

CS FOR HOUSE BILL NO. 98(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 3/16/99

Referred: Health, Education and Social Services, Finance

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to contracts for the provision of state public assistance to
2 certain recipients in the state; providing for regional public assistance plans and
3 programs in the state; relating to grants for Alaska Native family assistance
4 programs; and providing for an effective date."

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

6 * **Section 1.** FINDINGS AND INTENT. (a) The legislature finds that

7 (1) self-sufficiency for Alaska families is a statewide goal and that achieving
8 self-sufficiency is greatly influenced by local conditions, particularly in rural Alaska with its
9 unique mix of subsistence and cash economies;

10 (2) self-sufficiency efforts are more likely to succeed when local communities
11 in a region of Alaska take responsibility for reducing dependence and when those efforts
12 accurately reflect the social and economic conditions of that region;

13 (3) new federal welfare reform law offers Alaska Native nonprofit
14 organizations the opportunity to assume responsibility for providing public assistance and self-

1 sufficiency services throughout the state; and

2 (4) it is in the best interests of the state to promote regional responsibility for
3 the design of the state public assistance program and self-sufficiency services.

4 (b) It is the intent of the legislature

5 (1) to provide certain appropriations that would otherwise be used to provide
6 assistance and self-sufficiency services to the recipients living in a public assistance region
7 through an Alaska Native family assistance grant to the Alaska Native nonprofit organizations
8 that are assuming the responsibility for providing assistance and services in that region;

9 (2) that state public assistance plans may be approved on a regional basis in
10 appropriate circumstances and, if approved, may be administered uniformly in the region for
11 all recipients in order to achieve the maximum cost efficiencies and benefits of a regionally
12 designed program.

13 * **Sec. 2.** AS 36.30.850(b) is amended by adding a new paragraph to read:

14 (41) contracts awarded under AS 47.27.072 for state public assistance
15 provided under a regional public assistance plan.

16 * **Sec. 3.** AS 47.27.005 is amended to read:

17 **Sec. 47.27.005. Duties of the department.** The department shall

18 (1) administer the Alaska temporary assistance program by providing
19 assistance with basic living expenses and self-sufficiency services to needy children
20 and their families under this chapter **and, if appropriate, by establishing regional**
21 **public assistance programs to provide effectively for varying economic conditions**
22 **in regions of the state designated by the department;**

23 (2) establish, by regulation, program standards that will provide
24 incentives to work, incentives for financial planning, and opportunities to develop
25 self-sufficiency while providing assistance with basic living expenses;

26 (3) prepare, submit to the federal government, and amend, if necessary,
27 a state plan designed to **ensure** [ASSURE] that federal money is available to the state
28 for the operation of the program set out in this chapter to provide assistance for basic
29 living expenses and self-sufficiency services to needy children and their families
30 consistent with the state objectives identified in (2) of this **subsection** [SECTION];

31 (4) adopt methods of program administration to ensure consistency with

1 the federal requirements under a successor federal program that replaces the aid to
2 families with dependent children program;

3 (5) make reports **regarding the program** to the federal government as
4 required under **federal law** [ANY SUCCESSOR FEDERAL PROGRAM THAT
5 REPLACES THE AID TO FAMILIES WITH DEPENDENT CHILDREN
6 PROGRAM], in the form and containing the information required, and comply with
7 the provisions that the federal government determines are necessary to ensure correct
8 and verifiable information on the program;

9 (6) provide to the legislature an annual executive summary of the
10 information required to be reported to the federal government under (5) of this
11 **subsection** [SECTION];

12 (7) conduct studies and research in order to evaluate and monitor the
13 effectiveness of the state program; and

14 (8) adopt regulations and take action to implement, interpret, and
15 administer the provisions of this chapter.

16 * **Sec. 4.** AS 47.27.005 is amended by adding a new subsection to read:

17 (b) In implementing its duties under (a) of this section, the department may
18 adopt program standards that vary by region in the state in order to incorporate the
19 standards of an Alaska Native family assistance plan into a regional plan. The
20 program standards adopted under this subsection need not contain all of the
21 requirements of this chapter if they meet the standards set out in AS 47.27.072 and
22 contain the program elements set out in AS 47.27.071.

23 * **Sec. 5.** AS 47.27 is amended by adding new sections to read:

24 **Sec. 47.27.071. Alaska Native family assistance grants.** (a) Notwithstanding
25 a contrary provision of this chapter and in addition to grants awarded under
26 AS 47.27.050, the department may award and administer Alaska Native family
27 assistance grants in accordance with this section to Alaska Native organizations that
28 meet the requirements of AS 47.27.070. Only an organization that received approval
29 for, and has agreed to operate, a federally approved tribal family assistance plan in this
30 state is eligible to receive a grant under this section. An organization that receives a
31 grant under this section shall operate the plan approved under this section on a state

1 fiscal year basis.

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

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

22 (2) finds good cause and the waiver is in the state's best interest.

23 (c) If the department awards a grant under this section, the grant shall be in
24 an amount that

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

29 (2) for the second and subsequent state fiscal years under the plan
30 accepted by the department, represents a fair and equitable portion of state
31 appropriations made for public assistance programs that is allocated for Alaska Native

1 family assistance grants to be awarded under this section in order to serve the state
 2 residents who will be served by the plan; if the money is not allocated for these grants,
 3 the amounts shall be made in the same manner as described in (1) of this subsection.

