally are not able to because they are high risk investments.

There were several questions from the Committee members on the above subjects. In addition, Rep. Chatterton asked if the Minnesota law was not presently embroiled in a court battle to have its constitutionality determined. Mr. Ingrassia explained that this was indeed the case.

new tape

00 Rep. Munson stated that the Minnesota plan did not require employers to provide insurance but that it required employers to make insurance available.

Mr. Ingrassia stated that there has not been a major influx of people into Minnesota to profit from the Act. This had been a fear before enactment that has never materialized.

There were other questions, and the meeting was eventually adjourned for lack of further time to carry on the discussion.

MINUTES
House HESS Committee
4/1/80
evening session

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton
Barnes

1219 The meeting consisted of a teleconference on HB 977, an Act providing comprehensive health insurance for the state.

1264 Bill Weimer, Anchorage

Mr. Weimer proposed comprehensive health and dental programs that each citizen would be enrolled in. The programs would be subject to competitive bid proceedings and the state could pay monthly premiums. If there was an adverse impact on employers, state could provide some form of supplementation. This would be a way to distribute the state's wealth equally. Processing of the bill in Alaska would provide more jobs.

There was discussion between the members, the audience and the witness about how much oil wealth the state really has, and how much of it should be spent on health insurance.

Nick Noll, Fairbanks Eye, Ear, Nose & Throat Clinic

Mr. Noll stated that he hadn't had enough time to review the bill.

The Chair asked if he could send written comments, when he has time, especially regarding the proposed medicaid plan and how that would effect the present payment system.

Donald Thieman, Fairbanks Medical Association

Mr. Thieman stated that he had so little notice on the bill that he hadn't had time to prepare any comments.

Chris Beardsly, Providence Hosp., Anchorage

Ms. Beardsley stated that she had just received the bill but she made several comments anyway. She said that it seemed that some employers' liability for premium and withholding payments would be greater than others because of the discrepancy in wage levels. She also stated that the Medicaid sections would reward the physicians and that further work was needed to improve this section. She made several other comments and stated that these would be incorporated into a position paper which she would present to the Committee.

David Mather, Tanana Chiefs Conference

Mr. Mather stated that he had only had time for a cursory review of the bill, but that he very definitely supported its goals.

new tape

Margaret Wolfe, Anchorage

Ms. Wolfe noted that the bill would exclude outpatient mental health care coverage. She also stated that small employers would be severely impacted by the bill. She said that she supports a penalty for late payment of premiums.

page two.

Angie Hague, National Association of Social Workers

She stated that she did not have sufficient time to review the bill but that she supported timely reimbursement of payments to providers of services, dental, prenatal and high risk coverage, coverage for the medically needy, and buying private insurance with medicaid funds.

Penny Hladna, Anchorage

Ms. Hladna supports provisions for the medically needy, alcoholism treatment, routine exams, high risk, cash advance and interest. She also stated that doctors routinely refuse to handle medicaid patients.

Gordon DePew, Fairbanks Life Underwriters Association

Mr. DePew was angry that he had not been informed about the bill; he stated that he received the legislation summary by accident. He said that it was the most inflationary piece of legislation that he had even seen and that it called for coverage exceeding mandatory coverage in six states. He said that the bill would bankrupt employers. He said that mandatory coverage in a state with so little population would mean that many insurers would leave the state and that small companies would go under.

Bernie Barr, International Rehabilitation Association, Anchorage

Mr. Barr was curious about what coverage for rehabilitation services would be provided. Debby Behr, from H&SS answered that she thought that physical therapy and similar services would be covered.

Gil D'Ignorente, Anchorage

Mr. D'Ignorente complained about the short notice given for the hearing. He stated that insurance rates would rise by \$100-150 per person.

Candice Berry, Welfare Rights Organization, Anchorage

Ms. Berry voiced her support for the bill. She stated that uninsured poor women currently suffer the most and that only 6% of ob-gyns accept medicaid patients.

Pudge Kleinkoff, National Association of Social Workers

Ms. Kleinkoff supported coverage for poor and otherwise needy people. She stated that she would like to receive a copy of the bill's fiscal note. She also questioned whether coverage for the medically needy would eliminate their coverage under General Relief Medical.

Frank Austin, CEJ, Black Caucus, Anchorage

Mr. Austin endorsed the concept of the bill and stated that he would try to write a position paper for the Committee.

Susan Johnson, Chris Billington, NOW

The witnesses voiced their support for the bill.

Nancy Lander, WPA

Ms. Lander expressed support for the bill. She stated that it should include coverage for mental health problems.

MEETING
House HESS Committee
4/2/80

Members present:

Buchholdt, Chair
Chatterton
Munson
Miles

The meeting consisted of a public hearing on HB 977, an Act providing comprehensive health insurance on a statewide basis.

1442 Don Koch and Jim Jordan, Division of Insurance, Dept. of Commerce

Mr. Koch stated that the Division is not in favor of the bill although it applauds the concept of providing health insurance for all Alaskans. He stated that though the bill was like Hawaii's and Minnesota's legislation, combining those two states' plans and adding a new "Alaskan" section made the bill entirely different from either states' plans and allowed for very little comparison between the other states' plans and HB 977. He stated that the experience of the other two states would not be the same as what would happen in Alaska if HB 977 were enacted.

Mr. Jordan then made several statements to the Committee, addressing several problem areas of the bill from the Division's point of view. He stated that litigation pending against the Minnesota and Hawaii statutes involved issues that were also addressed in HB 977. This would mean that if enacted, HB 977 could also be subjected to litigation. The Hawaii suit centers around who can be considered a self insurer and therefore exempt from the law.

Mr. Jordan brought up two areas of statutory conflict that would be created by enactment of the bill. He said that creation of an underwriting association would conflict with existing law that states that a group may not form for the purpose of becoming insured. The other area of conflict involves the proposed provision to give the director 90 days to certify qualified plans. This conflicts with an existing statute stating that the director can have only 30 days to complete filing of forms.

He further stated that the provisions for determining amounts of employers' contributions to pay for the health insurance are discriminatory. Also, the method of making a determination would be cumbersome, time consuming and costly for the employer.

He said that there could be a problem with a couple that could receive dual coverage. One partner could work for the state and get coverage and the other could work for a private employer and also get coverage. Since coverage in both instances would include dependents, both people would be covered twice. They could conceivably get 100% of their health costs paid under dual coverage, instead of the 80% allowed. They would have to pay double premiums, but conceivably this could be worth it to them if they would get all their health care costs paid.

He stated that the term "prepaid health care" as used in the bill should be changed to provide more specific language to better mesh with the provisions that the phrase is currently found in. The same comments were made about "defray or reimburse".

He asked how employers would be able to comply with the President's wage guidelines and comply with HB 977.

He noted several problems with the premium supplementation section of the bill. He stated that the section may provide payments too late and that there was not enough data to know how often and how much supplementation would be necessary.

page two.

He said that there may be a problem finding enough domestic carriers in the state to provide enough competition to bring about reasonable insurance rates for employers.

new
tape
00 There would also be problems with having outside carriers, in terms of getting immediate payments to providers.

There would be cost problems with this outside carrier situation, and also cost problems for the employers.

He concluded his remarks by stating that there may also be other conflicts of law which called for further research, including the possibility that Blue Cross could be excluded from providing coverage in Alaska if HB 977 was enacted.

200 Rep. Miles left the Committee room.

Mr. Koch provided testimony for the Committee that consisted of a section-by-section analysis of the bill. He noted several areas of proposed language change and suggested several interpretations for policy changes that the bill would bring about. He was unable to complete his analysis because of time constraints, and so the Chair asked him to come back and continue his analysis at another hearing. He completed comments on Section 1 of the bill, only.

1350 The meeting was adjourned.

MINUTES
House HESS Committee Meeting
4/3/80

Members present:

Buchholdt, Chair
Beirne
Chatterton
Hurlburt
Barnes

1351 The subject before the Committee today was school construction bills.

1372 Don Bates and Keith Gerkin, DOTPF

The witnesses discussed a report that they presented to the Committee. The report was the result of a mandate from the legislature to DOTPF to develop a data base for the condition of all state funded schools and what it would cost to maintain those facilities in good condition.

The report covers only those facilities that have been inspected. It describes mechanical, electrical, plumbing and other deficiencies and the cost of correcting the problems that exist.

Mr. Gerkin noted that none of the facilities inspected have handicap facilities and that many share the same fire safety problems. He said that the report was prepared by DOTPF, but that final decisions regarding which facilities should be upgraded, and the specifics of how they would be upgraded, are to be made by DOE, in conjunction with the school districts involved.

Mr. Bates described the various levels of funding expected from other pieces of legislation that would take care of code problems, energy conservation upgrade, and architectural upgrade.

There were questions from the Committee about specific districts. There were other questions, too. Rep. Beirne asked if it would be appropriate to have standardized designs for schools and other educational buildings throughout the state. The witnesses answered that it would probably not be appropriate since different areas' needs would be different and therefore building specifications would be best tailored to individual community's needs. Rep. Hurlburt asked if wood was used as a heating source and if local timber was used in the construction of buildings. The witnesses stated that the later concern could be better encouraged and that some wood is being used for burning now and that new buildings contemplated do have wood burning heating facilities. They also noted that they are looking into other types of alternative energy source uses.

new tape

The Committee then decided to come up with a way of dealing with the various school construction proposals. Rep. Hurlburt passed around a proposed substitute for his HB 484 adding approximately 13.5 million dollars to his original district school construction requests. The Chair said that since this was such a large increase, the members would need a chance to review the requests contained in Rep. Hurlburt's CS.

The Chair stated that even though it was hard to prioritize all the requests contained in the various bills before the Committee, it was nevertheless, absolutely necessary to do this before sending the bill on to the Finance Committee. After some discussion of the need for priorities, the Chair announced that each member should make a list of his or her priorities and give it to the Chair. The list would be secret and known only to the member and the Chair. She would draw up a CS based on everyone's lists.

page two.

200 The Committee then took up consideration of HB 805, appropriating \$600,000 for an addition to teach mentally retarded students in the Valdez School District.

Rep. Margaret Branson, District 5

Rep. Branson stated that the \$600,000 figure represented the difference between the state's reimbursement on the bond and the cost of providing a new wing on the Valdez school. She described the need of the Harborview facility for this wing and how it would benefit the students that it would serve.

The Chair stated that she supported the project because it would service kids from around the state even though the facility is located in Valdez.

Rep. Chatterton requested testimony from the Department of Education before taking a vote on the bill. He wanted to know about costs, and about possible plans that would be less expensive. After some discussion, the Committee decided to honor Rep. Chatterton's request.

Julie Wroe, a HESS Committee aide, gave the Committee some information to make their tasks a bit easier. She told them which bills would be taken care of through other legislative channels, and stated which bills were considered especially important by particular legislators.

There was a discussion of how difficult it would be to prioritize the requests but how necessary that process was to come up with a workable bill. It was decided that it was HESS's responsibility to come with a list, despite the political consequences.

The meeting was adjourned.

MINUTES
House HESS Committee
4/8/80

Members present:

Buchholdt
Munson
Beirne
Hurlburt
Miles
Barnes

742 The meeting was called to order. It consisted of a teleconference on HB 977, a bill providing for comprehensive health care insurance in the state.

Rose Palmquist, Anchorage

Ms. Palmquist stated that action on the bill should be delayed until next session so that there could be more public digestion and comment on the bill. After her testimony, under questioning from the Chair, she stated that she did not think that the legislature was trying to push the bill through without public input, but her suggestion was made because she thought that such a long and complex bill should be subjected to the kind of thorough scrutiny that could not be completed before the end of this session.

She also testified that the bill would further "feather the nests" of the doctors in the state and that it would encourage rising medical costs. She said that Alaska's seniors support national health care, but do not support state health care insurance. She stated that if the bill was passed, that it should be amended to provide better cost containment and to better protect consumers.

Nick Noel, Ear, Eye and Nose Clinic, Fairbanks

Mr. Noel stated that he was here to listen, not to testify, and then made the following comments. Employers would be unduly burdened with the cost of providing health care. However, providers of health care would have their current medicaid problems taken care of under HB 977.

Donna Hays, Norton Sound Health Corporation, Nome

Ms. Hays noted her organization's support for HB 977 because poor, especially rural poor, currently go without health insurance because the costs are so high. She asked that the Committee consider changing the exemption status for those who currently receive health care under the Indian Health Service so that they may receive health care under HB 977 if they so choose.

Herb Berkowitz, Anchorage

Mr. Berkowitz stated that he has no "personal or professional axe to grind on the subject" but that he considers the bill a "massive intrusion into the private sector". He stated that it would be "extremely destructive to the state" to pass HB 977. There would be huge administrative costs and the government should not be interfering in private enterprise and the existing healthy competition for insurance. He concluded his remarks with some general comments about the ills of large bureaucracies and how HB 977 would add to these ills.

The Chair stated her personal feeling that the state should be responsible for certain basic needs of the citizenry such as adequate health care. Mr. Berkowitz disagreed. Rep. Barnes stated that she had problems with the bill, similar to the ones that Mr. Berkowitz had raised. He commended her for that position.

page two.

The teleconference had no further witnesses at the time, so the Chair asked if there were witnesses in Juneau who wished to testify.

1210 Joan Gaumer, Blue Cross of Washington and Alaska

Ms. Gaumer addressed her comments to three specific sections of the bill: (1) minimum benefits, (2) medicare supplement, and (3) the tax offset provisions.

