

HB

431

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act relating to payment of AFDC in case of pregnant minors and minors who are parents BRU: Public Assistance Administration
 Component: Public Assistance Administration
 Sponsor: Kott
 Requestor: _____ COMPONENT SERIAL NO. 0233

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	69.8	64.8	64.8	64.8	64.8	64.8
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	69.8	64.8	64.8	64.8	64.8	64.8

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	34.9	32.4	32.4	32.4	32.4	32.4
1003 GF Match	34.9	32.4	32.4	32.4	32.4	32.4
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	69.8	64.8	64.8	64.8	64.8	64.8

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

House Bill 431 amends AFDC program policy to exercise a federal option that allows states to require, as a condition of eligibility, that minor parents live at home or in another adult-supervised living situation. Minor parents would be excused from the requirement under certain conditions specified in the federal law and in this bill. This produces a need for professional clinical social worker time to investigate the availability and suitability of the home.

Prepared by: Jan L. Hansen, Director for Randy Mann, acting Phone: 465-2680
 Division: Division of Public Assistance Date: _____
 Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S. Date: 3-10-94
 Agency: Department of Health & Social Services

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ANALYSIS (cont.):Assumptions:

200 AFDC applications per year are received from unmarried minor parents who are not living with their parent(s). Fifty applications per year are denied for reasons unrelated to this legislation.

Each of the remaining 150 applications per year is referred to a contracted clinical social worker for investigation and decision about the suitability of the home.

Applicant investigations require an average of 10 hours of social worker time at \$40/hour for each investigation.

Maintenance of cases in which the minor parent lives at home and is eligible for AFDC will require 120 hours of social worker time per year for continued assessment of the suitability of the home.

Effective date of the legislation is July 1, 1994.

Calculations:

FY 95-

FY 00: Contract Clinical Social Worker (12 months)

Intake Assessment/Evaluation

150 referrals x 10 hours = 1500 hours x \$40/hr x 12 months = 60.0

Re-Evaluations for maintenance caseload

120 hours/year x \$40 = 4.8

Contract Attorney to develop regulations 5.0

Total 69.8

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

No. 2
Bill Number: CSHB 431(HES)
(H) Publish Date: 3/29/94

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act relating to payment of AFDC in case of pregnant minors and minors who are parents BRU: Public Assistance Administration
Component: Eligibility Determination
Sponsor: Kott
Requestor: _____ COMPONENT SERIAL NO. 0236

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	12.8	12.8	12.8	12.8	12.8	12.8
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	12.8	12.8	12.8	12.8	12.8	12.8
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGES IN REVENUES	0	0	0	0	0	0

FUND SOURCE (Thousands of Dollars)

	FY95	FY96	FY97	FY98	FY99	FY00
1002 Federal Receipts	6.4	6.4	6.4	6.4	6.4	6.4
1003 GF Match	6.4	6.4	6.4	6.4	6.4	6.4
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	12.8	12.8	12.8	12.8	12.8	12.8

POSITIONS:

	FY95	FY96	FY97	FY98	FY99	FY00
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

House Bill 431 amends AFDC program policy to exercise a federal option that allows states to require, as a condition of eligibility, that minor parents live at home or in another adult-supervised living situation. Minor parents would be excused from the requirement under certain conditions specified in the federal law and in this bill.

Eligibility Determination staff will be responsible for explaining the requirements of HB 431 to minor parents, referring cases for investigation, tracking investigation reports, and monitoring and enforcing compliance with the requirements.

Prepared by: Jan L. Hansen, Director for Randy Mon, acting Phone: 465-2680
Division: Division of Public Assistance Date: _____
Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S. Date: 3-10-94
Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Assumptions:

200 applications per year are received from minor parents who are not living with their parent(s). 50 applications per year are denied for reasons unrelated to this legislation. We expect to refer 150 application per year for investigation.

We are not requesting an additional eligibility determination position.

Calculations:

1 hour intake per application x 200 application	200 hours
3 hours maintenance per case per year x 120 cases	<u>360 hours</u>
Total	560 hours per year

$$560 \div 1950 \text{ hrs/FTE} = .28 \text{ Eligibility Tech II FTE/yr}$$

$$.28 \text{ Eligibility Tech II FTE/yr} \times \$45.7 \text{ Eligibility Tech II} = \$12.8/\text{yr}$$

FISCAL NOTE

No. 3
 Bill Version: C5HB 431 (HES)
 (H) Publish Date: 3/29/94

STATE OF ALASKA
 1994 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act relating to payment of AFDC in case of pregnant minors and minors who are parents BRU: Assistance Payments
 Component: AFDC
 Sponsor: Kott
 Requestor: _____ COMPONENT SERIAL NO. 0220

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	(147.8)	(295.6)	(295.6)	(295.6)	(295.6)	(295.6)
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	(147.8)	(295.6)	(295.6)	(295.6)	(295.6)	(295.6)
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGES IN REVENUES	0	0	0	0	0	0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(73.9)	(147.8)	(147.8)	(147.8)	(147.8)	(147.8)
1003 GF Match	(73.9)	(147.8)	(147.8)	(147.8)	(147.8)	(147.8)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	(147.8)	(295.6)	(295.6)	(295.6)	(295.6)	(295.6)

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

House Bill 431 amends AFDC program policy to exercise a federal option that allows states to require, as a condition of eligibility, that minor parents live at home or in another adult-supervised living situation. Minor parents would be excused from the requirement under certain conditions specified in the federal law and in this bill. Minor parents who the Department determines must live in their parent's home may be ineligible for AFDC because their parent's income and assets count as available to the minor parent.

Prepared by: Jan L. Hansen, Director *Randy Mon, acting dir.* Phone: 465-2680
 Division: Division of Public Assistance Date: _____
 Approved by Commissioner: Margaret R. Lowe, M.Ed./Ed.S. Date: 3-10-94
 Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Assumptions:

AFDC Payment Savings

Current statute at AS 47.25.310(c) specifically prohibits imposition of the requirement for the minor parent or pregnant minor to live in a particular type of household. We presume, for purposes of this analysis, that the intent of the sponsor of HB 431 is to repeal that subsection.

200 AFDC applications per year are received from unmarried minor parents who are not living with their parent(s). Fifty applications per year are denied for reasons unrelated to this legislation.

Each of the remaining 150 applications per year is investigated for a decision about the suitability of the home.

Twenty percent of the referrals are ultimately denied benefits because the family refuses to cooperate in the investigation, or the family does not qualify financially when the parent(s)' income and assets are counted as available to the minor parent because they are required to live at home.

The average monthly AFDC caseload is reduced by 30 cases per month, beginning in January 1995. The average AFDC savings is \$821 per case per month.

Calculations:

AFDC Benefit Savings

FY 95: (6 months)

$$30 \text{ cases} \times \$821/\text{case/month} \times 6 \text{ months} = \$147.8$$

FY 96

FY 00: (12 months)

$$30 \text{ cases} \times \$821/\text{case/month} \times 12 \text{ months} = \$295.6$$