SB

77

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SB 77
Title Alaska Senior Citizen Employment Team Program and Fund
Requested by _____ Date 1/27/83

II. FISCAL DETAIL
Agency Affected Administration
Program Category Affected Social and Economic Assistance for the Aged
BRU, Program, Or Subprogram(s) Affected Older Alaskans Commission
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS,CLAIMS,ETC.						
TOTAL	- 0 -	1,272.8	1,347.1	1,428.2		

FUNDING (Thousands of Dollars)

GENERAL FUND	- 0 -	1,272.8	1,347.1	1,428.2		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE 1/27/83 PREPARED BY John B. Stacy
AGENCY Older Alaskans Commission
PHONE 465-3250

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/82) OMB Reviewed by: David Gentry D. Gentry

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED AS A UNIT IN THE ORIGINAL DOCUMENT

SECTIONAL ANALYSIS
SENATE BILL NO. 77

Section 1 - FINDINGS AND INTENT. Finds that older Alaskans constitute a valuable state resource and that the intent of the legislature to develop this resource be developed in order to improve the general welfare of the people of the state.

Section 2 - PURPOSE. States purpose of SB 77 is to eliminate human, social, and environmental problems in Alaska by encouraging and enabling older Alaskans to perform meaningful and constructive service and to find a job.

Section 3 - PROGRAM ESTABLISHED. Establishes the Alaska senior citizen employment team program (ASCET) under the Older Alaskans Commission (OAC) Department of Administration. The ASCET program director is the director of OAC.

Section 4 - FUND ESTABLISHED. ASCET fund is established in the Department of Administration and consists of money appropriated to it by the legislature. Fund shall be administered by the director to 1) reimburse participating employers for wages paid to and expenses incurred by, an enrollee and 2) to employ or contract for necessary staff and services to carry out this Act.

Section 5 - ENROLLEES. Director shall recruit, select and enroll residents 60 years of age and older to work full-time and/or part-time in eligible programs. The director is authorized to provide for short-term training if necessary.

Section 6 - CONTRACTS FOR EMPLOYMENT OF ENROLLEES. Authorizes the director to contract for employment of an enrollee by any employer in the state.

Sec. 6 (a) outlines contract procedures requiring:

- enrollee is paid a wage of not less than $5 per hour
- contract can provide for part-time,full-time,job sharing and/or "flex-time"
- allows on-the-job training with guarantee of employment upon completion
- that employer establish a grievance procedure for employee
- that enrollee <u>not</u> replace an employee who is not an enrollee
- that employer pay wages and benefits required by state and federal law
- that employer provide enrollee written description of job duties
- that employer not discriminate with respect to the program because of age, race, creed, color, national origin, sex, sexual orientation, marital status, parental status, physical disability, or political affiliation.
- the Director, upon request, shall provide enrollee with a copy of enrollee's contract of employment.

Sec.6 (b) - provides that employer is eligible to receive reimbursement of all or a portion of wages paid to enrollee, and expenses authorized by director and incurred on behalf of an enrollee, in amounts specified by the contract and in a manner prescribed by regulations adopted by the director.

Sec. 6 (c) - Requires director to assign an enrollee to work in enrollees community of residence, or nearby, unless the enrollee agrees to serve elsewhere.

Section 7 - AUDIT. Makes program or business employing an enrollee under this Act subject to legislative audit division audit.

Section 8 - ANNUAL REPORT. Requires director to submit yearly performance report to legislature in January.

Section 9 - REGULATIONS. Requires director to issue regulations necessary to accomplish purposes of Act.

Section 10 - DEFINITIONS.

Section 11 - Sunsets this act on June 30, 1988

Section 12 - Effective date, July 1, 1983

Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

January 25, 1983

PRESS RELEASE ** PRESS RELEASE ** PRESS RELEASE ** PRESS RELEASE

For Release: January 25, 1983

Contact: Ginger Baim, 465-4954

From: Senator Vic Fischer, Chair
Senate State Affairs Committee

Re: Alaska Senior Citizen Employment legislation

JUNEAU, AK — A bill creating a job training and employment program for Alaska's senior citizens was introduced in the State Senate today by Anchorage Democrat Vic Fischer.

If enacted, the Fischer bill would create an Alaska Senior Citizen Employment Team (ASCET) program under the Older Alaskan Commission of the Department of Administration. The program would provide job training, and help place Alaskans 60 years of age and older in full and part-time jobs in both the public and private sectors. As currently written, the bill also provides for a minimum $5.00 an hour for senior citizens employed under the program.

" I think all of us in the legislature recognize that the wealth of experience, expertise, and wisdom of older Alaskans constitutes a valuable state resource", Fischer said today. " The intent of this legislation is to develop this resource in order to address the needs and problems of Alaskans, to enable older Alaskans to earn a reasonable wage, and to improve the general welfare of the people of the state."

The bill also seeks to establish program funding in the Department of Administration in an amount to be appropriated by the legislature.

Under the terms of the proposed legislation, senior citizens would enroll in the ASCET program for job training or placement. The executive director of the Older Alaskans Commission would then contract with employers throughout the state for the employment of an enrollee. A portion of the program funding would then be used to reimburse employers for all or a portion of the wages paid to an enrollee and expenses authorized by the program director and incurred on behalf of an enrollee in amounts specified in the contract of employment and consistent with regulations adopted by the ASCET director.

Any program or business employing an enrollee under ASCET would be subject to audit by the legislative audit division. Enrollees will be placed in their own communities, a nearby community, or, if the enrollee agrees, elsewhere in the state.

To be eligible for the program, an Alaskan must be 60 years of age or older, and must have maintained a permanent residence in the state for the preceding 12 consecutive months.