In regard to the minimum benefit section, Ms. Gaumer stated that there was absolutely no guarantee of cost containment. A definition of what is medically necessary is needed, she stated, and coverage should be based on that definition. She also said that licensure for practitioners should be established so that slippage through loopholes would be discouraged. There is no reference to a practitioner's scope of coverage, she stated, and this would mean that services outside the scope of coverage could be paid for. She stated that custodial care should be clarified so that covered services would not be extended indefinitely. It could turn into an "endless cycle of expenses and treatment", otherwise. She stated that the provisions relating to oral surgery and home health care should be better defined as to limits on coverage as well as medically necessary transportation and birth defects. Well baby care should also be more fully defined. Finally, she stated that the provision for payment of annual physicals should be changed to payment for a physical every three years to keep in line with the American Medical Association's new guidelines on the subject.

In regard to the medicare/medicaid supplements section, Ms. Gaumer stated that such coverage is currently available for disabled persons under age 65. She also said that if the Committee does decide to keep this section in the bill, it should not provide coverage for dental care, durable medical equipment, prostheses and prescription drugs because it would be far too expensive for the state. She referred the Committee to the Congressional debates on the original medicaid bill so that they could see how Congress agonized over inclusion or exclusion of these services.

Ms. Gaumer said that there would be grave discrepancies in the amount that insurers would pay to cover losses according to the present tax offset provisions of the bill. Premium payments for self insurers, non profit insurers and commercial insurers would all be different. Commercial insurers would be at a great advantage and the industry would therefore become "totally noncompetitive". Commercial insurers would not have to raise costs to their consumers because of the great tax offset that they will receive. She suggested that the Committee consider replacing this section with a method whereby a loss for one year would be offset by increased premiums paid by the insurers in future years.

Ms. Gaumer concluded her testimony by stating that she would have further comments on other sections of the bill that would be presented to the Committee in written form.

Rep. Munson asked Ms. Gaumer if she had any comments on the "high risk" coverage sections of the bill. She replied that she did not, and Rep. Munson said that she would hand her some specific questions to be answered later.

Rep. Munson also asked if she could give any estimates as to costs of the bill for insurers, consumers, etc. Ms. Gaumer stated that these types of figures were extremely hard to come up with and would be "guesstimates" at best but that she would try.

At this point, there was further testimony to be heard through the teleconference network.

1581 Mason Preston, Bethel

Mr. Preston asked if certain groups already covered under national prepaid plans would be excluded from coverage under HB 977, such as natives. The Chair responded that it was not meant to discriminate against such groups, but that the Committee did not know what such groups did want. However, she explained, the Committee expected testimony from native groups and other affected organizations very soon as to whether or not they wanted

page three.

to be excluded from coverage under HB 977.

Rosy Porter, Bethel

Ms. Porter expressed praise for the bill's intent but feared that small businesses would be saddled with an unmanageable financial burden. Either they would deduct the cost of coverage from their already inadequate employee salaries or they would lose employees altogether from paying them less. She said that she was aware of a supplemental assistance section to help out such employees but she stated that most hardworking small business people would not take any form of welfare.

The Chair stated that the Committee was aware of the dilemma for small businesses and that they would try to come up with a solution.

Rep. Hurlburt asked if the government should pay for health care with the oil revenue. Ms. Porter said that she would "absolutely love it".

1711 After a few closing comments, the meeting was adjourned.

MINUTES
House HESS Committee
4/9/80
evening session

Members present:

Buchholdt, Chair
Beirne
Barnes
Chatterton

00 The meeting consisted of a teleconference to all sites regarding HB 977, a bill establishing statewide health care insurance coverage.

Dave Stratton, Chair, Fairbanks Association of Life Underwriters

Mr. Stratton stated that the bill was an example of socialized health care. He said that the consumer would not benefit from the bill and that the rapid rise in costs for employers would lead to massive lay offs. He said that, for an employee who earns \$2500 a month, an employer would have to pay \$700 per year for his health care coverage. The cost of administrating the small business subsidy provisions would also be extremely high.

Mr. Stratton talked about problems with the minimum benefits section of the bill. He said that it would tend to increase the average price of premiums because there was no reference to medically necessary coverage, no way to control reasonable prices for services, no licensure for providers, no way of controlling what is medically necessary transportation, and because there is no cost limitation on physicals or emphasis on diagnostic treatment instead of annual physicals.

He stated that the medicaid supplement section of the bill was a great idea but that it covered services that should not be covered because the cost of premium would also be raised by inclusion of these services.

In conclusion, Mr. Stratton stated that the bill was a vehicle for the state to provide medical care insurance to those people that cannot get such insurance through private enterprise---the poor and those in the high risk category. All taxpayers would have to pay for insurance for only these categories and this would be "appalling".

Thomas Titzke, Anchorage

Mr. Titzke objects to the clause in HB 977 which says that an employee may not refuse to have health care coverage because it violates that employee's rights as an individual. That employee should have the right to chose coverage through a private carrier if he so desires, Mr. Titzke feels. HB 977 is just another example of "increased socialism" and it can only result in increased costs to consumers as employers pass on their added costs to them, according to the witness.

Warren DVorak, Carroon, Black & Dawson, Fairbanks

Mr. DVorak feels that the bill is totally unnecessary because the average level of coverage presently provided in the state is far superior to that provided in Plan #3. Also, he feels that HB 977 would impose serious problems on small businesses who will fold under the pressure and therefore their employees, who need health care and other assistance the most, will be without work and income altogether.

Bob Snider, So. Alaska Life Underwriter, Chamber of Commerce

The bill is an example of "insidious socialism" and the witness voiced opposition to it "in its entirety". He said it would "stunt economic growth" and damage competition among insurance carriers. The employees and the consumers would lose out and the only winner would be state bureaucracy, according to Mr. Snider.

page two.

The reporting requirements of the bill represent "bureaucratic cancer" and there is no definition of a resident.

Larry Smith, Coalition for Economic Justice

Mr. Smith indicated that he was not an expert on insurance but that he applauded the bill because it is designed to help the poor and to make sure that all employees get health care. He stated that it was a "tremendously good idea" because the poor are the ones going without health care now.

Robert Lohr, Deputy Director, RuralCAP

Mr. Lohr prefaced his remarks by saying that they were "technical" in nature, only. He stated that the criteria for eligibility for assistance should not be the 150% of CSA guidelines presently in the bill. Rather, the Committee should consider developing a standard that would be tied to the lower living standard of the Bureau of Statistics since this figure more accurately reflects the poverty level in Alaska, especially rural Alaska. Mr. Lohr also pointed out a possible drafting error for staff to look into. He stated that because of the eligibility requirements, a very poor person would have to have extremely high medical costs in order to qualify for assistance. He offered his help in rewording this section.

Mike Donahan, Akila House

Mr. Donahan stated that health care should be our "birthright". He suggested that the Committee consider adding substance abuse treatment to the minimum benefit section since only alcohol treatment was mentioned in the original version of HB 977.

Karen Foster, Anchorage

Ms. Foster expressed support for the bill and stated that women, especially assault victims, would benefit greatly from it, because of the proposed increase in medicaid benefits.

Barbara Kalbach, Anchorage

Ms. Kalbach stated that she was for the bill because the medically needy would benefit.

Andrew Piekarski, Anchorage

Mr. Piekarski wondered whether seasonal employees would receive enough coverage and whether the burden would be placed to severely on employers to cover the costs of the plans.

996 After closing comments, the meeting was adjourned.

MINUTES
House HESS Committee
4/9/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Chatterton

992 The Committee's first item on the agenda was HB 545, a bill amending the child protection laws.

1005 Rep. Charles Parr, prime sponsor

Rep. Parr explained that the bill would treat mental abuse of children in an equal manner to physical abuse.

There was a discussion to the Department's suggested change in the definition of mental abuse in section 7 of the bill. Rep. Parr stated that he had no strong objection to their suggestion but that his language was taken from national statutes. Rep. Munson suggested that both definitions be included.

Rep. Chatterton suggested that the word "harm" be added to line 11, page 1 of the bill between the words "mental" and "or".

1225 Liz Muctarian, Department of Health & Social Services

Ms. Muctarian stated that the Department would have no problems with both Rep. Chatterton's and Rep. Munson's proposed amendments to the bill.

1251 John Garvin, Executive Director, Alaska Children's Services

Mr. Garvin expressed his organization's support for the bill due to their experiences dealing with children in the state.

1279 The Committee turned to mark up of the bill. They accepted the concept of both amendments discussed above, and left the wording of the amendments to the draftors of the committee substitute for the bill.

1411 Rep. Munson moved and asked unanimous consent that the CS for HB 545 be reported out of Committee. The motion was passed.

1427 The Committee then took up HB 922, a bill relating to child care costs for foster homes.

1442 Frederick McGinnis, Deputy Commissioner, Dept. of H & SS

Mr. McGinnis stated that the bill would allow the Department to pay foster families who would provide specialized care for problem children instead of institutionalizing these children. The children who would be effected are those who should be in the home setting but have such severe problems that they cannot be placed in regular foster homes at present.

The Chair asked Mr. McGinnis if the process to become licensed to become a foster family was unduly complicated. Mr. McGinnis responded that it wasn't and that usually those who protect that it is are the ones who cannot get certified because they are not properly qualified.

page two.

Rep. Munson stated that she was very much in favor of the bill because it would provide better care for children.

Rep. Chatterton asked how the Department could guarantee that the families providing specialized care would be in the business for the good of the children and not for the money. The witness responded that the Department is required to screen all the families and that this was enough of a check against the problem that Rep. Chatterton was worried about.

1652 The Chair asked Rodger Laing, also of the Department to come to the table to answer questions of the Committee. Mr. Laing told the Committee that the bill would cover approximately 30 children at first and that it would be expanded to cover more children later on if it proved to be a successful program.

1742 Rep. Miles left the Committee room.

Rep. Munson asked how the Department would safeguard against regular foster families thinking that they were now entitled to salaries for keeping foster children in their homes. This prompted a lengthy discussion that continued at different points throughout the Committee. It was finally decided that the bill should be redrafted so that this, and other concerns brought up by other witnesses, could be taken care of.

new tape

00 John Garvin

Mr. Garvin expressed his organization's support for the bill's purpose of providing better care for problem foster children. However, he noted several problems with the bill as presently drafted and suggested that it be redrafted to address the problems that he mentioned. He stated that the bill would cost the state as much if not more than it is presently paying to institutionalize such children because of the following factors:

- (1) The state would need supervisors (social workers) to help the foster parents deal effectively with the problem children. It would need one worker for every five kids plus a supervisor for all the social workers supervising the families.
- (2) If the kids are so problematic, the state will have to pay the foster parents much more than \$700 to keep the children or else there will be a great turnover in parents and the kids will be shuffled from home to home.
- (3) The state will have to provide payment for "relief" supervision when the foster parents go on vacation or need a break from the children.
- (4) How long with the regular foster parents perform their services for free if the specialized care parents are being paid for their work?
- (5) Parents should be reimbursed for property damage done to their homes by overexcited children.

The discussion of whether or not regular foster parents would think that they would be entitled to compensation for their services, as well as other problems with the bill that Mr. Garvin brought to light, were brought up again. It was at this point that Debby Behr, Special Assistant to the H & SS Commissioner, stated that she would be more than happy to work with the Committee to redraft the bill along the lines suggested during the hearing. The Chair acknowledged Ms. Behr's offer.

page three.

670 The Committee then turned to HB 704, regarding the Department's purchase of social services for the state.

John Moletti, Alaska Children's Services

Mr. Moletti expressed opposition to the bill charging that working out contractual relationships with the Department was already a horrible process and that the bill would only worsen the existing situation.

780 Deputy Commissioner McGinnis

Mr. McGinnis voiced the Department's support for the bill so that it could draw up exact specifications for the services that it desires to be performed by private enterprises. He stated that the bill would improve the present situation and be less costly than providing services for an indeterminable number of cases.

974 John Garvin

Mr. Garvin expressed opposition and referred the Committee to the position paper on the bill that he had passed out to them.

976 Lavon Hendell, Alaska Youth Village

Mr. Hendell opposed the bill. He said that the problem is not with the legislature not taking action on the statute since enactment in 1970 but with the Department for not developing standards for allowable costs and for not defining levels of care.

He said that the Alaska Youth Village always subsidizes whatever it gets from the state with private funds which would tend to disprove Mr. McGinnis' statement that the Department gives away more money than is needed for the programs.

He said that he would be very uncomfortable in a situation where he was forced to "bid" against other providers. Children deserve the best, he stated, and their care "should not be committed to the lowest bidder".

1075 The Chair noted that the meeting had gone so far over its allotted time that the Committee had lost its quorum and so HBs 922 and 704 would be put over to another meeting.

1079 The meeting was adjourned.

MINUTES
House HESS Committee
4/10/80

Members present:

Buchholdt, Chair
Chatterton
Munson

1083 The meeting came to order without a quorum. The Chair explained that the absent members were either ill or out of town. She stated that Rep. Barnes had told her that she would go along with whatever action the Committee decided to take on the bills before it, today.

1105 The Committee first took up the proposed CS for HB 651, relating to the community college system. The CS calls for a study to be conducted on the feasibility of establishing a community college system separate from the University. The members present indicated their desire to report the bill out of Committee if a quorum ever developed.

1160 The Committee then took up HB 935, providing funds for a study by RuralCap regarding preschool children. The Chair acknowledged the revised fiscal note that had been prepared after the Committee's last meeting on the bill when they asked for a lower level of funding for the study. The Committee decided to report out this bill as well as HB 651 if a quorum developed.

1205 The Committee took a short recess.

The next item on the Committee's agenda was a presentation by Drs. Manners and Schauss on alternative health treatments. The Chair and Gary Engen introduced the doctors.

