

SB

98

HFIN

FILE

NO OBJ adopted

AMENDMENT 1

OFFERED IN THE HOUSE

TO: HCS CSSB 98(HES)

1 Page 38, lines 3 - 4:

2 Delete all material.

3 Renumber the following sub-subparagraphs accordingly.

4 Page 38, following line 7:

5 Insert a new sub-subparagraph to read:

6 "(i) a commercial fishing license under AS 16.05.480,
7 including a crewmember fishing license;"

8 Renumber the following sub-subparagraphs accordingly.

5/3/96

adopted NU/013j
AMENDMENT 2

OFFERED IN THE HOUSE
TO HCS CSSB 98(HES)

BY REPRESENTATIVE BROWN

1 Page 12, following line 3:

2 Insert a new subparagraph to read:

3 "(A) a person who the department
4 has reasonable cause to believe ~~has been~~ ^{is or recently has been} the victim of
5 domestic violence as defined in AS 18.66.900, and the
6 physical, mental, or emotional well-being of the victim
7 would be endangered by a strict application of the time
8 limit otherwise applicable under this subsection;"

9 Reletter the following subparagraphs accordingly.

10 Page 14, following line 24:

11 Insert a new subparagraph to read:

12 "(A) a person who the department
13 has reasonable cause to believe ~~has been~~ ^{is or recently has been} the victim of
14 domestic violence as defined in AS 18.66.900, and the
15 physical, mental, or emotional well-being of the victim
16 would be endangered by a strict application of the time
17 limit otherwise applicable under this subsection;"

same
in
this
Section

18 Reletter the following subparagraphs accordingly.

(Funded 4-4)

AMENDMENT 3

OFFERED IN THE HOUSE
TO: HCS CSSB 98(HES)

Brown

1 Page 45, line 11, following "that":

2 Delete "financial information concerning an eligibility
3 determination of a person applying for or"

4 Insert "the results of a ~~fraud~~ ^{an investigation. Based on a} inquiry ^{regarding possible fraud} based on
5 ~~concerning an inquiry about possible fraud~~ information received from a legislator concerning a person"

6 Page 46, line 10, following "make use of,":

7 Delete "financial information concerning an eligibility
8 determination of a person applying for or"

9 Insert "the results of a fraud inquiry based on
10 information received from a legislator concerning a person"

11 Page 46, lines 17-22:
12 Delete all material.

NO OBJ
to delete this material

13 Renumber bill sections accordingly.

14 Pages 48 - 52:

15 Correct internal references to bill sections to reflect the
16 renumbering of bill sections.

(Failed 3-6)

AMENDMENT

4

OFFERED IN THE HOUSE

TO: HCS CSSB 98(HES)

Brown

- 1 Page 50, line 16, following "1997 state funds":
- 2 Insert "or if the state unemployment rate in 1998
- 3 exceeded the state unemployment rate in 1996 by two per
- 4 cent or more"

Amendment 5 (not moved)

1 federal assistance available for the purposes of this chapter. The department shall
2 make reports in the form and containing the information required to the Secretary of
3 the United States Department of Health and Human Services. The department may
4 cooperate with federal agencies charged with the administration of the federal public
5 assistance block grants and other financial assistance.

6 Sec. 47.27.070. ALASKA NATIVE ORGANIZATIONS' FAMILY
7 ASSISTANCE PROGRAMS. (a) The department may coordinate only with the
8 following Alaska Native organizations, as designated under federal law, in the
9 development of family assistance programs:

- 10 (1) Arctic Slope Native Association;
- 11 (2) Kawerak, Inc.;
- 12 (3) Maniilaq Association;
- 13 (4) Association of Village Council Presidents;
- 14 (5) Tanana Chiefs Conference;
- 15 (6) Cook Inlet Tribal Council;
- 16 (7) Bristol Bay Native Association;
- 17 (8) Aleutian and Pribilof Island Association;
- 18 (9) Chugachmiut;
- 19 (10) Tlingit Haida Central Council;
- 20 (11) Kodiak Area Native Association;
- 21 (12) Copper River Native Association; and
- 22 (13) Metlakatla Indian Community of the Annette Islands Reserve;

23 however, the department may cooperate with the Metlakatla Indian Community under
24 this chapter only if the community waives any claim to sovereign immunity with
25 respect to matters involved with the family assistance program.

26 (b) The department may cooperate with the Alaska Native organizations named
27 in (a) of this section to propose program criteria to the Secretary of the United States
28 Department of Health and Human Services *and is authorized to transfer the State share of taxes*
29 to the state program in the same area. *appropriated for this purpose*

30 (c) Notwithstanding other provisions of this section, the department may
31 coordinate with an Alaskan Native organization under (a) of this section only if, for

AMENDMENT 79 no/obj

OFFERED IN THE HOUSE

TO: HCS CSSB 98(HES)

- 1 Page 2, lines 3 - 4:
- 2 Delete "day care assistance and"

TANANA CHIEFS CONFERENCE, INC.

122 FIRST AVENUE, SUITE 600
FAIRBANKS, ALASKA 99701-4897
PHONE 907/452-8251 • FAX 907/459-3850

To: ~~Senate~~ ^{House} Finance Committee
Nineteenth Legislature-Second Session

May 1
April 4, 1996

From: Louise ^{Charles}, Tanana Chiefs Conference, Inc. JOBS Program and the Alaska Native Coalition on Employment & Training

Re: Reconsideration of funding allocation for State match for Tribal JOBS Programs for FY 1997 per Governor's and DHSS funding request to be included in Senate Bill 98

The Governor's budget request of \$944,000 to be disbursed according to formula for 11 Tribal JOBS programs has been eliminated in your preliminary consideration of the DHSS reinvestment proposal. We urge you to reconsider this drastic measure as savings already realized by the statistics below demonstrate the success of Tribal JOBS programs. If you eliminate Tribal JOBS funding, it will be impossible to assist rural clients (AFDC recipients) with the education, training, employment assistance and child care needs that are necessary for them to become self-sufficient, which is the true goal of Welfare Reform. Even though the State will mandate work or work activities, it will not be possible to meet the required percentages with our decreased federal JOBS funding which is 25% this year, FY 1996.

Total Federal Funding for Tribal JOBS in FY 1995 in Alaska	\$819,000
Total number of Tribal clients served	438
Total number employed	113
Total number that utilized JOBS Child Care	341
Total number of village clients served	157
Total amount of savings realized	\$1,113,276

Savings determined by multiplying \$821 (basic AFDC grant for parent plus one child) X 113 clients employed this program year X 12 months. This very significant reinvestment savings is conservative in that a parent, or two parent family with more than one dependent, would receive a proportionately higher benefit. Even if one was to consider employment for only six months for the number of successfully employed JOBS clients, the amount saved for reinvestment would be \$556,638.

Tribal JOBS is effective in getting people of state welfare dependency. Please support continuation of the proven model which was mandated through the Family Support Act of 1988 under Republican President, George Bush. We sincerely appreciate your consideration and support.

CC: Governor Knowles and DHSS

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 29, 1996

FURTHER REFERRALS: Majority Leaders Desk

Date of Committee Action: 5/7/96

The FINANCE Committee considered:

CSSB 98(RLS)

CS FOR SENATE BILL NO. 98(RLS)

WELFARE REFORM: TEMPORARY ASSIST. PROGRAM

"An Act making changes related to the aid to families with dependent children program (AFDC); relating to the duties of the Department of Health and Social Services; establishing a workfare pilot project for AFDC recipients; establishing a diversion program for AFDC applicants; directing the Department of Health and Social Services to seek waivers of applicable federal laws; establishing and relating to the Alaska temporary assistance program and repealing the AFDC and job opportunity and basic skills programs upon the establishment of federal welfare reform; relating to work activities required under the Alaska temporary assistance program; authorizing qualified entities to contract with the state to administer all or part of the Alaska temporary assistance program; relating to child support; relating to certain licenses and applications for a license for persons who are not in substantial compliance with orders, judgments, or payment schedules for child support; relating to an exemption to the State Procurement Code for certain services and contracts under the Alaska temporary assistance program; relating to disclosure of information that relates to day care assistance and the Alaska temporary assistance program; relating to eligibility for day care benefits administered by the Department of Community and Regional Affairs; amending Rule 90.3(c) and (h)(2), Alaska Rules of Civil Procedure; and providing for an effective date."

recommends it be replaced

the same title

with the following committee substitute

HCS SB 98 (Fin)

a new title

additional referral to _____ Committee

attached amendment(s)

Comprehensive Plan

ADOPTS: _____ Letter of Intent

(1) RCV 4/22/96

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: DOE 4/22/96 (Dept/Date)

Senate

7 fiscal note(s)

10 fiscal note(s) (2) Labor 4/22/96 (1) DPS 4/22/96

9 DHSS Comprehensive or DHSS Waiver

(3) CED 4/22/96 (2) FG 4/22/96

1 zero fiscal note(s)

1 zero fiscal note(s)

Senate Labor 4/22/96

Comprehensive or Waivers

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>[Signature]</u>			X	
<u>[Signature]</u>			X	
<u>[Signature]</u>			X	
<u>[Signature]</u>			X	
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<u>[Signature]</u>			X	
<u>[Signature]</u>			X	

CHAIR'S SIGNATURE

[Signature]

**Welfare Reform Summary Analysis
HCS CSSB 98(HES)
Reinvestment Add-Backs**

Comprehensive Track

Department of Health and Social Services
Prepared 5/3/96

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
AFDC Policy Provisions	\$ (240.4)	\$ (5,057.1)	\$ (9,994.9)	\$ (11,692.7)	\$ (11,892.8)	\$ (11,990.4)	\$ (50,868.3)
AFDC (Reinvestment) - Caseload Decreases	\$ -	\$ (2,660.4)	\$ (5,551.2)	\$ (8,933.7)	\$ (12,214.7)	\$ (12,214.7)	\$ (41,574.7)
PA Administration	\$ 245.5	\$ 465.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 2,213.0
Family and Youth Services	\$ 66.6	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 367.6
Eligibility Determination (Reinvestment)	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 600.0
Alaska Work Programs (Reinvestment)	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 10,622.4
PA Data Processing (Reinvestment)	\$ 919.6	\$ 919.6	\$ 919.6	\$ 807.4	\$ 807.4	\$ 807.4	\$ 5,181.0
Child Care Benefits (Reinvestment)	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 13,260.0
Total Operating	\$ 5,071.7	\$ (2,191.8)	\$ (10,110.4)	\$ (15,302.9)	\$ (18,784.0)	\$ (18,881.6)	\$ (60,199.0)
Less Federal Receipts	\$ 1,923.6	\$ (1,426.0)	\$ (5,025.2)	\$ (7,328.0)	\$ (8,908.3)	\$ (10,893.2)	\$ (31,657.1)
Less I/A Receipts (PFD Hold Harmless)	\$ (22.1)	\$ (710.0)	\$ (1,430.2)	\$ (1,897.6)	\$ (2,217.9)	\$ (2,226.9)	\$ (8,504.8)
Net GF/GF Match	\$ 3,170.2	\$ (55.8)	\$ (3,655.0)	\$ (6,077.3)	\$ (7,657.8)	\$ (5,761.5)	\$ (20,037.1)
Less GF Program Receipts (Savings from Child Support Collections)	\$ 3,022.6	\$ 4,269.4	\$ 2,642.8	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 15,934.8
Net GF/GF Match Budget Impact	\$ 147.6	\$ (4,325.2)	\$ (6,297.8)	\$ (8,077.3)	\$ (9,657.8)	\$ (7,761.5)	\$ (35,971.9)

