

HOUSE BILL NO. 78

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES HANLEY, Rokeberg, Porter, Bunde, Toohey

Introduced: 1/16/95

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the maximum amount of assistance that may be granted
2 under the adult public assistance program and the program of aid to families
3 with dependent children; proposing a special demonstration project within the
4 program of aid to families with dependent children and directing the Department
5 of Health and Social Services to seek waivers from the federal government to
6 implement the project."

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

8 * **Section 1.** WAIVER APPLICATION. (a) The Department of Health and Social
9 Services shall, by December 31, 1995, seek appropriate waivers from the federal government
10 to implement the AFDC demonstration project described in secs. 1 - 6 of this Act. To the
11 extent that the federal government approves the necessary waivers, the department shall
12 implement the project. The purpose of the project is to promote personal responsibility and
13 self-sufficiency.

1 (b) Notwithstanding (a) of this section, if changes in federal statutes or regulations
2 occur after the effective date of this section and would have a major effect on the design,
3 implementation, or operation of the project, the department shall

4 (1) apply for and implement only the waivers that relate to the parts of the
5 project that are not substantially affected by the changes in federal statutes or regulations; if
6 the department determines that the parts of the project that are not substantially affected by
7 the federal changes do not comprise a fiscally responsible project, the department is not
8 required to apply for or implement waivers under this Act and may discontinue operation of
9 the project under waivers that were implemented before the federal changes occurred;

10 (2) report to the legislature its recommendations for changes in its statutory
11 authority that may be needed in order to implement a fiscally responsible project in light of
12 conflicting or permissive changes in federal statutes or regulations.

13 * **Sec. 2. EARNED INCOME DISREGARD; WAIVER OF "100-HOUR" RULE; AUTO**
14 **ALLOWANCE.** When determining the AFDC eligibility of a family in the project area and
15 when determining the amount of assistance to which a family in the project area is entitled,
16 the department shall

17 (1) disregard, for 24 months, \$200 plus one-third of the remainder of the
18 earned income of each person in the family unless federal regulations require that more earned
19 income of a person must be disregarded; for a family that applies for AFDC after this
20 paragraph has been implemented, this 24 months begins with the month for which the family
21 is first granted AFDC; for a family that is already receiving assistance when this paragraph
22 is implemented, this 24 months begins with the first month during which this paragraph is
23 implemented;

24 (2) waive the requirement that, for purposes of assistance for a dependent child
25 of unemployed parents, the principal wage-earning parent must be employed less than 100
26 hours a month; and

27 (3) allow the exclusion of \$5,000 of the combined equity of motor vehicles
28 used by the family for basic family transportation, transportation of a disabled child in the
29 household, or transportation of a member of the family to or from employment, training, or
30 participation in an activity required under sec. 3 of this Act; if the combined equity of vehicles
31 described in this paragraph exceeds \$5,000, the department shall apply the excess equity

1 amount toward the asset limit otherwise applicable to the family.

2 * **Sec. 3. WORKFARE.** (a) Each member of a family in the project area who is 18 years
3 of age or older shall participate for 21 hours a week in an uncompensated activity if assigned
4 to the activity by the department. The department shall assess the availability of activities that
5 satisfy the purposes of this subsection in each part of the project area and attempt to develop
6 additional activities where necessary. When assessing the availability of activities that are
7 suitable as uncompensated activities under this section and in assigning persons to those
8 activities, the department shall consider activities recommended by governmental
9 representatives of boroughs, cities, and communities and others in the project area. The
10 department shall penalize the family for failure of a person to comply with this subsection by
11 disregarding that person as a member of the family for purposes of determining the amount
12 of AFDC assistance given to the family.

13 (b) If organizations exist in the project area that have had successful experience in
14 conducting employment placement services, community services, and job training programs,
15 the department shall offer on a competitive basis contracts to those organizations to administer
16 (a) of this section. A contract under this subsection must provide that the department shall
17 make the determinations required under (c) and (d) of this section and the contractor shall
18 perform the duties assigned to the department under (a) of this section with respect to
19 uncompensated activities, including assessment of their availability, development of additional
20 activities, consideration of activities recommended by governmental representatives, and
21 assignment of persons to specific activities after referral of those persons to the contractor by
22 the department.

