

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	HB 260
Fiscal Note Number:	2
(H) Publish Date:	1/19/2016

Identifier: DHSS-CCB-1-16-16
 Title: DAY CARE ASSISTANCE & CHILD CARE GRANTS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Health and Social Services
 Appropriation: Public Assistance
 Allocation: Child Care Benefits
 OMB Component Number: 1897

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1002 Fed Rcpts	(500.0)		(500.0)	(500.0)	(500.0)	(500.0)	(500.0)
1005 GF/Prgm	500.0		500.0	500.0	500.0	500.0	500.0
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? n/a

Why this fiscal note differs from previous version:

Initial version

Prepared By:	Sean O'Brien, Director	Phone:	(907)465-5847
Division:	Public Assistance	Date:	01/16/2016 03:30 PM
Approved By:	Sana Efird, Asst. Commissioner, Finance and Management Services	Date:	01/16/16
Agency:	Health and Social Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION**Analysis**

This legislation provides necessary authority for the Child Care Program Office to recover overpayments or misspent funds through garnishment of Permanent Fund Dividends from participants in the Child Care Assistance and Child Care Grant Programs. This change strengthens the integrity of the Child Care Assistance and Child Care Grant Programs, and aligns Child Care programs' overpayment recovery with that of other public assistance programs.

The fiscal impact of this proposed legislation is neutral. Costs for identifying overpayments and fraudulent activity are incorporated into the division's existing operational budget.

The division identified \$331,578 in calculated overpayments and incorrect payment claims for State Fiscal Year 2015. This legislation adds PFD garnishment as a mechanism for recovering overpayments and fraudulent claims and the division anticipates that this tool will increase the division's ability to identify and capture funding , bringing total annual receipts to an estimated \$500,000.

The division is requesting the general fund program receipt authority to collect Permanent Fund Dividend garnishment revenues associated with the projected amount included in this fiscal note, and can relinquish an equal amount in federal receipts. No increase in administrative costs is anticipated to make this change.