

**ALASKA STATE LEGISLATURE**  
**HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE**

March 12, 2013

3:03 p.m.

**MEMBERS PRESENT**

Representative Pete Higgins, Chair  
Representative Wes Keller, Vice Chair  
Representative Benjamin Nageak  
Representative Lance Pruitt  
Representative Lora Reinbold  
Representative Paul Seaton  
Representative Geran Tarr

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 16

"An Act relating to citizenship requirements and an alcohol impairment and drug testing program for applicants for and recipients of specified cash assistance."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 16

SHORT TITLE: ADULT PUBLIC ASSISTANCE ELIGIBILITY

SPONSOR(S): REPRESENTATIVE(S) KELLER

01/16/13	(H)	PREFILE RELEASED 1/7/13
01/16/13	(H)	READ THE FIRST TIME - REFERRALS
01/16/13	(H)	HSS, JUD
02/12/13	(H)	HSS AT 3:00 PM CAPITOL 106
02/12/13	(H)	<Bill Hearing Canceled>
03/12/13	(H)	HSS AT 3:00 PM CAPITOL 106

**WITNESS REGISTER**

JIM POUND, Staff  
Representative Wes Keller  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 16 on behalf of the bill sponsor, Representative Keller.

RON KREHER, Director  
Director's Office  
Division of Public Assistance  
Department of Health and Social Services (DHSS)  
Juneau, Alaska

**POSITION STATEMENT:** Responded to questions during discussion of HB 16.

JOY HUNTINGTON  
Tanana Chiefs Conference (TCC)  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified during discussion of HB 16.

JEFFREY MITTMAN, Executive Director  
American Civil Liberties Union (ACLU) of Alaska  
Anchorage, Alaska

**POSITION STATEMENT:** Testified during discussion of HB 16.

#### **ACTION NARRATIVE**

[3:03:13 PM](#)

**CHAIR PETE HIGGINS** called the House Health and Social Services Standing Committee meeting to order at 3:03 p.m. Representatives Higgins, Keller, Seaton, Reinbold, and Nageak were present at the call to order. Representatives Pruitt and Tarr arrived as the meeting was in progress.

#### **HB 16-ADULT PUBLIC ASSISTANCE ELIGIBILITY**

[3:04:17 PM](#)

CHAIR HIGGINS announced that the only order of business would be HOUSE BILL NO. 16, "An Act relating to citizenship requirements and an alcohol impairment and drug testing program for applicants for and recipients of specified cash assistance."

[3:04:39 PM](#)

REPRESENTATIVE PRUITT moved to adopt the proposed committee substitute (CS) for HB 16, labeled 28-LS0059\C, Mischel, 3/9/13, as the working document. There being no objection, it was so ordered.

3:05:01 PM

REPRESENTATIVE KELLER introduced proposed HB 16, as the sponsor of the bill. He said that the CS, Version C, offered a tool for the Department of Health and Social Services (DHSS) to allow direct intervention for alcohol abuse and illegal drug abuse to recipients and applicants of cash public assistance. He said that "part of that mission [for public assistance] was to promote self-sufficiency." He offered his belief that self-sufficiency and addiction were "at least in tension... there is a problem we have to deal with there." He stated that DHSS would make an upfront determination for abuse of alcohol or use of illegally obtained drugs when an applicant made a claim for public assistance. The applicant would be required to sign a sworn statement that they were not abusing alcohol or using illegally obtained drugs. He stated that the proposed bill did not prescribe any action should there be a determination for a problem, as there were other means for addressing this issue. He said that it was difficult to review the ramifications for any changes. He suggested that this proposed bill would remove the difficulty for this problem from the social workers. He identified three areas of public assistance: general assistance, adult assistance, and temporary assistance. Summarizing the purpose for adult assistance, he read from AS 47.25.290: "to furnish financial assistance as far as practicable to the needy, aged, blind and disabled persons, and help them attain self-support and self-care." He offered his belief that this law reflected a concern for "the addiction problem." He opined that the proposed bill could have some ramifications that would need to be addressed.