1276 Alex Schauss, University of Washington, department of biosocial research

Dr. Schauss started his talk with the statement that biochemistry is not often taught to science students, especially at the graduate level, because it is considered a "soft" science. However, he pointed out that biochemical disorders in criminals proved that there was a clear relationship between criminal behavior and biochemistry. He said that currently, the USA spends approximately \$29,000,000,000 on its criminal justice system annually, but that increasing crime rates, drug abuse, psychological disorders, etc. are the result. His point was that present treatment is not working and that alternative treatment is needed.

He stated certain findings of his research such as the fact that juvenile delinquents tend to drink enormous amounts of milk and take in enormous amounts of sugar. When their diets are restructured, their behavior changes. Most importantly, Dr. Schauss pointed out, the kids respond to this type of treatment, they want to change their diets and are receptive to this type of suggestion. On the contrary, kids generally are not responsive to traditional types of criminal justice responses and tend to try and beat the system instead of benefit from it.

Dr. Schauss also stressed the role of additives in the diet of a criminal.

He stated that the answer was to "use confinement medicinally", i.e. work to change the eating habits of criminals while they are incarcerated and to educate them to the effects that their eating habits can have on their behavior.

page two.

Dr. Schauss also stressed the role of fluorescent lighting in changing behavior. Basically, fluorescent lights cause imbalance in the air's ionization which in turn influences neurological transmitters that send aggressive or depressive messages to the brain.

In conclusion, Dr. Schauss stressed the need for legislation to allow such treatment in Alaska's criminal justice system. He stated that there are very few institutions that do implement his theories, but the ones that do experience high rates of success.

1498 Dr. Manners then gave his presentation.

He began by suggesting that the American people have been brainwashed to think that they receive great health care. Yet, "we have become the sickest nation in the world". Our system is not one of health care but rather one of "disease care". We train physicians to treat diseases not well bodies. Consequently, doctors cannot treat patients until they are sick, they cannot prevent them from getting sick. He said that great progress had been made in the 20th century for treatment of pathologic diseases (those that arise from catching a virus) but that no progress whatsoever had been made in the treatment of metabolic diseases such as cancer. This is due to the fact that physicians concentrate on using outside sources such as drugs to treat diseases instead of helping the body to heal itself. He stated that this was the major stumbling block to finding a cancer cure.

Dr. Manners then requested that the Committee take action to fund a center in Alaska that would follow along the lines of the Loyola Center that he heads. The Center would disseminate his form of cancer treatment. He also cautioned against the language of HB 977 which allows insurance coverage only for traditional forms of medical treatment. Dr. Manners concluded his remarks by offering any help he could give to get a center for alternative treatment established in Alaska.

Rep. Munson asked Dr. Schauss several questions. He made several interesting remarks in response to her questions about other specifics of his research. He also stated that the "key thing" to implementing his findings on a widespread basis would be to educate the criminal justice profession who would in turn educate the children that they work with. He also stated that advertising is a major enemy because it makes children think that the process and highly additive-inclusive foods are good for you.

new tape
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The Chair asked Dr. Manners what suggestions he had to help the legislature establish a wholistic health center in Juneau. He suggested that the doctors at the proposed center become associated with his Metabolic Research Foundation and that they would be privy to all its findings, research, funding, etc.

115 The time allotted for the meeting was well passed, and the Committee was therefore adjourned after a few closing remarks.

MINUTES
House HESS Committee
4/11/80

Members present:

Buchholdt, Chair
Munson
Barnes
Miles
Chatterton

119 The Chair reiterated yesterday's Committee action on HBs 651 and 935 for those members of the Committee who were not present.

177 Rep. Munson moved and asked unanimous consent that CS HB 651 be reported out of Committee. The motion was passed.

307 Rep. Munson moved and asked unanimous consent that HB 935 be reported out of Committee. The motion was carried.

341 The Committee then took up HB 615, a bill allowing for municipal property tax exemptions for seniors.

348 Marie Pignalberi, LeDonna Brown, C&RA

Ms. Pignalberi explained that the bill was essentially a house keeping measure that would do away with the present dual payment received by municipalities for licenses for senior citizens. The witnesses expressed support for the bill.

475 Rep. Munson moved and asked unanimous consent that HB 615 be reported out of Committee. This motion was also passed.

493 The Committee then took up HB 838, regarding debt service for school construction.

500 Steve Wohl, DOE

The witnesses stated that he was here to answer questions from Committee members. He was asked to explain the new fiscal note. He stated that the rather large figure reflects both the amount needed to pay off debt during the last two years (the catch up period) and the amount needed for the upcoming year to bring the debt current.

579 Ginny Chitwood, Alaska Municipal League

Ms. Chitwood stated that municipalities appreciate the legislature's intent to give them funding on a current year basis instead of receiving funding for debt incurred two years ago. However, she asked that before the change is made that the legislature consider funding the current law.

720 Pat Carney, prime sponsor

Rep. Carney stated that he sponsored the bill because of the great need for such a program in his district.

750 Dorothy Jones, MatSu Borough Assembly

Ms. Jones expressed support for the bill by reiterating testimony that had come before. She also provided the Committee with some dollar figures to better understand what the bill represents from a monetary standpoint.

830 Rep. Miles left the Committee room.

854 Jim Hitchcock, MatSu Borough Assembly

Mr. Hitchcock also expressed support for the bill.

892 Rep. Barnes moved and asked unanimous consent that the bill be reported out of Committee. The motion carried.

896 The final item on the Committee's agenda was HB 830, a bill combining the alcohol and drug abuse boards.

900 George Mundel, Office of Alcoholism and Drug Abuse, H&SS

Mr. Mundel stated that a new fiscal note had been prepared. He also addressed himself to a section of the bill that the Committee had expressed problems with at their last meeting on the bill. That section, on page 2, would discriminate in favor of the rural areas as far as funding goes. They would be exempt from coming up with matching funds, or get a larger share of state matching funds than rural areas would. Mr. Mundell stated that this section would not alter the amount of money that is currently given to urban areas for alcoholism and drug abuse programs and that they would receive more under the bill as would rural areas. The only difference would be that the rural areas would not be providing as much local money since it was difficult to generate without a local tax base.

Rep. Munson asked how this would affect the North Slope Borough. Mr. Mundel stated that this was somewhat of a problem but that that borough is the only rural wealthy one that might get a better break than the urban areas. The Department would establish regulations to deal with this problem. There was much discussion of this point.

Rep. Barnes stated that her recollection of the last meeting was that the Committee was going to prepare a CS that would provide for only 10% matching funds from the locality for both rural and urban areas. The Chair responded that this was her recollection, too, and that she would have the CS prepared if the Committee still wished her to do so. She added that the fiscal note reflects such an increased level of state funding.

1144 At this point, Cindy Wells, from Rep. Meekin's office (the prime sponsor of the bill), interrupted and asked if this would mean that the sentence in the present language for the match grant funding that states that extremely poor rural areas would not have to put up any matching money would be deleted from the bill. She said that this was a "major need in rural, rural areas". Rep. Munson asked if such areas were not able to come up with in-kind matching contributions. Ms. Wells, with the assistance of Mr. Mundel, answered that it was often hard for them to come up with enough in-kind match or, in some cases, they were unaware of the process needed to prepare in-kind contributions for the match. The 100% grants these communities could be coupled with instruction on how to apply for grants, etc.

1328 Rep. Barnes asked that the ABC Director be taken off of the interdepartmental coordinating council stating that the ABC has enough money and power already. Mr. Mundell stated that that position was necessary so that the members of the various boards could get together to discuss questions of mutual interest. Rep. Barnes stated that if that was the case, then the ABC should pay for such representation at that forum through monies that it already receives from the state.

1459 Rep. Chatterton asked Ms. Wells if all of AS 47.37.200(g) needed to be deleted to fulfill the needs of the bill. It was decided that staff would look into it.

1459 Rep. Munson left the Committee room due to a commitment at the conclusion of the allotted time for the meeting.

Since there was no longer a quorum to take action on HB 830, the Chair decided to put off further action until a later date.

1507 The meeting was adjourned.

MINUTES
House HESS Committee
4/14/80

Members present:

Buchholdt, Chair
Munson
Chatterton
Barnes
Miles
Hurlburt

Rep. Beirne is excused from meetings through Wednesday, April 16.

00 The Chair explained that the Committee had received an attorney general's opinion relating to the appointment of Alaire Stanton to the state Board of Education. The opinion concludes that a person should not serve on both the state and a local board at the same time. The Chair stated that she had received word that Ms. Stanton would soon resign from her local board, but that since she had not received any formal communication from Ms. Stanton, she would wait until that time to ask the Committee to make a final recommendation regarding her confirmation to the state board.

167 The Committee then took up HB 977, health insurance.

186 Dr. Helen Beirne, Commissioner, H&SS

Dr. Beirne voiced the Department's support for the concept of the bill but did not several suggestions for improvement both orally and in written testimony submitted to the Committee. She stated that there was a great deal more to learn before development of a "model" plan. She said that she thought that private insurance plans could be restructured to encompass the entire population, as well. She commended the bill for its recognition of the need for preventive and early intervention care and for its coverage of anti-alcoholism treatment. She added that the bill should cover community mental health treatment.

450 Rep. Miles left the Committee room.

She suggested that the additional services to be covered under Medicaid should be phased in gradually so that the Dept. can better cope with the additional administrative and fiscal burden.

She then called Bob Ogden, Chief of the Medical Assistance section of the Public Assistance Division of H&SS to the stand to testify with her.

507 Mr. Ogden made several suggestions directly related to the language of the bill. He asked that "remedial care" be more clearly defined. He stated that the provisions of 47.05.070(b) were already taken care of through Commerce regulations. He also requested that the Committee consider deleting 47.05.080 because the rate setting authority that is called for in that section is already "adequately established" under current law. He asked that the cash advance section be referred to as the interim payment section so that it will mesh with the current contract system already in place between the Dept. and its providers. He noted that the Dept. was very much in favor of the intent of this section. He asked that the interest charges called for in 47.05.120 be charged on "clean claims" only. These are claims that are already investigated and determined to be eligible for the full payment asked for by the provider.

Mr. Ogden referred the Committee members to the Department's position paper for other minor language change recommendations.

There was a discussion of the fiscal demands of the bill. Mr. Ogden stated

that it was extremely difficult to come up with cost estimates because there is so little experience statewide, and nationally, with providing insurance for all health services. He distributed a letter to the Committee reiterating his comments in more detail. The letter states, among other things, that the dental care costs alone are estimated to be in the area of \$2.8 million. He stated that the fiscal demands of the bill could be researched with the proper amount of time and expertise. Other states' experiences could be gathered and estimates made from that data. The Chair suggested that it would be better to experiment without bothering with all the other states' data since there was no model plan operating in any of the other states. There was a discussion of the administrative burdens involved as well as the inability to accurately estimate the costs of HB 977. Commissioner Beirne suggested that the Committee consider establishing an interim committee to come up with these answers before passing a bill. There was further discussion of what such a committee could study. The Commissioner suggested that \$150,000 would fund such a study which could also look into WICHE and WAMI as well.

Dan Cokeland, Division of Insurance

Mr. Cokeland presented very detailed analysis of the bill for the Committee. His statements are attached as written testimony. His testimony was virtually a line-by-line analysis of the bill and only a few of his comments are mentioned here. He suggested that the bill would provide the Division with a "paper blizzard" and that there were several constitutional problems with the bill. He also stated that it was impossible to come up with a reliable estimate of the costs to the Division but that administrative costs alone would be in the area of \$239,000 for FY '81.

At the close of Mr. Cokeland's testimony, the meeting was adjourned.

MINUTES
House HESS Committee
4/16/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt
Barnes

00 The first item on the Committee's agenda was HB 637.

75 Dr. McGinnis, Deputy Commissioner, H&SS

Dr. McGinnis stated that the bill similar to HB 637 (HB 704) was preferred by the Department. However, it could support HB 637 if changes mentioned in the Department position paper were incorporated into the bill.

175 Dr. Beirne arrived.

Dr. McGinnis brought up the problems of paying for empty beds in private homes. This prompted a discussion between he and Rep. Beirne. Dr. McGinnis suggested that the bill be amended to clearly state that the Department would not pay the costs of maintaining empty beds.

462 Rep. Miles left the Committee.

Dr. McGinnis suggested that the committee allow payment for either depreciations or replacement of facilities cost instead of both. He also asked the Committee to consider payment for "allowable" or "reasonable" costs instead of "actual" costs. The term allowable would then be defined in regulation. He stated that the use of the term actual would invite abuse of state funding for these services.

574 Rep. Munson left the Committee room.

Dr. McGinnis then asked that the effective date of the act be put off until July 1, 1981, so that the Department would have time to effectively make the transition from current law to the new law.

He also stated that the Department would provide the Committee with the exact wording needed to amend the bill according to its position paper.

804 Rep. Barnes left the Committee room.

806 Rep. Parr, sponsor of HB 637

816 Rep. Munson returned to the Committee room.

Rep. Parr said that the bill was exactly the same as one that had passed the HESS Committee a few years ago but had not passed the legislature. He then responded to several of Dr. McGinnis' points. He said that the state should pay for empty beds in private homes, because if the state were running its own homes and there were empty beds, it would have to pay for them. If there is a problem with calculating how many beds will be used, that is a problem in the Department, not in the private homes, according to Rep. Parr. He made the same statement in regard to Dr. McGinnis' comments on depreciation. As far as actual vs. allowable costs are concerned,

page two.

Rep. Parr stated that what constitutes actual would be determined by the audit called for in lines 8-11, page 2 of the bill. He suggested that actual should perhaps be changed to full, but that in any case, the bill provides for determination of what the term will mean and that allowable was unnecessary. He also stated that the effective date should remain as it is in the original bill since there would be very little involved with effecting the change to the new law and consequently, the Department should not need time to make the transition.

During his testimony, Re. Hurl: returned to the Committee room and Rep. Munson left.