FEDERAL RECEIPTS	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
AFDC Policy Provisions	\$ (109.1)	\$ (2,295.9)	\$ (4,537.7)	\$ (5,308.5)	\$ (5,399.3)	\$ (5,443.6)	\$ (23,094.1)
AFDC (Reinvestment) - Caseload Decreases	\$ -	\$ (1,207.8)	\$ (2,520.2)	\$ (4,055.9)	\$ (5,545.4)	\$ (7,486.0)	\$ (20,815.3)
PA Administration	\$ 32.7	\$ 77.7	\$ 32.7	\$ 32.7	\$ 32.7	\$ 32.7	\$ 241.2
Eligibility Determination (Reinvestment)	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 300.0
Alaska Work Programs (Reinvestment)	\$ 445.0	\$ 445.0	\$ 445.0	\$ 445.0	\$ 445.0	\$ 445.0	\$ 2,670.0
PA Data Processing (Reinvestment)	\$ 400.0	\$ 400.0	\$ 400.0	\$ 403.7	\$ 403.7	\$ 403.7	\$ 2,411.1
Child Care Benefits (Reinvestment)	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 6,630.0
Total Federal Receipts	\$ 1,923.6	\$ (1,426.0)	\$ (5,025.2)	\$ (7,328.0)	\$ (8,908.3)	\$ (10,893.2)	\$ (31,657.1)

HCS CSSB 98(HES)
 All Agency - Comprehensive Track - Reinvestment Add-Backs
 Department of Health and Social Services
 Prepared 5/3/96

Occupational & Driver's Licensing

Expenditures:	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
Commerce & Economic Dev.	\$ 138.6	\$ 122.7	\$ 26.6	\$ -	\$ -	\$ -	\$ 287.9
Education	\$ 16.4	\$ 17.8	\$ 4.4	\$ -	\$ -	\$ -	\$ 38.6
Labor	\$ 108.8	\$ 78.1	\$ 40.8	\$ -	\$ -	\$ -	\$ 227.7
Health & Social Services	\$ 11.4	\$ 1.4	\$ 1.4	\$ -	\$ -	\$ -	\$ 14.2
Public Safety	\$ 159.7	\$ 85.9	\$ 20.8	\$ -	\$ -	\$ -	\$ 266.4
Fish & Game	\$ 131.6	\$ 94.3	\$ 40.3	\$ -	\$ -	\$ -	\$ 266.2
Revenue	\$ 710.2	\$ 818.9	\$ 169.4	\$ -	\$ -	\$ -	\$ 1,698.5
Gross Project Costs	\$ 1,276.7	\$ 1,219.1	\$ 303.7	\$ -	\$ -	\$ -	\$ 2,799.5
Less Federal Receipts for Project Costs	\$ (842.6)	\$ (804.6)	\$ (200.4)	\$ -	\$ -	\$ -	\$ (1,847.6)
Less Federal Incentive Payments	\$ (255.3)	\$ (243.8)	\$ (60.7)	\$ -	\$ -	\$ -	\$ (559.8)
Net GF/GF Match Project Costs	\$ 178.8	\$ 170.7	\$ 42.6	\$ -	\$ -	\$ -	\$ 392.1

DHSS Family Assistance Program
 Operating Expenditures:

AFDC/ATAP Payments	\$ (240.4)	\$ (5,057.1)	\$ (9,994.9)	\$ (11,692.7)	\$ (11,892.8)	\$ (11,990.4)	\$ (50,868.3)
AFDC (Reinvestment)	\$ -	\$ (2,660.4)	\$ (5,551.2)	\$ (8,933.7)	\$ (12,214.7)	\$ (12,214.7)	\$ (41,574.7)
PA Admin	\$ 245.5	\$ 465.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 2,213.0
Teen Parent Investigations (DFYS)	\$ 66.6	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 367.6
Eligibility Determination (Reinvestment)	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 600.0
Alaska Work Programs (Reinvestment)	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 10,622.4
PA Data Processing (Reinvestment)	\$ 919.6	\$ 919.6	\$ 919.6	\$ 807.4	\$ 807.4	\$ 807.4	\$ 5,181.0
Child Care Benefits (Reinvestment)	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 13,260.0
Gross Project Costs	\$ 5,071.7	\$ (2,191.8)	\$ (10,110.4)	\$ (15,302.9)	\$ (18,784.0)	\$ (18,881.6)	\$ (60,199.0)
Federal Receipts	\$ 1,923.6	\$ (1,426.0)	\$ (5,025.2)	\$ (7,328.0)	\$ (8,908.3)	\$ (10,893.2)	\$ (31,657.1)
PFD Hold Harmless Savings	\$ (22.1)	\$ (710.0)	\$ (1,430.2)	\$ (1,897.6)	\$ (2,217.9)	\$ (2,226.9)	\$ (8,504.8)
GF/Program Receipts (Savings from Child Support Collections)	\$ 3,022.6	\$ 4,269.4	\$ 2,642.8	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 15,934.8
Net GF/GF Match Budget Impact	\$ 147.6	\$ (4,325.2)	\$ (6,297.8)	\$ (8,077.3)	\$ (9,657.8)	\$ (7,761.5)	\$ (35,971.9)

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98(HES)
Comprehensive #1

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act related to the AFDC program, demonstration projects, and the Alaska temporary assistance program.</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>AFDC</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>220</u>
	See also (SN#): _____

Expenditures/Revenues:	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(240.4)	(7,717.2)	(15,546.1)	(20,626.4)	(24,107.5)	(24,205.1)
MISCELLANEOUS						
TOTAL OPERATING	(240.4)	(7,717.2)	(15,546.1)	(20,626.4)	(24,107.5)	(24,205.1)

CAPITAL EXPENDITURES						
CHANGES IN REVENUES ()						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	(109.1)	(3,503.6)	(7,057.9)	(9,324.2)	(10,944.8)	(10,989.1)
1003 GF Match	(3,131.8)	(7,773.0)	(9,700.9)	(11,404.6)	(12,944.8)	(12,989.1)
1004 GF						
1005 GF/Program Receipts	3,022.6	4,269.4	2,642.8	2,000.0	2,000.0	2,000.0
1037 GF/Mental Health						
Other 1007 I/A Receipts	(22.1)	(710.0)	(1,430.2)	(1,897.6)	(2,217.9)	(2,226.9)
TOTAL	(240.4)	(7,717.2)	(15,546.1)	(20,626.4)	(24,107.5)	(24,205.1)

Estimate of any current year (FY96) cost: 90.0

POSITIONS:						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Comprehensive Approach

This legislation amends the public assistance statutes and replaces the Aid to Families with Dependent Children (AFDC) program with a new program, The Alaska Temporary Assistance Program. It includes several provisions that impact program costs.

General Assumptions: We assume, for purposes of this analysis that federal law will allow the state regulations necessary to implement each of the provisions of this bill to take effect by the effective dates noted. We assume no impact on program costs due to the 60-month time limit because all individuals subject to the time limit go to work before receiving 60 months of assistance. The only individuals who continue to receive assistance after 60 months are those who are exempt from the provision. Only provisions with significant cost impacts are included in this analysis.

Prepared by: <u>Jim Nordlund, Director</u>	Phone: <u>465-2680</u>
Division: <u>Public Assistance</u>	Date: <u>05/03/96</u>
Approved by Com: <u>Karen Perdue, Commissioner</u>	Date: <u>5-3-96</u>
Agency: <u>Department of Health & Social Services</u>	

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ANALYSIS (cont.):							
Alaska Temp. Assst. Pgm	FY97	FY98	FY99	FY00	FY01	FY02	Total
Work Incentives: Earned Income Disregards, Job Retention, 24-Month Time Limit, Auto Allowance, & Diversion		\$ 1,958.2	\$ (1,797.8)	\$ (3,665.3)	\$ (4,039.8)	\$ (4,137.4)	\$ (11,702.1)
Benefit Reductions: Seasonal Benefits, Transfer of Assets, No Add'l Assistance for 2nd Parent and Benefits based on Household Expenses	\$ (811.8)	\$ (7,457.7)	\$ (8,639.5)	\$ (8,449.8)	\$ (8,295.4)	\$ (8,295.4)	\$ (41,749.4)
Minor Teen Parents	\$ (78.8)	\$ (157.9)	\$ (157.8)	\$ (157.6)	\$ (157.6)	\$ (157.6)	\$ (866.8)
Child support pass-through	\$ 450.0	\$ 500.0	\$ 500.0	\$ 500.0	\$ 500.0	\$ 500.0	\$ 3,450.0
Caseload Reduction Savings resulting from reinvestments	\$ -	\$ (2,960.1)	\$ (5,551.2)	\$ (8,233.7)	\$ (12,214.7)	\$ (12,214.7)	\$ (41,574.4)
Totals	\$ (240.4)	\$ (7,717.2)	\$ (15,546.1)	\$ (20,626.4)	\$ (24,107.5)	\$ (24,205.1)	\$ (92,442.7)

WORK INCENTIVES

Family Self-Sufficiency Plan and Participation in Work Activities: Effective July 1, 1997, most families must cooperate in developing a self-sufficiency plan and participate in work activities. Failure to comply results in a reduction in assistance. With specified exceptions, families may not receive more than 24 months of assistance within a 60-month period.

Earned Income Disregards: Effective July 1, 1997. The earned income disregards are increased to allow families to keep more of the income they earn and encourage recipients to gain the job experience that is essential to long-term self-sufficiency. The disregards are phased down slowly over four years.

Job Retention: Effective July 1, 1997. Denies assistance to families when the adult applicant or caretaker refuses or quits a job without good cause.

Automobile Allowance: Effective July 1, 1997. Allows each family to own one vehicle, regardless of value, before the equity is counted to determine eligibility.

A Diversion Program: Effective July 1, 1997. Diversion payments provide eligible families an alternative to long-term dependency by offering applicants a one-time lump-sum cash payment to meet critical needs while they obtain employment and/or child support.

Seasonal Benefit Reduction for Two Parent Families: Effective July 1, 1997. Assistance payments to able-bodied, two parent families are reduced by 50% during the summer months of July, August and September when work is available.

OTHER PROGRAM PROVISIONS

Transfer of Assets: Effective January 1, 1997. Denies assistance to families if an adult member intentionally transfers an asset for less than fair market value for the purpose of establishing eligibility for assistance.

No Additional Assistance for the Second Parent in Two Parent Families: Effective July 1, 1997. Eliminates the additional \$102 payment for the needs of the second parent in Unemployed Parent households.

Benefits based on household expenses: Effective January 1, 1997. Families that pay little or no housing costs receive a smaller assistance payment than families that pay market value for their housing.

Assistance to Minors: Effective January 1, 1997. With specified exceptions, requires unmarried minor parents to live with a parent or legal guardian, an adult relative, or in another adult-supervised living arrangement.

Child Support Pass-Through: Effective October 1, 1996. This section authorizes the continuation of the child support pass-through payment, paid to recipients for whom CSED receives monthly child support collections.

Child Support Collections: The child support enforcement occupational and driver's license provisions of this legislation increase child support collections for AFDC children and shift program funding from general fund to general fund program receipts dollar for dollar. GF program receipts increases = \$1,022.6 in FY 97, \$2,269.4 in FY 98, and \$642.8 in FY 98, when the provision sunsets.

ANALYSIS (cont.):

Reinvestment Funding Shift: Under the reinvestment plan, \$2,000.0 per year in additional GF Program Receipt funds from the state share of increased Child Support collections finance part of the total of \$5,000.0 in reinvestments. The additional program receipts are applied toward AFDC Assistance Payments, producing an offsetting reduction of \$2,000.0 in need for unrestricted GF Match. The \$2,000.0 in reduced GF Match is a funding source for the expenditures in the other reinvestment budget components.

Caseload Reduction Savings Resulting from Reinvestment: The reinvestments in PA Data Processing, Child Care, Alaska Work Programs, and One-Stop centers (Eligibility Determination component) produce caseload reductions beginning in FY 97. \$6,883.4 was deleted from the AFDC Assistance Payments component base in the FY 97 Governor's budget, and is not reflected in this fiscal note. Additional savings above the adjusted base are reflected as "Caseload reduction savings resulting from reinvestment" in this analysis, beginning in FY 98.

