

HB

331

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FILE

claims REPORTED OUT OF
SFC 5/1/94

FISCAL NOTE

No. 1
Bill Version: HB 331
(H) Publish Date: 2/22/94

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act relating to claims on PFDs for BRU: Public Assistance Administration
defaulted public assistance overpayments Component: AFDC
Sponsor: Toohy
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	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	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE	16.5	24.7	27.5	22.0	22.0	20.6

FUNDING: (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
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	0.0	0.0	0.0	0.0	0.0	0.0

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)

SEE ATTACHED

Prepared by: Jan L. Hansen, Director
Division: Division of Public Assistance
Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S
Agency: Department of Health & Social Services

Phone: 465-2680
Date: 1/25/94
Date: 1-25-94

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Revision Date: _____

BI , NO. HB 331

ANALYSIS (cont.):

HB 331 amends existing statutes to provide authority for the Department of Health and Social Services to collect delinquent public assistance overpayment debts by administrative garnishment of Permanent Fund dividends. This legislation results in increased debt collection by the Division of Public Assistance.

AFDC benefits are 50 percent state/50 percent federally funded. When the State recovers AFDC overpayments, it returns the federal share to the federal government and retains the state share.

Assumptions:

- All revenues are collections against prior years' costs
- The state retains 50 percent of AFDC collections as General Fund receipts
- 50 percent of AFDC collections are returned directly to the federal government
- Average claim collection via PFD garnishment = \$550
- Collections will rise in the first 3 years, then decline as backlog of delinquent claims is cleared.

Calculations:

	FY95	FY96	FY97	FY98	FY99	FY00
Claims collections	60	90	100	80	80	75
Total collected	33.0	49.5	55.0	44.0	44.0	41.3
Increased GF Receipts	16.5	24.7	27.5	22.0	22.0	20.6

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

No. 2
BILL Bill Version: HB 331
(H) Publish Date: 2/22/94

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act relating to claims on PFD's for BRU: Public Assistance Administration
defaulted public assistance overpayments Component: PA Administration
Sponsor: Toohy
Requestor: _____ COMPONENT SERIAL NO. 233

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	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	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE	3.4	4.1	11.3	9.0	9.0	8.1
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
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	0.0	0.0	0.0	0.0	0.0	0.0

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)

SEE ATTACHED

Prepared by: Jan L. Hansen, Director
Division: Division of Public Assistance
Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S
Agency: Department of Health & Social Services

Phone: 465-2680
Date: 1/25/94
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ANALYSIS (cont.):

HB 331 amends existing statutes to provide authority for the Department of Health and Social Services to collect delinquent public assistance overpayment debts by administrative garnishment of Permanent Fund dividends. This legislation results in increased debt collection by the Division of Public Assistance

Food Stamp Program overpayment collections generate revenue to the State. Although food stamps are 100 percent federally funded, states are allowed to retain collection incentives of 10 percent of recoveries of overpayments caused by inadvertent household error and 25 percent of recoveries of payments caused by recipient fraud. These recovery incentives will increase to 25 and 50 percent respectively in October, 1995.

Assumptions:

- All revenues are collected against prior years' costs
- Average state retention rate = 15 percent in FY95 and FY96
- Average state retention rate = 30 percent in FY97 through FY00
- State retentions are applied as GF receipts
- Balance after state retention is returned directly to the federal government
- State portion of recoveries is applied against prior years' costs for Public Assistance Administration
- Collections will rise in the first 3 years, then decline as backlog of existing claims is cleared

Collections:

	FY95	FY96	FY97	FY98	FY99	FY00
Claims collections	90	90	125	100	100	90
Total Collected	22.5	27.0	37.5	30.0	30.0	27.0
Increased GF Receipts	3.4	4.1	11.3	9.0	9.0	8.1

FISCAL NOTE

No. 3

Bill Version: HB 331

(H) Publish Date: 2/22/94

**STATE OF ALASKA
1994 LEGISLATIVE SESSION**

BILL NO

Revision Date: _____
 Title: Use PFD's to recover welfare overpayments
 Sponsor: TOOHEY
 Requestor: House Judiciary

Dept. Affected: Revenue
 BRU: Permanent Fund Dividend
 Component: Permanent Fund Dividend
 COMPONENT SERIAL NO. 981

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE FUND SOURCE:						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ -0-

ANALYSIS:

This Legislation would establish a procedure for serving attachments against dividends that is virtually identical to the process currently in place under AS 43.23.067 for the Alaska Commission on Postsecondary Education. Accordingly, the Division does not anticipate any significant additional costs to implement this legislation if enacted.

Prepared by: Thomas C. Williams
 Division: Permanent Fund Dividend
 Approved by Commissioner: _____
 Agency: Department of Revenue

Phone: 465-2323

Date: 01/19/94

Date: 1/21/94

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