3:09:31 PM

REPRESENTATIVE KELLER assessed that there was a complexity for the role of public assistance.

3:09:48 PM

JIM POUND, Staff, Representative Wes Keller, Alaska State Legislature, directed attention to the sectional analysis for Version C [Included in members' packets]. He relayed that Section 1 of the proposed bill would require that an applicant must be legally in Alaska and the United States in order to apply for assistance. He stated that Section 2 would require an applicant for general relief to sign a sworn statement that the applicant was in the state legally, and would not abuse alcohol

or use illegally obtained drugs. He offered an example for the possible legality of clinical marijuana. He moved on to Section 3, which established that the applicant was subject to investigation, if there was suspicion for the abuse of alcohol or the use of illegally obtained drugs. He said that a refusal to submit to suspicion based testing could be used during an administrative hearing or appeal. He said that Section 5 required the same aforementioned sworn statements by an applicant for adult assistance. He stated that although adult assistance was primarily given to the blind and the elderly senior citizens, drugs and alcohol were also abused by these applicants. He said that many people who grew up "out of the sixties were exposed to it in some shape, form, or description and we're the ones that are in that age group now, unfortunately, so it's something that we have to look at in more of a perspective of, those are the people that may still be using illegal drugs or abusing alcohol because of their life." He moved on to Section 7, which stated that refusal by applicants for adult assistance to submit to a suspicion based test could be used in an administrative hearing. He said that Section 9 required the same sworn statement regarding the use and abuse of alcohol and illegally obtained drugs by applicants for temporary assistance. He said that Section 10 explained the process for DHSS to contact a suspected individual and request a drug or alcohol test. He said that benefits to an applicant could also be restricted if there was false information on the application. He declared that the principle of the proposed bill was to give DHSS a tool which required an applicant to state a standard of life. He opined that "this was a much better direction to go, and the bill definitely does not have a problem, as we understand it, from our legal... with a constitutional issue."

REPRESENTATIVE KELLER, indicating Section 10, added that an applicant could be drug tested if suspected.

[3:15:34 PM](#)

CHAIR HIGGINS directed attention to page 1, line 1, Version C, and asked to clarify whether this was directed toward all assistance or just cash assistance.

MR. POUND replied that the proposed bill was directed at all assistance, and that cash assistance was just one aspect. He said that the bill would cover distribution for any benefits by DHSS. He stated that this was "not dealing with things like food stamps, and stuff like that, we're dealing with the actual

dollars and cents that are handed to an individual to take care of their lives."

[3:16:25 PM](#)

REPRESENTATIVE SEATON asked if there were any limitations to the proposed bill, specifically the senior benefits payment program. He asked why the proposed bill included the blind, but not the senior cash payments.

[3:16:57 PM](#)

REPRESENTATIVE KELLER explained that, as adult assistance for the aged was included under public assistance, it would be covered by the proposed bill when an application was submitted. He said that the proposed bill focused on cash distributions for public assistance.

[3:17:27 PM](#)

REPRESENTATIVE SEATON directed attention to AS 47.45.301, which defined eligibility for the senior benefit cash program. He explained that an eligible individual could receive monthly cash assistance payments, if the household income did not exceed certain levels. He asked if the proposed bill was targeting some cash assistance programs, but not others. He asked why Alaska's permanent fund dividend (PFD) was not included in the proposed bill, as it was also a cash assistance program.

[3:18:35 PM](#)

REPRESENTATIVE KELLER, in response to the suggestion for inclusion of the PFD and the longevity bonus in the proposed bill, said that he "did not have a clear answer to give you as far as the distinction of why we just picked the public assistance section of law, and not those." He offered his belief that the proposed bill had to do with building self-sufficiency and offer people assistance to get "back on their feet" "in their quest to become productive citizens." He opined that the PFD had a different premise, to share the benefit from state resources, and had not been intended "to put somebody back on their feet."

[3:19:53 PM](#)

REPRESENTATIVE REINBOLD declared that the proposed bill was an honorable attempt to "try to get people, and catch certain

circumstances that maybe we need to be aware of." She asked to clarify whether individuals would still be eligible for medical assistance if they were not able to receive cash assistance.