A "sunset clause" repeals the legislation on June 30, 1988 unless the legislature votes to extend the ASCET program.

"There is so much that our senior citizens have to offer us", Fischer said, "it's a shame that a program like this hasn't existed at the state level before now. Hopefully, it will be used as a model for programs in other states", he concluded.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SS SB799

Title An Act establishing the senior Alaskans volunteer enterprises program

Requested by _____ Date 3/25/82

II. FISCAL DETAIL

Agency Affected Administration

Program Category Affected Social & Economic Assistance for the aged

BRU, Program, or Subprogram(s) Affected Older Alaskans Commission

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES			178.8	196.7	216.4	238.0
200 TRAVEL			16.6	18.2	20.	22.
300 CONTRACTUAL			22.1	24.4	26.8	29.5
400 COMMODITIES			3.0	3.3	3.6	4.0
500 EQUIPMENT			2.5	Ø	Ø	Ø
600 LAND & STRUCTURES			Ø	Ø	Ø	Ø
700 GRANTS, CLAIMS, ETC.			2,139.8	2,353.8	2,589.2	2,848.1
TOTAL			2,362.8	2,596.4	2,856.	3,141.6

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME			5	5	5	5
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Funds for administrative support are included for the following five positions: Project Coordinator (R18); Project Field Representative II (R15); Administrative Assistant I (R12); Accounting Technician I (R12); and a Clerk Typist III.

Travel includes that necessary for enrollee training, for program development and implementation, monitoring of worksites and enrollees, program evaluation and modification.

Inflation is computed at 10% per year except for equipment, one time only purchase.

(Continued on attached page.)

IV. DATE March 25, 1982 PREPARED BY [illegible]

AGENCY Older Alaskans Commission

PHONE 465-3250/9

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) SN Taylor

33-001 (Rev. 12/80

ATTACHMENT TO FISCAL NOTE SSSB799

III. ANALYSIS

To select a targeted number of enrollees to be serve in this program, a determination of the number of older worker available to work is necessary. This information is available from job service centers. It should be noted, however, that most older workers have become discouraged, and no longer apply at employment centers. Of those that do apply, only 12% are placed in jobs. The number of those that apply could then be considered the minimum number of persons available to work. In the case of applicants 60 and up, it is 1,211. In order to narrow the target group it was determined to use figures for only the economically disadvantaged applicants although this is not an eligibility requirement for the program. Of those applicants 60 years of age and other.

Therefore, it was decided to use the number 200 as the enrollees to be served by the basic budget described herein. Because President Reagan's budget has allocated "0" dollars for the Title V program planning to eliminate it, this program cannot be considered an "add-on" and must be self-supporting administratively. Because of its similarity to Title V, the projected Title V budget for FY'83 with minor modifications is being used. Should the Title V program not be eliminated, then there would be some savings in the Personal Services category of the budget.

The following assumptions have been made:

(1) the average hours to be worked is 25 hours per week, although they may work part or full time

(2) the average wage is $6.86 per hour (the current rate paid on Title V)

(3) 20% of the average wage is to cover required fringe benefits, training, and other work-related necessities.

Thus, the cost per person is as follows:

25 hours x ($6.86 per hour + 20%) x 52 weeks = $10,699

The grants/contract component is:

200 persons x $10,699 per person = $2,139,800

The total budget for 200 is $2,418,000.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department	Sponsor (Principal)	Bill Number
Department of Admin. Older Alaskans Commission	Sen. Fischer	SSSB799

Department Position

The Older Alaskans Commission supports the establishment of an Alaskan senior citizen employment team program and endorses this bill with some housekeeping amendments as recommended.

Division Director	Date	Commissioner	Date
[signature]	3/26/82		

GOVERNOR'S OFFICE USE

Comments:

☐ Position Noted	By	Date

SUMMARY

1. a) Related Bills (Similar or Conflicting	1. b) Other Agencies Affected by Bill
2. a) Organizational Support for Bill	**2. b) Organizational Opposition to Bill**
Older Alaskans Commission Older Person Action Group	Unknown

3. Program Effects of Bill

This bill is similar to current Federal programs which are to be phased out. SSSB799 has a broader scope than our current Title V program as it imposes no income limitation on eligibility. However, it also has a higher criteria of 60 rather than 55 years. The Administrative capability to operate such a program is already in place. The program would require a moderate increase of staff.

4. Fiscal Impact: ☐ None ☒ Fiscal Note Attached

5. Amendments Proposed:

See attached

6. Comments:

See attached

Provide for participation by employers in # salary of enrollees.

5. Amendments Proposed:

1. Change the word "volunteer" to "enrollee" when referring to a person who is to be employed by the program and delete "volunteer" when used in the context of community service.

2. Change age 60 to ~~age~~ 55 for purposes of employment. ?

3. Under Sec. 4 (b) (1), add the phrase "and other authorized related employment or training expenses" in front the phrase" under terms of this Act:"

4. Under Sec. 5. delete "older Alaskans service".

5. Under Sec. 6 (a), change to read"...the employment of a volunteer by a non-profit organization, local units or branches of government, or to a small business enterprise, preferably those serving or operated by Alaskan senior citizens, to accomplish a purpose of this Act." enrollee

6. Under Sec. 6 (b) at the end of line 20, change the word "contract" to "the Alaska senior citizen employment team".

   Change line 22 and 23 to read, "for a volunteer to use for the resolution of alleged grievances with the". enrollee

7. Page 3, line 2, change "director" to "employer". Line 3, change "contract of employment" to "job description".

6. Comments.

Each item number below is the same as the amendment number to which it refers under "5. Amendments Proppsed".

1. Recommend changes in terminology to conform with standard nomenclature used in other employment and volunteer programs throughout the country.

