AN ACT

Relating to contracts for the provision of state public assistance to certain recipients in the state; providing for regional public assistance plans and programs in the state; relating to grants for Alaska Native family assistance programs; relating to assignment of child support by Alaska Native family assistance recipients; relating to paternity determinations and genetic testing involving recipients of assistance under Alaska Native family assistance programs; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1
AN ACT

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*Section 1.* AS 47.27 is amended by adding a new section to read:

**Article 3. Alaska Native Family Assistance Grants.**

Sec. 47.27.200. Alaska Native family assistance grants. (a) Notwithstanding any contrary provision of this chapter, and in addition to grants awarded under AS 47.27.050, the Department of Health and Social Services may award and administer Alaska Native family assistance grants in accordance with this
section. Unless specified otherwise in this section, the provisions of AS 47.27.010 -
47.27.085 do not apply to grants under this section or to an Alaska Native family
assistance program operated under such a grant. To be awarded a grant under this
section, an applicant shall

(1) meet the requirements of AS 47.27.070;

(2) have received approval for, and have agreed to operate, a federally
approved tribal family assistance plan in this state;

(3) agree to operate the plan approved under this section on a state
fiscal year basis; and

(4) meet the other requirements of this section.

(b) If an organization intends to apply for a grant under this section, the
organization shall first submit to the department a letter of intent along with a copy of
the proposed federal tribal family assistance plan that will be submitted to the federal
government for approval. The organization shall make its submission to the
department at least six months before the proposed effective date of the federal tribal
family assistance plan. The department shall review the submission and notify the
organization of significant deficiencies that would make the organization ineligible to
be considered for an Alaska Native family assistance grant without significant changes
to the federal tribal family assistance plan regardless of whether federal approval is
received or whether federal grant money is awarded for implementation of that plan.
The organization may make a supplemental submission to the department to resolve
deficiencies noted by the department. If, after departmental review and supplemental
revision, an organization's plan remains eligible for consideration for a grant award
under this section, the department shall notify the organization that the organization
may submit a proposal for a grant award after the organization has received notice of
federal approval of the federal tribal family assistance plan and the pending award of
federal grant money. The commissioner may waive the time deadline specified in this
subsection if the commissioner

(1) enters into a joint planning agreement between the department and
the organization; or

(2) finds good cause and the waiver is in the state's best interest.
(c) If the department awards a grant under this section, the grant must be in an amount that

(1) for the first fiscal year under the plan accepted by the department, represents a fair and equitable portion of the state appropriations for the state public assistance program administered under this chapter intended to serve the state residents who will be served by the plan; and

(2) for the second and subsequent state fiscal years under the plan accepted by the department, represents a fair and equitable portion of state appropriations made for public assistance programs that is allocated for Alaska Native family assistance grants to be awarded under this section in order to serve the state residents who will be served by the plan; if the money is not allocated for these grants, the amounts shall be made in the same manner as described in (1) of this subsection.

(d) For an organization to be eligible to be awarded a grant under this section, the organization's proposal must include

(1) documentation that the organization

(A) has received federal approval of its federal tribal family assistance plan to operate a tribal assistance program in this state; and

(B) will receive a grant directly from the federal government to implement the federal tribal family assistance plan;

(2) a plan for operation of the Alaska Native family assistance grant that meets the requirements of (e) of this section; and

(3) if the commissioner determines that a federally approved tribal family assistance plan would be a cost-effective and efficient means of administering the program established in this chapter in that region of the state and the needs of state public assistance recipients receiving assistance under this chapter can be met through a contract awarded under AS 47.27.300, the organization's agreement to enter into a contract with the department to provide state public assistance to those eligible state residents in the region who are not included in the population to be served by the federally approved tribal family assistance plan.