23 (c) The requirement to participate in an uncompensated activity under (a) of this
24 section does not apply to a person who

25 (1) has paid employment of at least 15 hours a week; a person who has paid
26 employment of less than 15 hours a week shall participate in an uncompensated activity
27 assigned under (a) of this section for the number of hours that, when added to the hours of
28 paid employment, equals 21;

29 (2) is participating in an activity under AS 47.25.421 - 47.25.429 (JOBS
30 program);

31 (3) is participating in an activity under a program operated by an Indian or

1 Native organization under 42 U.S.C. 682(i) unless the Indian or Native organization agrees
2 to the person's inclusion in the project;

3 (4) is exempt from participating in an activity under AS 47.25.421 - 47.25.429
4 (JOBS program);

5 (5) is the parent or other relative of a child under six years of age living in the
6 same household who personally provides care for the child; or

7 (6) is determined, according to regulations of the department, to be physically
8 or mentally unable to perform any reasonable activity that may be assigned under this section;
9 or

10 (7) is a parent who is providing care for a child with a developmental disability
11 as defined by AS 47.80.900(7).

12 (d) Notwithstanding (a) of this section, the department may not require a person to
13 participate in an uncompensated activity under (a) of this section unless the department agrees
14 to pay for

15 (1) costs of child care determined by the department to be necessary for the
16 person's participation; and

17 (2) transportation expenses determined by the department to be necessary for
18 the person's participation in the activity.

19 * **Sec. 4. PROJECT AREA.** The department shall determine the area in which the project
20 will be implemented by choosing four municipalities as follows:

21 (1) the municipality that had the highest number of households receiving
22 AFDC in fiscal year 1993;

23 (2) a municipality contiguous to the municipality determined under (1) of this
24 section;

25 (3) an area consisting of

26 (A) a home rule city that is contained within the boundaries of a second
27 class borough and has a population of at least 15,000 persons; and

28 (B) the second class borough that contains the city described in (A) of
29 this paragraph; and

30 (4) the largest municipality, as measured by square miles, including the cities
31 within the municipality.

1 * **Sec. 5.** COOPERATION. State agencies shall cooperate with the department to the
2 extent necessary to implement secs. 1 - 6 of this Act.

3 * **Sec. 6.** DEFINITIONS. In secs. 1 - 6 of this Act,

4 (1) "AFDC" means the program of aid to families with dependent children
5 under AS 47.25.310 - 47.25.420;

6 (2) "department" means the Department of Health and Social Services;

7 (3) "project" means the department's implementation of the eligibility
8 modifications of sec. 2 of this Act and the work requirements of sec. 3 of this Act, to the
9 extent that the federal government approves those modifications and requirements;

10 (4) "project area" means the area established by the department under sec. 4
11 of this Act.

12 * **Sec. 7.** AFDC. Notwithstanding AS 47.25.320(a)(1) - (3), the maximum amounts of
13 assistance under AS 47.25.320(a) may not exceed the following, subject to adjustments under
14 other laws:

15 (1) dependent child living with nonneedy relative: \$451 a month, plus \$100
16 a month for each additional child;

17 (2) dependent child living with parent:

18 (A) for a parent and one dependent child, a maximum of \$806 a month;

19 (B) for each additional child, or for a second parent, \$100 a month per
20 individual;

21 (3) pregnant woman who is otherwise eligible for assistance under
22 AS 47.25.320: \$505 a month.

23 * **Sec. 8.** ADULT PUBLIC ASSISTANCE. Except as provided in AS 47.25.430(b), the
24 monthly state contribution to a recipient under AS 47.25.430 - 47.25.615 may not exceed the
25 amount of state assistance granted to a similarly situated recipient for the month of October
26 1993, reduced by 1.7 percent, unless adjusted under other laws.

27 * **Sec. 9.** REGULATIONS. The Department of Health and Social Services shall adopt
28 regulations to implement secs. 7 and 8 of this Act, consistent with federal requirements. The
29 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
30 effective date of this Act.

31 * **Sec. 10.** This Act is repealed July 1, 2000.