REPRESENTATIVE KELLER offered his belief that this was correct.

REPRESENTATIVE REINBOLD stated that "the state still will be funding the consequences of drug abuse."

REPRESENTATIVE KELLER asked that she address that to DHSS.

[3:20:41 PM](#)

REPRESENTATIVE NAGEAK stated that it was difficult to respond "in a good way," as any response would offend some people. He acknowledged that there was a problem in rural Alaska, as there were few jobs with few opportunities to be paid in cash. He reported that often there were multiple families in one house, and that the adults and seniors often received cash assistance, which benefitted the children and the grandchildren. He stated that a discontinuance of cash assistance because of alcohol and drug abuse would impact many people, especially the elders and the children, who needed the assistance. He allowed that, as many assistance programs targeted Alaska Natives in rural Alaska, the proposed bill would impact everyone in rural Alaska. He voiced his agreement that "we all make choices, and alcohol and marijuana are choices." He shared that he had previously participated in alcohol and marijuana usage, but that long ago he had decided to no longer partake. He declared that alcohol dependence was a disease, that this proposed bill would just punish the people who needed assistance, and do nothing to stop the disease. He offered an anecdote about his personal need for assistance, and the difficulties for receiving it. He declared his concern for the people of rural Alaska who depended on assistance at any given time, and he questioned how the proposed bill would help.

[3:26:10 PM](#)

REPRESENTATIVE KELLER said that the proposed bill did address the children.

[3:26:29 PM](#)

MR. POUND directed attention to page 5, line 12, Version C, which read: "deny or terminate benefits, assign a protective payee to manage cash assistance." He said that this would avoid

specific punishment to the children of those who abused drugs and alcohol.

[3:27:18 PM](#)

REPRESENTATIVE NAGEAK, in response, pointed out that the proposed bill would punish someone, but continue to send cash payments to another family member. He offered to explain the economy in Bush Alaska, where there was little cash. He expressed his concern for an unintended impact from this proposed bill.

[3:28:47 PM](#)

REPRESENTATIVE KELLER expressed his agreement that the proposed bill did not fix the alcohol problem. He declared that there were programs designed to deal with the alcohol problem, but that the intent of the proposed bill was to "give tools to the Department [of Health and Social Services] and to the Division [of Public Assistance] so that when they know and can document and find out when there is an alcoholism problem or a drug abuse problem, that the other areas of services can be made available to the people in the extent that they have them." He offered agreement that there was a struggle for success with these programs. He declared that he did not intend the proposed bill to cause harm.

[3:30:43 PM](#)

REPRESENTATIVE REINBOLD offered her belief that it was not the state government's responsibility "to be giving out cash, period, fundamentally." She opined that the proposed bill was only identifying Alaskans as U.S. citizens, and simply "identifying people who are abusing drugs and alcohol, is it a wise thing to be giving cash to people who are abusing alcohol and drugs, is that wise. We need to ask ourselves as a state, is that the maximum return on our investment for our public resource dollars." She suggested that the assistance money be invested, instead, into treatment programs. She opined that the proposed bill had "some real benefits to identifying where problems are, and addressing them, and I think this could be a good thing for the state."

[3:31:41 PM](#)

REPRESENTATIVE KELLER stated, in response: "the spirit and the heart behind what you're saying is exactly why I'm sitting here

carrying the bill." He expressed his desire for ways to solve the problem.

[3:31:56 PM](#)

REPRESENTATIVE TARR asked for comments on the constitutionality of the proposed bill, as her research had indicated that no other similar state law had been found to be constitutional. She relayed that Legislative Legal Services had indicated that the committee substitute was also unconstitutional, which she attributed to "the suspicion less testing portion of it." She stated that she had not been able to find any evidence among the proposed bill materials indicating that individuals receiving public assistance were abusing drugs and alcohol. She cited a study in Florida which revealed that only 2.6 percent of the individuals receiving public assistance had tested positive for drug and alcohol use, whereas 10 - 12 percent of the general population had tested positive. She asked for a cost-benefit analysis to the administration of the proposed program, and whether the spending would outweigh the savings.