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

6 (1) documentation that the organization

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

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

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

13 (3) if the commissioner determines that a federally approved tribal
 14 family assistance plan would be a cost-effective and efficient means of administering
 15 the program established in this chapter in that region of the state and the needs of state
 16 public assistance recipients receiving assistance under this chapter can be met through
 17 a contract awarded under AS 47.27.072, the organization's agreement to enter into a
 18 contract with the department to provide state public assistance to those eligible state
 19 residents in the region who are not included in the population to be served by the
 20 federally approved tribal family assistance plan.

21 (e) An organization's plan for operation of the Alaska Native family assistance
 22 grant must

23 (1) be designed to facilitate self-sufficiency of assistance recipients in
 24 the region specified in the federally approved tribal family assistance plan by
 25 addressing the conditions specific to that region;

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

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

30 (4) provide for administration of the grant money received under this
 31 section to establish a program in accordance with the plan accepted by the department

1 and in compliance with other requirements of this section; the program must include
2 the following standards for providing assistance to eligible families:

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

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

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

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

16 (E) families receiving assistance paid from Alaska Native family
17 assistance grant money shall comply with the provisions of AS 47.27.040
18 regarding assignment of support rights and cooperation with the child support
19 enforcement agency of the Department of Revenue;

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

23 (f) The department may award a grant under this section only if the department
24 determines that the proposal, including a plan for operation of the grant, meets the
25 criteria specified in (d) and (e) of this section and that an award of the grant to the
26 organization would be in the public interest. The department may not distribute grant
27 money until a grant agreement between the organization and the department is
28 executed that meets the requirements of this section.

29 (g) Records pertaining to recipients of assistance from an Alaska Native family
30 assistance grant awarded under this section are confidential public assistance records
31 under AS 47.05.020 and regulations adopted under AS 47.05.020. Use and misuse of

1 these records are subject to the provisions of AS 47.05.030. It is an official purpose
 2 under AS 47.05.020 for an organization receiving a grant under this section and the
 3 department or another agency of the state to exchange information concerning
 4 recipients of assistance under this section if the information requested is for purposes
 5 directly connected with the administration of a grant under this section.

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

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

19 (j) If the department awards a grant under this section, a person applying for
 20 assistance under this chapter who is covered by the federally approved tribal family
 21 assistance plan in that region of the state may obtain assistance from the department
 22 only through the organization designated by the department to serve the region. A
 23 person aggrieved by a decision made by an organization under a grant awarded under
 24 this section may use the appeal procedure specified in AS 47.27.072(e).

25 **Sec. 47.27.072. Regional public assistance plans, programs, and contracts.**

26 (a) Notwithstanding a contrary provision of this chapter, the department may develop
 27 a regional public assistance plan and implement a regional program for the
 28 administration of this chapter in order to provide state public assistance in a uniform
 29 and cost-effective manner in a region of this state. The department may develop a
 30 regional public assistance plan only if an Alaska Native organization is authorized to
 31 implement a federally approved tribal family assistance plan in the region and has been

1 awarded an Alaska Native family assistance grant for a program in that region for the
2 applicable fiscal year under AS 47.27.071. The regional public assistance plan under
3 this section must be designed to serve eligible state residents in the region who are not
4 covered by a federally approved tribal family assistance program in that region.

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

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

14 (1) has been awarded an Alaska Native family assistance grant for a
15 program in that region under AS 47.27.071;

16 (2) agrees to administer state public assistance under this chapter to
17 state residents in the region who are not served by the Alaska Native family assistance
18 grant awarded under AS 47.27.071;

19 (3) agrees to provide state public assistance identical to that provided
20 under the federally approved tribal family assistance plan for which Alaska Native
21 family assistance grant money has been awarded under AS 47.27.071; and

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

24 (d) Records pertaining to recipients of state public assistance under a contract
25 awarded under this section have the same confidential protections as are provided to
26 recipients of assistance from Alaska Native family assistance grants under
27 AS 47.27.071.

28 (e) An organization that receives a contract under this section shall provide an
29 appeals process to applicants for or recipients of state public assistance covered by the
30 contract awarded under this section. The appeals process must be the same as the
31 method available under the federally approved tribal family assistance plan, except that

1 the decision reached will be considered as a recommended decision to the department.
 2 Within 30 days after receiving a recommended decision, the department shall review
 3 the recommended decision and issue a decision accepting or rejecting the
 4 recommended decision. If the department rejects the recommended decision, the
 5 department shall independently review the record and issue its final decision. The
 6 final decision of the department on the matter is appealable to the courts of this state.

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

12 * **Sec. 6.** AS 47.27.900 is amended by adding a new paragraph to read:

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

17 * **Sec. 7. APPLICABILITY.** This Act does not apply to the provisions of an existing
 18 Alaska Native family assistance grant agreement in effect on the effective date of this Act
 19 until the earliest of the following occurs:

20 (1) the grant agreement expires;
 21 (2) the grant agreement is terminated;
 22 (3) a substantial modification is made to the grant agreement; routine technical
 23 amendments to an existing Alaska Native family assistance grant agreement in effect on the
 24 effective date of this Act do not constitute a substantial modification for purposes of this
 25 paragraph.

26 * **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).