(e) An organization's plan for operation of the Alaska Native family assistance grant must
be designed to facilitate self-sufficiency of assistance recipients in
the region specified in the federally approved tribal family assistance plan by
addressing the conditions specific to that region;

(2) provide for a reasonable pattern of service delivery from all
providers serving that region;

(3) serve a specified region that consists of a geographically cohesive
group of communities that share similar interests, resources, and traditions;

(4) establish the same maximum number of months of benefits as is
established for the state program under AS 47.27.015(a)(1); and

(5) provide for administration of the grant money received under this
section to establish a program in accordance with the plan accepted by the department
and in compliance with other requirements of this section; the program must include
the following standards for providing assistance to eligible families:

(A) only families with at least one dependent child or a woman
in the last trimester of pregnancy are eligible for assistance paid from an
Alaska Native family assistance grant;

(B) amounts for assistance provided from an Alaska Native
family assistance grant to eligible families may not exceed the amounts
specified under AS 47.27.025(b) when combined with assistance provided
under the federally approved tribal family assistance grant;

(C) to remain eligible for assistance paid from an Alaska
Native family assistance grant, a minor parent of a dependent child must meet
the requirements of AS 47.27.027;

(D) families receiving assistance paid from an Alaska Native
family assistance grant shall comply with the provisions of AS 47.27.035(a)
regarding participation in work activities;

(E) families receiving assistance paid from Alaska Native
family assistance grant money shall comply with the provisions of (l) - (n) of
this section regarding assignment of support rights and cooperation with the
child support services agency;

(F) the organization has an impartial appeals process to allow
affected families in the region of the state covered by the plan accepted by the department to have a fair hearing.

(f) The department may award a grant under this section only if the department determines that the proposal, including a plan for operation of the grant, meets the criteria specified in (d) and (e) of this section and that an award of the grant to the organization would be in the public interest. The grant agreement must state that the Alaska Native family assistance program will require all program participants to assign child support rights to the Alaska Native family assistance program unless the Alaska Native organization elects to require participants to assign those child support rights to the state. The department may not distribute grant money until a grant agreement between the organization and the department is executed that meets the requirements of this section.

(g) Records pertaining to recipients of assistance from an Alaska Native family assistance grant awarded under this section are confidential public assistance records under AS 47.05.020 and regulations adopted under AS 47.05.020. Use and misuse of these records are subject to the provisions of AS 47.05.030. It is an official purpose under AS 47.05.020 for an organization receiving a grant under this section and the department or another agency of the state to exchange information concerning recipients of assistance under this section if the information requested is for purposes directly connected with the administration of a grant under this section.

(h) An organization receiving a grant under this section shall provide to the department a copy of its quarterly report made under 42 U.S.C. 611. The organization shall have its financial records audited annually by a certified public accountant authorized to practice under AS 08.04. The department may prescribe the form and specify the information required to document compliance with this section.

(i) If an organization wishes to terminate its program before the end of the time period for which the grant was awarded under this section, the organization must obtain the consent of the department or provide notice to the department 120 days before the anticipated date of termination. At the end of a grant agreement or by early termination under this section, the organization shall provide an inventory of property valued at $1,000 or over and purchased, in whole or in part, with grant money
awarded under this section. The department shall notify the organization of the required disposition of the property listed on the inventory.

(j) If the department awards a grant under this section, a person applying for assistance under this chapter who is covered by the federally approved tribal family assistance plan in that region of the state may obtain assistance from the department only through the organization designated by the department to serve the region. A person aggrieved by a decision made by an organization under a grant awarded under this section may use the appeal procedure specified in AS 47.27.300(e).

(k) Notwithstanding (j) of this section, a person applying for assistance under this chapter in a region of the state that is served by both an Alaska Native family assistance program that receives a grant under this section and a program administered directly by the department may request to receive assistance under the program administered directly by the department by applying to the department under this subsection and in accordance with regulations adopted under this subsection. The department shall approve the application if the department finds that the applicant has shown that special circumstances exist that support the request to use the state program.

(l) A participant in an Alaska Native family assistance program shall assign to the Alaska Native family assistance program, unless the program has elected to require assignment to the state, all rights to ongoing child support that accrues after the effective date of the assignment for the support of the individuals in the family for whom assistance is provided, but not to exceed the total amount of assistance paid by the Alaska Native family assistance program to the family. The assignment takes effect when information required under (n) of this section is provided to the child support services agency following the determination of eligibility. Except with respect to any unpaid support that accrued under the assignment, the assignment terminates when the family ceases to participate in the Alaska Native family assistance program. All assignments to an Alaska Native family assistance program of unpaid child support obligations transfer to the state upon the termination of an Alaska Native family assistance program.