The removal of \$6,883.4 from the FY 97 base produces a total cumulative additional savings of \$41,300.4 from FY 97 through FY 02 that are not reflected here.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Comprehensive #2

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act related to the AFDC program, demonstration projects, and the Alaska temporary assistance program.</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>PFD Hold Harmless</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>225</u>
	See also (SN#): _____

Expenditures/Revenues:	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(22.1)	(710.0)	(1,430.2)	(1,897.6)	(2,217.9)	(2,226.9)
MISCELLANEOUS						
TOTAL OPERATING	(22.1)	(710.0)	(1,430.2)	(1,897.6)	(2,217.9)	(2,226.9)

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1050 PFD Fund	(22.1)	(710.0)	(1,430.2)	(1,897.6)	(2,217.9)	(2,226.9)
TOTAL	(22.1)	(710.0)	(1,430.2)	(1,897.6)	(2,217.9)	(2,226.9)

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

PFD Hold Harmless payments replace AFDC benefits when receiving the dividend causes individuals to lose eligibility or to have benefits reduced. The AFDC policy provisions contained in this bill reduce costs in the AFDC component and produce proportional reductions in PFD Hold Harmless costs.

Prepared by: Jim Nordlund, Director
 Division: Division of Public Assistance

Approved by Com: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-2680
 Date: 05/03/96

Date: 5-3-96

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ANALYSIS (cont.):

Assumptions:

PFD Hold Harmless costs for AFDC benefits will decrease in direct proportion to the decreases produced by the reductions in AFDC expenditures for each fiscal year.

Calculations:

PFD HOLD HARMLESS SAVINGS

FY97	\$	22.1
FY98	\$	710.0
FY99	\$	1,430.2
FY00	\$	1,897.6
FY01	\$	2,217.9
FY02	\$	2,226.9

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Comprehensive #3

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act relating to the AFDC program demonstration projects and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Eligibility Determination</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>236</u>
	See also (SN#): _____

Expenditures/Revenues:	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.0	100.0	100.0	100.0	100.0	100.0

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	50.0	50.0	50.0	50.0	50.0	50.0
1003 GF Match	50.0	50.0	50.0	50.0	50.0	50.0
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Public assistance recipients and other Alaskans can move more quickly into employment when employment-related services are located together and coordinated. Integrated services are more efficient and cost-effective.

The FY 97 Governor's budget includes \$200.0 in funding for "One-Stop" services as part of the Administration's welfare reform strategy. These funds will be used for building leases and related costs for one-stop service centers. The Departments of Health and Social Services and Labor are already working to co-locate and integrate Public Assistance and Employment services offices. As soon as possible, DOE-funded Adult Education centers, JTPA and Vocational Rehabilitation offices, Day Care Assistance and other supportive service agencies will also be integrated.

Prepared by: Jim Nordlund, Director *Jim Nordlund*
Division: Division of Public Assistance

Phone: 465-2680
Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner *Karen Perdue*
Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

The House and Senate budget bills provide only \$100.0 of the \$200.0 needed for One-Stop service centers. This fiscal note requests restoration of the deleted \$100.0 in the Eligibility Determination component beginning in FY 97. Funding source is 50 percent GF match, 50 percent federal.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Comprehensive #4

Revision Date: 05/03/96 Dept. Affected: Health and Social Services
 Title: An Act related to the AFDC program, demonstration projects and the Alaska temporary assistance program BRU: Public Assistance
 Sponsor: Senate HESS Component: Public Assistance Admin
 Requestor: House Finance COMPONENT SERIAL NO. 233
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	61.0	61.0	61.0	61.0	61.0	61.0
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	2.0	92.0	2.0	2.0	2.0	2.0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	180.0	310.0	310.0	310.0	310.0	310.0
MISCELLANEOUS						
TOTAL OPERATING	245.5	465.5	375.5	375.5	375.5	375.5

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	32.7	17.7	32.7	32.7	32.7	32.7
1003 GF Match	32.8	77.8	32.8	32.8	32.8	32.8
1004 GF	180.0	310.0	310.0	310.0	310.0	310.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	245.5	465.5	375.5	375.5	375.5	375.5

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This legislation creates a need for additional safety net services for low-income Alaska families in addition to the services provided under the Alaska temporary assistance program.

Prepared by: Jim Nordlund, Director
 Division: Division of Public Assistance

Phone: 465-2680
 Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

TEEN PARENT SERVICES: Section 7 of this legislation provides that a minor parent must live with a parent or another relative unless no such safe home is available. We assume that the regulations to implement this provision take effect on 1/1/97.

Case Management Services: Existing case management services will be enhanced to investigate a teen's claim that the family home is unsafe, assist those teens who are not able to live at home in identifying alternative living situations when necessary, and direct teens to educational and social services. Grants to provide these additional services is \$135,000 per year.

Alternate Living Arrangements: If there is no safe, available family home for the teen parent, the teen must live in an alternate, adult-supervised setting. \$125,000 in community grants will develop and provide supervised alternate teen parent housing when no other appropriate placement is available. These funds are expected to pay for approximately 35 placements at \$3,570 per year.

Total annual cost of this provision is \$260,000. The cost is half in the implementation year of FY98.

NEEDS STUDY: Section 50 of this legislation directs the Department to conduct a comprehensive needs study and submit the results to the Legislature in January 1999. An independent contractor will conduct this study; estimate cost is \$90,000 in FY98.

EMERGENCY FOOD SERVICES: Welfare reform will reduce benefits to low-income families. To maintain a safety net for families, \$50,000 in grants is needed to assist community organizations to establish and operate emergency food programs.

WELFARE REFORM POLICY SUPPORT STAFF: A Research Analyst III is needed to support the development, implementation, and monitoring of the new Alaska Temporary Assistance program. Funding for an existing Research Analyst III position for welfare reform, which was requested in the FY97 Governor's budget, has been deleted. The annual cost for this position is \$65.5 (\$61 personal services, \$20 travel, \$2.5 office space and supplies).

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Comprehensive #5

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act relating to the AFDC program demonstration projects, and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Alaska Work Programs</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>238</u>
	See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
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	1,370.4	1,370.4	1,370.4	1,370.4	1,370.4	1,370.4
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	400.0	400.0	400.0	400.0	400.0	400.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4

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	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	445.0	445.0	445.0	445.0	445.0	445.0
1003 GF Match	445.0	445.0	445.0	445.0	445.0	445.0
1004 GF	880.4	880.4	880.4	880.4	880.4	880.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4

Estimate of any current year (FY96) cost: \$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

ANALYSIS: (Attach a separate page if necessary)

Under either comprehensive federal and state welfare reform or continuation of the current AFDC and JOBS programs, federal law will mandate that increasing numbers of recipients be required to participate in work activities: training, education, job preparation and placement, and paid or unpaid work experience. These increasing mandates create a need for funding for a number of services to support these activities.

The FY 97 Governor's budget proposed to reinvest \$2,684.0 in AFDC component savings to support work activities in the Alaska Work Programs component. The House and Senate budget bill authorize only \$180.0 of these reinvestments. This fiscal note requests restoration of \$1,770.4 of the deleted \$2,504.0 in the Alaska Work Programs component beginning in FY 97. These restorations will support the following work activities:

Prepared by: Jim Nordlund, Director *Jim Nordlund*
Division: Public Assistance

Phone: 465-3347
Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner *Karen Perdue*
Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

DHSS operates the JOBS program in partnership with the Department of Labor. Part of the restored reinvestments will be used to increase the existing transfers to DOL, to support increases in vocational counseling, job readiness workshops, job development, and job search activities for welfare recipients.

Low literacy is a major obstacle for many welfare recipients. About 30 percent of JOBS participants enter the program without a high school diploma. Many with diplomas have low math and English skills. Some need training in English as a second language. Alaska Work Programs case managers routinely assign JOBS participants for such specialized training, through local Adult Basic Education centers. The reinvestment funds will be transferred to the Department of Education and in turn distributed to local ABE centers, to secure additional training slots for welfare clients.

Vocational training provides job skills that ensure long-term financial independence. \$100.0 in restored reinvestment funds will secure additional vocational training slots for JOBS/ Work Program participants.

Since 1990, Alaska Native organizations have operated JOBS welfare-to-work programs for Native AFDC recipients in each of the 12 ANCSA Regions, plus Metlakatla, under arrangements made directly with the federal government. The success of these Native JOBS programs directly impacts the AFDC caseload. In Alaska, these programs have never received any state matching funds, despite the fact that they administer JOBS for about 35 percent of AFDC families. \$870.4 in restored reinvestments will be used to match the total federal Native JOBS funding of \$1,400.0 at a 38 percent rate, roughly equivalent to the state JOBS match rate.

Supportive services are essential to the success of JOBS/ Work Program clients. These funds pay for special needs directly related to work program participants obtaining employment and often make the difference in whether someone gets a job and keeps it. Typical supportive service purchases include bus passes, a haircut for a job interview, a special tool, or an occupational license. Increasing numbers of work program participants will produce increasing need for supportive services. \$300.0 in restored reinvestment funds will purchase the needed services.

Preventing unplanned pregnancies reduces both AFDC and Medicaid costs by lowering the number of children born to recipients. Proposed federal welfare reform offers enhanced funding to states that bring down the number of out-of-wedlock births. Restoration of \$100.0 of the originally requested \$390.0 will provide pilot money to contract with local agencies to provide pregnancy prevention services to recipients who request them.

Summary of restorations: AWP component

DOL Employment Security RSA	250.0
DOE Adult Education RSA	150.0
Vocational Training Grants	100.0
State match for Alaska Native JOBS programs	870.4
Client supportive services	300.0
Pregnancy prevention grants	100.0
Total restorations	1,770.4

THIS SUPPLEMENTAL FISCAL NOTE REQUESTS FUNDING TO RESTORE "REINVESTMENT" FUNDS THAT WERE DELETED FROM THE GOVERNOR'S FY 97 BUDGET. THE REINVESTMENT FUNDS ARE ASSUMED TO BE AVAILABLE IN THE BASELINE ASSUMPTIONS FOR AFDC ASSISTANCE PAYMENT FISCAL NOTES.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB 98(HES)
DPA Comprehensive #8

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act Related to the AFDC program, demonstration projects, and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Public Assistance Data Processing</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>240</u>
	See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	807.4	807.4	807.4	807.4	807.4	807.4
TRAVEL	17.0	17.0	17.0	0.0	0.0	0.0
CONTRACTUAL	92.5	92.5	92.5	0.0	0.0	0.0
SUPPLIES	2.7	2.7	2.7	0.0	0.0	0.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	919.6	919.6	919.6	807.4	807.4	807.4

CAPITAL EXPENDITURES	
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CHANGES IN REVENUES ()	
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	400.0	400.0	400.0	403.7	403.7	403.7
1003 GF Match	400.0	400.0	400.0	403.7	403.7	403.7
1004 GF	119.6	119.5	119.6	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	919.6	919.6	919.6	807.4	807.4	807.4

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

POSITIONS	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Eligibility Information System (EIS) is a large, complex data system with several subsystems. Extensive modifications to the Division's Eligibility Information System (EIS) and its subsystems are necessary to implement welfare reform.

Modifications to the EIS and its subsystems, the JOBS Automated System (JAS), and the JOBS Child Care and Supportive Service Payments System (JASP), will require a level of effort in excess of 15,000 hours or 116 FTE-months.

The effort includes the analysis, design, development, testing, and implementation of new system functionality and implementing changes in program policy that revise or replace the Aid to Families with Dependent Children and Alaska Work Programs. Policy changes impact systems programs for Medicaid and will potentially impact the Food Stamp program too.

