

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: _____
 () Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): _____

Title REAUTHORIZATION OF NATIVE FAMILY ASSISTANCE GRANTS PROGRAM RDU Public Assistance

Component ATAP

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester GOVERNOR Component No. 220

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)
Miscellaneous						
TOTAL OPERATING	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(563.2)	(563.2)	(563.2)	(563.2)	(563.2)	(563.2)
1003 GF Match	(5,755.8)	(5,755.8)	(5,755.8)	(5,755.8)	(5,755.8)	(5,755.8)
1004 GF						
1037 GF/Mental Health						
1007 Interagency Receipts	(408.0)	(408.0)	(408.0)	(408.0)	(408.0)	(408.0)
Other(Specify Type-do not abbreviate)						
TOTAL	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)	(6,727.0)

Estimate of any current year (FY2005) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation reauthorizes the Department of Health & Social Services (DHSS) to award and administer state funds under the Alaska Native family assistance grant program to support the operation of federally approved Tribal TANF programs. The three organizations currently running programs and receiving Native family assistance grants are: Tanana Chiefs Conference (TCC) in the interior Doyon region, Central Council of Tlingit & Haida Indian Tribes of Alaska (T&H) in SE Alaska, and the Association of Village Council Presidents in the YK Delta. Approval of this legislation maintains state support for these programs at the current, status quo level (no fiscal impact or change for existing Native family assistance programs). In addition to reauthorizing the existing programs this bill would also allow DHSS to provide grants to the other nine Alaska native non-profit organizations authorized in federal law to operate tribal TANF programs. Cook Inlet Tribal Council (CITC) plans to begin operating a tribal TANF program in July 2005. This fiscal note assumes implementation of the CITC program on July 1, 2005 and reflects the associated budget impacts.

Prepared by: Katherine Farnham Phone 269-7930
 Division Public Assistance Date/Time 12/07/2004
 Approved by: Joel S. Gilbertson, Commissioner Date 12/10/2004
 Agency Department of Health and Social Services

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ANALYSIS CONTINUATION

Analysis Continued:

State supplemental grant to CITC to operate tribal TANF in the Anchorage service area:

Funding for tribal TANF program operations comes from the federal TANF block grant and is supplemented by state grant funds that would otherwise be spent to serve the same number of Native families receiving assistance from the State's temporary assistance program. This fiscal note reflects the 'transfer' of \$4,093.8 in state funding from the ATAP component to the Tribal Assistance component to support the operation of tribal TANF administered by CITC. Funds provided by this state grant supplement CITC's federal TANF block grant and will be used for purpose of providing temporary assistance payments to eligible families through the CITC tribal TANF program.

Native Operated TANF programs & Changes in MOE

The state maintenance of effort (MOE) requirement for TANF is based on the state share of AFDC expenditures in FFY1994. In order to earn the annual TANF block grant, states must spend at least 75-80 percent of their FFY 1994 spending. Federal law allows designated Native organizations to operate their own TANF programs and to receive TANF grants directly from the federal government. The federal grants for Native TANF reduce the state block grant amount dollar for dollar. In addition, the required state maintenance of effort (MOE) is reduced.

State general funds savings of roughly \$25 million have been previously deleted from the ATAP budget to a level equal to the minimum 75% MOE amount. Due to CITC implementing a new tribal TANF program, DHSS can reduce the required MOE by an additional \$2,070.0 million GF. This fiscal note changes ATAP component funding sources by deleting \$2,070.0 GF (MOE) and replacing with federal TANF authority. The change in fund source assumes a reduction in state TANF MOE amount due to the implementation of the CITC tribal TANF program.

Delete excess Federal TANF - ATAP caseload transfers to CITC

This fiscal note deletes \$2,633.2 federal budget authority for the projected decline in ATAP component formula payments due to the transfer of the existing Native Temporary Assistance caseload in Anchorage to CITC.

<u>Summary ATAP component impacts</u>	Total	Federal	GFM	I/A
"Transfer" to Tribal Assistance component	(4,093.8)	-	(3,685.8)	(408.0)
Delete GFM to the revised MOE floor	-	2,070.0	(2,070.0)	-
Delete excess federal TANF federal authority	<u>(2,633.2)</u>	<u>(2,633.2)</u>	-	-
ATAP component net change	(6,727.0)	(563.2)	(5,755.8)	(408.0)

<u>Summary of all component impacts for CITCs NFAP</u>	Total	Federal	GFM	I/A
ATAP component	(6,727.0)	(563.2)	(5,755.8)	(408.0)
Tribal Assistance	4,093.8		3,685.8	408.0
Work Services component	(1,346.4)	(1,346.4)	-	-
Child Care Benefits component	<u>(931.5)</u>	<u>(931.5)</u>	-	-
Total net fiscal impact for CITC Native TANF	(4,911.1)	(2,841.1)	(2,070.0)	-