

CS FOR HOUSE BILL NO. 409(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/25/94

Referred: Rules

Sponsor(s): REPRESENTATIVES HANLEY, Therriault

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; and providing for an effective date."

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

8 * Section 1. AS 47.25.320(a) is amended to read:

9 (a) The department shall determine the amount of assistance for a dependent
10 child, and the relative with whom the dependent child is living, with regard to the
11 resources and necessary expenditures of the family and the condition existing in each
12 case. Assistance is sufficient if, when added to all other income and support available
13 to the child, the child and relative have reasonable subsistence compatible with

1 decency and health. However, the amount of assistance may not exceed the following:

2 (1) dependent child living with nonneedy relative: for a dependent child
3 who is living in the home of a nonneedy relative, ~~\$451~~ [\$452], plus ~~\$100~~ [\$102] for
4 each additional child;

5 (2) dependent child living with parent:

6 (A) for a parent and one dependent child, a maximum of
7 \$806 [\$821];

8 (B) for each additional dependent child, or for a second parent,
9 \$100 [\$102] a month per individual;

10 (3) pregnant woman who is otherwise eligible for assistance under this
11 section, or a single-person household that does not consist of a dependent child:
12 \$505 [\$514] a month.

13 * Sec. 2. AS 47.25.320(a) is repealed and reenacted to read:

14 (a) The department shall determine the amount of assistance for a dependent
15 child, and the relative with whom the dependent child is living, with regard to the
16 resources and necessary expenditures of the family and the condition existing in each
17 case. Assistance is sufficient if, when added to all other income and support available
18 to the child, the child and relative have reasonable subsistence compatible with
19 decency and health. However, the amount of assistance may not exceed the following:

20 (1) dependent child living with nonneedy relative: for a dependent
21 child who is living in the home of a nonneedy relative, ~~\$452~~, plus ~~\$102~~ for each
22 additional child;

23 (2) dependent child living with parent:

24 (A) for a parent with one dependent child, a maximum of ~~\$821~~;

25 (B) for each additional dependent child, or for a second parent,
26 ~~\$102~~ a month per individual;

27 (3) pregnant woman who is otherwise eligible for assistance under this
28 section, or a single-person household that does not consist of a dependent child: ~~\$514~~
29 a month.

30 * Sec. 3. AS 47.25.430 is amended by adding a new subsection to read:

31 (f) Notwithstanding other provisions of AS 47.25.430 - 47.25.615, the monthly

1 state contribution to a recipient under ~~AS 47.25.430 - 47.25.615~~ may not exceed the
2 amount of state assistance granted to a similarly situated recipient for the month of
3 January 1992, reduced by 1.7 percent.

4 * **Sec. 4. WAIVER APPLICATION.** (a) The Department of Health and Social Services
5 shall seek appropriate waivers from the federal government to implement the AFDC
6 demonstration project described in secs. 4 - 9 of this Act. To the extent that the federal
7 government approves the necessary waivers, the department shall implement the project.

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

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

17 (2) report to the legislature its recommendations for changes in its statutory
18 authority that may be needed in order to authorize implementation of a fiscally responsible
19 project in light of the changes in federal statutes or regulations.

20 * **Sec. 5. EARNED INCOME DISREGARD; WAIVER OF "100-HOUR" RULE; AUTO**
21 **ALLOWANCE.** When determining the AFDC eligibility of an assistance unit in the project
22 area and when determining the amount of assistance to which an assistance unit in the project
23 area is entitled, the department shall

24 (1) disregard, for 24 months, \$200 plus one-third of the remainder of the
25 earned income of each person in the assistance unit unless federal regulations require that
26 more earned income of a person must be disregarded; for an assistance unit that applies for
27 AFDC after this paragraph has been implemented, this 24 months begins with the month for
28 which the assistance unit is first granted AFDC; for an assistance unit that is already receiving
29 assistance when this paragraph is implemented, this 24 months begins with the first month
30 during which this paragraph is implemented;;

31 (2) waive the requirement that, for purposes of assistance for a dependent child

1 of unemployed parents, the principal wage-earning parent must be employed less than 100
2 hours a month; and

3 (3) allow the exclusion of \$5,000 of the combined equity of motor vehicles
4 used by the assistance unit for basic family transportation, transportation of a disabled child
5 in the household, or transportation of a member of the assistance unit to or from employment,
6 training, or participation in an activity required under sec. 6 of this Act; if the combined
7 equity of vehicles described in this paragraph exceeds \$5,000, the department shall apply the
8 excess equity amount toward the asset limit otherwise applicable to the assistance unit.

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

20 (b) The requirement to participate in an uncompensated activity under (a) of this
21 section does not apply to a person who

22 (1) has paid employment of at least 10 hours a week; a person who has paid
23 employment of less than 10 hours a week shall participate in an uncompensated activity
24 assigned under (a) of this section for the number of hours that, when added to the hours of
25 paid employment, equals 21;

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

28 (3) is participating in an activity under a program operated by an Indian or
29 Native organization under 42 U.S.C. 682(i) unless the Indian or Native organization agrees
30 to the person's inclusion in the project;

31 (4) is exempt from participating in an activity under AS 47.25.421 - 47.25.429

1 (JOBS program);

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

4 (6) is determined, according to regulations of the department, to be physically
5 or mentally unable to perform any reasonable activity that may be assigned under this section.

6 (c) Notwithstanding (a) of this section, the department may not require a person to
7 participate in an uncompensated activity under (a) of this section unless the department agrees
8 to pay for

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

11 (2) other expenses, such as transportation expenses, determined by the
12 department to be necessary for the person's participation in the activity.

13 * Sec. 7. PROJECT AREA. The department shall determine the area in which the project
14 will be implemented by choosing four municipalities as follows:

15 (1) the municipality that had the highest number of households receiving
16 AFDC in fiscal year 1992;

17 (2) a municipality contiguous to the municipality determined under (1) of this
18 section;

19 (3) an area consisting of

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

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

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

26 * Sec. 8. COOPERATION. State agencies shall cooperate with the department to the
27 extent necessary to implement secs. 4 - 9 of this Act.

28 * Sec. 9. DEFINITIONS. In secs. 4 - 9 of this Act,

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

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

1 (3) "project" means the department's implementation of the eligibility
2 modifications of sec. 5 of this Act and the work requirements of sec. 6 of this Act, to the
3 extent that the federal government approves those modifications and requirements;

4 (4) "project area" means the area established by the department under sec. 7
5 of this Act.

6 * Sec. 10. AS 47.25.430(f), added by sec. 3 of this Act, and secs. 4 - 9 of this Act are
7 repealed July 1, 1999.

8 * Sec. 11. Section 2 of this Act takes effect July 1, 1999.

9 * Sec. 12. Sections 1 and 3 of this Act take effect January 1, 1995.

10 * Sec. 13. Section 4 of this Act takes effect immediately under AS 01.10.070(c).

11 * Sec. 14. Sections 5 - 9 of this Act take effect upon the approval of, and to the extent that
12 approval is received for, applicable waivers applied for under sec. 4 of this Act. The
13 commissioner of health and social services shall promptly notify the revisor of statutes as to
14 when any waivers applied for under sec. 4 of this Act are approved and the sections of this
15 Act to which the approved waivers apply.