1070 John Molletti, Alaska Association of Homes for Children

Mr. Molletti asked that the Committee provide enough money so that salaries of workers in childrens' homes could be raised and so that homes could afford to make necessary renovations, or capitol acquisitions. He stated that if the homes could not recover such costs they would not be able to continue functioning.

During Mr. Molletti's testimony, Rep. Munson returned to the Committee room as did Rep. Barnes.

Mr. Molletti's testimony prompted considerable discussion of the two subjects that he brought up. It was generally agreed that the legislature should provide for both those needs.

The Chair then asked Mr. Molletti what he thought of the Department's proposed CS for HB 922. Mr. Molletti responded that he would need a bit of time to look over the proposal and would then get back to the Committee.

1462 The Committee then took up HB 922 with Dr. McGinnis testifying again. He said that the proposed CS reflected concerns that were brought up in Committee the last time that the bill was before the body. The CS clearly delineates the fact that only specialized foster parents would be compensated for their caring and it provides a definition for specialized foster care.

1550 Luvon Kendall, Alaska Youth Village

Mr. Kendall expressed the Alaska Youth Village's support for HB 637, a bill that the Committee had reverted to consideration of. He stated that he was against the Department's position on depreciation.

1690 The Committee ran out of time to continue its meeting, and so the meeting was adjourned.

MINUTES
House HESS Committee
4/17/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt
Barnes

- 00 The Chair first took up HB 830, consolidating the drug and alcohol boards. She explained that the CS before the members reflected changes that were discussed in previous meetings on the bill.
- 46 Rep. Barnes moved and asked unanimous consent that the bill be reported out of Committee.
- 82 The motion passed.
- 95 The Committee then took up HB 910, the nurse practices act/
- 114 Rep. Miles arrived at the meeting.
- 121 Ann Briggs, Barbara Walker, State Nurses Association

Ms. Walker explained that the bill was drawn up to reflect changes in the Nurse Practices Act recommended by the sunset review committee during the last session of the legislature. The changes provides for continuing education of nurses, add an advanced nurse practitioner to the board, provide for promulgation of formal regulations regarding violations of the nursing code, and prohibit nurses without recent experience from reentering the field without comprehensive refresher courses.

Ms. Walker, with the assistance of Ms. Briggs, then proceeded to give a section-by-section description of how these changes are incorporated into the bill. Her remarks prompted the following discussions:

The whole committee discussed whether or not the board should have the power to subpoena witnesses to appear before it. There was no agreement reached on this point.

- 500 Rep. Miles left the Committee room.

There was a discussion of licensing procedures, largely for clarification purposes.

- 620 Rep. Miles returned to the Committee meeting.

- 650 Rep. Munson left the Committee meeting.

The Committee questioned whether or not the board should raise fees charged for license applications. The witnesses explained that it had raised some of the fees because it was encouraged by other legislative bodies to do so. Reps. Miles defended the witnesses on this point. Rep. Barnes asked if she could obtain figures on the cost of the board's annual operations before voting on this point. The witnesses agreed to supply the Committee with such figures.

page two.

The Committee discussed the need for continuing education for nurses who are not practising for a long period of time. The Chair stressed the need for practical as well as theoretical education while not actively practicing. The witnesses suggested that the language of the bill would address her concerns because the board would promulgate regulations to address the content of continuing education that would be required. There was also a discussion about how to define "continuing competency".

Rep. Miles expressed his objection to section 15 which allows the board to revoke the license of a nurse if she is an alcoholic, a drug addict, an ex-convict, and under certain other circumstances as well. Rep. Miles pointed out that such circumstances do not necessarily have anything to do with a person's competency as a nurse. Rep. Beirne pointed out the section says the board "may" revoke, not "shall" revoke for such reasons. He stated that he thought the section was designed to minimize the danger to the public of an incompetent nurse practicing.

1198 Rep. Miles left the Committee room.

Rep. Chatterton suggested that the language "verbally abusing a client" as grounds for disciplining a nurse would open the board up to innumerable lawsuits. He suggested that the language be cleaned up or deleted from the bill when the Committee marks it up.

1250 Rep. Hurlburt left the Committee room.

1448 Lynn Smith, Rep. Zharoff's office

Ms. Smith read two letters to the Committee from Rep. Zharoff's constituents stating their support for the bill with minor amendments. She also stated that Rep. Zharoff had asked her to convey his support of the bill to them.

1503 Jeff Landry, Alaska Medical Association

Mr. Landry expressed the concern of the state's doctors that section 26 be deleted from the bill. The doctors are concerned that section 26 would allow the nursing board to repeal regulations adopted jointly by the boards of both the doctors and the nurses. Such a repeal could occur unilaterally without the doctors' consent.

1540 Rep. Chatterton left the Committee room.

The Chair explained that another hearing, perhaps a teleconference, would take place on the bill before Committee mark up.

1545 The meeting was adjourned.

MINUTES
House HESS Committee
4/18/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt

1548 The business before the Committee today was HB 664, providing appropriations for school construction.

1558 Rep. Nels Anderson, co-sponsor

Rep. Anderson asked that section 1 be increased to \$1.8 million for school facilities upgrading in Dillingham. The money would be used to build a science lab, a home economics room, other classrooms, a health clinic, a music room, toilets, and to upgrade the fire sprinkler system to meet with fire code regulations. Rep. Anderson also stated that he would have no objection to the removal of section 2 of the bill. He would add the swimming pool request in that section to a general obligation bond bill currently in the Finance Committee.

Rep. Osterback, co-sponsor

Rep. Osterback, with the assistance of Rep. Zharoff, discussed the \$4 million in section 4. He stated that it would be used to build 4 schools in the Kodiak Island Borough area. Two of the schools would be built in Chiniak and in Karluk. Rep. Zharoff added that local contractors would be used to build the facilities.

Rep. Munson suggested that section 4 of the bill be deleted since it is currently included in the school construction bond bill.

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The Chair asked Julie Wroe, aide to the HESS Committee, to explain the projects included under section 5 of the bill. She explained the specific projects and dollar amounts. Generally, the projects fall under the categories of capitol improvements, machinery, building and swimming pool construction.

58 Rep. Beirne arrived at the meeting.

The Chair stated that the swimming pool requests would be eliminated from the bill and included in general obligation bond bills instead. There was some figuring, and it was determined that the bill would then be worth a total of \$23.2 million dollars as opposed to \$32.3 million.

275 Rep. Hurlburt moved that the bill be reported out of Committee. The motion was passed unanimously.

365 Rep. Hurlburt asked if HB 472 could be marked up and passed out of Committee. The Chair decided that another time would be more appropriate for work on that bill.

460 The meeting was adjourned.

MINUTES
House HESS Committee
4/21/80

Members present:

Buchholdt, Chair
Munson
Beirne
Chatterton
Hurlburt
Barnes

463 The Committee first took up HB 998, to provide care for orthopedically handicapped children.

487 Deborah Behr, Assistant to the Commissioner, Health & Social Services

Ms. Behr reiterated the written position paper that the Department prepared for the Committee. She stated that the bill should better define whether it is providing nursing home or residential care for the children to be served by it. She suggested that inclusion of the word "continuous" between "provide" and "medical care" on line 13, page 1 of the bill would solve the problem. She further stated that there would be problems with the certificate of need necessary for these services, that the bill's intent could be accomplished in existing nursing home facilities, that if the state statute definition of disabled persons was broadened to include the federal language that several of the bill's goals could be achieved, and that the 18 year old cut off was confusing because orthopedic problems extend into adulthood.

There were a few questions for the witness and for Dr. Gregovich, Chief of the Developmental Disabilities section of the Division of Mental Health in the Department. The outcome of the discussion was that the bill calls for a combination of services that are presently handled by two different sections of the Department---Dr. Gregorvich's section and Public Assistance. It is a great administrative problem to decide how to take care of the orthopedically handicapped because of this dual responsibility.

895 Audrey Aanes, Orthopedically Handicapped Action Group

Ms. Aanes stated that HB 998 is not the bill that she intended to have introduced, and that for several reasons, the wrong copy was presented to the drafters. She referred the Committee members to a proposed CS for HB 998 which more accurately includes the language that her group would like to see placed in the statutes. She stated that the key phrase in the bill is "mentally alert" because the population that she is trying to serve are those who are mentally healthy but who are "locked in a body that doesn't work". These people have special needs because they are not mentally impaired in any way but are entirely physically impaired due to a variety of diseases and/or accidents.

1087 Rep. Beirne arrived at the meeting.

Ms. Aanes continued her description of this type of a disabled person in stating that such a person does need "medical monitoring", hence the need for special housing.

She stated further that if the bill's purpose could be channeled through other programs that would be fine but that no appropriation had been made to date. This remark prompted several questions by Rep. Munson and Rep. Chatterton concerning what would be the most efficient method of getting financing for Ms. Aanes' constituency. All the Committee members seemed

to feel that HB 998 was not the most appropriate means to achieve the goal of facilities to take care of the orthopedically handicapped. It was finally decided after much discussion and at the initial suggestion of Rep. Barnes, that the Committee would request the Department to meet with Ms. Aanes and other appropriate persons to come up with the proper concept and level of funding needed to meet the orthopedically handicapped' needs. It was suggested that when the appropriate facts are drawn up that the Committee could ask the Free Conference Committee on the FY '81 budget to include the amount of money that would be needed. The Chair asked Rep. Chatterton to join the Department group and to report back to the Committee on its findings and its funding request. She stated that the bill would be set aside until that time.

1671 The Committee then reconsidered HB 664 at Rep. Hurlburt's request. Staff assistant Julie Wroe explained the revised figures for CS HB 664 which were based on the Committee's deliberations at the last meeting. Rep. Barnes expressed her disapproval of the bill and the Chair stated that she should sign the bill report accordingly.

new Rep. Hurlburt explained the need behind his additional requests for CS HB 664.
tape The additional requests would be for the school districts of the Lower Yukon,
00 Iditarod, and Kuspuk areas.

240 Rep. Chatterton moved and asked unanimous consent that Rep. Hurlburt's additions be incorporated into CS HB 664. Rep. Barnes objected and the Chair called for a vote on Rep. Chatterton's motion. The motion passed with all of the Committee members except Rep. Barnes voting in its favor.

294 After closing remarks, the meeting was adjourned.

MINUTES
House HESS Committee
4/22/80

Members present:

Munson
Miles
Chatterton
Hurlburt

296 Rep. Munson chaired the meeting in the absence of Rep. Buchholdt.

The Committee took up HB 805, a bill appropriating \$600,000 for construction of a disability section in the Valdez school.

Rep. Chatterton remarked that he understood that the bill was also incorporated into HB 60 and that it would stay in HB 60 during free conference. He also said, however, that he would have no objection to moving HB 805 out of the House HESS Committee and that he would sign the bill report "do not pass".

355 The Chair called on Bob Gregovich, Department of Health and Social Services, to speak on the bill. Dr. Gregovich stated the Department's support for the bill as outlined in their position paper on it.

375 Rep. Miles moved and asked unanimous consent that the HB 805 be reported out of the Committee. The motion was carried.

382 The meeting was adjourned.

MINUTES
House HESS Committee
4/23/80

Members present:

Buchholdt, Chair
Chatterton
Hurlburt
Barnes

- 382 The Chair explained that the business before the Committee today was SB 15, a bill to increase the amount of longevity bonus payments.
- 407 Rep. Chatterton moved and asked unanimous consent that the bill be reported out of Committee. The motion passed.
- 411 The meeting was adjourned.

MINUTES

House HESS Committee
4/24/80

Members present:

Munson
Chatterton
Hurlburt
Barnes

- 411 Rep. Munson chaired the meeting in Rep. Buchholdt's absence. The acting Chair stated that the business before the Committee was HB 968, calling for a COLA adjustment in AFDC benefits.
- 435 Rod Betitt, Gordon Landes, Division of Public Assistance, Dept. of H&SS

The witnesses gave the Committee several different statistical and monetary indicators of how the level of Alaskan AFDC payments compares with other states. All of the examples indicate that the Alaska AFDC standard is "very inadequate, in fact, too low to meet basic necessities of life." Moreover, public assistance payments have been rising steadily because they are tied to COLA increases, so there is a great discrepancy between the amount that a couple can get to meet basic expenses and the amount that a mother and a child can get. Mr. Betitt suggested further that the legislature should consider legislation that would bring public assistance and AFDC payments closer together.

Rep. Chatterton asked if the Department would consider introducing legislation that would take care of Mr. Betitt's last point. Mr. Betitt responded that "that would be a real good idea".

Rep. Munson brought up two amendments in the members' packets, proposed by the Urban Citizen Participation Conference. The first amendment would provide a \$100 increase in payments to a parent with one child and a \$25 increase for each additional child of the parent. The second amendment would provide that COLA, for purposes of computing AFDC payments, would be based on the National index rate of inflation plus 7%. There was much discussion of what these amendments would do to the bill. It was generally agreed that the original bill would not provide enough relief, and the discussion centered around how best to provide adequate relief. The fiscal impact of various portions of the proposed amendments as well as the impact of the amendments as a whole were also discussed.

- 1102 Rep. Chatterton moved and asked unanimous consent that the first UCPC amendment be adopted as the first section of the bill and that the other sections be renumbered accordingly.
- 1189 The acting Chair requested that Rep. Chatterton's amendment be divided into two parts. The Committee would vote on the increase for the parent and a child and then vote for an increase for the additional children. Rep. Barnes seconded the Chair's motion to split the question.
- 1201 The Committee voted on and passed unanimously the first question.
- 1208 The Committee then took up the second half of Rep. Chatterton's motion. Rep. Barnes objected. It was then pointed out to the Committee that half of the bill's tab would be picked up by

page two.

the federal government. Rep. Barnes removed her objection, and the motion passed unanimously.