Prepared by: Jim Nordlund, Director *Jim Nordlund*
Division: Division of Public Assistance

Phone: 465-2680
Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner *Karen Perdue*
Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

To undertake the changes to the Eligibility Information System and its subsystems necessary to implement welfare reform the following assumptions were applied in determining costs:

1. The EIS modifications will require a combination of state data processing staff and contractor staff.
2. Contractual costs are to assist with the initial high volume of fast-track programming work necessary to implement comprehensive system changes by FY98 or waivers by FY99, and to assist with programming changes identified after implementation. Contractual costs above House/Senate budget = 92.5 for FY 97 - 99.
3. The project level of effort requires 116 FTE months for analysis, design, development, testing, and implementation.
4. The project will require a minimum of 12 calendar months to complete the analysis, design, development, testing, and implementation.
5. Some of the requirements design must begin no later than July 1, 1996, requirements and design must be complete and programming started no later than December 1996.
6. Other states with similar welfare reform provisions, such as Arizona and Indiana, had similar system approaches and costs.
7. The State personal services cost includes 13 data processing positions that were requested in the Governor's FY 97 budget but deleted in the House/Senate budget bill.
8. Travel costs are necessary for Juneau data processing staff to system design and implementation with programming

Personal Services calculations:

FTE	Job Class	Range	Cost	Location
1	Public Assistance Program Officer	R21	\$90.1	Juneau
3	Analyst/Programmer I	R16	\$174.3	Juneau
1	Analyst/Programmer V	R21	\$74.8	Anch
3	Analyst/Programmer IV	R19	\$206.9	Anch
1	Analyst/Programmer III	R17	\$57.7	Anch
3	Public Assistance Analyst I's	R16	\$169.3	Anch
1	Administrative Clerk II	R08	\$34.4	Anch
13	Personal Services Total		\$807.4	

This is not a request for new positions; it is a request for funding to maintain the incumbents in ten existing PCNs and fill three vacant PCNs.

This fiscal note requests funding to restore the "Reinvestment" funds that were deleted from the Governor's FY 97 budget. These reinvestment funds are assumed to be available in the baseline assumptions for the AFDC assistance payments fiscal notes in this package.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Comprehensive #7

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act relating to the AFDC program demonstration projects and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Child Care Benefits</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>1897</u>
	See also (SN#): _____

Expenditures/Revenues:	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
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	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0

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	0.0	0.0	0.0
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	1,105.0	1,105.00	1,105.0	1,105.0	1,105.0	1,105.0
1003 GF Match	1,105.0	1,105.00	1,105.0	1,105.0	1,105.0	1,105.0
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Child care is essential for families that are working, participating in the JOBS program and in work activities, and in receiving transition after they leave the welfare caseload caseload because they are employed. In FY 97, welfare families will need care for an estimated 908 more children per month than in FY 96 because of the increased emphasis on work, at an average cost of \$290 per child per month. This fiscal note requests restoration of the \$2,210.0 in child care reinvestments that was deleted from the original request of \$3,159.8.

Prepared by: Jim Nordlund, Director *Jim Nordlund*
Division: Public Assistance

Phone: 465-3347
Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner *Karen Perdue*
Agency: Department of Health & Social Services

Date: 5-3-96

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB98(RLS)

Comprehensive

Revision Date: _____
Title: An Act related to the AFDC Program.
Demonstration Projects and Payment Reductions
Sponsor: Senate HESS
Requestor: House (FIN)

Dept. Affected: Health and Social Services
BRU: Family and Youth Services
Component: DFYS Central Office
COMPONENT SERIAL NO. 259
See also (SN#): _____

Expenditures-Revenues:

(Thousands of Dollars)

OPERATING	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	58.9	58.9	58.9	58.9	58.9	58.9
TRAVEL	1.1	1.1	1.1	1.1	1.1	1.1
CONTRACTUAL						
SUPPLIES	2.8	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	4.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	66.6	60.2	60.2	60.2	60.2	60.2

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	88.8	80.2	80.2	80.2	80.2	80.2
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (please specify)						
TOTAL	66.6	60.2	60.2	60.2	60.2	60.2

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

Estimate of any current year (FY96) cost: 30.0

ANALYSIS: (Attach a separate page if necessary)

A proportion of AFDC applicants who are pregnant teens or teen parents will not be able to reside in their parental home due to alleged abuse or neglect in that home. The circumstances alleged must be investigated, and case management services must be provided to arrange for alternate housing and to assist the teen parent to achieve self-sufficiency. While the services will be provided through grants or contracts, the services must be developed, the providers trained, and the services coordinated. This position will serve as the case management coordinator to see that these services are available across the state.

Continued

Prepared by: L. Diane Worley, Director
 Division: Family & Youth Services
 Approved by Commissioner: Karen Perrine, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-2191
Date: 04/25/96

Date: 4-29-96

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ANALYSIS (cont.):

Social Worker IV Range 18 Juneau State Office	\$55,900.00
Travel: 1 trip to Fairbanks, 1 trip to Anchorage	\$1,100.00
Equipment (Computer, Software)	\$4,000.00
Supplies (Desk, Chair, Telephone, Office Supplies)	\$2,580.00
TOTAL	\$66,580.00

The personal services cost for the Social Worker IV is calculated for one year rather than six months as this person will have to be hired and trained for the entire fiscal year in order to be ready to do the job by January 97. The contractual costs will be double the first year in order to process the initial investigations required by this fiscal note.

The equipment and supplies will decrease after the initial set up year for this position. The continuing office supplies should cost approximately \$200/yr for the continuing position.

It is not possible to project the fiscal impact of the amendment which includes licenses granted under 47.35 with those occupational licenses which may be adversely affected by child support arrearages. The division licenses approximately 980 foster homes and approximately 550 child care facilities. Most areas of the state constantly face a shortage of foster homes, and the loss of any of the existing homes will increase staff time in locating placements for children who cannot remain at home. It is possible that additional group homes or residential child care facilities will have to be developed, at a much higher daily cost, to offset the loss of those homes. In addition to unnecessary cost increases, it would be unfair to place children who could function well in foster care into more institutional living arrangements. Division staff time will also be negatively impacted in helping parents to find alternative day care arrangements when a provider's license is affected. Most communities also already face a shortage in licensed day care.

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSS298 (Fin)

Comprehensive

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An act related to the AFDC program BRU: State Health Services
demonstration projects and payment reduction Component: Community Health/EMS Services
 Sponsor: Senate HCSS COMPONENT SERIAL NO. 2078
 Requestor: Senate Finance See also (SN#): _____

Expenditures/Revenues:		(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02	
PERSONAL SERVICES	0.9	0.9	0.9	0.9	0.9	0.9	
TRAVEL							
CONTRACTUAL	10.5	0.5	0.5	0.5	0.5	0.5	
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, CLAIMS							
MISCELLANEOUS							
TOTAL OPERATING	11.4	1.4	1.4	1.4	1.4	1.4	
CAPITAL EXPENDITURES							
CHANGES IN REVENUES							

FUND SOURCE		(Thousands of Dollars)					
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please specify) 1007 WA	11.4	1.4	1.4	1.4	1.4	1.4	
TOTAL	11.4	1.4	1.4	1.4	1.4	1.4	

Estimate of any current year (FY98) cost: 30.0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

Personal Services Line 100

Most of the reviewing of licensing will be conducted during the renewal period of November through February. During this time, it is estimated that 40 hours of overtime @ \$18.32/hour of an Administrative Clerk III plus benefits will be needed for the additional work, or \$864.87.

Contractual Line 300

\$10.0 will be needed in the first year in professional services to reprogram the EMS certification database.
 \$0.5 will be needed each year for the printing of the temporary licenses and mailing them out.

It is anticipated that these funds will be transferred from the Department of Revenue, Child Support Enforcement Division.

Prepared by: Peter M. Nakamura, MD, MPH *PMN* Phone: (907) 465-5090
 Division: Public Health Date: 04/11/96
 Approved by Com: Jay King for Karen Perrine, Commissioner Date: 4-24-96
 Agency: Department of Health & Social Services

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STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CS88 98(FIN)

Comprehensive

Revision Date: _____
Title: An act relating to AFDC and denunciations
Project: _____
Sponsor: Sandra HESS
Requestor: Sandra FIN

Dept. Affecting: Health and Social Services
BRU: Medical Assistance
Component: Medicaid Services
COMPONENT SERIAL NO. 2077
See also (S/N#): _____

Expenditures/Revenues	(Thousands of Dollars)					
	FY97	FY98	FY99	FY00	FY01	FY02
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	C
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	C

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES						
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FUND SOURCE	(Thousands of Dollars)					
	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	C
1003 GF Match	0.0	0.0	0.0	0.0	0.0	C
1004 GF						
1005 GF/Program Receipts						
1007 GF/Mental Health						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	C

Estimate of any current year (FY98) effect: 10.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

For the purpose of welfare reform, CS88 98 (FIN) directs the department to establish pilot projects that will encourage people to move from assistance to work. These pilot projects will require federal waivers. If federal welfare reform legislation is enacted, this bill establishes the Alaska Temporary Assistance Program. This bill contains no provision that directly alters the Medicaid program.

Under the waiver approach, people who lose Aid To Families With Dependent Children (AFDC) payments due to the waiver will continue to be eligible for Medicaid. Consequently, this portion of the bill will have no measurable fiscal effect on the Alaska Medicaid program.

Under federal welfare reform, the link between Medicaid and AFDC (or what ever other program is established) is uncertain. Some welfare reform proposals require Medicaid to use current AFDC rules. Other proposals require Medicaid eligibility to be determined separately from any cash assistance program. Since the link between federal welfare reform and Medicaid is uncertain, the Division of Medical Assistance cannot determine this bill's fiscal impact on the Alaska Medicaid program.

Prepared by: Jon Sherwood
Division: Medical Assistance

Approved by Comm: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Phone: 465-7155
Date: 04/19/96
Date: 4-24-96

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STATE OF ALASKA
 1996 LEGISLATIVE SESSION

Bill Version: CSSB 98 (FIN)
 (S) Publish Date: 4-22-96

Revision Date: _____ Dept. Affected: Revenue
 Title: Personal Responsibility Act BRU: Child Support Enforcement Division
 Component: Child Support Enforcement Division
 Sponsor: HES Committee
 Requestor: Senate Finance COMPONENT SERIAL NO. 111

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	358.4	475.2	118.8			
TRAVEL	38.1	57.1				
CONTRACTUAL	771.3	678.0	182.7			
SUPPLIES	6.6	5.8	2.2			
EQUIPMENT	103.8					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1,276.7	1,219.1	303.7	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()	1,022.8	2,269.4	842.8	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	842.8	804.6	200.4			
1003 GF Match	178.7	170.7	42.5			
1004 GF						
1005 GF/Program Receipts						
1006 G MHTIA						
1016 Federal Incentive Payments	255.3	243.8	60.7			
TOTAL	1,276.7	1,219.1	303.7	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

FULL-TIME	11	11	11			
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Occupational licensing legislation is expected to increase collections by approximately 25%. In the first full year these increased collections will generate \$2,727,000 in AFDC reimbursements, one half of which will be retained by the State. The period covered by this fiscal note is October 1, 1996 through September 30, 1998, which covers at least a portion of 3 State fiscal years.