   Volunteer: is very misleading as it denotes a person who performs services, usually without compensation. Nationwide volunteer programs under ACTION, sometimes give a stipend - a nominal amount to cover out-of-pocket expenses in connection with the volunteer work. The stipend is not a wage and not declarable for Income Tax purposes as income.

   Although the person is actually an employee, this term would not distinguish him from other employees under the same employer. Other terms that might be more suitable are enrollee, participant, older worker, or enlistee. Enrollee is used in Title V. Participant is often used for the recipient of services rather than the person providing services within the program. Although older worker is also descriptive of the positions, enrollee and enlistee retain the concept of volunteerism in that persons enroll or enlist voluntarily as opposed to being drafted, forced or coerced.

Community services are exactly what the name implies whether or not they are performed by volunteers or paid workers.

2. There are several reasons for recommending the younger age although the older age could still be given preference.

   a. There are many jobs that require the greater strength and better health, especially those providing home chores services to seniors, such as woodcutting, waterhauling, cooking and cleaning, etc.

   b. Changing to age 55 would be the same as Title V.

   c. At age 55, more people are looking and needing career changes or new careers such as displaced homemakers.

   d. Social security is not available (unless disabled) until age 62.

3. Wages to be paid will be the principal expenditure but not the only expenditure. In other sections of the act fringe benefits according to federal and state law must be paid, training may be provided, and other incidental expenses necessary to operate an employment program.

4. This phrase is redundant and not all inclusive. By referring to "eligible programs under sec. 6" and then listing the types of eligible programs in section 6, this redundency is eliminated and makes it unnecessary to change both sections should the types of programs listed under section 6 be changed.

5. Limiting the employment to service programs under AS 47.65 would result in very few job opportunities as this is only one type of funding used for older Alaskans service programs and is a relatively small portion of the total. There are many more programs under Title III, IV, etc. There are also many other organizations serving the elderly who may not have applied for these particular funds or may not have received funding due to federal cutbacks who should also be eligible for a position under this employment program.

   The phrase "to persons engaged in small business matters" is not very clear but is probably meant to mean a small business enterprise. The idea relates to the use of former business executives under the volunteer organization "SCORE" who assist small businesses with their expertise. Employing an appropriate person for this purpose would be of great benefit to a small struggling business and would make good use of an older person as a resource.

6. A grievance procedure is usually established by the organization in charge of the program and may then become a part of each contract.

7. Each employer should be required to supply his employee with his own job description. These should not have to come from the organization in charge of the entire program. Also, since the contract is with the employer and concerns other items required of the employer, it is not supplied to each employee. What each employee does need is a copy of his job description and he may also want a copy of his application which would show his job assignment, rate of pay, and other pertinent facts.

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SS SB 799
Title An Act establishing the senior Alaskans volunteer enterprises program
Requested by _____ Date 4/5/82

II. FISCAL DETAIL
Agency Affected Administration
Program Category Affected Social & Economic Assistance for the Aged
BRU, Program, or Subprogram(s) Affected Older Alaskans Commission
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES			113.3	124.6	137.1	150.8
200 TRAVEL			12.0	13.2	14.5	16.0
300 CONTRACTUAL			10.6	11.7	12.9	14.2
400 COMMODITIES			3.0	3.3	3.6	4.0
500 EQUIPMENT			2.0	0	0	0
600 LAND & STRUCTURES			0	0	0	0
700 GRANTS, CLAIMS, ETC.			1,069.9	1,176.9	1,294.6	1,424.1
TOTAL			1,210.8	1,329.7	1,462.7	1,609.1

FUNDING (Thousands of Dollars)

GENERAL FUND			1,210.8	1,329.7	1,462.7	1,609.1
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME			3	3	3	3
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
This type of program necessitates detailed planning and development, accounting and cleric functions as well as on-site monitoring and evaluation.

Funds for administrative support are included for the following three positions:

Project Coordinator (R18);
Administrative Assistant I (R12); and an
Accounting Technician I (R12).

Travel includes that necessary for enrollee training, for program dev lopment and implementation, monitoring of worksites and enrollees, program evaluation a. modification.

Inflation is computed at 10% per year except for equipment, one time only purchase.

(Continued on attached page.)

IV. DATE April 5, 1982 PREPARED BY Eileen Nelson CC
AGENCY Older Alaskans Commission
PHONE 465-3250

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/80

ATTACHMENT TO FISCAL NOTE SSB799

III. ANALYSIS (continued)

To select a logical number of enrollees to be funded on this program, a determination of the number of older workers available to work is neccessary. Since most older workers have become discouraged, they no longer apply at employment centers and of those that do apply, only 12% are placed in jobs. The number of those that apply should then be considered as an absolute minimum of persons available to work. In the case of persons 55 and up, it is 2,528 applicants; and of those applicants 60 and up, it is 1,211. In order to narrow the target group it was determined to use figures for only the economically disadvantaged applicants as those having the greatest need although this is not an eligibility requirement for the program. For the group 55 and up, this would be 676 persons and for those 60 and up, it would be 294 persons.

It was decided to use the numer 100 as the enrollees to be served by the basic budget described herein. Because President Reagan's budget has allocated "0" dollars for the Title V program planning to eliminate it, this program cannot be considered as "add-on" and must be self-supporting administratively. Because of its similarity to Title V, the projected Title V budget for FY '83 with minor modifications is being used.

The following assumptions have been made:

(1) the average hours to be worked is 25 hours per week, although they may work part or full time.

(2) the average wage is $6.86 per hour (the current rate paid on Title V)

(3) 20% of the average wage is to cover required fringe benefits, training, and other work-related necessities.