1288 Rep. Chatterton then moved that a CS for the bill, reflecting the amendments and with a new fiscal note, be reported out of the Committee. The motion passed unanimously.

1302 The Chair adjourned the meeting, then reconvened it at the request of Rep. Chatterton.

Rep. Chatterton made a report to the Committee on HB 998. He stated that the bill should be held in the Committee because his work with the Department had shown that the bill was no longer necessary. What was necessary was funding for a pilot program to aid orthopedically handicapped children in a residential setting. This, he explained, would be funded through other channels.

1355 The meeting was adjourned.

MINUTES
House HESS Committee
4/28/80

Members present:

Buchholdt, Chair
Munson
Miles
Beirne
Barnes
Hurlburt

1355 The Committee took up HB 125, providing grants for multipurpose youth centers and day care centers. The Chair explained that her proposed CS for the bill was an attempt to take action on a subject that the legislature has long confessed is its responsibility. She stated that proposed CS HB 125 would provide help to such centers in the form of direct grants to communities for either a day care center or a multipurpose youth center. The grant would be for construction, refurbishing or an existing facility, or operating costs. There would be appropriation legislation in the amount of \$6 million that would go along as a companion to CS HB 125. The money would be a start towards solving a problem that the legislature says that it intends to act upon. The proposed bill mandates eligibility requirements for communities to qualify for grants, mandates the amount of grant available for a particular community and requires that certain agreements are written into contracts between the state and the communities.

1441 Bruce Stedman, Pat Munroe, Department of Health and Social Services

Mr. Stedman explained that the Department fully supports the bill, with one minor exception: it would prefer that "protective services" be described differently so that it more closely conforms with other uses of the term such as its use in AS 47.10. Mr. Stedman suggested that language along the lines of "crisis shelter or support services" be used instead of existing language. As a general comment in support of the bill, he stated that funding of the types of services called for in HB 125 would keep many youths from entering other Division of Corrections type programs in the future. This would be excellent and in support of the Department's emphasis on preventive care, he stated.

Ms. Munroe commented on the licensing procedure that would be required for day care centers. She explained that a license would only be issued after operational and construction requirements were satisfied.

1551 Palmer McCarter, Pat Poland, Department of Community & Regional Affairs

Mr. McCarter explained that the bill would provide services in addition to an existing program that the Department runs for low income people. He asked that the bill be clarified to better demonstrate the legislature's intent as to how much of the money should be spent on multipurpose centers as opposed to day care centers.

1584 Rep. Miles left the Committee.

Rep. Hurlburt asked the witnesses if the bill would provide day care for working people only. The Chair answered that the purpose of the bill is to supplement existing state day care aid so that middle income people, who need to work but spend a lot of money on day care in order to work, can also have some of their child care costs offset. The amount that a person's child care costs would be subsidized would, of course, be greater at the lowest income levels, but the bill would still provide some aid to those who work very hard but still cannot break even because of their child care costs.

Rep. Munson and the witnesses entered into a discussion of the difficulty that would arise in determining which communities to spend the \$6 million in and whether the money should buy day care or multipurpose facilities. They suggested that perhaps further study was called for. The Chair stated that there might be a need for more studying, but that it was time to act as well as further research needs. She stated that the legislature's record on day care legislation was deplorable and that it was imperative that it fund day care services immediately instead of studying the subject indefinitely.

Mr. McCarter explained that his comments were not intended to suggest that HB 125 should not be passed, but that further study in conjunction with activating programs was needed.

There was a discussion of documentation supporting the fact that multipurpose centers provided the needed stimulation for youth to keep down crime indexes in other states. Mr. McCarter suggested that the same result might obtain in Alaska through HB 125's statewide approach as opposed to the "individual porkbarrelling" that the legislature has engaged in up to now.

The last portion of the meeting consisted of alternative methods of funding day care than the method presented in HB 125. This discussion was prompted by comments relating to the differing types of day care facilities that exist. For example, in smaller villages, "home concept" day care is more feasible and appropriate than larger facilities, Rep. Hurlburt pointed out.

new
tape
00 Rep. Munson suggested that perhaps some sort of a "seed money" fund would be better suited to a statewide program than HB 125. In this way, grants could be provided that would be tailored to individual communities' needs. She also suggested that grants should be made to municipalities instead of directly to non-profit corporations. There was discussion of the pros and cons of these plans.

735 The meeting was adjourned. HB 125 was put over until the next meeting.

MINUTES
House HESS Committee
4/29/80

Members present:

Buchholdt, Chair
Barnes
Hurlburt
Chatterton
Miles
Beirne

741 The first item on the Committee's agenda was HB 637.

762 Deputy Commissioner McGinnis, Department of Health and Social Services

Mr. McGinnis explained the proposed CS that he presented to the Committee. He outlined all the changes that the Department previously requested in the Committee's last meeting on the bill.

853 Rep. Miles left the Committee room.

Mr. McGinnis also stressed that the Department prefers HB 704 to this bill.

972 John Garvin, Alaska Children's Services

Mr. Garvin expressed his support for the proposed CS with a few changes. He first suggested that administrative costs be included in costs allowed for services rendered and suggested specific language to that effect for lines 19-20, page 1. Secondly, he suggested that the proposed wording for (b)(4) of section 4 be changed so that it was clear that secular as well as religious education would not be an allowable cost for reimbursement. This prompted a discussion among the witness and the Committee members. The members suggested that perhaps secular education costs should be an allowable item. This suggestion made Mr. Garvin change his position and he suggested that the language be made clearer only as far as religious training and education are concerned.

Rep. Chatterton asked Mr. Garvin why providers would prefer to have depreciation as an allowable cost as opposed to renovation and upkeep expenses. Mr. Garvin explained that the latter could be abused by certain providers and that it was "fairer" to allow only depreciation.

Rep. Hurlburt asked why religious training and education should not be an allowable expense. Mr. Garvin responded that there is enough money available through private sources to pay for religious training if it is desired by certain providers. He also reminded Rep. Hurlburt of the separation of church and state language in the constitution that has been strictly interpreted by courts since the founding of the country. Rep. Barnes asked if the language of the bill could be interpreted to mean that providers who do emphasis religion could lose state funding. Mr. Garvin answered that although that was theoretically possible, the statute on the books had never been interpreted that way. His suggestion to change statute would not effect that longstanding interpretation.

Mr. Garvin also addressed the fiscal implications of the bill. He suggested that allowing depreciation costs would remove some providers' necessity for having a holding corporation to avoid certain state and federal regulations. He also stated that the only cost increases that would be made would be in the area of staff salaries. He said that salaries would go up by an average \$3 per hour for an overall cost estimate of \$1.2 million.

page two.

The Chair mentioned that the prime sponsor of the bill, Rep. Parr objected to the Department's proposed (b)(5) of section 6 allowing it to promulgate regulations determining allowable costs.

- 1514 Rep. Chatterton made a motion to change the language of lines 18-19, page 1, to read: (3) pay all allowable expenses related directly to the cost of services including administrative expenses. The motion was passed by unanimous consent.
- 1531 Rep. Chatterton moved to delete section 6 (b)(5) on the grounds that it was redundant and called for the same authority as in lines 16-17, page 1. The motion was passed by unanimous consent.
- 1555 Rep. Chatterton then moved that the language referring to religious training be changed to read "religious training or religious education". Rep. Hurlburt objected and a lengthy discussion of the pros and cons of the state paying for religious training and education ensued. Rep. Chatterton finally withdrew his motion, at which point Rep. Hurlburt moved to delete the section. Rep. Chatterton objected and a vote was taken. Reps. Barnes and Hurlburt voted for the motion and Reps. Beirne, Chatterton and the Chair voted against it. The motion did not pass so the language of the Department's proposed CS (and existing statute) remain the same. ~~as far as religious training and education--~~ Religious training and education remain a nonallowable expense.
- 1653 At this point, Mr. McGinnis made a statement on the bill. He objected to the changes made in the Department's proposed CS and stated that the CS was no longer approved by the Department.
- 1732 Rep. Barnes moved that the proposed CS with amendments be reported out of Committee. The motion was passed by unanimous consent.
- 1752 The Committee then took up HB 125, grants for day care centers and multipurpose youth centers.
- 1758 Rep. Chatterton moved that the Committee adopt the proposed CS for HB 125. The motion passed by unanimous consent.

new tape

- 18 The Chair also suggested certain language changes which were made into motions and passed by unanimous consent. The word "the" on line 18, page 1 of the proposed CS was changed to "each"; the language of lines 22-23, page 1, was amended to state that a community could receive money for both a day care and a multipurpose center, not just one or the other; and the Committee deleted "and protective services" from line 1, page 4 of the CS.
- 341 Rep. Chatterton moved that the bill be reported out of Committee. The motion was passed by unanimous consent.
- 348 The meeting was adjourned.

MINUTES
House HESS Committee
4/30/80

Members present:

Buchholdt, Chair
Miles
Munson
Chatterton
Beirne

348 The Committee took up HB 910, the nurse practices act.

368 Jeff Landry, Alaska State Medical Association

Mr. Landry submitted three written amendments to the Committee to be included in HB 910. The amendments would disallow the Nursing Board to promulgate regulations unilaterally in regard to nurse practitioners. The Nursing Board and the Medical Board have been instructed to promulgate the regulations jointly but HB 910 would allow the nurses to make regulations without consulting the doctors' board.

There was much discussion of this suggestion. From the discussion it was made clear that the doctors' had put off meeting with the nurses for six years in order to promulgate the regulations. It was only after the threat of sunset during the last session of the legislature that the doctors agreed to meet with the nurses to draw up the regulations. Mr. Landry explained that the much of the medical board's hesitation in this area was due to the fact that the nurse practitioner is allowed to perform many of the functions of a doctor and that the doctors were "understandably" afraid of the competition. Some members pointed out that nurses do not participate in promulgation of the regulations for the practice of a physician assistant, a position similar to a nurse practitioner in function, yet under the jurisdiction of the medical board. Rep. Munson pointed out further that the nursing board was the only health board that was forced to have another board participate in its functions. There was discussion of whether or not the two boards could promulgate conflicting regulations that would have a detrimental effect on patient care. A member of the audience, Jana Baratti, pointed out at the invitation of the Chair that the attorney general's office would review all regulations before they become effective and that any conflicts would be worked out by them.

Mr. Landry stated that doctors are beginning to accept the existence of nurse practitioners and that they "recognize the virtue of all allied health professionals".

948 The Committee began mark up on the bill.

959 Rep. Munson moved and asked unanimous consent that the Committee adopt an amendment submitted by the Governor's office. The amendment would add a new section 29 to the bill which would read as follows: "An incumbent member of the Board of Nursing may continue to serve until the period of his or her appointment under AS 08.68.020--08.68.030 expires, notwithstanding AS 08.68.010 as amended in sec. 1 of this Act. New appointments to the Board of Nursing shall be made in accordance with the provisions of AS 08.68.010, as amended."
The motion was carried.

page two.

- 1074 Rep. Miles moved to strike lines 26-28, page 1. The motion was passed by unanimous consent.
- 1275 Rep. Chatterton moved to delete "shall" and replace it with "may" on line 5, page 2. The motion was passed by unanimous consent.
- 1315 Rep. Chatterton moved the first of the Medical Board's amendments. Reps. Munson and Miles objected. A discussion ensued in which the two sides reiterated their arguments. A vote on the motion was taken. The motion failed by a vote of three to two; Reps. Buchholdt, Munson and Miles voting against it and Reps. Chatterton and Beirne voting for it.
- 1419 Rep. Munson moved and asked unanimous consent to delete lines 12-13 of page 3. The motion was carried.
- 1452 A motion was passed by unanimous consent that was originally put forth by Rep. Chatterton, then amended by Rep. Munson and then amended again by Rep. Chatterton. The amendment changes the word "must" to "may" in line 25, page 3; strikes the language after "state" on lines 27-28, page 3; and changes "must" to "shall" in line 26, page 3.
- 1610 Rep. Chatterton moved that the language on line 15, page 4 through line 28, page 5 be deleted and replaced with "The Executive Secretary shall perform the duties prescribed by the Board."
- 1636 The allotted time for the meeting was up so the Chair put off further mark up on HB 910 until the next meeting.

MINUTES
House HESS Committee
5/1/80

Members present:

Buchholdt, Chair
Chatterton
Barnes
Hurlburt
Miles

- 00 The Committee continued its mark up on HB 910, the Nurse Practice Act.
- 49 Rep. Chatterton moved and asked unanimous consent to amend the license fee section beginning on line 24, page 7. All fees will remain as they are presently in statute except (2) (B) and (C). The motion was passed.
- 113 Rep. Chatterton moved that section 08.68.261 on line 28, page 8 be changed to 08.68.260. The motion was passed by unanimous consent.
- 380 Rep. Chatterton moved and asked unanimous consent that on page 9, lines 9-27 be deleted; (10) on line 28 become (2) and add the additional language "or demonstrates unprofessional conduct"; and make (11) into (3) of that section. The motion was carried.
- 479 Rep. Chatterton then moved to delete section 16 on lines 7-10 of page 10. A discussion of the merits and disadvantages of board mandated continuing competency requirements for nurses with lapsed licenses ensued. It was finally decided that staff should come up with language to satisfy the concerns of the members and that further consideration of the bill would be put off until that time.
- 998 The Committee then turned to HB 977, health insurance.

Sharman Haley, chief drafter of the bill

Ms. Haley explained that the original HB 977 had been redrafted as represented in the proposed CS before the members. The new bill eliminates mandatory employer coverage and substitutes instead a plan whereby all employers would have to offer coverage to their employees but the employees would bear a substantial burden of the cost of coverage if they opt to have company health insurance. The new version also cuts out the original insurers pool, does not include custodial care and other types of care that are undesirable from the carrier point of view. Ms. Haley explained that the state's insurers all like the proposed CS better than the original bill. She explained further that the bill would provide that a person who terminates his employment would qualify for 39 additional weeks of coverage to carry him through a period of unemployment. Coverage for dependents during this period would also be mandatory.