[3:33:31 PM](#)

REPRESENTATIVE KELLER replied that the proposed bill would not spend any money on programs. He said that he was "stunned at the fact, that they found that those on public assistance had such a low percentage that tested positive" to drug and alcohol abuse. He declared that he did not believe the data. He stated that the proposed CS, Version C, had been written to address the constitutional issues.

[3:34:40 PM](#)

MR. POUND declared that the proposed bill addressed reasonable suspicion, not random testing, and was therefore not "suspicion less." He relayed that he had discussed this with Legislative Legal Services, and was advised "that this does meet muster."

[3:35:35 PM](#)

REPRESENTATIVE NAGEAK asked about the grounds for reasonable suspicion when applicants being denied benefits were in rural Alaska. He asked about the cost benefit for going to a rural village to test for reasonable suspicion of drug and alcohol abuse.

[3:36:52 PM](#)

REPRESENTATIVE KELLER, in response, said that the bill proposed an application for assistance, in which an individual had to state that they were a resident of Alaska, did not abuse alcohol, and did not take illegally obtained drugs. He stated that should any individual be found to have misrepresented information, then the Department of Health and Social Services was empowered to do something, which included the removal of cash benefits. He said that the admission by any person to having a problem would allow DHSS to use the tools at their disposal to address the problem.

[3:39:59 PM](#)

REPRESENTATIVE SEATON asked for a definition to the abuse of alcohol.

[3:40:44 PM](#)

REPRESENTATIVE KELLER, in response, said that it was "based on the definition of the person signing the document."

REPRESENTATIVE SEATON declared that many people used a lot of alcohol, but did not feel that they abused it. He questioned a legally binding document which asked for a sworn statement with no standard, declaring that it was not enforceable. Referring to Version C, page 4, line 31, he asked how an applicant for temporary assistance could make "a sworn statement that members of the family do not and will not, while receiving assistance, abuse alcohol or use illegally obtained drugs."

[3:42:29 PM](#)

REPRESENTATIVE KELLER replied that he had no clear answer.

MR. POUND, in response to Representative Seaton, said that temporary assistance primarily dealt with children, and he offered his belief that, in a household situation, the intent was to keep kids away from alcohol and drugs.

[3:43:10 PM](#)

REPRESENTATIVE SEATON asked how a family could make a sworn statement that kids were not partaking in drugs or alcohol. He questioned page 5, line 16, noting that this could be determined to be fraud with criminal liability because a family member

abused alcohol. He expressed concern for the consequences to the sworn statement.

[3:44:48 PM](#)

MR. POUND replied that the proposed bill did not have any criminal intent.

REPRESENTATIVE KELLER suggested that Legislative Legal Services could answer the question.

[3:45:16 PM](#)

REPRESENTATIVE REINBOLD expressed her agreement for the need of a definition to abuse. Directing attention to the suggestion by Representative Tarr that the proposed bill was unconstitutional, she declared "I have a real problem with that. I want someone to show me where in our state or U.S. Constitution that says we must give cash assistance to those abusing drugs and alcohol. That just gives me great pause that people keep saying everything's unconstitutional. It seems like a fear tactic to me. Are we gonna interpret it at whim, our constitution, or are we gonna read it for it's meant [intended meaning], honestly I don't believe our constitution says that we have to do this." She expressed her belief that the Alaska State Constitution declares that the resources were for the maximum benefit of the people. She offered her belief that a large percentage of Alaskans would not support giving money to people abusing drugs and alcohol as a maximum benefit to the people of Alaska. She suggested to identify the problem, and to set up treatment programs, as education and prevention was the wiser use for finances. She declared that the current Department of Health and Social Services budget was unsustainable, and that having 190,000 Alaskans on some sort of public assistance was an issue. She stated that the intent of the proposed law was to "get people independent."

CHAIR HIGGINS declared that the proposed bill was emotional, and he did not want a constitutional debate. He suggested that Legislative Legal Services could assist with the discussion, and he wanted to limit this discussion to the proposed bill.