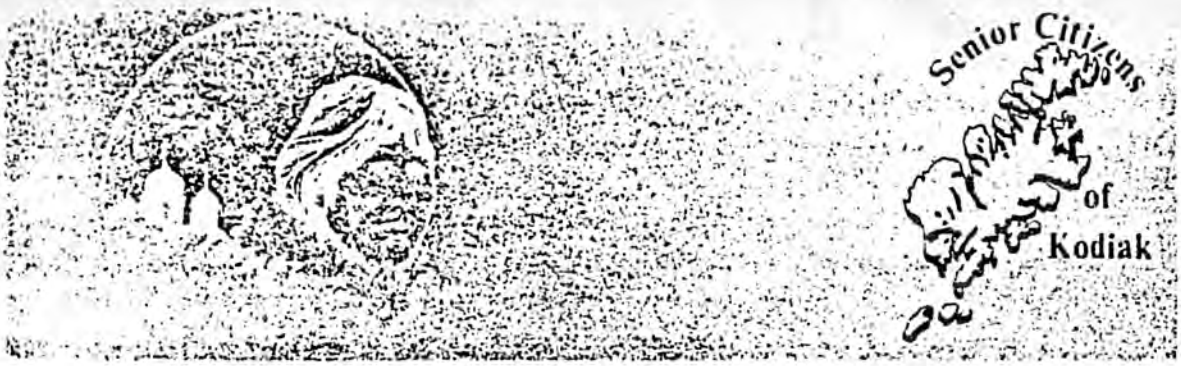
Thus, the cost per person is as follows:

25 hours x ($6.86 per hour + 20%) x 52 weeks = $10,699

The grants/contract component is:

100 persons x $10,699 per person = $1,069,900.

The total budget for 100 is $1,210,800.



Senior Citizens of Kodiak

Box 315
Kodiak, Alaska
99615
Dennis Murray
Project Director
Tel. 486-6181

3-25-82

Senator Bob Mulcahy
Pouch V
Juneau, Ak. 99811

Re: A Resolution of the Senior Citizens of Kodiak, INc.

Dear Bob:

I certainly enjoyed my recent visit with you in Juneau. The experience of legislative process had a lasting impact on me. I learned alot, and feel I know more about how democracy works.

At the last regular meeting of the board of directors of the Senior Center information from the Older Alaskans Commission was shared. The board discussed the proposed reduction in Title III federal funding, the elimination of Title V--Senior Employment, and the reduction by the House Finance Committee of the Governor's proposed budget for AS 47.65.

As you are aware, our programs have relied heavily on the availability of federal funding for their operation. (The center receives $114,000 in Title III and $29,000 in Title V.) A 12%--16% reduction in these funds will certainly have an adverse effect on the center's ability to provide services. However, it was hoped that the State of Alaska would assist our project by providing additional funding to offset the federal reductions. I am sure that it was with this in mind that the administration proposed to both Houses an expanded AS 47.65 budget request. I believe that it is important to note that the Older American's Act programs have relied and depended upon federal funds for a 10 year period. Last year was the first time our agency received any State funds to assist in its operation. To me that means that our project and the other similarly funded projects in Alaska have not made undue demands on the state for assistance. Rather, they have, by and large, tried to implement and develop programs in a 'good steward' fashion.

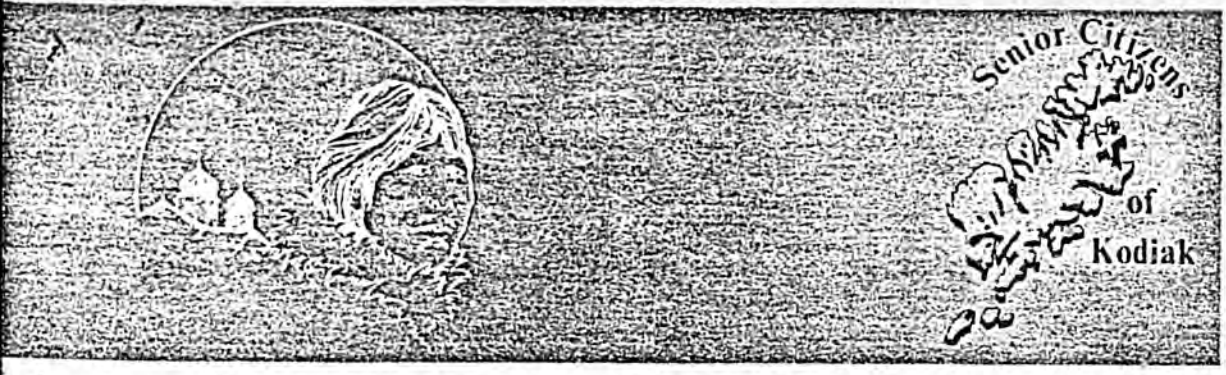
It appears that the reduction in federal committment comes at a time when the Alaska State Legislature is also faced with an anticipated shortfall in anticipated revenue. It would certainly be unfortunate that the programs which provide so many needed services and facilities to the elderly would be one of the 'victims' of the squeeze. The board and I have passed a resolution which addresses the matter of funding. I and the board are hopeful that you will give it full consideration in the Senate.

Sincerely,

Joseph F Terry

Joseph Terry, Pres.

cc. Members of the Senate, Representative Zharoff, Representative Sutcliffe
Ms. Hazel Heath, Chairperson--Older Alaskans Commission
Mr. Jon Wolfe, Director of " " "



Box 315
Kodiak, Alaska
99615
Dennis Murray
Project Director
Tel. 486-6181

SENIOR CITIZENS OF KODIAK, INC.