The Committee ran out of time to further consider the proposed CS, and the bill was put over until the next meeting.

- 1280 The meeting was adjourned.

MINUTES
House HESS Committee
5/6/80

Members present:

Buchholdt, Chair
Miles
Munson
Chatterton
Beirne
Hurlburt

1337 The Committee first took up recommendations of confirmation to various state boards. The Committee moved by unanimous consent that recommendations be made to the full House that the following people have their appointments confirmed to the following boards:

Dr. Paul Turner, Board of Psychologists & Psychological Associate Examiners
Dr. Robert Vogt, Athletic Commission
Mr. James McCorcle, Board of Pharmacy
Mr. Robert Snider, Board of Pharmacy

The Committee also passed a motion recommending that the House confirm the appointment of Alaire Stanton to the state Board of Education on the day after her resignation to the Ketchikan Gateway Board of Education becomes effective.

1501 The Committee then took up HB 910, the Nurse Practice Act. It continued mark up on the bill. The Chair presented a recap of the last meeting's work on the bill. Rep. Chatterton explained that some of the concerns that had been raised by the deletion of section 16 from the Act were taken care of in present law. The Committee aide, Shannon Garrett, explained problems that the Board of Nursing has with changes that the Committee made to the bill during its last mark up session. She explained their problems with the amended fee schedule and other areas of concern. The Committee decided to leave the bill as marked up so far and continue with their mark up, beginning on page 9 of the original bill.

1868 Rep. Chatterton moved that lines 17-18 of page 10 be deleted. The motion was carried by unanimous consent.

new tape

65 Rep. Chatterton moved to delete lines 11-18 of page 10. The motion was passed by unanimous consent.

140 Rep. Chatterton moved and asked unanimous consent to delete lines 12-15 of page 11. The motion was passed.

206 Rep. Hurlburt left the Committee room.

395 Rep. Chatterton moved and asked unanimous consent to delete lines 16-23 on page 11. The motion was carried.

398 Rep. Beirne left the Committee room.

The remainder of the meeting was spent in further discussion of other sections of the bill, in particular sections 22, 24 and 25. The Committee was unhappy about the exact specificity of these sections, but did not take action on them. The Chair requested that the drafter of the bill report back to the Committee at its next meeting.

1007 The meeting was adjourned.

MINUTES
House HESS Committee
5/7/80

Members present:

Buchholdt
Munson
Miles
Chatterton
Beirne
Hurlburt

1017 The first part of the meeting consisted of a confirmation hearing. The Committee moved by unanimous consent to recommend to the full House that the following appointments to various state boards be confirmed:

Betty Hodo - State Board of Nursing

Keith Wise - State Board of Nursing

1235 The Committee then took up HB 1030, assistance to non-profit hospitals within the state.

1244 Rep. Sam Cotten, prime sponsor

Rep. Cotten listed his reasons for introducing the bill as follows: (1) under current law, there is would be no way to help out the Alaska Hospital in Anchorage, (2) to provide a forum for discussion of the Alaska Hospital situation and what could be done to help them. He explained that the federal Department of Labor was pressuring the teamsters to sell the mortgage to the Hospital since holding it violates the ERISA laws. He also explained that the Hospital is losing money and cannot afford to pay off its mortgage and that the bill would allow the state to either buy the hospital or provide money for the mortgage payments. It is possible that the federal government will buy the hospital and sell it to the Indian Health Service but this would mean that only native patients would be serviced by the Hospital, Rep. Cotten stated. He also explained that if the Hospital is sold to IHS, there would be a bed shortage in Anchorage. It could be filled by the extension of Providence Hospital, but since Providence is a catholic hospital, it will not perform "certain services" and this concerns the community.

Rep. Cotten closed his presentation by asking the Committee to allow Alaska Hospital to remain a community hospital (by changing present law as stated in HB 1030 so that it will be considered a community hospital) instaed of letting the Department of Labor buy it and sell it to the "first buyer that comes along".

Rep. Chatterton asked Rep. Cotten if the Committee should add language to the bill that would allow the state to assume the hospital debt. Rep. Cotten responded that this may be necessary.

Rep. Beirne pointed out that one "feasibility study" had been performed that stated that if the IHS bought the hospital, there would be a two to three year transition period when the hospital could still service non-native patients.

page two.

1594 Commissioner Beirne, Department of Health & Social Services

The Commissioner referred the members to the Department's position paper and stated that the sum total of the paper is that the Department can not act until statute is changed as outlined in HB 1030. However, she also pointed out that the bill would give the state authority to help out other hospitals and that they would eventually come to the Department for aid. She also explained that the figures on how much it costs to operate the hospital, how much it could make if it contracted out services, how much debt there really is, etc. are all different, depending on which group or organization you are talking with. Thus, it is very hard to get a handle on exactly what is involved because none of the figures are even close to others' estimates. In addition, she explained that the hospital is apparently not interested in contracting services and that Dr. Beirne's transitional argument was correct as far as she knew. She concluded with the statement that the Department is only interested in insuring the proper amount of beds for Anchorage and that further study of the situation was needed.

Rep. Chatterton stated that the basic issue was whether or not to let government take over a newly built and equipped facility or to let it remain in private hands. He asked why a study was needed if everyone agreed that this was the issue and that all that was needed was a decision. The Commissioner responded that that was the Committee's choice.

Rep. Munson questioned whether the Commissioner understood the intent of the bill. She explained that the bill was only to bail out one hospital. The Commissioner stated that that was well understood but that you couldn't write a statute and state that it would only be for one situation. She reiterated her earlier testimony that the statute would open the door for many other hospitals to ask the state to bail them out in time of need.

Rep. Cotten asked what the Commissioner was recommending to the Committee. She responded that it was not her position to make a recommendation. He asked her several more times to give them her opinion on what route to take. She responded that the natives would be taken care of, no matter what happened to Alaska Hospital. If they are not allowed to buy the hospital they will build another one in Anchorage. She stated that the Department does not want to own and manage a hospital, that it is not something that the state should do. She said that if the legislature feels that government must own the hospital, than she would prefer that the municipality own it and not the state. She also mentioned that no one from the Alaska Hospital board of governors had ever contacted the Department so she was not sure what they wanted.

Rep. Chatterton stated that it was the legislature's and the Department's responsibility to insure adequate beds for whites.

There was a discussion of why people do not patronize the hospital now. The association with the Teamsters, the doctors' uncertainty as to the hospital's future and their desire to maintain a good working relationship with Providence were cited as reasons why. Rep. Cotten pointed out that patients do not chose which hospitals to go to, their doctors refer to them to a particular hospital.

The Chair mentioned that there were several questions that Rep. Miles and Rep. Chatterton had and that staff should look into them for the next meeting on the subject.

710 Peter Bushre, Deputy Commissioner, Department of Revenue

Mr. Bushre was asked by Rep. Cotten if the state had the money to buy the hospital. Mr. Bushre explained that the state does have the money but that existing law spells out certain conditions that must be met. The state can either buy only two-thirds of the mortgage, buy 50% of the appraised value, or buy the whole thing if 50% of the appraised value is insured. If any of the above does not pertain, the state would need further enabling legislation to buy it.

page three.

In response to a question from Rep. Cotten, Mr. Bushre also stated that the state could buy enough of the hospital so that the Teamsters would own a portion less than 5% of their total worth. This would allow them to come into compliance with the ERISA statute.

Rep. Munson asked if the legislature should pass HB 1030. The witness explained that it makes no difference, but that they really need an appropriation bill.

The Chair explained that the meeting would have to end as they were over the time allotted. She stated that the issue would be taken up at another time.

824 The meeting was adjourned.

MINUTES
House HESS Committee
5/8/80

Members present:

Munson
Chatterton
Miles
Beirne

829 Rep. Munson acted as the Chair of the meeting since Rep. Buchholdt was unable to attend. There was no quorum at any point in the meeting so the members sat as a subcommittee.

The meeting consisted of a public hearing on HB 1019, adjustments to the cost of day care. Reps. Chatterton and Miles left the meeting.

860 Dale Staley, aide to Rep. Duncan; Jack Fagnali, Betty Barton, House Research

Mr. Staley explained that the bill would adjust costs paid by the state to day care providers for eligible children. It would raise the maximum level of parental income so that more parents would qualify for day care payments by the state and revise the sliding fee scale for such parents. It would also pay day care providers by the number of state assisted children enrolled in a facility instead of the current system of paying for the number of days that a particular child attends the facility. This system will allow the day care facilities to better plan their staff and other needs because they will know what their monthly fund intake will be. It will result in less loss of money for the centers who are all losing money under the present system.

934 Rep. Beirne arrived at the meeting.

There was a discussion of the fiscal notes and their meanings. It was decided that the Health and Social Services fiscal note would need revision. The acting Chair stated that the subject would be further discussed tomorrow when the Departments would testify on the bill.

1141 Pat Marlin, Wee Cottage owner

Ms. Marlin explained that most of her children were paid for by C&RA and that because of the present system of reimbursement, she is losing about \$2500 per month. She noted her total support for the bill. She explained that the facility is not allowed to charge more than C&RA's set rate and that the rates have not been changed in three and a half years.

Rep. Munson engaged Ms. Marlin in a discussion of whether or not the new funding plans would leave any room for abuse by parents or providers. Ms. Marlin did not seem to think that it would.

1328 Donna Chantry, Wee Cottage, kindergarten teacher

Ms. Chantry voiced her support for the bill and stated that centers cannot provide what is best for the children when they cannot predict their budgets.

1349 Karen Kostankoo

Ms. Kostankoo noted that the private parents are being penalized under the present system because they must make up the funding short fall for the subsidized children.

1393 Judy Hall, parent

Ms. Hall expressed her support for the bill.

page two.

1433 Denise Richards, St. Ann's Day Care Center

Ms. Richards is both a parent and a worker at the Center and she explained that she was not eligible for the C&RA subsidy although she made an extremely meager salary. She does not feel that this is fair.

1455 Pat Denny, Catholic Community Services

Ms. Denny explained that the staff wage levels were "dismally low" and that she wanted to raise them but simply could not.

1562 Terry Seaton, Director of Teachers, St Ann's

Ms. Seaton expressed her support for the bill by reiterating the testimony of those who came before her.

1620 Susie McClear, Administrator, Children's Community Center

Ms. McClear brought the Committee graphs of her Center's expenses so that they could see how much money they are losing. The graphs also showed how much they would have received if HB 1019 was already in effect. She noted her support for the bill.

1716 Ann McFarland, Children's Community Center

Ms. McFarland expressed her support for the bill.

1754 Jan Blankchick, parent

Ms. Blankchick expressed frustration about the amount of money that she pays to put her children in day care and stated her support for the bill.

1775 Sister Eileen, Director, St. Ann's Day Care Center

Sister Eileen explained that she was "very much in support of the bill for the reasons stated before her".

1819 The meeting was adjourned.

MINUTES
House HESS Committee
5/9/80

Members present:

Munson
Chatterton
Miles
Hurlburt

- 00 Rep. Munson chaired the Committee in Rep. Buchholdt's absence. The Committee took up HB 1019, state day care assistance.
- 37 Rep. Miles and asked unanimous consent that the bill be reported out of Committee. The motion was carried.
- 41 The meeting was adjourned.

MINUTES
House HESS Committee
5/14/80

Members present:

Buchholdt, Chair
Chatterton
Hurlburt
Barnes
Munson
Beirne

41 The Committee took up HCS CSSS SB 227, a bill to provide health insurance for employers.

81 Joan Gaumier, Blue Cross of Washington and Alaska

Ms. Gaumier explained Blue Cross' position on the bill.

She noted that they have several questions about the minimum benefits section of the bill. She stated that the bill provides no control over the maximum allowable amount of in-patient mental health benefits. Also, she questioned the need for home health benefits since there is so little home health care available in Alaska. A person would paying for coverage that it hard to obtain. She further stated that it would be difficult to control "overutilization" of the medical social services benefits. She said that regulations would add benefits to what the statute prescribes, and that would be very expensive. She suggested that section 17 be deleted. Finally, she stated that the benefit for medically necessary transportation was open to grave abuse without control over what kinds of trips would qualify.

Ms. Gaumier stated that there is no coverage for abortion in the bill.

She stated that the preexisting conditions section of the bill needs some work in terms of language but that the intent is "excellent". She specifically questioned the use of the phrase " first manifesting".

Allowing coverage for terminated employees for nine months after termination will create problems for small employers, according to Ms. Gaumier. An employee who has claims during that period will force the premium rate of his former coworkers to go up because his claims will be used to compute their rate of premium.

The conversion benefits section of the bill is "far more extensive" than Blue Cross conversion benefits. She stated that it would be very expensive so that only those with a serious illness would opt for it. Their claims would in turn raise the cost of the benefit even more.

She stated in conclusion that, in essence, the Connecticut experience would not necessarily be the same in Alaska and that because of the success in Connecticut, it did not necessarily follow suit that Alaska's plan would be successful. She said that HCS CSSS SB 227 would make for insurance that was "available" but "not affordable".

665 Jan Sorice, House HESS Staff

Ms. Sorice explained that the new version of the bill contained the following: a carrier reinsurance pool (the high risk pool), coverage for alcoholism and drug abuse treatment, coverage for services for medical assistance, expansion of medicaid, and state coverage for the medically needy.

page two.

She further stated that the Travellers' Insurance Group of Connecticut thinks that their law is excellent and administratively manageable. She mentioned that other Connecticut groups, including Blue Cross of Connecticut, agreed with that assessment.

