

HB

176

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

2/18/81

(5)

Date: March 11, 1981

Mr. Speaker:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had HR 176

"An Act relating to general relief assistance; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HR 176  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS

MEMBERS HAVING OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

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[Signature]  
CHAIRMAN

POSITION PAPER

ON

HOUSE BILL NO. 176

"An Act relating to General Relief Assistance and providing for an effective date."

This Act would revise AS 47.25.130 by raising the maximum payment made on behalf of eligible persons for subsistence needs from \$80 per month to \$160. The original \$80 maximum payment limit was established over 20 years ago, when the costs of subsistence items were far lower than they are today. Note that the maximum payment limit is established by statute. It is much lower than the qualifying standard for receiving assistance, which is the maximum income an applicant can have and still receive assistance. These maximum income limits are set administratively and vary by family composition.

The effect of the current maximum payments and qualifying limits is best illustrated by a typical General Relief case example:

An urban family consisting of two parents and a child applies having income of \$450. They present an eviction notice showing that their rent of \$450 is overdue. The family has no housing alternative. Under the current maximum, a General Relief vendor payment of only \$240 can be made to the landlord (\$80 per person). A Department staff member must contact the landlord and attempt to "deal", to find if he will allow the family to remain in its apartment with only this partial payment. In some cases, the landlord will not agree. If he does not, there is no payment made to him. The family can only use the alternative of a very short motel stay.

No statistics are kept on how frequently the \$80 maximum falls so short of actual need as to render the program useless to the applicant. However, since over 85% of General Relief Assistance is paid for rent needs, it is obvious that current rental costs are such that increasing the maximum payment per person to \$160 would virtually eliminate the programs' occasional inability to meet shelter emergencies.

However, there is a technical problem that would be created by passage of HB No. 176. The new maximum payment level would, for certain households, exceed the maximum qualifying income levels established by Alaska Administrative Code regulations. This problem can be resolved by the Department changing those regulations. HB No. 176 should be revised to increase the \$80 maximum payment level specified in AS 47.25.130, which is the primary statute under which current General Relief Payments are being made.

*average 2.2 people / household*

As a final comment the Department wishes to raise the concern that the General Relief statute have not been reviewed for over 20 years. We believe they are too vague and outdated to allow the Department adequate guidance in determining who is eligible and what types of assistance they should receive. It is clear to us that funding limitations over the years, coupled with significant changes in other assistance programs and in the needs of low-income Alaskans, have resulted in a General Relief program that may be significantly different from what was originally intended in the 1961 Session Laws. ✓

We would therefore welcome a comprehensive legislative study of the current General Relief program and any resulting changes in AS 47.25.120-300 that would more specifically define the Legislature's wishes concerning the program.

The Department supports the concept of an increase in maximum payment.

Recommended by: Er. Skens  
for Rod Betit, Director  
Division of Public Assistance

Date: \_\_\_\_\_

Approved by: Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date: 2-26-81

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 176

Title An Act Relating to General Relief Assistance

Requested by Clocksfn

Date 2/25/81

II. FISCAL DETAIL

Agency Affected Health & Social Services

Program Category Affected Social and Economic Assistance for the General Population

BRU, Program, or Subprogram(s) Affected Assistance Payments, General Relief Assistance

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		821.4	903.9	993.9	1093.3	1202.6
<b>TOTAL</b>		821.4	903.9	993.9	1093.3	1202.6

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		821.4	903.9	993.9	1093.3	1202.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		0				
PART TIME		0				
TEMPORARY		0				

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

FY82 request calls for 1015 persons per month to receive cash or vendor payments averaging \$67.44 per person, for a total of 821.4 (1015 x \$67.44 x 12 months). Doubling the maximum allowable monthly payment from \$80 to \$160 per person would have no effect on the number of persons found eligible. A "worst case" assumption is that all eligible persons would experience a doubling of their payments, from \$67.44 to \$134.88 per month. This would simply double program expenditures for all items except burials adding 821.4 in new expenditures.

However, a number of household receiving payments under the current payment maximum have their full emergency need met. The amount of their payments would not therefore increase with an increase in the maximum payment limit. No data is captured to indicate how many households fit in this category or how many households have "unmet need" under the current maximum. However, based on an informal 1980 survey of actual case situations, a "best case" assumption could be made that only 50% of all recipients would experience a doubling of payments under HB No. 176. This would result in an additional cost of only 410.7.

IV. DATE

2/24/81

PREPARED BY

AGENCY 1-105-24

PHONE 465-2247

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

*Richard J. ...*  
*Legislative Finance and Budget*  
*2/25/81*



REIRNE

Parole  
Bill  
file

3/10/81

? Presumptive sentencing  
was " " "

Class. A felony =  
" B " =  
" C " =

what is eff. date on New Crim. Code, 12/79

3/11/81

APB 174

514 needed + 20

pregnant woman alone not covered.

hardy applicant may income allowed is 514 1 still good for A.  
121 + "

400	11
150	C
450	

100 naive = 7.00 NET!  
Food stamp ↓ Rent ↑

APB 176 } given relief assistance

State pays vendor

BIT grant - 6-7M

OK .. - 1M

Am .250 section Div using for auth.

Options:

○ am .250 to 160.