National statistics reveal that about 45% of the population is employed in non-traditional occupations and their wages are not reported to states' Departments of Labor. Self-employed obligors have a very low child support payment compliance rate. Currently 54% of Alaskans with child support orders pay nothing. More than half of these individuals have the ability to pay, but work in a cash or self-employed position. This legislation will insure that self-employed obligors establish a payment plan or pay their arrears to obtain or retain their occupational and/or driver's licenses. Similar legislation has been successfully enacted in at least 32 states and is pending in Congress. (Continued on additional page)

Prepared by: Glenda Straube, Director
 Division: Child Support Enforcement Division
 Approved by: [Signature]
 Commissioner: Wilson Condon
 Agency: Dept. of Revenue

Phone: 269-6801
 Date: 4/19/96
 Date: 4/21

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ANALYSIS, CONTINUED:

This analysis assumes an effective date of 10/1/96. Implementation of occupational licensing restrictions is expected to require 8 Child Support Enforcement Officer I's (CSEO I's) who will ensure prompt review of proposed license denials and expedient processing of the additional program receipts. Approximately one third of total costs include estimated interdepartmental expenditures obtained from various affected agencies. Internal operating expenditures are based on estimates used in CSED's FY 96 operating budget. (See attached worksheets.) Equipment costs are reflected in FY 97 only. The State General Fund contribution rate used in funding estimates is consistent with that used in the CSED FY 97 operating budget. Revenue projections are based on results of comparable programs implemented in other states. The second portion of this proposed legislation involves the readjustment of existing CSED default orders. These orders originate when obligors refuse to provide necessary income information to CSED and are consequently assigned a liberal default amount, which often exceeds their ability to pay. Many defaults originate in rural Alaska and often, if an obligor is unable to meet the default amount, the individual is likely to remit no payment at all. This legislation would allow for the hiring of 3 additional CSEO I's who would travel to communities outside of Anchorage, Juneau and Fairbanks, meeting with obligors to update income status and adjust orders to more reasonable levels. In addition to staff costs, short-term travel expenditures will rise, until all default orders have been reviewed. Long-term revenues are expected to increase since CSED anticipates smaller order amounts but a substantial increase in the percentage of cases with payments.

Prepared by:	<u>Glenda Straube <i>Glenda Straube</i></u>	Phone:	<u>269-6801</u>
Division:	<u>Child Support Enforcement Division <i>1111</i></u>	Date:	<u>4/19/96</u>
Approved by			
Commissioner:	<u>Wilson Condon <i>Wilson Condon</i></u>	Date:	<u>4/21</u>
Agency:	<u>Revenue</u>		

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FISCAL NOTE

Bill Version: CS SB 98 (FIN)

(S) Publish Date: 4-22-96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: 4/19/96

Title: Personal Responsibility Act of 1995

Sponsor: Senate HESS Committee

Requester: Senate Finance Committee

Department Affected: Education

BRU: Teaching and Learning Support

Component: Teacher Certification

COMPONENT SERIAL NO. 1240

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	13.4	17.8	4.4	0.0	0.0	0.0
TRAVEL	2.0					
CONTRACTUAL	1.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	16.4	17.8	4.4	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
Other	16.4	17.8	4.4	0.0	0.0	0.0
TOTAL	16.4	17.8	4.4	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME	1					
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS: The proposed legislation will require the Department of Education's Teacher Certification Office to daily compare each initial and renewal certificate applicant received against a consolidated list of persons in noncompliance provided by Department of Revenue. The Teacher Certification Office is transferred to the Division of Teaching & Learning Support in the FY97 budget. DOE will need a new part-time Administrative Clerk II position to assist with the additional processing required in this legislation. The legislation also requires the State Board of Education to adopt regulations, and there will be related travel and advertising costs. Teacher Certification staff will be involved in developing DOE regulations needed as a result of this legislation. Funding would come through Dept. of Revenue, Child Support Enforcement Division (CSED), contingent upon approval of the fiscal note for a RSA with CSED.

Prepared by: Kimberly Homme, Special Assistant

Division: Commissioner's Office

Approved by Commissioner: [Signature]

Agency: Education

Phone: 465-2803

Date: April 19, 1996

Richard S. Cross, Deputy Commissioner

Date: April 19, 1996

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FISCAL NOTE

No. 4

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Bill Version: CSSB 98(CFIN)

(S) Publish Date: 4-22-96

Revision Date: _____
 Title: Personal Responsibility Act
 Sponsor: Senate HESS
 Requestor: Senate Finance

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Mechanical Inspection

COMPONENT SERIAL NO. 346

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	37.1	38.7	20.2	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	14.5	6.2	3.2	0.0	0.0	0.0
SUPPLIES	0.7	0.5	0.3	0.0	0.0	0.0
EQUIPMENT	6.5	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	45.4	23.7	0.0	0.0	0.0

CAPITAL						
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CHANGE IN REVENUE FUND SOURCE						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
1007 I/A	58.8	45.4	23.7	0.0	0.0	0.0
TOTAL	58.8	45.4	23.7	0.0	0.0	0.0

POSITIONS:

FULL-TIME	1.0	1.0	1.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

This fiscal analysis assumes inflation at 4.38% and an effective date of 10/1/96. Lead time for complete program implementation is six months. (While the effective date is 10/1/96, full implementation will not be possible until 1/1/97.) Three months funding has been included in FY 99 for program shut down and increased workload associated with issuing previously denied licences. Interagency Receipts: RSA with Department of Revenue, Child Support Enforcement Division. Please see additional analysis attached.

Prepared by: Alan W. Dwyer, Director *Alan W. Dwyer* Phone: 269-4914
 Division: Labor Standards and Safety Date: 4/19/96

Approved by Commissioner: Tom Cashen, Commissioner *Tom Cashen*
 Agency: Department of Labor Date: 4/19/96

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Analysis:

This legislation will require additional administrative and clerical time and costs for the Mechanical Inspection component as follows:

- (1) When individuals apply in person for new or renewal certificates of fitness at any of four offices (Anchorage, Juneau, Fairbanks, and Sitka): the estimated increase in processing time will be 15 minutes per individual who is in substantial non-compliance with a support order. This does not include testing, proctoring, scoring or discussion of tests.
- (2) Renewal letters are mailed out monthly. New programming, different procedures, forms, and additional mailing and reporting costs will be incurred to provide the "temporary" renewal letters and to answer phones calls regarding the change.
- (3) Additional time will be required to process the releases and the permanent certificates, as individuals submit those to our office.
- (4) Six weeks programming time will be required to respond to the bill's requirements.

We have approximately 2,600 renewal or new licenses requested per year by electricians and plumbers, and approximately 700 boiler operator renewals per year. Of these, we are estimating that 10% may be in arrears on their child support, due to the seasonal nature of many of these positions in Alaska.

Costs for this section to implement this legislation include:

	FY97	FY98
Line 100 - Personal Services		
1 PFT Admin Clerk III (10 A/B) Anchorage		
Salary	25.5	26.6
Benefits	11.6	12.1
TOTAL	37.1	38.7
 Line 200 - Travel	 0.0	 0.0
 Line 300 - Contractual Services		
Professional Services-DP Programming (FY97 one-time)	9.0	0.0
Postage @ 2.52 x 2 x 3,300 x 10% (6 months FY97)	0.8	1.7
Printing - Forms, Notices, and Letterhead	0.3	0.3
DP Operations Overhead	1.2	1.2
Telephone Installation (FY97 one-time)	0.3	0.0
Telephone Base Cost	0.3	0.3
Indirect Costs @ 10% of Salaries	2.6	2.7
	14.5	6.2
 Line 400 - Commodities		
Office and DP Supplies	0.7	0.5
 Line 500 - Equipment		
Workstation, chair, and computer with software (FY97 one-time)	6.5	0.0
TOTAL	58.8	45.4

FISCAL NOTE

No. 5

Bill Version; CSSB 98(FIN)

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

(S) Publish Date: 4-22-96

Revision Date: _____
 Title: Personal Responsibility Act
 Sponsor: Senate HESS
 Requestor: Senate Finance

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Occupational Safety & Health
 COMPONENT SERIAL NO. 970

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	24.3	25.4	13.3	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	25.2	6.8	3.5	0.0	0.0	0.0
SUPPLIES	0.5	0.5	0.3	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	50.0	32.7	17.1	0.0	0.0	0.0

CAPITAL						
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CHANGE IN REVENUE FUND SOURCE #						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
1007 VA Receipts	50.0	32.7	17.1	0.0	0.0	0.0
TOTAL	50.0	32.7	17.1	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

This fiscal analysis assumes inflation at 4.38% and an effective date of 7/1/96. Lead time for complete program implementation is six months. (While the effective date is 7/1/96, full implementation will not be possible until 1/1/97.) Three months funding has been included in FY 99 for program shut down and increased workload associated with issuing previously denied licences. Interagency Receipts: RSA with Department of Revenue, Child Support Enforcement Division. Please see additional analysis attached.

Prepared by: Alan W. Dwyer, Director *for [Signature]* Phone: 269-4914
 Division: Labor Standards and Safety Date: 4/19/96

Approved by Commissioner: Tom Cashert, Commissioner
 Agency: Department of Labor Date: 4/19/96

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Analysis:

This legislation will require additional administrative and clerical time and costs for the Occupational Safety and Health component as follows:

- (1) When individuals apply in person for new or renewal certificates of fitness at any of five offices (Anchorage, Juneau, Fairbanks, Ketchikan, and Kenai) or at approved asbestos abatement worker training courses state-wide, the estimated increase in processing time will be 15 minutes per individual who is in substantial non-compliance with a support order. This does not include testing, proctoring, scoring or discussion of tests. Additional time will be required of program managers, when needed to assist applicants who have special concerns.
- (2) New programming, different procedures, forms, and additional mailing and reporting costs will be incurred to provide the "temporary license" renewal letters and to answer phone calls regarding the change.
- (3) Additional time will be required to process the releases and the permanent certificates, as individuals submit those to our office.
- (4) Three months programming time will be required to convert to the automated system used by Mechanical Inspection and to modify it to respond to the bill's requirements.

We have approximately 2,350 renewal or new licenses requested per year by asbestos workers, explosives handlers, and painters using hazardous materials. Of these, we are estimating that approximately 10% may be in arrears on their child support, due to the seasonal nature of many of these positions in Alaska.

In the interest of efficiency, the division is adding only one new PFT position, which will be established in the Mechanical Inspection Section where photo ID equipment is located. However, some additional time will be required of the program staff in OSH, and it will be necessary to increase the range of the administrative clerk who works with these applicants, from a range 08 to a range 10, because of the complexity of issues.

	FY97	FY98
Line 100 - Personal Services		
Annual overtime for 1 PFT Admin Clerk III (10F) at 5 hrs per week		
Reclass Admin Clerk II (08) to Admin Clerk III (10)		
Salary	8.8	9.2
Benefits	2.4	2.5
Annual overtime for 1 PFT OSH IH Consultant (19E/F) at 5 hours per week		
Salary	10.4	10.9
Benefits	2.7	2.8
TOTAL	24.3	25.4
Line 200 - Travel	0.0	0.0
Line 300 - Contractual Services		
Professional Services-DP Programming (FY97 one-time)	18.0	0.0
Postage @ 2.52 x 2 x 2,350 x 10% (6 months in FY97)	0.6	1.1
Long Distance, including additional incoming toll free calls	1.0	2.0
Printing - Card Stock, Forms, Notices, and Letterhead	2.5	0.5
DP Operations Overhead	1.2	1.2
Indirect Costs @ 10% of Salaries	1.9	2.0
	25.2	6.8
Line 400 - Commodities		
Office and DP Supplies	0.5	0.5
	0.5	0.5
Line 500 - Equipment	0.0	0.0
TOTAL	50.0	32.7

FISCAL NOTE

No. 6

Bill Version: CSSB98(FIN)

(S) Publish Date: 4-22-96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____

Title: Personal Responsibility Act

Sponsor: Senate HESS

Requestor: Senate Finance

Department Affected: Labor

BRU: Labor Standards & Safety

Component: Wage and Hour

Administration

COMPONENT SERIAL NO. 345

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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CHANGE IN REVENUE FUND SOURCE #						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

Because there are only five employment agencies in the state and new applications are extremely rare, this bill would have minimal impact on the Wage and Hour Administration component's workload.