There was a discussion of the fiscal note for the bill and how it reflected changes made in the bill.

There was a discussion of why the conversion sections of the bill would cost the state money. Joan Gaumier reiterated her earlier testimony and explained that the hidden cost would be to the small business employer not to the state.

Rep. Barnes asked about the relationship between the bill and the existing Catastrophic Illness program. Ms. Sorice explained that the bill would pick up where CI leaves off and that it would cover all medical expenses, instead of paying only for one problem.

There were other questions, including one from Rep. Chatterton who was concerned about an employer with several short term contract employees in one year. He asked staff to look into whether or not the employer would be responsible for the premiums of all such employees after they were through with his contract. Rep. Munson also asked for further clarification regarding the usefulness of the bill given current methods of obtaining health insurance. A member of the audience, Jamie Love, explained how it would benefit small businesses who cannot provide alot of coverage to their employees at a reasonable cost. The bill would allow them to provide more coverage for their employees at the same cost that they would be paying for many fewer benefits under existing plans.

1523 The Chair explained that the Committee was out of time but that if Rep. Chatterton's query could be answered by the next meeting, the bill would be taken up again at that time. The meeting was adjourned.

MINUTES
House HESS Committee
5/15/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt
Barnes

1524 The Committee first took up HB 488, a bill establishing a maximum class size for public schools.

1529 Rep. Parker, prime sponsor

Rep. Parker voiced his support for the bill and stated that it was self-explanatory.

1593 Ron Lorensen, representing various state school districts

Mr. Lorensen explained that the school districts see the following problems with the bill: (1) It will take away the local district's right to "programmatic decision making". (2) It does not explicitly state whether gym, band, study hall and other such large group experiences will have to be limited to 20 students. (3) There is not presently enough class room space to accomodate the bill's mandate. (4) There will be a severe local funding problem as a result of the bill.

Rep. Munson asked Mr. Lorensen if he was implying that the school districts should make class size determinations. He answered affirmatively and that their decisions would be based on the amount of foundation support money provided to them by the state.

1690 Bob Manners, NEA-Alaska

Mr. Manners stated that the bill would not be necessary for every school district because some districts do not have an overpopulation problem. He further stated that there was a need for a "legislative impetus" to lower the pupil-to-teacher ratio (PTR) because the school districts were unable to do it themselves. Also, he said that many studies indicate that PTR affects learning capacity and rate. Parents prefer a lower PTR, he also said. Special education students need more attention than they can get in large classes, he also noted. He concluded by saying that he was aware that the legislation was "difficult" but that "we have to start somewhere."

Rep. Barnes indicated that she could support the bill with certain modifications. She said that the not more than 20 students per class requirement should be for kindergarten through third, not more than 25 for fourth through eighth grades, and no limit on the higher grades' class size. She stated that older children are capable of learning in a larger class and that class size at that age should be at the discretion of the local district.

new tape
#00 There was further discussion of the bill including problems with mainstreaming and what the bill would cost the school districts. It was decided that before the bill could be moved from Committee, answers should be found for the problems

page two.

423 The Committee then took up HCS SSSB 227, health insurance.

455 Jan Sorice, Hess Committee staff

Ms. Sorice explained that the bill had been revised since it was heard before the Committee yesterday. The continuation and conversion sections of the bill were deleted from it. She also explained that the bill had been changed to allow carriers who chose not to participate in the reinsurance pool the same tax off set as those who do chose to participate.

There was considerable discussion of the bill as Ms. Sorice proceeded to give the Committee a section-by-section analysis of it. The members, and staff, discussed multiple insurance coverage, the lack of a definite fiscal estimate for the bill, who would absorb the losses ultimately, how much employees would contribute to the cost of their insurance, what types of people the bill would provide health insurance for, and other issues.

The Chair decied that several more work sessions were needed for the bill so that these and other questions could be fully explained to the members.

1269 The meeting was adjourned.

Members present:

Buchholdt, Chair
Munson
Hurlburt
Beirne
Chatterton

1269 The Committee first took up HB 455, relating to special education

1279 Rep. McKinnon, prime sponsor

Rep. McKinnon explained that studies show that children who do not have special education over the summer, "lose alot". HB 455 would alleviate the problems they have by making sure that special education is provided during the summer months as well as during the regular school year. He said that he was concerned with the \$7 million fiscal note, but that he was working on amendments to the bill that would lower it. He stated that it was important to move the bill from the HESS Committee, so that it could be included in other legislation in the Finance Committee.

Rep. Munson suggested that the bill be amended to say that only students enrolled in special education would be continued for the summer months. This would lower the fiscal impact she thought.

1371 Rep. Chatterton moved to report the bill out of Committee. The Chair objected only to state that she would like to see a letter of intent added in the Finance Committee stating that a supplemental fund would be available for money if it became needed during the summer, since the bill would have a much lower fiscal note under Rep. Munson's formula. Rep. McKinnon concurred with the Chair's view.

1403 Rep. Chatterton again moved the bill and his motion was carried unanimously.
new tape

00 The Committee then took up HB 1030, relating to the Alaska Hospital.

66 Ron Pavellas, Administrator, Alaska Hospital

Mr. Pavellas provided a brief history detailing the hospital's financial problems. He stated that a new board had been nominated and had set three goals for itself. One was to rid the hospital of its teamster affiliation, another was to hire a new administrator, and the third was to obtain refinancing. They had met the first two goals and were here in an attempt to meet the third.

Mr. Pavellas handed the Committee members a packet of information on the hospital's financial situation. The information showed, among other things, that Providence Hospital would not be able to service the patients that Alaska Hospital is currently servicing because Providence is operating at full capacity. Also, the hospital building is worth about \$45 million, and the Professional Office Building (POB) is worth about \$11-13 million. The information also shows that the hospital's patients come from many areas outside of Anchorage. Mr. Pavellas used these statistics to try to show why the legislature should help out Alaska Hospital.

He also stated that the 1-3 year plans for the hospital are to turn as much

page three.

of the POB as possible into "revenue generating" space. He defined such space as hospital as opposed to office space.

There was considerable discussion of what would happen if the legislature bought the hospital and not the POB and several other aspects of the hospital's present and future financial situation.

The fact that the Anchorage Chamber of Commerce is against HB 1030 was also discussed.

The members decided that before the next meeting, George Easley should be notified. Also, clarification of the Chamber's position should be sought.

Rep. Beirne asked Mr. Pavellas how HB 1030 would affect his proposed hospital, the Lake Otis Clinic Hospital. Mr. Pavellas answered that Alaska Hospital is not "looking to compete" but only to survive and that what would happen in the future in terms of bed space needs in Anchorage would depend on how many people come to Anchorage and several other largely unpredictable factors.

The Chair asked Mr. Pavellas about its Board and the members of the Alaska Hospital Corporation. Mr. Pavellas gave brief biographies of the board members, noting that one of the members was the President of the Teamsters' Credit Union. He also stated that the board would expand to satisfy concerns that it was not fully representative of the entire community in Anchorage.

Rep. Chatterton asked if the Hospital discriminated in any way. Mr. Pavellas responded that they have an active affirmative action program for staffing and that they do not discriminate against patients in any way. However, he mentioned that the hospital does not take IHS patients because IHS does not reimburse them for those services. However, if a native with IHS coverage came in as an emergency, they would service him or her.

The Chair asked about the land lease status of the hospital. Mr. Pavellas explained that the hospital land is ultimately owned by the state but that there are several intermediaries in the leasing process.

1160 Jane Anvik, Anchorage Assembly member

Ms. Anvik explained that her comments were not "entirely sanctioned" by the whole Assembly and that the Assembly would forward a resolution on the situation as soon as it had been voted on.

She stated that it was her "personal belief" that the legislature should help Alaska Hospital out of its current crisis and that she encourages the passage of HB 1030. She stated that the phrase "bail out" circulating in the media to describe HB 1030 is not accurate. She stated that what the plan entails is a short term loan which is much different than the state deciding to own the facility. She said that the Hospital is "of much greater importance" than other projects that the Municipality has been pushing this year. The racism surrounding the issue is unfortunate, she went on to say, and that the idea arrangement would be a joint facility, although it did not appear possible to create one.

Under questioning, Ms. Anvik stated that she thought that it was extremely important to get some kind of a commitment from Anchorage area doctors that they would utilize the facility if the legislature would provide the needed refinancing money. Mr. Pavellas stated that "several physicians" had stated that they would use the Hospital and Ms. Anvik reiterated that by stating that the Assembly had received a similar reassurance from the Anchorage Medical Association.

1415 The Chair stated that another meeting on the bill was scheduled for Monday, 5/19, and then adjourned the meeting.

MINUTES
House HESS Committee
5/17/80

Members present:

Buchholdt, Chair
Beirne
Hurlburt
Chatterton

1415 The Committee meeting consisted of a work session on CSSB 227. Jan Sorice, a member of the House HESS staff, worked with the Committee.

Rep. Chatterton asked Ms. Sorice how the new CS changed the old CS SB 227 that was originally reported out of the Committee last year. Ms. Sorice explained that it would provide alcohol and drug dependency insurance for everyone, not just for state employees, as the old CS read. It would also provide a high risk reinsurance pool, enlarge the state Medicaid program, and include other provisions of the original health insurance bill, HB 977. Rep. Chatterton indicated that he would like to see the alcohol and drug abuse treatment provisions of the new CS read as they did last year, since the reasoning for the old CS was that a pilot program was needed to test out the bill before funding it on a statewide basis. The Chair agreed that this would be better and directed Ms. Sorice to change the working draft of the bill to reflect Rep. Chatterton's desires by deleting lines 5-9, p. 5.

There was a question about the Health Reinsurance Association. Ms. Sorice explained that Blue Cross could either join the Association or form its own association. She stated that other carriers could also form their own associations, but that the cost of their premium could not be more than that of the Health Reinsurance Association. She further explained that all carriers who choose to would belong to the Association but only one of the carriers would administer the program. The Association would recover its losses through state tax offsets.

The Committee discussed and then decided to insert "illness" to the end of line 5, page 7, so that it would be clear that cosmetic surgery to repair damage from such diseases as lip cancer would also be covered under the Act.

Ms. Sorice explained to the Committee that the Residual Market Association was the mechanism for association formation for those carriers that would not wish to join the Health Reinsurance Association (HRA).

new tape

00 Rep. Chatterton asked how the drafters came up with a figure of 125% for a ceiling limit on the amount of premium offered by the HRA. Ms. Sorice explained that it was based on the actuarial estimate of the group, plus 125%. She stated that it was not hard to get figures related specifically to insurance costs in Alaska.

Rep. Chatterton asked if the Director should be given the power to regulate the premium rate. Ms. Sorice explained that the reasoning behind giving the Director that power is that the premium rate should be somewhat flexible, depending on the type and scope of benefits offered, and that the statutes provides that it cannot be more than 125% of the group rate, anyways.

The Committee discussed whether or not a dependent should have to be a relative of a policy holder to qualify for benefits. They did not come to any definitive conclusion.

The Chair explained that all the changes suggested during the meeting would be worked into draft form for approval, on a section-by-section basis, at the next meeting on the bill.

The Committee requested that the full definition for hospital be included in the bill at page 22, lines 14-15. They felt that the definition of skilled nurse facility should be treated in the same manner. Their reasoning was that it would be better to have the definitions written in the law rather than referencing definitions to other statutes. Also, they decided that the definition of buisness, starting on line 16, page 22, should be deleted from the bill since it referred to a section that was no longer included in the Committee's version of the bill.

687 After miscellaneous closing remarks, the meeting was adjourned.

MINUTES
House HESS Committee
5/19/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Barnes

688 The first part of the meeting consisted of a teleconference with Anchorage and Kodiak on HB 1030, provision of loan money to the Alaska Hospital.

Les Reynolds, Anchorage

Mr. Reynolds voiced his "strong opposition to bail out of the Alaska Hospital". His opinion is basically that if the hospital claims, according to Mr. Reynolds, that it will be "in the black" in two years, then there is no need to subsidize its debt now. He believes that the state should support building of the Lake Otis Clinic Hospital. He also believes that there has been "grave misrepresentation of the facts" surrounding Alaska Hospital's need for money.

Under questioning, Mr. Reynolds described his ideal situation scenario for bed space in Anchorage. He would like to see the Indian Health Service (IHS) buy the hospital but not occupy it for two years. In the meantime, plans for Lake Otis Clinic (LOC) Hospital could be completed and construction begun.

Rep. Chatterton suggested that it was a "bail out" if the state loans the hospital money, and also a "bail out" if the IHS buys it. He suggested that either state or federal taxpayers would foot the bill and asked Mr. Reynolds to comment. Mr. Reynolds replied that IHS would build a hospital if it did not buy Alaska Hospital, so federal taxpayers would wind up "footing the bill" either way. He also commented that he would rather see the costs distributed throughout the country than have state taxpayers bear the entire burden.

Keith Douglas, LOC (Anchorage)

Mr. Douglas stated that the only reason that the legislature was seriously considering the Alaska Hospital's request was that the Hospital was successfully creating a crisis mentality amongst legislators through use of the "eleventh hour crisis technique". He further stated that HB 1030 was a "preposterous" idea and that it represented a direct subsidy, not a loan. He pleaded with the members to "look beyond the veneer" of arguments made by the proponents of the bill.

Under questioning, Mr. Douglas maintained that there was a direct connection between the teamsters and the Hospital and that the money provided by the state would go directly to the teamsters.

Julie Kragin, Kodiak

Ms. Kragin expressed her concern for the establishment of mechanism for annual subsidies to hospitals that have financial problems. She further stated that the IHS would replace its current facility with Alaska Hospital, not purchase Alaska Hospital to be used in addition to its present facility. She voiced her support for IHS purchasing of the hospital.

page two.