DIRECTED TO: Senator Bob Mulcahy, Representative Fred Zharoff, Representative Eric Sutcliffe

RESOLUTION # 82-5

A resolution of the board of directors of the Senior Citizens of Kodiak, Inc. regarding the Governor's proposed FY 83 budget for the Older Alaskans Commission and the proposed reduction passed by the House Finance Committee

Whereas, the board of directors of the Senior Citizens of Kodiak, Inc. has received information from the Older Alaskans Commission that the State can anticipate a reduction in federal funding by 12% of the current year funding for Title III programs (please find this information attached), and

Whereas, the House Finance committee has proposed a reduction in the same budget of $1,140,000 which represents a 62% cutback in the level of funding recommended by the governor to the legislature, and

Whereas, either proposed reduction would substantially diminish and impede the ability of senior programs to provide facilities and services for Alaska's Elderly Citizens. Further, both reductions together would severely affect aging programs in Alaska creating hardship for those individuals with the least ability to find alternatives, and

Whereas, every study commissioned by the State of Alaska to survey the needs and desires of its elderly population has conclusively stated that elderly persons wish to remain in their own homes and apartments, in their own community and near their friends and relatives, and

Whereas, the senior programs (particularly--multi-purpose senior centers) enhance and facilitate the desires of the elderly to remain in their familiar surroundings providing whatever level of assistance necessary to maintain the individual's highest level of independence, and

Whereas, it is the senior centers which act as the focal point in many communities for the elderly to obtain information and assistance concerning other worthwhile programs sponsored by local, state and federal government including:

1) Alaska Longevity Bonus
2) Social Security and SSI Benefits
3) Medicare and Medicaid
4) Property Tax Exemption and Renter's Rebate
5) Pioneer Homes
6) Sales Tax Exemptions and reductions on municipal utilities
7) Adult Public Assistance, Housing Subsidies,
8) Home Energy Audits, Energy Assistance
   And the List goes on

Resolution # 82-5
"Funding for Senior Programs"

Now Therefore Be It Resolved, That
The Senior Citizens of Kodiak, Inc. strongly urges you, our area legislators, to speak with your colleagues about this situation; and to argue on our behalf that the programs the Senior Center represents are important to your constituents, and

Further Be It Resolved, That
The full Houses of the Alaska State Legislature restore the entire amount of the governor's request for the Older Alaskans Commission.

Passed this 17th day of March, 1982

Attest:

James F. Ranney

Mr. James Ranney, Secre.-Treas.

(11)

OLDER ALASKANS COMMISSION

Regional State and Federal Fund Allocations

	Current Fiscal Year 1982 Grant Awards		Projected Fiscal Year 1983 Fund Availability	
Region	Federal	State	Federal	Governor's Budget Request
Anchorage	$1,001,007	$ 173,664	$ 611,549	$ 595,967
Southcentral	689,942	183,480	433,180	315,512
Southeast	1,150,101	238,678	713,474	350,569
Northwest	391,689	-0-	229,331	87,642
Southwest	178,530	80,576	101,925	122,699
Interior	572,387	289,400	356,737	280,455
Statewide	163,000	159,700	101,925	92,256
Total	$4,146,656	$1,125,498	$2,548,121	$1,845,100

The above chart indicates regional allocations of Federal and State funds for senior citizen programs for the current fiscal year and projections for fiscal year 1983.

Federal funds awarded to grantees in Fiscal year 1982 included funds carried over from fiscal year 1981 as well as those appropriated for fiscal year 1982. Federal projections for 1983 do not include prior year funds.

Regional allocations for state funds are based on area population of persons 60 years of age and older. These funds may be decreased. As of this date, the House Finance Committee has recommended decreasing the Governor's Budget Request of $8,367,000 for the Older Alaskans Commission grants program by $1,140,000. This recommendation is expected to be accepted by the House for referral to the Senate.

3/3/82

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED AS A UNIT IN THE ORIGINAL DOCUMENT.

NATIONAL RETIRED TEACHERS ASSOCIATION

AMERICAN ASSOCIATION OF RETIRED PERSONS

ALASKA JOINT STATE LEGISLATIVE COMMITTEE

CHAIRMAN
Mrs. Vera Gazaway
1521 West 14th Avenue
Anchorage, AK 99501
(907) 277-2073

VICE CHAIRMAN
Ms. Maxine M. Race
1669 Evergreen Avenue
Juneau, AK 99801
(907) 586-1661

SECRETARY
Ms Lorena Showers
P.O. Box 1978
836 M. Apt. 204
Anchorage, AK 99501
(907) 277-2226

March 16, 1983

The Honorable Victor Fisher
State Capitol
Pouch V
Juneau, AK 99811

Dear Senator Fisher:

The Alaska State Legislative Committee of the American Association of Retired Persons, in the interest of our 1983 legislative priorities; to establish employment and training programs for middle-age and older workers, would like to assure you of our support for S.B. 77.

Thank you.

Sincerely,

Maxine Race

Maxine Race
Vice Chairman
AARP Alaska State
Legislative Committee

Mildred I. Moore
President NRTA

Olaf J. Kaasa
President AARP

Cyril F. Brickfield
Executive Director

National Headquarters: 1909 K Street, N.W., Washington, D. C. 20049 (202) 872-4700

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

ment	Sponsor (Principal)	Bill Number
Administration Older Alaskans Commission	Senator Fischer	SB 77

ment Position: The Older Alaskans Commission supports establishment of an Alaskans senior citizen employment team program to increase training and employment opportunities for seniors enabling them to live independent lives in dignity as well as utilizing their experience, expertise, and wisdom as a valuable state resource.

on Director	Date	Commissioner's Signature	Date
Jon B. Wolfe	2/4/83		

GOVERNOR'S OFFICE USE

ents:

Position Noted	By	Date

SUMMARY

Related Bills (Similar or Conflicting	1. b) Other Agencies Affected by Bill
Unknown at this time	DOL
Organizational Support for Bill	**2. b) Organizational Opposition to Bill**
Older Alaskans Commission Older Persons Action Group The American Legion Department of Labor	None Known

gram Effects of Bill

This bill is compatible with the senior employment programs administered by the Older Alaskans Commission for persons over 55 funded by Title V of the Older Americans Act and those over 60 funded under AS 47.65. Currently the senior employment programs only serve about 2% of the elderly unemployed in the state. This program would provide employment for another 1%. Since many of these positions are usually located within other organizations serving seniors such as nutrition programs, it would also assist in providing needed services in areas which have been unable to meet present demand.

cal Impact: ☐ None ☒ Fiscal Note Attached

endments Proposed:

Page 3, Sec. 6 (b), line 12 change "director" to "Older Alaskans Commission".
Page 3, Sec. 9, line 21, change "director" to "Older Alaskans Commission".
Page 1, Sec. 2, line 20, change "60" to "55"
Page 2, Sec. 5, line 9, change "60" to "55"

mments:

This program would benefit communities by providing positions for worthwhile projects. Some would contribute greatly to reduced taxes by assisting other seniors to remain in their own homes for a longer period of time instead of being institutionalized at about $4,000 per month per person. A national study of Title V by the American Association of Retired Persons shows that for every $1. spent for the program $1.15 is returned to the economy. The state would also benefit by having more productive citizens and fewer on welfare. For example, 91% of the enrollees on current senior employment programs are eligible for welfare. Thus, savings in these costs alone could pay for most of the costs of this program.

This program would provide the direct benefit to the enrollee of an income, the opportunity to prove capability and training for a job. Increased income would result in the indirect benefit of improved health through better nutrition, housing and improved mental outlook through the feelings of worth as a result of their working contribution to society.

Reasons for the requests under "Amendments Proposed" are as follows:

1. Change "director" to "Older Alaskans Commission" because the Commission should be responsible for determining regulations which the executive director would implement.

2. Change age 60 to 55 because, for most persons, age 55 is the most critical age concerning employment. Actually, the Department of Labor defines the older worker as being age 45 and up because age-related employment problems frequently occur at this time and become progressively worse. (Society perceives the worker as too old, with obsolete skills and as being untrainable.) Fifty-five seems to be the turning point age at which second careers need to be developed because of the physical slowing of some individuals and/or obsolescence of skills due to changing technologies. Many widows enter the job market about this age because social security is not available to them (the average age of widowhood is 56) when dependent children are no longer in the home. At age 55, there is still a 10-20 year period in which to use new career training before retirement. Therefore, training for highly skilled careers is still considered worthwhile.

   Age 55 would also coincide with the existing Title V program thus facilitating the administration of both programs.

CS FOR SB 77 (HESS) - BILL ANALYSIS

SECTION 2 changed age limit from 60 to 55

SECTION 5 changed age limit from 60 to 55

SECTION 6 page 3

(b) added section to limit reimbursement to 75% of the wages paid

(d) added section to guarantee that 25% of the contracts will be awarded to private employers.

"NEPOTISM" was not added to the bill. Legal opinion from Billy Berrier is that contracts under this bill would come under the current nepotism statute.

Contracts awarded to private employers is another problem, as to defining the relationships of the enrollee to what may be a corporation. I had no specific direction from the committee and would suggest that this be a topic of discussion at the committee meeting.

STATE OF ALASKA
FISCAL NOTE

Revision Date Apr. 21, 1983

I. REQUEST

Bill/Resolution No.: CS SB 77
Title: Alaska Senior Citizen Employment
Sponsor: Vic Fischer
Requestor: Vic Fischer

II. FISCAL DETAIL

Agency Affected: Administration
Program Category Affected: Social and *
BRU, Program of Subprogram(s) Affected: Older Alaskans Commission

*Economic Assistance for the Aged

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		81	86.4	91.6	97.0	102.8
200 TRAVEL		9.8	10.4	11.0	11.7	12.4
300 CONTRACTUAL		7.6	8.1	8.5	9.1	9.6
400 COMMODITIES		1.1	1.2	1.2	1.3	1.4
500 EQUIPMENT		2.0	Ø	Ø	Ø	Ø
600 LAND & STRUCTURES		0	Ø	Ø	Ø	Ø
700 GRANTS, CLAIMS, ETC		666.4	706.4	748.8	793.7	841.3
TOTAL OPERATING		768.4	812.4	861.1	912.8	967.5
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis See attached.

Prepared By: Eileen Rehwald Pima Phone: 465-3250
Division: Older Alaskans Commission Date: 4-21-83

Approved by Commissioner: [signature] Date: 4/21/83
Department: Administration

Distribution:
Original to Legislative Finance
Copy to Office of Management and Budget (for Legislature introduced bills)
Copy to Department (for Governor introduced bills)
Copy to Sponsor

IV ANALYSIS:

A. Assumptions

In the grants component, the following assumptions have been made:

(1) the average number of hours to be worked is 25 hours per week,

(2) the average wage is $7.29 per hour (the current rate being paid on other senior employment programs),

(3) 25% of the average wage is to cover required fringe benefits, other work-related necessities and work- or career-related training.

Inflation is computed at 6% per year except for equipment, one time only purchase.

B. Program Summary

This program would provide 75% subsidized employment for seniors 55 years of age or older with employers who would guarantee an unsubsidized position at the end of the training period. This type of program necessitates detailed planning and development, accounting functions, and on-site monitoring and evaluation. Therefore, funds for administrative support are included for two positions: Grants Administrator and Project Field Representative. A Form 13 is attached for each position.

Travel is vital for program development and implementation. Travel permits the personal contact necessary to coordinate and design individual enrollee training and employability plans, monitoring of worksite and enrollees, resultant program evaluation and modification as required.