[3:47:26 PM](#)

REPRESENTATIVE NAGEAK declared that it was necessary to access resources, as that would create more jobs for rural Alaskans. He confirmed that many people in the state had depended on

commercial fishing, but the lack of fish made this no longer viable. He observed that many places in rural Alaska had potential for development. He pointed out that many rural Alaskans did not have the means to go out of state to even apply for a job. He offered his belief that it was best to concentrate efforts on creating access to the resources so that people can get jobs. He asked how many people were taking cash assistance and abusing the system. He offered a personal anecdote of his family's dependence on public assistance, and emphatically stated that the support from public assistance in rural Alaska had allowed many members of his family to succeed.

[3:52:20 PM](#)

REPRESENTATIVE KELLER replied that the proposed bill was not making a statement on public assistance; it was only attempting to deal with substance abuse and self-sufficiency in that context. He expressed his agreement that jobs were an answer, and he offered his belief that the proposed bill did not take away from that.

CHAIR HIGGINS expressed his agreement that jobs were important.

[3:53:34 PM](#)

REPRESENTATIVE TARR, in response to an earlier comment by Representative Reinbold, established that it was a report from Legislative Research Services that established conflicts of the proposed bill with the first, fourth and fifth amendments. She offered to share that report with the members of the committee. Noting that the proposed bill did not have a fiscal note, she asked for more information on the cost to implement the proposed bill, as it had cost other states with similar programs at least \$1 million. She asked if a fiscal note to administer this proposed program would be forthcoming.

[3:54:28 PM](#)

REPRESENTATIVE KELLER admitted that his earlier remark about no cost for the proposed bill was only said in context for a comparative cost to that of a program for substance abuse. He stated "I am not going to divine what the department will say the cost related to this is."

[3:54:52 PM](#)

MR. POUND informed the committee that Department of Health and Social Services had not had time to do a fiscal note. He assured the committee that a fiscal note would be forthcoming.

[3:55:16 PM](#)

REPRESENTATIVE SEATON asked if the intention of the proposed bill was for the drug and alcohol testing to be charged to the individual or to be paid from a general fund.

MR. POUND replied that Department of Health and Social Services and the regulatory process would make that determination.

[3:56:05 PM](#)

REPRESENTATIVE SEATON pointed to page 1, line 8, of the proposed CS, and asked for an explanation to the "full scope" of the parameters for "not otherwise precluded from eligibility under state or federal law."

[3:56:54 PM](#)

MR. POUND replied that DHSS would know the eligibility requirements, and he opined that "there are certain things having to do with previous fraud or previous problems."

[3:57:49 PM](#)

RON KREHER, Director, Director's Office, Division of Public Assistance, Department of Health and Social Services (DHSS), affirmed that there were some potential impediments to the success of the proposed bill. He directed attention to Section 1 and Section 2, which referred to the general relief assistance program. He explained that recipients of this program were the most indigent Alaskans, as they had virtually no income and hardly any assets. He explained that there was almost no cash transfer to a recipient, and that the primary uses were as vendor payments for rent made directly to landlords and for burial services.

[4:00:18 PM](#)

REPRESENTATIVE KELLER asked to clarify that 90 percent of cash transfers in adult assistance was for burials.

MR. KREHER replied that this section referred to the general relief assistance program, and that adult public assistance was a different program.

REPRESENTATIVE KELLER asked to clarify that the 90 percent of the actual cash transfer in the general relief assistance program was for burial services.

[4:01:11 PM](#)

MR. KREHER clarified that the remaining amount was for rental assistance, paid directly to a landlord. He said that the proposed bill did have "some positive sense to assist individuals and recipients of public assistance," and he supported providing assistance for the greatest gain. He noted that the general relief assistance program currently had language which required citizenship; however, the senior benefits program did not have a citizenship requirement, an oversight that he suggested needed resolution. He said that the general relief assistance program was for emergent needs.

[4:03:55 PM](#)

REPRESENTATIVE REINBOLD asked to receive the specific language for citizenship required by the general relief fund.

MR. KREHER replied that this was in regulation.