(m) An Alaska Native family assistance program participant shall cooperate
with the child support services agency in the manner described in AS 47.27.040(b) in
establishing paternity or establishing, modifying, or enforcing a child support order
requiring the payment of support by the noncustodial parent for a dependent child for
whom assistance is received. The child support services agency shall inform the
Alaska Native family assistance program if it determines that the participant is not in
good faith compliance with the requirements of AS 47.27.040(b). The Alaska Native
family assistance program shall determine whether the participant has good cause for
refusing to cooperate.

(n) An Alaska Native family assistance program that receives assignments of
ongoing child support shall provide public assistance information concerning those
assignments to the child support services agency in a timely manner in order to
establish a valid assignment. The information shall be provided by electronic means
and in a format acceptable to the child support services agency. For the purposes of
this subsection, "timely manner" means within the time constraints established for
child support agency distributions under federal law.

(o) The applicability of AS 25.27 in the case of a recipient under an Alaska
Native family assistance program includes the following:

(1) an obligor is liable to the Alaska Native family assistance program
in the amount of the family assistance provided by the program to a child to whom the
obligor owes a duty of support except that, if a support order has been entered, the
liability of the obligor for assistance provided by an Alaska Native family assistance
program may not exceed the amount of support provided for in the support order, and,
if a medical order of support has been entered, the liability of the obligor for assistance
granted under AS 47.07 may not exceed the amount of support provided for in the
medical order of support; the child support services agency shall send notice of
accruing liability under this paragraph in the same manner as required under
AS 25.27.120(c), and, if the agency fails to comply with the notice requirement of this
paragraph, interest does not accrue on the liability to the Alaska Native family
assistance program unless a support order or medical support order, as applicable, has
been entered;

(2) the child support services agency may appear in an action
authorized under AS 25.27.045 at the agency's own discretion if an obligor under
AS 25.27 is liable to the Alaska Native family assistance program under (1) of this
subsection;

(3) an Alaska Native family assistance program to which the child
support services agency erroneously disburses an overpayment of child support under
an income withholding order is liable to the state for the amount disbursed, plus
interest at the rate imposed under AS 25.27.062(l)(1);

(4) when the right to receive child support has been assigned to an
Alaska Native family assistance program, an agreement under AS 25.27.065(a) that
has not been adopted as an administrative order of the child support services agency is
not effective during a period when the obligee is receiving assistance under an Alaska
Native family assistance program;

(5) the child support services agency, on behalf of an Alaska Native
family assistance program, shall take all necessary action permitted by law to enforce
child support orders entered under AS 25.27, including petitioning the court for orders
to aid in the enforcement of child support;

(6) if an obligor under AS 25.27 is liable to an Alaska Native family
assistance program under (1) of this subsection, the state is subrogated to the rights of
the obligee to take actions authorized under AS 25.27.130(a);

(7) notwithstanding AS 25.27.130(c), the recovery of an amount for
which an obligor under AS 25.27 is liable that exceeds the total assistance granted
under AS 47.07 and this chapter shall be paid to the obligee;

(8) except as provided in AS 25.27.130(f), if an obligee under
AS 25.27 is not receiving assistance under AS 47.07 or this chapter at the time the
state recovers money in an action under AS 25.27.130(d) or (1) of this subsection, the
recovery of any amount for which the obligor is liable shall be distributed to the
obligee for support payments, including medical support payments, that had become
due and unpaid since the termination of assistance under AS 47.07 or this chapter
under a support order in favor of the obligee;

(9) after payment to the obligee under (8) of this subsection, the state
may retain an amount not to exceed the total unreimbursed assistance paid on behalf
of the obligee under AS 47.07 or this chapter;

(10) if an alleged obligor is liable to an Alaska Native family assistance program under (1) of this subsection, and a support order has not been entered, the child support services agency may, at its own discretion, undertake an action to establish paternity and a duty of support using the procedures prescribed in AS 25.27 and may enforce a duty of support using the procedures prescribed in AS 25.27; the agency may also institute administrative proceedings to determine the paternity of a child born out of wedlock upon application of an Alaska Native family assistance program; the agency may not recover costs of genetic tests required under this paragraph from a person who is a recipient of assistance under an Alaska Native family assistance program;

(11) when a hearing officer makes a determination under AS 25.27.170(d), the hearing officer shall, in addition to the factors described in AS 25.27.170(e), consider the amount of the alleged obligor's liability to an Alaska Native family assistance program under (1) of this subsection;

(12) notwithstanding AS 25.27.255(a), the child support services agency may not pay to an obligee any money that has been assigned to an Alaska Native family assistance program.