Contractual services include office space, janitorial services, communications, xerox, printing, advertising, and a share of the display writer. Although office space is included here, the $4,000 allowed for this purpose would be transferred to the Department of Administration, Leasing and Facilities BRU.

Equipment required for two persons is two desks, two chairs, one file cabinet, one bookcase and two calculators.

Administrative costs are approximately 14% of the total funds requested.

C. Computations

Using the assumptions listed above and the fact that only 75% of the wages are reimbursable to the employer on the Committee Substitute Bill, the cost per enrollee is as follows:

75% (25 hours x 7.29 x 52 weeks + 25% fringe benefits & training) = $8885

For 75 enrollees (75 x $8885) the cost is $666,400.

D. Economic Impact

1. Contribution to the economy. Because this is a low income group and wages are not high, it can be expected that all salaries will be used to purchase goods and services with a resulting ripple effect. A national study of the federally funded program by the American Association of Retired Persons shows that for every $1.00 spent for the program, $1.15 is returned to the economy.

2. Reduction in state welfare costs. This program would probably follow the pattern of the current federally funded program in which 26% of the new applicants last year were on a welfare program when they applied.

   Although eligibility for the program permits applicant family incomes to be 125% of the poverty guidelines (established by the U.S. Office of Management and Budget), 84% of those currently enrolled had family incomes at or below 100% of the poverty level guidelines as follows:

Family Size	Family Income (including Social Security and pensions)
1	$5,870 per year
2	$7,790 " "
3	$9,710 " "

Therefore, most of the 84% are eligible for welfare but many proud Alaskan elders refuse to accept it and no one can deny that workfare is better than welfare.

Another major tax saving is due to the kind of jobs many of these enrollees perform such as home chore services for the frail elderly to help them remain in their own homes longer instead of being institutionalized.

These services include hauling wood and water, snow shoveling, minor home repair, preparing meals, shopping for groceries, housecleaning, etc. This assistance is especially important in smaller communities where there are no home health aides or other help available. For example, one enrollee in Eagle (salary $500 per month) usually assists three to six persons at a savings of approximately $4,000 per month each for institutional costs. There are currently 18 persons performing in a similar manner.

In order to assure recruitment of low-income elderly, this office plans to prepare a pamphlet describing employment opportunities for the target group. The possibility of mailing this pamphlet directly to all Public Assistance recipients has already been discussed with that office. The reason for this approach is that a large percentage of older workers are "discouraged" workers who do not believe they can get a job due to age discrimination and so do not apply at job service centers.

Thus, the savings in taxes alone as indicated above could more than pay for this program.

1.	POSITION TITLE: Grants Administrator			RANGE/STEP: 17A	BARG. UNIT: GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION: PFT	STAFF MONTHS: 12	RP NUMBER: N/A	PCN NUMBER: N/A	BRU PRIORITY	LOCATION: Juneau	ELECTION DISTRICT: 4	LEG.		

3.	CONTINUATION LEVEL		ADDITION
4.	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES		
5.	Salary $2,757/mo.	33,084	
6.	Benefits .1620	5,360	
7.	Supplemental Benefits .0613	2,028	
8.	Fixed Benefits H.I. 240/mo.	2,880	
9.	TOTAL PERSONAL SERVICES	01	43.4
10.	Travel	02	4.8
11.	Contractual	03	3.8
12.	Commodities	04	.6
13.	Equipment	05	1.0
14.	Other		53.6
15.	TOTAL COST		

	RECEIPT CODE	FUNDING SOURCE	
16.		Federal Receipts 1002	
17.		G.F. Match 1003	
18.		General Funds 1004	
19.		I-A Receipts 1005	
20.		Program Receipts 1028	
21.		Other	

FOR B&M USE ONLY
4A KEY NUMBER — — - — — - — — - — — - — —

JUSTIFICATION

This position is needed to plan and develop the new ASCET program which would also involve profitable organizations. It requires its own regulations, accounting functions, monitoring and evaluations. Duties are as follows:

Promulgates regulations for new ASCET program

Develops Program in accordance with legislation establishing a system for application, awarding funds, and monitoring of employers to meet goal: hiring of enrollee upon successful completion of training

Reviews, evaluates applications, recommends funding levels, prepares Notification of Grant Award and subgrantee budget maintaining appropriate accounting records

Monitors on-site to provide technical assistance; assure fiscal accountability and compliance with regulations, Older Alaskans Commission policies, and program requirements; submits detailed written report.

Develops individual enrollee training/employability program coordinating with employer, enrollee, Older Worker Specialist at Job Center, and involved educational institutions

Resolves problems with enrollees or program operations

Makes policy recommendations

Supervises and works closely with CETA Field Representative II

13 REQUEST FOR NEW POSITION

AGENCY Administration

PROGRAM Social and Economic Assistance for the Aged

BRU Older Alaskans Commission

COMPONENT Administration

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Revised Date

FY 84

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1.	POSITION TITLE				RANGE/STEP	BARG. UNIT	FORM 12 PAGE/LINE	COV.	APPROV.	DISAPP.
	CETA Field Representative II				15A	GGU				
2.	TYPE OF POSITION	STAFF MONTHS	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION	ELECTION DISTRICT	LEG.		
	PFT	12	N/A	N/A		Juneau	4			

3.	CONTINUATION LEVEL		ADDITION		
4.	TYPE OF EXPENDITURE				AMOUNT
	1		2		3
	PERSONAL SERVICES				
5.	Salary	$2,398	28,776		
6.	Benefits	.1620	4,662		
7.	Supplemental Benefits	.0613	1,764		
8.	Fixed Benefits	H.I. $240/mo.	2,880		
9.	TOTAL PERSONAL SERVICES			01	38.1
10.	Travel			02	5.0
11.	Contractual			03	3.8
12.	Commodities			04	.5
13.	Equipment			05	1.0
14.	Other				-
15.	TOTAL COST				48.4

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		G.F. Match	1003	
18.		General Funds	1004	
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
4A KEY NUMBER __ __ - __ __ - __ __ - __ __ - __ __

JUSTIFICATION

This position is needed as support to the Grants Administrator in the administration of the new ASCET program. Duties are as follows:

Assists with preparation of Notification of Grant Award and subgrantee budgets.