Prepared by: Alan W. Dwyer, Director *[Signature]* Phone: 269-4914

Division: Labor Standards and Safety Date: 4/19/96

Approved by Commissioner: Tom Cashen, Commissioner *[Signature]*

Agency: Department of Labor Date: 4/19/96

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FISCAL NOTE

No. 7

STATE OF ALASKA 1996 LEGISLATIVE SESSION

Bill Version: CSSR 98(FIN)(S) Publish Date: 4-22-96

Revision Date: April 19, 1996
Title: Personal Responsibility Act
Sponsor: S. HES
Requestor: S. FIN

Dept. Affected: Public Safety
BRU: Motor Vehicles
Component: Driver Services/Field Services
COMPONENT SERIAL NO. 0500 & 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	156.2	83.4	20.1			
TRAVEL	1.5	1.5	4			
CONTRACTUAL						
SUPPLIES	2.0	1.0	3			
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	159.7	85.9	20.8	-0-	-0-	-0-

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1004 Revenue Code)	582.8	183.2	45.8	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Inter-agency receipts CSED	159.7	85.9	20.8			
TOTAL	159.7	85.9	20.8	-0-	-0-	-0-

Estimate of current year (FY 96) impact: \$ _____

POSITIONS:

FULL-TIME	4	2	2	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Juanita Hensley Phone: 465-2650
Division: Motor Vehicles Date: April 19, 1996
Approved by Commissioner: *Del Smith* Date: 4/19/96
Agency: Ronald L. Otte, Dept. of Public Safety

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This bill impacts the Division of Motor Vehicles by requiring the suspension of a driver's license of any person who is not in substantial compliance with a child support order. Under the provisions of this bill, the Division of Child Support Enforcement will be required to send the notice of driver license suspension to a person who is found to be in non-compliance with a child support order. The notice will give the person 150 days to comply with the order. If after the 150 days the person is not in compliance, the Division of Child Support Enforcement will notify DMV to suspend the driver's license. Once notice is received, from CSED, DMV will take action to suspend the driver's license.

The impact to DMV will be the actual suspending of the driver's license and the process of re-issuing of the license once the person is in compliance with the child support order.

In March 1995, CSED notified DMV there are approximately 10,702 obligors who are in excess of \$2500.00 or more in arrears. DMV verified through a computer verification that approximately 35% of the obligors driver's licenses are currently suspended, revoked or have want warrants for their arrest for some reason. Because of this, it is estimated 3,500 driver's license suspensions will be generated the first year. It is further estimated after the first year's initial suspension action, the number of driver license suspensions will be reduced. It is estimated in the future years, 1,000 driver's licenses will be suspended for non-support.

The impacts from this bill will result in 7,000 updates to the driving record of the persons whose license is being suspended. One computer entry to add the suspension to the driving record; and another entry to end the suspension once the person has complied. Reinstating the driver's license will also impact the DMV field offices. The Motor Vehicle Representative will be required to see proof from CSED that the person is in compliance with their child support order before reinstating the driver's license. It is estimated 90 percent of all persons whose license is suspended will reinstate their driver's license. A \$100.00 reinstatement fee is charged anytime a person has had their license suspended or revoked within a 10 year period preceding application for a driver's license. It is estimated 1,575 individual's will pay the \$100. If the license is suspended or revoked more than one time within a 10 year period preceding application, a \$250 restatement fee is required. It is estimated 1,575 individual's will be required to pay the \$250. It is estimated the amount of additional new general fund program receipt revenue generated by this bill is approximately \$582.8 for FY 97 and \$183.2 the following years.

Total number of suspension notices received from CSED by DMV	3,500
Total number of suspension notices being ended when a person complies	3,150
Total number of license reinstatements	3,150

<u>OPERATING</u>	<u>FY 97</u>	<u>FY 98</u>
<u>Personal Services</u>	Salary and Benefits	
1 Driver Services Supervisor R14 (Juneau)	\$ 47.0	\$ 47.0
1 Motor Vehicle Representative II (Juneau)	\$ 36.4	
2 Motor Vehicle Representative II(Anch) (2 FY 97 @\$36.4)	\$ 72.8	\$ 36.4
TOTAL PERSONAL SERVICES	\$156.2	\$ 83.4
<u>Travel</u>		
Administrative Travel for mainline supervisor	\$ 1.5	\$ 1.5
<u>Supplies</u>		
Routine office supplies	\$ 2.0	\$ 1.0
TOTAL OPERATING	\$159.7	\$ 85.9
<u>REVENUE</u>	<u>FY 97</u>	<u>FY 98</u>
3,150 Reinstatements 1,575 @100, 1,575 @ \$250	\$551.3	
3,150 Duplicate license fees @\$10	\$ 31.5	
990 Reinstatements 495 @100, 495 @250		\$173.3
990 Duplicate license fees @10		\$ 9.9
TOTAL REVENUE	\$582.8	\$183.2

**Contractual and Equipment costs were not included in this fiscal note. FY 97 Operating Budget submission eliminates positions, therefore, the existing equipment will be utilized for the requested positions associated with this bill.

Done in A

FISCAL NOTE

No. 8

Bill Version: CSSB 98(FIN)

(S) Publish Date: 4-22-96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date 4/19/96
 Title: Personal Responsibility Act
 Sponsor: HESS Committee
 Requestor: Senate Finance

Department: Commerce and Economic Development
 BRU: Banking, Securities and Corporations
 Component: Banking, Securities and Corporations

COMPONENT SERIAL NO. 1233

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	29.1	24.3	8.1			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	29.1	24.3	8.1	0.0	0.0	0.0

CAPITAL EXPENDITURES						
CHANGE IN REVENUES	29.1	24.3	8.1			

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1007 Interagency Receipts	29.1	24.3	8.1			
TOTAL	29.1	24.3	8.1	0.0	0.0	0.0

Estimate of any current year (FY 96) cost: \$ 0.0

POSITIONS						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)
 \$26.0 for FY 97 and \$21.2 for the remaining years will be used to fund one-third of an analyst/programmer for the Dept. of Commerce and Economic Development. This person will be shared by the Div. of Banking, Securities and Corporations, Div. of Insurance, and the Div. of Occupational Licensing. This position is necessary to program and maintain the programs for matching records. \$3.1 is the cost of receiving a 9-track ASCII tape, bimonthly, from the Central Registration Depository (CRD). The CRD is the central national agency for licensing security agents and broker dealers. The cost is \$510 per tape x 6 tapes per year. REVENUE - Inter-Agency Receipts to cover program costs. This bill begins October 1, 1996 and ends September 30, 1998. Programming costs in preparation of the bill will begin July 1, 1996.

Prepared by: Willis F. Kirkpatrick, Director Phone: 465-2521
 Division: Banking, Securities and Corporations Date: _____
 Approved by Commissioner: William L. Hensley Date: 4-19-96
 Agency: Commerce and Economic Development

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FISCAL NOTE

Bill Version: CSSB 98 (FIN)

(S) Publish Date: 4-22-96

STATE OF ALASKA

1996 LEGISLATIVE SESSION

Revision Date: April 19, 1996

Department: Commerce and Economic Development

Title: Personal Responsibility Act

BRU: Occupational Licensing

Component: Operations

Sponsor: HESS Committee

Requestor: Senate Finance

COMPONENT SERIAL #: 1844

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	41.5	41.5	10.5			
TRAVEL	5.0	5.0	0.0			
CONTRACTUAL	29.7	29.7	2.4			
SUPPLIES	1.0	1.0	0.3			
EQUIPMENT	6.3					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	83.5	77.2	13.2	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES	83.5	77.2	13.2			0.0
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1008 GF/MHTIA						
Other (Inter Agency Receipts)	83.5	77.2	13.2	0.0	0.0	0.0
TOTAL	83.5	77.2	13.2	0.0	0.0	0.0

Estimate of any current year (FY 96) cost: \$ 0.0

POSITIONS

FULL-TIME	1	1	1	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The bill prohibits the division of occupational licensing from issuing or renewing a license for a person who is not in compliance with orders, judgments, or payment schedules for child support. To comply with this bill, the division will be responsible for adapting the division's computerized licensing records to compare with the records provided by the child support enforcement division, coordinating the notification of applicants who are not in compliance, issuing the temporary licenses provided for in the bill, and responding to inquiries and complaints made to the division for refusing to issue or renew a license. The bill identifies an ending date for the program of September 30, 1998. Therefore, this fiscal note identifies full funding for FY 97 and FY 98, and three months into FY 99.

Prepared by: Jennifer Strickler, Admin. Officer

Phone: 465-2144

Division: Occupational Licensing

Date: April 19, 1996

Approved by Commissioner: William L. Hensley

Date: 4-19-96

Agency: Commerce and Economic Development

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO.: CSSB 98(FIN)

ANALYSIS: (Continued)

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT FISCAL NOTE CALCULATIONS

Two years ago, the child support enforcement division estimated the number of licensees not in compliance with child support requirements to be between 1,350 and 5,000. A preliminary match of occupational licensees against the child support database reported a 5,200 match in names although not all of these individuals may be in violation of child support requirements. Therefore, this fiscal note is based on the lower estimate of 1,350.

The estimated costs to the division of occupational licensing to implement the bill are as follows:

PERSONAL SERVICES:

\$ 41.5

The request of one position identified below assumes that an existing Paralegal position, PCN 08-2086 authorized to implement the student loan default program (a program with similar responsibilities to those established in this bill) to be utilized to support the child enforcement program as well. The one position shown below is needed in addition to fully implement the provisions of this bill. The division is unable to absorb further responsibilities without additional staff resources.

1 - Occupational Licensing Examiner I, Range 12, PFT, Juneau

This position will analyze the 1,350 applicants matched by computer with the child support enforcement data and provide further manual analysis to determine which applicants are not in compliance with child enforcement requirements; send notices to the applicants; communicate with child support enforcement for release information; coordinate with other licensing staff for the issuance of a temporary license; coordinate withholding of licenses with enforcement staff, etc.

TRAVEL:

\$ 5.0

The travel will allow staff to check on licensees who continue to practice without a license after expiration of the 150 day temporary permit. The cost identified is based on four two-day trips between Anchorage and Juneau, three two-day trips between Anchorage and Fairbanks; and trips to other areas of the state as necessary.

CONTRACTUAL:

\$ 29.7

Costs for contractual services covers;

Printing of temporary permits and licenses, \$1.0

Telephone and fax costs, \$3.5

Certified mail and other postage costs, \$4.5

Computer programming costs, \$20.7 (this funding is based on one-third of a programmer position of which full costs are anticipated to be shared with two other divisions)

SUPPLIES:

\$1.0

The cost of supplies is estimated to be \$1.0 for the new position.

EQUIPMENT: (One-time costs)

\$ 6.3

This is a one-time cost for equipment and office set-up for the new position.

TOTAL:

\$83.5

REVENUE: Inter-Agency Receipts to cover program costs.

FUND SOURCE: The division anticipates funding to be provided by inter-agency receipts from the Department of Revenue, which may include federal funding received by that department.

Fees collected by licensees affected by this bill can be used to offset the amount of inter-agency receipts from the Department of Revenue. Unlike the general fund program receipts from other licensing programs, the requirements of this bill do not relate to "regulation of the profession", therefore, licensing fees of an occupation will *not* be increased to pay for compliance with the requirements of this bill.