(p) Nothing in this section requires the department to continue to fund an Alaska Native family assistance grant program at a level funded before the current grant period or to replace federal funds for the program with state funding.

* Sec. 2. AS 47.27 is amended by adding a new section to read:

**Article 4. Regional Programs.**

Sec. 47.27.300. Regional public assistance programs. (a) The department may develop a regional public assistance program for the administration of this chapter in order to provide state public assistance in a uniform and cost-effective manner in a region of this state if an Alaska Native organization is authorized to implement a federally approved tribal family assistance plan that includes that region and has been awarded an Alaska Native family assistance grant for a program that includes that region for the applicable fiscal year under AS 47.27.200. The regional public assistance program developed under this section must be designed to serve
eligible state residents in the region covered by the program who are not already covered by a federally approved tribal family assistance plan in that region.

(b) The department may award contracts to implement a program developed under (a) of this section. A contract authorized for delivery of state public assistance under a regional public assistance program under this section is exempt from the competitive bid requirements of AS 36.30 (State Procurement Code). Subject to appropriation, a contract under this section must be in an amount that represents a fair and equitable share of the money appropriated under this chapter to serve the state residents specified in (a) of this section. This section provides additional authority to contract to that available under AS 47.05.015 or other law.

(c) The department may award a contract under this section only to an organization that

(1) has been awarded an Alaska Native family assistance grant under AS 47.27.200 for a program that includes that region;

(2) agrees to administer state public assistance under this chapter to state residents in the region who are not served by the Alaska Native family assistance grant awarded under AS 47.27.200;

(3) agrees to provide state public assistance identical to that provided under the federally approved tribal family assistance plan for which Alaska Native family assistance grant money has been awarded under AS 47.27.200; and

(4) agrees to implement an appeals process as described in (e) of this section.

(d) Records pertaining to recipients of state public assistance under a contract awarded under this section have the same confidential protections as are provided to recipients of assistance from Alaska Native family assistance grants under AS 47.27.200.

(e) An organization that receives a contract under this section shall provide an appeals process to applicants for or recipients of state public assistance covered by the contract awarded under this section. The appeals process must be the same as the method available under the federally approved tribal family assistance plan, except that the decision reached shall be considered as a recommended decision to the
department. Within 30 days after receiving a recommended decision, the department shall review the recommended decision and issue a decision accepting or rejecting the recommended decision. If the department rejects the recommended decision, the department shall independently review the record and issue its final decision. The final decision of the department on the matter is appealable to the courts of this state.

(f) If the department establishes a regional public assistance program and awards a contract to provide state public assistance under this section, a person applying for state public assistance under this chapter in the region of the state covered by the regional public assistance program may obtain state public assistance from the department only through the organization designated by the department to serve the region.

* Sec. 3. AS 47.27.900 is amended by adding new paragraphs to read:

(11) "Alaska Native family assistance grant" means a grant under AS 47.27.200;

(12) "Alaska Native family assistance program" means a program funded in part by a grant under AS 47.27.200;

(13) "federally approved tribal family assistance plan" means a plan that meets the requirements of 42 U.S.C. 612 and has been approved for financing through a tribal family assistance grant directly from the United States Department of Health and Human Services.

* Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. Regulations adopted by the Department of Health and Social Services to implement ch. 96, SLA 2000, and in effect on June 29, 2005, remain in effect, and may be implemented and enforced as regulations implementing this Act.

* Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to read:

REVISOR'S INSTRUCTIONS. The revisor of statutes is instructed to designate existing

(1) AS 47.27.005 as "Article 1. Administrative Provisions";

(2) AS 47.27.010 - 47.27.085 as "Article 2. Alaska Temporary Assistance
Program"; and

(3) AS 47.27.900 - 47.27.990 as "Article 5. General Provisions."

* **Sec. 6.** This Act takes effect June 30, 2005.