Reviews intakes, terminations, and other forms for completeness accuracy and consistency, devises tracking system for reports not received of needing corrective action.

Monitors time sheets and enrollee progress reports.

Records all appropriate information for preparation of statistical and programmatic performance reporting.

Makes field investigations of program status and progress, providing specific program information to enrollees, work-site employer and supervisor.

Monitors program activities through reporting systems, makes periodic status reports to supervisor indicating problem areas requiring solution and recommending other adjustments in program activities.

13 REQUEST FOR NEW POSITION

AGENCY Administration

PROGRAM Social and Economic Assistance for the Aged

BRU Older Alaskans Commission

COMPONENT Administration

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FY 84

01-1136 (7/82) - 13

Senate Bill 77

"An Act establishing the Alaska Senior Citizen employment team program and fund"

POSITION PAPER

The Older Alaskans Commission urges passage of this legislation in order to provide increased training and employment opportunities for seniors enabling them to live independent lives in dignity as well as utilizing their experience, expertise, and wisdom as a valuable state resource.

In a year's time, approximately 2,890 Alaskans 55 and over applied for jobs at job service centers and only 12% were placed. National studies have indicated that the so-called "discouraged workers" who no longer apply at job service centers increase in number with age up through the years even into age 60 and 65. In June 1981, the University of Alaska at Anchorage in their report "An Assessment of the Status and Needs of Alaska's Elderly" listed the following statistics relating to employment of persons 60 and over, with an average age of 70.3, median age 68.6.

> "Retirement is the characteristic most usually associated with the occupational level of older persons. 72.6% were retired (15.2% for health and medical reasons other than by choice). 25.8% did not consider themselves retired and were either working, waiting or actively pursuing employment. In addition, 40% of the respondents stated that they missed working for a variety of reasons including the money, companionship, the feeling of usefulness or accomplishment, or the job itself".

This would indicate that the "discouraged" or "hidden" worker in the age group of 60 and over is more than one and one-half times the so-called workforce according to the statistics of employment centers. The older persons simply do not go to employment centers because they do not feel they will be able to get a job.

This program would provide seniors with the opportunity to prove capability thus helping to eradicate some of the stereotyped images of the older worker. It would also provide training to update skills that may have become obsolete in today's rapidly changing technologies.

A national study of the federal senior employment program by the American Association of Retired Persons shows that for every $1.0 spent for the program, $1.15 is returned to the economy. In Alaska, many positions assist other seniors, especially in the bush, to remain in their own homes for a longer period of time instead of being institutionalized at about $4,000 per month per person. This program would also save additional tax money by having more productive citizens and fewer on welfare. For example 91% of the enrollees on current senior employment programs are eligible for welfare. Thus, savings in these costs alone could pay for most of the costs of this program.

The fiscal note submitted would place 100 seniors in part time jobs (although full time is permitted) and it is obvious this is a very small percentage (less than 4%) of the seniors who are actively searching for a job. However, with budget constraints that exist, it is realized that it may not be possible to fund that many positions and the Older Alaskans Commission will appreciate your consideration of any assistance that may be given to train and employ additional seniors.

Jon B. Wolfe, Executive Director
Older Alaskans Commission

Amendments

p. 3, line 8
strike out "all or a portion" & insert
"not to exceed 75%"

p. 3, line 12
line 21

strike out "director" & insert
"Older Alaskans Commission"

p. 3, line 5. after the period (".") insert an additional sentence: "The contract shall provide that the enrollee may not be related by blood or marriage to the employer."

age 55

no less than 25% of jobs with private sector employers

the DIRECTOR SHALL ASSURE THAT NO LESS THAN 25% OF THE ENROLLEES ARE EMPLOYED IN THE PRIVATE SECTOR.

SENATE HES COMMITTEE OBSERVER/WITNESS SIGN-UP SHEET

DATE: 3/17/83 SPONSOR: V. Fischer

SUBJECT(S): SB 77 - Senior Citizen Employ. Team

NAME	REPRESENTING	ADDRESS	PHONE	Observer	Witness		
Eileen Rehwald	Older Alaskans Commission	Dept of Admin Pouch C	465-3250		X		
Paul Emerson	Juneau-Douglas Senior Citizens Club	895 West 12th St. Apt. 208, Juneau 99801	586-1523		X		
Margot Dick	SE Senior Services	419 6th St. CCS Wing Juneau, AK 99801	586-6233		X		

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS COMMITTEE
SENATOR VIC FISCHER, CHAIRMAN

POUCH V, JUNEAU 99811
(907) 465-4954

MEMORANDUM

TO: Senator Joe Josephson, Chair
Senate HESS Committee

FROM: Senator Vic Fischer, Chair
Senate State Affairs Committee

DATE: March 2, 1983

RE: Senate Bill 77

I would appreciate it greatly if you could schedule Senate Bill 77 for a hearing before the HESS Committee at your earliest convenience.

I am speaking to the Alaska State Retired Teachers Association on Saturday, March 5, and would very much like to be able to tell them what is scheduled with respect to this bill.

As usual, I thank you for your attention to this matter.

RECEIVED
MAR 03 1983
Josephson