REPRESENTATIVE REINBOLD asked how many cash assistance participants there were in the state.

MR. KREHER replied that the general relief assistance was not a cash assistance program, but a cash benefit program which was not paid to the applicant.

REPRESENTATIVE REINBOLD expressed her desire for information on all the other cash assistance programs, and referred to an earlier conversation with Mr. Kreher in which he stated that 190,000 Alaskans were receiving public assistance.

MR. KREHER agreed to supply that information.

[4:05:15 PM](#)

MR. KREHER stated that there were operational challenges to the investigation of applications and recipients. He noted that the investigation process was intended to consider eligibility

during the interview process, primarily for income, rental costs, and other similar financial information. He directed attention to the adult public assistance program, which served the elderly, the blind, and the disabled, and noted that it was rare for the opportunity to meet a client face to face, especially for those in rural Alaska.

[4:06:36 PM](#)

REPRESENTATIVE SEATON asked if the rural applications were made on line, by mail, or with a fee agent.

MR. KREHER replied that an application could be mailed, but there was not yet an online application process. He said that virtually all the programs required an interview, although this did not have to be performed face to face.

REPRESENTATIVE SEATON asked whether most rural applications consisted of a paper application, followed by a phone interview.

MR. KREHER explained that more than 300 people in more than 200 communities served as fee agents for the State of Alaska, and that these agents received a fee for assisting individuals with processing applications. He stated that the eligibility staff would attempt to make contact with the applicant, if there was missing information or the need for follow up.

[4:08:17 PM](#)

REPRESENTATIVE TARR asked who served as fee agents.

MR. KREHER replied that fee agents worked with DHSS eligibility coordinators in regions throughout Alaska.

REPRESENTATIVE TARR asked for more information regarding the background of an individual serving as a fee agent.

MR. KREHER replied that fee agents were individuals who were interested in providing a community service, and were often referred by a local village council, or a regional non-profit.

[4:09:55 PM](#)

MR. KREHER directed attention to Section 6 of the proposed bill, AS 47.25.450, referring to the Adult Public Assistance program which served the elderly, blind, and disabled of all ages. He reported that the recipient could be assisted in application by

another individual. He said that the opportunity to base reasonable suspicion for drug and alcohol abuse would be challenging, in many situation. He announced that the greatest latitude and flexibility was with the Alaska Temporary Assistance Program, which provided cash assistance to families with dependent children. He explained that this program had work requirements and was time limited for assistance, and that the department infrastructure provided case managers and support. He relayed that the Adult Public Assistance program did not have the same infrastructure to support screening and drug testing, so those would be additional costs to this program.

[4:12:17 PM](#)

MR. KREHER, in response to Representative Keller, said that there were about 17-18,000 Adult Public Assistance cases for the blind, disabled, and elderly. He said that there was usually one adult for each case.

REPRESENTATIVE KELLER asked if there was cash assistance distributed to "these 17,000 people."

MR. KREHER said that cash was sent to these individuals or to an authorized representative. Directing attention to the Temporary Assistance program, he said there were about 3000 individuals, and 25 percent of these cases entailed a non-needy relative taking care of the children.

[4:13:17 PM](#)

CHAIR HIGGINS asked about the monthly allocation.

MR. KREHER said that he would supply the information.

[4:13:45 PM](#)

REPRESENTATIVE REINBOLD asked, in regard to the 190,000 people obtaining public assistance, how many received cash.

MR. KREHER replied that 60,000 were Medicaid recipients, and he offered to research the remaining figures.

[4:14:46 PM](#)

REPRESENTATIVE KELLER asked, assuming the proposed bill was enacted, whether the applicants signing a paper would identify

"a large number" of individuals with alcohol and substance abuse. He offered his belief that "it probably is a very insignificant number we're talking to, compared to, for example, what I would suspect anyway, for the temporary assistance because of the category of people we're talking about, the disabled..." He asked Mr. Kreher for his estimate to the number of people involved. He speculated whether there would be any problem applying this to only one arena, instead of all three. He asked if this would be "getting back into the constitutional problems." He asked whether the Adult Assistance program would find evidence of a problem.