No. 10

Bill Version: CS SB 98 (FIN)

(S) Publish Date: 4-22-96

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: April 19, 1996 Department: Commerce and Economic Development
 Title: Personal Responsibility Act BRU: Insurance
 Component: Operations
 Sponsor: Senate HESS Committee
 Requestor: Senate Finance Committee COMPONENT SERIAL NO. #354

Expenditures/Revenues		(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	
PERSONAL SERVICES							
TRAVEL							
CONTRACTUAL	26.0	21.2	5.3				
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, C: AIMS							
MISCELLANEOUS							
TOTAL OPERATING	26.0	21.2	5.3	0.0	0.0	0.0	
CAPITAL EXPENDITURES							
CHANGE IN REVENUES	26.0	21.2	5.3				

FUND SOURCE		(Thousands of Dollars)					
1002 Federal Receipts							
1003 GF Match							
1004 General Fund							
1005 GF/Program Receipts							
1006 GF/MHTIA							
Other 1007 Interagency Receipts	26.0	21.2	5.3				
TOTAL	26.0	21.2	5.3	0.0	0.0	0.0	

Estimate of any current year (FY 96) cost: \$ 0.0

POSITIONS							
FULL-TIME							
PART-TIME							
TEMPORARY							

ANALYSIS: (Attach a separate page if necessary)
 There are three divisions impacted by this legislation within the Department of Commerce & Economic Development: Insurance; Banking, Securities, & Corp.; and Occupational Licensing. Each division is preparing a fiscal note which reflects one-third of the cost of an Analyst/Programmer IV, R-19 since each of our licensing programs will have to be modified and maintained for the new licensing and notice requirements to be implemented by this legislation. It is the intent of each division to RSA these funds to DCED's Division of Administrative Services since the data processing unit for the department is within that division. The change in revenue reflects the interagency receipts to be received from the Dept. of Revenue, which will then be RSAed to DCED's Div. of Admin. Ser.

Prepared by: Joan Brown, Administrative Officer Phone: 465-2597
 Division: Insurance Date: 4/19/96
 Approved by Commissioner: William L. Hensley Date: 4-19-96
 Agency: Commerce and Economic Development

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FISCAL NOTE

No. 11Bill Version: CSSB 98(FIN)(S) Publish Date: 4-22-96STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Fish and Game
 Title: Personal Responsibility Act BRU: Administration
 Component: Administration
 Sponsor: Senate HESS Committee
 Requester: Senate Finance COMPONENT SERIAL NO. 479

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	28.0					
TRAVEL						
CONTRACTUAL	63.0	74.0	20.0			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	91.0	74.0	20.0	0.0	0.0	0.0

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

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF	91.0	74.0	20.0			
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	91.0	74.0	20.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0**POSITIONS**

POSITIONS	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME						
PART-TIME	1	0	0			
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Expenditures include a half time position during the first year to minimize the confusion and problems 400+ vendors located throughout the state will have. A new parttime position will be responsible for answering questions from vendors about the process, dealing with angry licensees, distributing the list monthly to vendors, and working with the agency on resolution to problems that arise. Other expenses include producing a manual that vendors can refer to on correct procedures, and postage and printing costs to get the list out monthly to vendors. It is impractical to send a magnetic medium to most vendors since they will not have the hardware to read it.

This legislation will place significant new burdens on the vendors. It is impossible to estimate their costs, but it should be recognized that such costs will be incurred. In response some vendors may choose to stop selling crew member licenses, which in turn will cause delays in hiring crew in the fishing industry.

Prepared by: Kevin Brooks, Director *Kevin Brooks* Phone: 485-5999
 Division: Administration Date: 4/18/96
 Approved by Commissioner: Frank Rue *Frank Rue* Date: 4/18/96
 Agency: Fish and Game

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FISCAL NOTE

No. 12

Bill Version: CSSB 98 (FIN)

(S) Publish Date: 4-22-96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date: _____ Dept. Affected: Fish and Game
 Title: Personal Responsibility Act of 1995 BRU: Commercial Fisheries (Limited) Entry Commission
 Component: Limited Entry Program Administration
 Sponsor: Senate Finance Committee
 Requester: Senate HESS Committee COMPONENT SERIAL NO. 0471

Expenditures/Revenues	(Thousands of Dollars)					
	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
OPERATING EXPENDITURES						
PERSONAL SERVICES	38.1	17.8	17.8	17.8	17.8	17.8
TRAVEL						
CONTRACTUAL	2.5	2.5	2.5	2.5	2.5	2.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	40.6	20.3	20.3	20.3	20.3	20.3
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE	(Thousands of Dollars)					
	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other - Interagency Transfers	40.6	20.3	20.3	20.3	20.3	20.3
TOTAL	40.6	20.3	20.3	20.3	20.3	20.3

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME						
PART-TIME	1	1	1	1	1	1
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

See Attachments

This bill will affect all commercial fishing vessel licenses which includes sport fishing charter operations.

Prepared By: Roger Kolden Phone: 789-6160
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 4/19/96
 Approved by Commissioner: Frank Womam Date: 4/19/96
 Agency: Commercial Fisheries (Limited) Entry Commission

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One-time Requirements

- (1) Data Processing staff write programs to:
 - (a) merge monthly lists with CFEC database, and
 - (b) provide edits in existing revenue programs to check applicants against CSED list, and
 - (c) develop mechanism for issuing temporary vessel licenses and tracking the 150 day period for which they are valid; and
 - (d) develop a mechanism for recording releases
- (2) Develop the required "notice" to be sent to applicants.
- (3) Establish fee for temporary licenses, develop procedures to collect fees for temporary licenses, issue temporary licenses and issue regular licenses upon receipt of releases from CSED - manual processing will be necessary as CFEC's automated licensing procedures will not be able to handle these exceptions.
- (4) Prepare specifications for temporary vessel license receipts and annual stickers.
- (5) Publish ads and mail notices to inform fishermen, processors and ADF&G and FWP personnel of these changes.

Monthly Requirements

- (1) Data processing merges CSED list with CFEC licensing database.

Ongoing Requirements

- (1) Licensing staff check each applicant for a vessel license against the CSED list.
- (2) If applicant is on the list:
 - (a) collect the fee for the temporary vessel license
 - (b) issue a 150 day vessel license
 - (c) prepare and send required the notice with the vessel license
- (3) When a release is received from CSED:
 - (a) record the release on computer system
 - (b) issue the regular vessel license
- (4) If a release is not received:
 - (a) process a refund of the fee for the license withheld
- (5) Send notices advising any permit applicants intending to fish the vessel that their permits cannot be issued if the vessel license is withheld and informing them if the vessel has only been issued a temporary license.

Annual Requirements

- (1) Prepare specifications and solicit bids for temporary license materials.

Costs to CFEC

3.0 months of programmer time to write and test the programs: \$20.3

0.5 months of programming time to load files merging monthly lists and generate annual statistical reports: \$3.4

0.5 months to coordinate and set up procedures, and to notify fishermen, ADF&G, FWP, etc., of change: \$2.2

4.0 months - 1 part-time seasonal licensing position (CFPC II, range 10, working 20 hrs/wk, 8 mos/yr) to specialize in CSE-related activities. This is necessary in order to prevent negatively impacting the quality of service provided to other applicants: \$12.2

Ad publication for alerting fishermen, and staff of ADF&G and F&WP: \$2.5

Assumptions:

The Entry Commission licenses approximately 16,500 vessels annually. Vessels may be owned by individuals, companies, partnerships or other business entities, but any person may submit the application as an agent for the owner.

CFEC has no hard information available to predict how many vessels may have to have licenses withheld and be issued temporary licenses, but data previously provided by CSED suggests possibly 5% or 825. However, far more people than just the applicant will be impacted by the legislation and the effect on CFEC will be compounded because permits cannot be issued unless and until the vessel is licensed. Delays in licensing vessels or issuing temporary vessel licenses will also delay issuance of permits to all fishermen associated with the vessel. Many vessels are leased and fished by different individuals in different fisheries throughout the year so the impact on others may be substantial.

If approximately 825 vessel licenses are withheld annually, then the permits of at least 825 fishermen will also be affected. On an annual basis, at least 1,650 applicants will require some action to be taken by CFEC staff. Assuming it takes .5 hour to review and process each application and issue the temporary permit and notice, this is 825 hours per year. Most of this activity would occur during the 8 months of peak licensing volume, Nov. through June, resulting in approximately 25 hours/week of increased licensing staff time.

In reality, once aware of these provisions, any vessel owner who is a delinquent child support obligor will probably have someone else apply for the vessel license as an obvious way around the problem, so including vessel licenses in the legislation may prove to have a negligible impact and/or benefit.

**Welfare Reform Summary Analysis
HCS CSSB 98(HES)
Reinvestment Add-Backs**

Waiver Track

Department of Health and Social Services
Prepared 5/3/96

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
AFDC Policy Provisions	\$ (690.4)	\$ (4,297.0)	\$ (6,101.7)	\$ (6,857.5)	\$ (7,057.4)	\$ (7,170.7)	\$ (32,174.7)
AFDC (Reinvestment) - Caseload Decreases	\$ -	\$ (2,660.4)	\$ (5,551.2)	\$ (8,933.7)	\$ (12,214.7)	\$ (12,214.7)	\$ (41,574.7)
PA Administration	\$ 372.2	\$ 632.0	\$ 512.0	\$ 512.0	\$ 512.0	\$ 512.0	\$ 3,052.2
Family and Youth Services	\$ 66.6	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 367.6
Eligibility Determination (Reinvestment)*	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 100.0	\$ 600.0
Alaska Work Programs (Reinvestment)*	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 1,770.4	\$ 10,622.4
PA Data Processing (Reinvestment)*	\$ 919.6	\$ 919.6	\$ 919.6	\$ 807.4	\$ 807.4	\$ 807.4	\$ 5,181.0
Child Care Benefits (Reinvestment)*	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 2,210.0	\$ 13,260.0
Total Operating	\$ 4,748.4	\$ (1,265.2)	\$ (6,080.7)	\$ (10,331.2)	\$ (13,812.1)	\$ (13,925.4)	\$ (40,666.2)
Less Federal Receipts	\$ 1,782.7	\$ (997.6)	\$ (2,927.4)	\$ (4,537.8)	\$ (6,112.9)	\$ (8,099.1)	\$ (20,892.1)
Less I/A Receipts (PFD Hold Harmless)	\$ (63.5)	\$ (640.1)	\$ (1,072.1)	\$ (1,452.8)	\$ (1,773.0)	\$ (1,783.5)	\$ (6,784.9)
Net GF/GF Match Budget Impact	\$ 3,029.2	\$ 372.5	\$ (2,081.2)	\$ (4,340.6)	\$ (5,926.2)	\$ (4,042.8)	\$ (12,989.2)
Less GF Program Receipts (Savings from Child Support Collections)	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 2,000.0	\$ 12,000.0
Net GF/GF Match Budget Impact	\$ 1,029.2	\$ (1,627.5)	\$ (4,081.2)	\$ (6,340.6)	\$ (7,926.2)	\$ (6,042.8)	\$ (24,989.2)

* Reinvestments are available in FY 97 without additional General Funds because of projected caseload reductions.

