

SENATE CS FOR CS FOR HOUSE BILL NO. 409(FIN)**IN THE LEGISLATURE OF THE STATE OF ALASKA****EIGHTEENTH LEGISLATURE - SECOND SESSION****BY THE SENATE FINANCE COMMITTEE****Offered: 5/7/94****Referred: Rules****Sponsor(s): REPRESENTATIVES HANLEY, Therriault, Bunde, Kott****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."

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

8 * Section 1. WAIVER APPLICATION. (a) The Department of Health and Social
9 Services shall, by December 31, 1994, seek appropriate waivers from the federal government
10 to implement the AFDC demonstration project described in secs. 1 - 6 of this Act. To the
11 extent that the federal government approves the necessary waivers, the department shall
12 implement the project. The purpose of the project is to promote personal responsibility and

1 self-sufficiency.

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

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

11 (2) report to the legislature its recommendations for changes in its statutory
12 authority that may be needed in order to implement a fiscally responsible project in light of
13 conflicting or permissive changes in federal statutes or regulations.

14 * Sec. 2. EARNED INCOME DISREGARD; WAIVER OF "100-HOUR" RULE; AUTO
15 ALLOWANCE. When determining the AFDC eligibility of a family in the project area and
16 when determining the amount of assistance to which a family in the project area is entitled,
17 the department shall

18 (1) disregard, for 24 months, \$200 plus one-third of the remainder of the
19 earned income of each person in the family unless federal regulations require that more earned
20 income of a person must be disregarded; for a family that applies for AFDC after this
21 paragraph has been implemented, this 24 months begins with the month for which the family
22 is first granted AFDC; for a family that is already receiving assistance when this paragraph
23 is implemented, this 24 months begins with the first month during which this paragraph is
24 implemented;

25 (2) waive the requirement that, for purposes of assistance for a dependent child
26 of unemployed parents, the principal wage-earning parent must be employed less than 100
27 hours a month; and

28 (3) allow the exclusion of \$5,000 of the combined equity of motor vehicles
29 used by the family for basic family transportation, transportation of a disabled child in the
30 household, or transportation of a member of the family to or from employment, training, or
31 participation in an activity required under sec. 3 of this Act; if the combined equity of vehicles

1 described in this paragraph exceeds \$5,000, the department shall apply the excess equity
2 amount toward the asset limit otherwise applicable to the family.

3 * **Sec. 3. WORKFARE.** (a) Each ~~member of a family in the project area who is 18 years~~
4 **member of a family in the project area who is 18 years** of age or older shall participate for 21 hours a week in an uncompensated activity if assigned
5 to the activity by the department. The department shall assess the availability of activities that
6 satisfy the purposes of this subsection in each part of the project area and attempt to develop
7 additional activities where necessary. When assessing the availability of activities that are
8 suitable as uncompensated activities under this section and in assigning persons to those
9 activities, the department shall consider activities recommended by governmental
10 representatives of boroughs, cities, and communities and others in the project area. The
11 department shall penalize the family for failure of a person to comply with this subsection by
12 disregarding that person as a member of the family for purposes of determining the amount
13 of AFDC assistance given to the family.

14 (b) If organizations exist in the project area that have had successful experience in
15 conducting employment placement services, community services, and job training programs,
16 the department shall offer on a competitive basis contracts to those organizations to administer
17 (a) of this section. A contract under this subsection must provide that the department shall
18 make the determinations required under (c) and (d) of this section and the contractor shall
19 perform the duties assigned to the department under (a) of this section with respect to
20 uncompensated activities, including assessment of their availability, development of additional
21 activities, consideration of activities recommended by governmental representatives, and
22 assignment of persons to specific activities after referral of those persons to the contractor by
23 the department.

24 (c) The requirement to participate in an uncompensated activity under (a) of this
25 section does not apply to a person who

26 (1) has paid employment of at least 15 hours a week; a person who has paid
27 employment of less than 15 hours a week shall participate in an uncompensated activity
28 assigned under (a) of this section for the number of hours that, when added to the hours of
29 paid employment, equals 21;

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

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

4 (4) is exempt from participating in an activity under AS 47.25.421 - 47.25.429
5 (JOBS program);

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

8 (6) is determined, according to regulations of the department, to be physically
9 or mentally unable to perform any reasonable activity that may be assigned under this section;
10 or

11 (7) is a parent who is providing care for a child with a developmental disability
12 as defined by AS 47.80.900(7).

13 (d) Notwithstanding (a) of this section, the department may not require a person to
14 participate in an uncompensated activity under (a) of this section unless the department agrees
15 to pay for

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

18 (2) transportation expenses determined by the department to be necessary for
19 the person's participation in the activity.

20 * Sec. 4. PROJECT AREA. The department shall determine the area in which the project
21 will be implemented by choosing four municipalities as follows:

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

24 (2) a municipality contiguous to the municipality determined under (1) of this
25 section;

26 (3) an area consisting of

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

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

31 (4) the largest municipality, as measured by square miles, including the cities

1 within the municipality.

2 * **Sec. 5. COOPERATION.** State agencies shall cooperate with the department to the
3 extent necessary to implement secs. 1 - 6 of this Act.

4 * **Sec. 6. DEFINITIONS.** In secs. 1 - 6 of this Act,

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

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

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

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

13 * **Sec. 7. AFDC.** Notwithstanding AS 47.25.320(a)(1) - (3), the maximum amounts of
14 assistance under AS 47.25.320(a) may not exceed the following, subject to adjustments under
15 other laws:

16 (1) dependent child living with nonneedy relative: \$451 a month, plus \$100
17 a month for each additional child;

18 (2) dependent child living with parent:

19 (A) for a parent and one dependent child, a maximum of \$806 a month;

20 (B) for each additional child, or for a second parent, \$100 a month per
21 individual;

22 (3) pregnant woman who is otherwise eligible for assistance under
23 AS 47.25.320: \$505 a month.

24 * **Sec. 8. ADULT PUBLIC ASSISTANCE.** Except as provided in AS 47.25.430(b), the
25 monthly state contribution to a recipient under AS 47.25.430 - 47.25.615 may not exceed the
26 amount of state assistance granted to a similarly situated recipient for the month of October
27 1993, reduced by 1.7 percent, unless adjusted under other laws.

28 * **Sec. 9. REGULATIONS.** The Department of Health and Social Services shall adopt
29 regulations to implement secs. 7 and 8 of this Act, consistent with federal requirements. The
30 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
31 effective date of this Act.

1 * Sec. 10. This Act is repealed July 1, 1999.