[4:16:11 PM](#)

MR. KREHER replied that this required a lot of speculation. He said that it was very difficult to ascertain between occasional use and abuse. He pointed out that alcohol abuse was very difficult to test. He reported that a challenge was for the referral process to confirm suspicion. He stated that it was difficult to "measure the truth of a statement at any one point in time," as an individual may not have been using drugs or alcohol while signing the statement. He declared that the number of alcohol and drug abusers among those receiving assistance was no greater than the average number of abusers among all Alaskans.

[4:17:49 PM](#)

REPRESENTATIVE NAGEAK, referring to the 90 percent of assistance paid for burials, asked about the payments for the balance.

MR. KREHER, in response to Representative Nageak, explained that he was referring to the General Relief Assistance program, which served about 1000 people. He clarified that 40 percent of this group were very low income and received burial assistance funds, which accounted for 90 percent of the General Relief Assistance program funding.

[4:19:13 PM](#)

REPRESENTATIVE TARR asked to clarify that Section 1 of the proposed CS referenced general relief, Section 5 referenced adult assistance, and Section 9 referenced temporary assistance.

MR. KREHER clarified that Section 5 referenced Adult Public Assistance. In response to Representative Tarr, he affirmed

that her reference in Section 9 was to the Alaska Temporary Assistance for Needy Families program.

MR. KREHER directed attention to the reference of family members on page 6, line 4, Version C, and said that about 25 percent of the recipients of Alaska Temporary Assistance program benefits were non-needy relatives, those individuals who cared for a child, but did not have a need of their own. Consequently, the benefits were just for the child. He observed that the proposed bill would subject those non-needy relatives to the investigatory process, as recipient was defined to include everyone in the household, except children.

[4:21:43 PM](#)

REPRESENTATIVE REINBOLD asked Mr. Kreher to validate the total number of recipients for public assistance in the state.

MR. KREHER replied that he would report the number of people in the state who received a benefit from the Division of Public Assistance. In response to Representative Reinbold, he said that it was between 194,000 and 197,000.

CHAIR HIGGINS asked if that number fluctuated seasonally.

MR. KREHER expressed agreement and said that "caseloads ebb and flow" and this was a time period for increase. He offered to supply the exact numbers.

[4:23:10 PM](#)

REPRESENTATIVE TARR asked if the number of Alaskans receiving public assistance was comparable to other states.

MR. KREHER replied that he did not know.

[4:23:43 PM](#)

REPRESENTATIVE SEATON asked for more information about the protective payee, and if any unintended consequences could arise from the designations.

MR. KREHER explained that a protective payee was assigned to manage finances for someone who was not competent. He noted that this was most common in the Adult Public Assistance program, and that it was modeled after the social security administration program. He shared that authorized

representatives could also be selected by the family for representation on behalf of the household.

[4:25:23 PM](#)

REPRESENTATIVE SEATON, referring to page 5, line 16, Version C, asked if this referred to alcohol abuse. He asked if DHSS might assign a protective payee if a determination for alcohol abuse had been made. He asked what the consequences would be for the applicant.

MR. KREHER, in response, observed that this penalty provision had been inserted, but should be in another section. He said that the consequences would be the denial of benefits to an individual with dependent children, and its subsequent effects.

[4:28:45 PM](#)

REPRESENTATIVE TARR asked to clarify that although it had been stated earlier by the bill sponsor that this legislation was not intended to lead to criminal investigation, other existing statutes could be interpreted to necessitate reporting if the children were determined to be at risk.

MR. KREHER expressed agreement that this could be a consequence.

[4:29:26 PM](#)

REPRESENTATIVE REINBOLD asked if the cash distribution could be used to buy alcohol.

MR. KREHER replied that there was not any condition on the use of the cash distribution.

[4:30:28 PM](#)

REPRESENTATIVE KELLER said that he was determined not to enable addiction while in the process of trying to help. He offered his belief that it was necessary to determine whether a problem existed.