The Chair asked Ms. Kragin if she knew of the IHS reaction to HB 1030 since the Committee had not heard anything from them. She responded that it was her impression that they were waiting for Committee action on the bill to decide what to do.

Jerome Selby, Kodiak Area Native Association

Mr. Selby stated that HB 1030 was an example of "ill conceived, unnecessary legislation". He stated that though the bill never specifically mentions Alaska Hospital, it represents an "end run" attempt to bail it out. He asked that the Committee consider a one time appropriation instead of creating unnecessary legislation, if that is what it's intentions are, anyways. He also stated that the bill does not specifically state if the money provided will fund needy hospitals 100% or fund them on a matching basis with federal dollars. He mentioned that if appropriate health planning is implemented, there should never be a need to bail out a hospital and if such a need arises, it is a product of a lack of planning. If there are too many beds in one community, perhaps it would be better to let some of those beds go, he said.

Kingston Peters, LOC Medical Center (Anchorage)

Mr. Peters claimed that the hospital and the POB are worth less than their combined debt. He stated that the assistance to provided under HB 1030 is "excessively liberal and greatly above the norm." He stated that the concept was unfair to those "who believe in free enterprise" and that it was a basically a subsidy of the Teamsters Union because it would relieve them of their obligation to replenish their pension fund.

Lindy Loudermill, Anchorage

Mr. Loudermill stated that it would cost more to build another hospital than to bail out Alaska Hospital and generally voiced his support for the bill. He specifically stated that the IHS purchase would be detrimental to the "rest of the Anchorage community".

Millet Keller, Anchorage Chamber of Commerce

Mr. Keller clarified the Chamber's position on the bill by stating that they do not believe that loaning the Hospital \$55 million would be "based on sound financial principles" nor in the best interest of the state. He said that, in all respect, decisions made by the legislature "at the last minute are not always the best" and that \$55 million was too large an expenditure to be made in haste. He advocted that the legislature study the situation and come up with the best answer to the problem at a later date. He emphasized that the Chamber wished to maintain the Hospital, but that HB 1030 was not the best vehicle to do this. He suggested that a private loan to carry the Hospital through the interim until a long term solution is found would be the best way to solve a very difficult problem.

Morris Coyle, Chief of Staff, Providence Hospital, Anchorage

Dr. Coyle read resolutions of the Providence staff advocating "survival for Alaska Hospital".

Jane Anvik, Anchorage Assemblyperson

Ms. Anvik summarized the points of a resolution to be passed by the Anchorage Assembly tomorrow night. They are: (1) keep the Hospital open, (2) build an IHS facility elsewhere in Anchorage, (3) state short-term financing is

page three.

necessary, (4) state funding should be sufficient to cover the needs of the Department of Labor to satisfy the ERISA law, (5) expand the Hospital's Board of Trustees to include public members, and (6) provide for public review of the legislative action, whatever it may be.

new The Chair proposed that the Committee get more information on the Department
tape of Labor's needs before taking action on the bill. She asked the members to
00 study a proposed CS for the bill presented by Rep. Cotten. She stated that
the Committee would take up the bill at the next meeting.

40 The Committee then took up SB 380 am, appropriating funds for MedAlert.

The Chair explained that a proposed CS SB 380 am had been drafted that would include appropriations for a Growing Child Program, for a mental health transitional facility, and for a holistic health project as well as the appropriation for MedAlert.

100 Bobi Smith

Ms. Smith answered questions from the Committee. She explained, among other things, that opposition from paramedics and from heart surgeons was no longer in existence due to demonstration of the program to them. The cost of the program to consumers would be about \$58 per month. The high cost is due to the cost of computer programming required as well as training of monitors.

480 Deborah Behr, Mark Johnson, Department of Health & Social Services

Ms. Behr explained that the \$5,000 price tag for the feasibility study was based on the Department's projected need for medical research, statistics, demographical information and other forms of evaluation. She stated that it was a flexible figure, depending on how thorough a study the legislature had in mind. Mr. Johnson explained, in response to questioning, that the official position of the paramedic community to the bill was "neutral".

Rep. Barnes requested that the Committee hold action on the bill until the next day. She withdrew her motion soon thereafter, stating that she would do the necessary research and consult with the Finance Committee if she felt that it was necessary.

570 Dennis Murray, Project Director, Senior Citizens of Kodiak

Mr. Murray voiced opposition to the bill, stating that there were other corporations that put forth the same product.

677 Rep. Munson moved and asked unanimous consent that the proposed CS SB 380 am be adopted by the Committee. The motion passed.

681 Rep. Munson moved that CS SB 380 am be reported out of Committee. The motion was passed unanimously.

686 The meeting was adjourned.

MINUTES
House HESS Committee
5/20/80

Members present:

Buchholdt, Chair
Munson
Beirne
Miles
Chatterton
Hurlburt
Barnes

687 The Committee took up HB 1030, providing financial assistance to hospitals.

698 Mary Foster, Department of Community and Regional Affairs

Ms. Foster stated that hospitals are currently eligible for aid under the Municipal Services Revenue Program, a state revenue sharing device for construction aid. She stated that Alaska Hospital had already received \$4 million in revenue sharing funds from the state this year. She stated that the Department supports HB 1030 but doesn't necessarily support the construction aid program because it does not take into account a hospital's financial situation.

810 The Chair explained the proposed committee substitutes before the committee. CS HB 1030 is the enabling legislation and CS SB 539 is the appropriation for the loan for Alaska Hospital.

838 Rep. Munson moved to adopt the proposed CS HB 1030. Rep. Beirne objected and a discussion of whether the bill applies to all hospitals or just to the Alaska Hospital ensued.

929 The question being called for, a vote on Rep. Munson's motion took place. For in favor of adopting CS HB 1030 were Reps. Chatterton, Miles, Munson, and Barnes. Voting against the motion were Reps. Barnes and Beirne. The Chair abstained.

948 Rep. Miles moved that CS HB 1030 be reported out of Committee. Rep. Beirne objected. Rep. Beirne launched a tirade against Alaska Hospital for not providing the Committee with financial information that was not a "misrepresentation" of its current financial distress. He discussed and moved that an amendment be added to the bill to allow the Lake Otis Clinic Hospital qualify for assistance as well. The Chair stated that she could not accept the motion without specific language for it. Rep. Beirne had considerable difficulty finding the proper section of statute that he wished to change so that "grandfathered" hospitals could receive aid. While Rep. Beirne searched for the proper statutory reference, the Chair asked Emmit Wilson, a member of the Board of Trustees of the Alaska Hospital, to speak to the Hospital's financial situation.

1096 Emmit Wilson

old at 9th + L St.
Mr. Wilson explained that the Hospital had been leased to the Municipality of Anchorage because it could not find a purchaser outright. He made it clear that if they could find a buyer they would sell. He further stated that the appraised value of the hospital is "around \$2 million". He claimed that there would be no problem in selling the bonds and that once the mortgage holder was no longer the Teamsters, then the Hospital would be utilized by the doctors in the community. He stated that he did not think that the state would end up owning the hospital, but did not elaborate on why.

Rep. Chatterton explained to Rep. Beirne that the repealer date in the bill was set for June 30, 1982 so that the state's guarantee of the hospital bonds would serve as a "bridge" until the time that the hospital could sell its own bonds.

There was further discussion of whether or not the Hospital would be able to come into the black before June, 1982, but there was no agreement on the issue.

Since Rep. Beirne was still unable to find the statutory reference that was needed for his motion, the Chair granted him a five minute at ease to find it.

- 1410 The Committee reconvened, and Rep. Beirne made his motion. After much discussion of its merits and demerits, a vote was taken on the motion, since Rep. Chatterton objected to it. Those voting in favor of the motion were Reps. Beirne, Barnes and Munson. Those voting against it were Reps. Buchholdt, Chatterton and Miles. The motion failed on a tie vote.
- 1690 Rep. Chatterton moved to amend CS HB 1030 to include language that would allow the Hospital's arrears on its mortgage to be paid as well as the mortgage payment itself. There was discussion of the proper wording and the motion was finally adopted by unanimous consent with the following language: On line 9, after the word "loans," insert "provide financial assistance to medical facilities in Alaska"; on line 23, after the word "to" add "and provide for financial assistance for".
- 1780 Rep. Beirne moved to rescind the Committee's action on his earlier motion. A vote was taken and the motion failed. Those voting in favor of the motion were Reps. Beirne, Barnes and Munson. Those voting against it were Reps. Buchholdt, Chatterton, Miles and Hurlburt.

Since all previous objections were now removed, Rep. Miles original motion to report out CS HB 1030 was passed.

- 1846 The Committee then took up CS SB 539 am, providing the funding for CS HB 1030.

new tape

- 31 Rep. Miles moved the adoption of the CS. Rep. Beirne objected from the purposes of moving that the amount of money appropriated be doubled. The Chair objected, and a vote was eventually taken. The motion failed because all the members voted against it except Rep. Beirne.
- 200 Rep. Chatterton moved that the following language be added to line 15 of the bill. After the word "to" add "and provide financial assistance for". The motion passed by unanimous consent.
- 324 The Chair moved that the original SB 539 am be included in the committee substitute. The original bill appropriated about \$4 million for emergency medical services in outlying areas. Rep. Hurlburt then moved an amendment to the Chair's amendment that would provide \$150,000 in fire suppression equipment for various villages in the Bethel area. Rep. Munson objected and a vote was taken on Rep. Hurlburt's amendment. The motion failed as only Rep. Hurlburt voted in favor of it. A vote was taken on the Chair's motion. It also failed; The Chair and Rep. Munson voted for it with the rest of the Committee, except for Rep. Barnes, voting against it. Rep. Barnes abstained.
- 507 Rep. Miles moved to report the bill out of Committee. The motion was passed unanimously.
- 516 The meeting was adjourned.

Members present:

Buchholdt, Chair
Munson
Miles
Chatterton
Barnes

716 The Committee first took up HB 488, relating to class size.

753 David Spence, Governor's Council on the Handicapped and Gifted

Mr. Spence expressed the Council's worry that the bill would result in the elimination of special education instruction in public schools in Alaska. The Council is opposed to the bill, he said.

813 Steve Hole, Department of Education

Mr. Hole explained that DOE was also opposed to the bill because of the effect on special education and the high cost that the bill would incur. There would also be a huge burden on school districts, he said. Under questioning, Mr. Hole stated that the bill would likely cost more than the \$136 million fiscal note suggests. This is because the fiscal note is based on the lowest figures for teacher salaries, construction of new class rooms, and other factors.

880 Don McKinnon, Superintendent of Juneau schools

Mr. McKinnon reiterated earlier witnesses' testimony that the bill was inordinately expensive though he praised the bill's intent.

935 Carin Geldorf, NEA-Alaska

Ms. Geldorf stressed that the quality of education to be derived from HB 488 far outweighed the high cost of the bill. She stated that NEA would support a compromise in the form of an amendment to the bill to require 20 students for kindergarten through third grade and to require 25 students for fourth through eighth grades. This would lower the price tag and still meet the goals of quality education through better teacher-student ratios.

Rep. Miles stated that the cost of the bill was far too high for him to support it. He suggested that the bill be retained in Committee for further study. The other members concurred and the Chair stated that Rep. Miles' suggestion would be acted on.

1200 The Committee then took up SB 549 am, the Nursing Home Administrators Board Practice Act.

1214 Debby Behr, Bob Ogden, Portia Kaufman, Department of H&SS

The witnesses expressed their support for the bill and for the amendments relating to the Pioneers' Home administrators that were submitted in writing to the Committee.

1424 James Buck, St. Ann's Nursing Home

Mr. Buck expressed his support for the bill.

1491 Vern Perry, Director, Pioneers Benefit Section, Dept. of Administration

Mr. Perry stated that his division supports the bill provided that the amendments submitted to the Committee were to be accepted.

1505 Ann Griggs, Department of Occupational Licensing

Ms. Griggs reiterated Mr. Perry's statements.

1515 Rep. Miles moved that the amendments submitted to the Committee be accepted. The motion passed unanimously.

1583 Rep. Chatterton moved to delete section 11, beginning on page 2. The motion passed unanimously.

1599 Rep. Chatterton moved that lines 14-15, page 3 be deleted and that the old fees as shown in the bill be retained. The motion passed unanimously.

1678 Rep. Miles moved that lines 27-28, page 3, be deleted. The motion passed unanimously.

1691 Rep. Munson moved and asked unanimous consent that lines 8-9, page 4 be deleted. The motion was carried.

1701 Rep. Miles moved and asked unanimous consent that lines 13-14, page 4, be deleted. The motion was carried.

The Committee then accepted new language from the Department of H&SS for the first amendment that was passed. The amendment would make lines 24 to the end of page 2 read as follows: Only a nursing home or a licensed hospital with skilled nursing and/or immediate care beds which is supervised by a licensed nursing home administrator may operate in Alaska. This section does not apply to Pioneers' Home Managers and Administrators of licensed hospitals with skilled nursing or intermediate care beds who are incumbents on the effective date of this Act.

1745 Rep. Miles moved that the bill, with the changes discussed, be reported out of the Committee. The motion was passed by unanimous consent.

1747 The Committee then took up SB 522, the Compact for Education.

Steve Hole, DOE

Mr. Hole expressed his support for the legislation and encouraged legislators to be more active in its support for the Compact.

There was a discussion of why the bill was needed and why the Compact was needed, since last year DOE convinced the legislature to repeal the Compact. The Committee members felt that if there was not enough back up available on why the Compact should be reenacted, that the bill should not move.

1778 Rep. Barnes moved to table the bill. A vote was taken and the motion was passed, with the Chair the only member voting against it.

1819 The meeting was adjourned.