MR. KREHER replied that he encouraged a focus on the existing programs and services using the available resources and controls. He allowed that the Alaska Temporary Assistance Program was an ideal program on which to focus this proposed service to identify substance and alcohol abuse.

[4:32:20 PM](#)

REPRESENTATIVE NAGEAK stated that access to natural resources would help the issues in the rural villages, as it would provide jobs in rural Alaska. He pointed out that jobs in rural Alaska would "help people to help themselves." He indicated that this was the issue on which to concentrate.

[4:33:52 PM](#)

CHAIR HIGGINS opened public testimony.

[4:34:16 PM](#)

JOY HUNTINGTON, Tanana Chiefs Conference (TCC), spoke about a recent TCC presentation in Juneau regarding the Alaska Temporary Assistance for Needy Families programs. She said that the purpose had been "to get good information out there" and she expressed her agreement with Representative Tarr that it was unwise to give money to fund addiction and other social ailments. She said that there was an emphasis on Alaska Natives in the proposed bill and that TCC, as an operator of the Alaska Temporary Assistance for Needy Families program, was dedicated and committed to alcohol and drug abuse education. She affirmed that TCC had implemented drug testing at the outset of the program and that current policies emphasized awareness for drug abuse. She pointed out that alcohol and drug abuse education was a regular component of community awareness. She stated that the success of the family was integral to the programs. She listed job training and parenting classes as two reasons for the drop in enrollment in the programs, as these trainings were possible because of the flexibility of funding to the program. She specified that addressing alcohol and drug abuse was just one component of the larger picture to the program. She asked that support be given to employment and training programs, local economic development efforts, and alcohol and substance abuse treatment and prevention services. She asked that the committee review the current drug testing efforts and she opined, "If it's not broken, we don't need to fix it." She pointed out that \$8.5 million was being cut from the behavioral health budget, which was an integral part to the overall success of the programs.

[4:40:20 PM](#)

REPRESENTATIVE REINBOLD said that, as statute was more powerful than policy, this proposed bill would reinforce the TCC efforts.

She expressed her assumption that TCC would support the proposed bill.

MS. HUNTINGTON, in response to Representative Reinbold, said that the process was not a cookie cutter approach, but was based on success with the participants. She stated that a variety of efforts allowed for greater success. She pointed out that drug testing brought an expense that would be difficult for the program operators to assume. She directed attention to the federal website for the program, which stated that the purpose of the program was to provide assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their own welfare programs. She offered her belief that state funding to tribal programs should also respect this flexibility, as the native entities emphasized the overall success and well-being of the family. She emphasized that addressing alcohol and drug abuse would always be "a part of that picture."

[4:42:53 PM](#)

REPRESENTATIVE REINBOLD stated her support for the proposed bill: "I'm a big believer in it, we do have a serious problem with abuse in this state, we have serious abuse with alcohol, we have serious drug abuse, and I think that screening them, identifying them, and getting them into treatment, education and prevention is the key."

[4:43:28 PM](#)

JEFFREY MITTMAN, Executive Director, American Civil Liberties Union (ACLU) of Alaska, directed attention to written testimony which had been previously provided to the committee [Included in members' packets]. He confirmed that the ACLU continued to oppose the proposed bill and the proposed CS. In response to an earlier remark by Representative Reinbold regarding the issue of constitutionality of the proposed bill, he expressed agreement that, although there was no requirement that a state provide certain benefits or programs, once the state established a program, it must meet both federal and State of Alaska constitutional requirements. He offered to provide written testimony of case law which stated that a forced search was not constitutional. He declared that, although the CS was fashioned as a suspicion based testing scheme, the current scheme did not meet constitutional requirements, as it was a coerced search.

[4:45:18 PM](#)

CHAIR HIGGINS asked if the ACLU would assist with the constitutional crafting for the proposed bill.

MR. MITTMAN expressed his agreement to work with the legislature to make it constitutional. He reported that other states had legislation for testing programs that had been found to be constitutional, avoiding violation of the Bill of Rights.

[4:46:16 PM](#)

CHAIR HIGGINS left public testimony open.

[HB 16 was held over.]

[4:46:45 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 4:46 p.m.