FEDERAL RECEIPTS	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
AFDC Policy Provisions	\$ (313.4)	\$ (1,950.8)	\$ (2,770.1)	\$ (3,113.3)	\$ (3,204.0)	\$ (3,255.5)	\$ (14,607.1)
AFDC (Reinvestment) - Caseload Decreases	\$ -	\$ (1,207.8)	\$ (2,520.2)	\$ (4,055.9)	\$ (5,545.4)	\$ (7,486.0)	\$ (20,815.3)
PA Administration	\$ 96.1	\$ 161.0	\$ 101.0	\$ 101.0	\$ 101.0	\$ 101.0	\$ 661.1
Alaska Work Programs	\$ -	\$ -	\$ 154.0	\$ 307.5	\$ 307.5	\$ 307.5	\$ 1,076.5
Child Care Benefits	\$ -	\$ -	\$ 107.9	\$ 219.2	\$ 224.3	\$ 230.2	\$ 781.6
Eligibility Determination (Reinvestment)	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 300.0
Alaska Work Programs (Reinvestment)	\$ 445.0	\$ 445.0	\$ 445.0	\$ 445.0	\$ 445.0	\$ 445.0	\$ 2,670.0
PA Data Processing (Reinvestment)	\$ 400.0	\$ 400.0	\$ 400.0	\$ 403.7	\$ 403.7	\$ 403.7	\$ 2,411.1
Child Care Benefits (Reinvestment)	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 1,105.0	\$ 6,630.0
Total Federal Receipts	\$ 1,782.7	\$ (997.6)	\$ (2,927.4)	\$ (4,537.8)	\$ (6,112.9)	\$ (8,099.1)	\$ (20,892.1)

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Waiver #1

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act related to the AFDC program, demonstration projects, and the Alaska temporary assistance program.</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>AFDC</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>220</u>
	See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(690.4)	(6,957.1)	(11,652.9)	(15,791.2)	(19,272.1)	(19,385.4)
MISCELLANEOUS						
TOTAL OPERATING	(690.4)	(6,957.1)	(11,652.9)	(15,791.2)	(19,272.1)	(19,385.4)
CAPITAL EXPENDITURES						
CHANGES IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(313.4)	(3,158.5)	(5,290.4)	(7,169.2)	(8,749.5)	(8,800.9)
1003 GF Match	(2,313.5)	(5,158.5)	(7,290.4)	(9,169.2)	(10,749.6)	(10,801.0)
1004 GF						
1005 GF/Program Receipts	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
1037 GF/Mental Health						
Other 1007 I/A Receipts	(63.5)	(640.1)	(1,072.1)	(1,452.8)	(1,773.0)	(1,783.5)
TOTAL	(690.4)	(6,957.1)	(11,652.9)	(15,791.2)	(19,272.1)	(19,385.4)

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Waiver Approach

This legislation amends the public assistance statutes and includes several provisions that impact AFDC program costs.

General Assumptions: Federal welfare reform does not occur. The demonstration projects involve an array of services and special eligibility provisions that, under current law, require waiver of certain federal AFDC statutes and regulations. We assume, for purposes of this analysis, that the necessary waiver/demonstration project authority is received from the federal government, that the state regulations and the data system changes needed to implement the demonstration project and the other policy provisions of this bill take effect by the effective dates noted, and that the demonstration project is operational July 1, 1998.

Prepared by: <u>Jim Nordlund, Director</u>	Phone: <u>465-2680</u>
Division: <u>Public Assistance</u>	Date: <u>05/03/96</u>
Approved by Com: <u>Karen Perdue, Commissioner</u>	Date: <u>5-3-96</u>
Agency: <u>Department of Health & Social Services</u>	

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ANALYSIS (cont.):							
AFDC Policy Provisions	FY97	FY98	FY99	FY00	FY01	FY02	Total
AFDC Workfare Project: Earned Income Disregards, 100-Hour-Rule, Job Retention, 24-month Time Limit, Auto Allowance & Diversion	\$ -	\$ -	\$ (78.5)	\$ (834.3)	\$ (849.0)	\$ (871.7)	\$ (2,633.5)
Benefit Reductions: Seasonal Benefits, Transfer of Assets and Benefits based on Household Expenses	\$ (811.8)	\$ (4,139.4)	\$ (5,865.8)	\$ (5,865.8)	\$ (8,050.8)	\$ (8,141.4)	\$ (28,674.4)
Minor Teen Parents	\$ (78.8)	\$ (157.8)	\$ (157.8)	\$ (157.8)	\$ (157.8)	\$ (157.8)	\$ (860.8)
Caseload Reduction Savings resulting from reinvestments	\$ -	\$ (2,680.1)	\$ (5,551.2)	\$ (8,933.7)	\$ (12,214.7)	\$ (12,214.7)	\$ (41,574.4)
Totals	\$ (890.4)	\$ (8,957.1)	\$ (11,852.9)	\$ (15,791.2)	\$ (19,272.1)	\$ (19,385.4)	\$ (73,749.1)

DEMONSTRATION PROJECT - Effective July 1, 1998

The demonstration project includes the following policy waiver provisions:

(Note: Only the policy provisions that are expected to have an impact on AFDC program costs are included in this analysis.)

AFDC Workfare Project which requires certain individuals to participate in unpaid work activities for 21 hours per week. Failure to comply results in a reduction in the family's assistance. With specified exceptions, families included in the experimental group may only receive AFDC for 24 months within a 60-month period. All individuals in the experimental group for the workfare project receive increased incentives to work:

Earned Income Disregards: The earned income disregards are increased to allow families to keep more of the income they earn and encourage recipients to gain the job experience that is essential to long-term self-sufficiency. The current time-limited \$30 and one third of the remainder is increased to \$200 plus one third of the remainder for 24 months.

Waiver of "100-Hour-Rule": The federal rule that prevents unemployed parents from working more than 100 hours per month is waived.

Automobile Allowance: Allows each family to own up to \$5000 in vehicle equity before the equity is counted against them.

Job Retention: Denies assistance to families when the adult applicant or caretaker refuses or quits a job without good cause.

A Diversion Program: Diversion payments provide families an alternative to long-term AFDC dependency by offering job-ready applicants a one-time lump-sum cash payment to meet critical needs while they obtain employment and/or child support.

Seasonal Benefit Reduction for Two Parent Families: Reduces assistance payments to Unemployed Parent families by 50% during the summer months of July, August and September when work is available.

STATEWIDE PROGRAM CHANGES (Options under Current Federal Law) - Effective January 1, 1997

Transfer of Assets: Denies assistance to families when an adult member intentionally transfers an asset for less than fair market value for the purpose of establishing eligibility for AFDC.

Benefits based on household expenses: Families who pay little or no housing costs receive a smaller assistance payment than families who pay market value for their housing.

Assistance To Minors: With specified exceptions, requires unmarried minor parents to live with a parent or legal guardian, an adult relative, or in another adult-supervised living arrangement.

ANALYSIS (cont.):

Reinvestment Funding Shift: Under the reinvestment plan, \$2,000.0 per year in additional GF Program Receipt funds from the state share of increased Child Support collections finance part of the total of \$5,000.0 in reinvestments. The additional program receipts are applied toward AFDC Assistance Payments, producing an offsetting reduction of \$2,000.0 in need for unrestricted GF Match. The \$2,000.0 in reduced GF Match is a funding source for the expenditures in the other reinvestment budget components.

Caseload Reduction Savings Resulting from Reinvestment: The reinvestments in PA Data Processing, Child Care, Alaska Work Programs, and One-Stop centers (Eligibility Determination component) produce caseload reductions beginning in FY 97. \$6,883.4 was deleted from the AFDC Assistance Payments component base in the FY 97 Governor's budget, and is not reflected in this fiscal note. Additional savings above the adjusted base are reflected as "Caseload reduction savings resulting from reinvestment" in this analysis, beginning in FY 98.

The removal of \$6,883.4 from the FY 97 base produces a total cumulative additional savings of \$41,300.4 from FY 97 through FY 02 that are not reflected here.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Waiver #2

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act related to the AFDC program, demonstration projects, and the Alaska temporary assistance program.</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>PFD Hold Harmless</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>225</u>
	See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(63.5)	(640.1)	(1,072.1)	(1,452.8)	(1,773.0)	(1,783.5)
MISCELLANEOUS						
TOTAL OPERATING	(63.5)	(640.1)	(1,072.1)	(1,452.8)	(1,773.0)	(1,783.5)

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1050 PFD Fund	(63.5)	(640.1)	(1,072.1)	(1,452.8)	(1,773.0)	(1,783.5)
TOTAL	(63.5)	(640.1)	(1,072.1)	(1,452.8)	(1,773.0)	(1,783.5)

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

POSITIONS	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

PFD Hold Harmless payments replace AFDC benefits when receiving the dividend causes individuals to lose eligibility or to have benefits reduced. The AFDC policy provisions contained in this bill reduce costs in the AFDC component and produce proportional reductions in PFD Hold Harmless costs.

Prepared by: Jim Nordlund, Director *Jim Nordlund*
Division: Division of Public Assistance

Phone: 465-2680
Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner *Karen Perdue*
Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

Assumptions:

PFD Hold Harmless costs for AFDC benefits will decrease in direct proportion to the decreases produced by the reductions in AFDC expenditures for each fiscal year.

Calculations:

PFD HOLD HARMLESS SAVINGS

FY97	\$	63.5
FY98	\$	640.1
FY99	\$	1,072.1
FY00	\$	1,452.8
FY01	\$	1,773.0
FY02	\$	1,783.5

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)

DPA Waiver #3

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act relating to the AFDC program demonstration projects and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Eligibility Determination</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>236</u>
	See also (SN#): _____

Expenditures/Revenues:	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.0	100.0	100.0	100.0	100.0	100.0

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	50.0	50.0	50.0	50.0	50.0	50.0
1003 GF Match	50.0	50.0	50.0	50.0	50.0	50.0
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Public assistance recipients and other Alaskans can move more quickly into employment when employment-related services are located together and coordinated. Integrated services are more efficient and cost-effective.

The FY 97 Governor's budget includes \$200.0 in funding for "One-Stop" services as part of the Administration's welfare reform strategy. These funds will be used for building leases and related costs for one-stop service centers. The Departments of Health and Social Services and Labor are already working to co-locate and integrate Public Assistance and Employment services offices. As soon as possible, DOE-funded Adult Education centers, JTPA and Vocational Rehabilitation offices, Day Care Assistance and other supportive service agencies will also be integrated.

Prepared by: Jim Nordlund, Director *Jim Nordlund*
 Division: Division of Public Assistance

Phone: 465-2680
 Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner *Karen Perdue*
 Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

The House and Senate budget bills provide only \$100.0 of the \$200.0 needed for One-Stop service centers. This fiscal note requests restoration of the deleted \$100.0 in the Eligibility Determination component beginning in FY 97. Funding source is percent GF match, 50 percent federal.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Waiver #4

Revision Date: <u>05/03/96</u> Title: <u>An Act related to the AFDC program, demonstration projects, and the Alaska temporary assistance program</u> Sponsor: <u>Senate HESS</u> Requestor: <u>House Finance</u>	Dept. Affected: <u>Health and Social Services</u> BRU: <u>Public Assistance</u> Component: <u>Public Assistance Admin</u> COMPONENT SERIAL NO. <u>233</u> See also (SN#): _____
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	131.7	175.5	175.5	175.5	175.5	175.5
TRAVEL	5.0	9.0	9.0	9.0	9.0	9.0
CONTRACTUAL	24.5	136.0	16.0	16.0	16.0	16.0
SUPPLIES	1.0	1.5	1.5	1.5	1.5	1.5
EQUIPMENT	20.0					
LAND & STRUCTURES						
GRANTS, CLAIMS	180.0	310.0	310.0	310.0	310.0	310.0
MISCELLANEOUS						
TOTAL OPERATING	372.2	632.0	512.0	512.0	512.0	512.0

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	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	96.1	161.0	101.0	101.0	101.0	101.0
1003 GF Match	96.1	161.0	101.0	101.0	101.0	101.0
1004 GF	180.0	310.0	310.0	310.0	310.0	310.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	372.2	632.0	512.0	512.0	512.0	512.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This legislation requires DHSS to operate an AFDC waiver demonstration project, provide services to teen parents, and conduct a comprehensive needs study.

WAIVER PROJECT ADMINISTRATION: DHSS will design and operate a waiver demonstration project that adds several new provisions to the AFDC program under the authority of section 1115(a) of the Social Security Act.

Project development and management staff are necessary to develop, apply for, and monitor the demonstration project authorized by this legislation. Project staff will coordinate program and system changes, oversee an evaluation contractor, coordinate policy and training, and maintain relationships with federal officials. Essential project staff include a project coordinator, a research analyst, and a public assistance analyst.

Prepared by: Jim Nordlund, Director
 Division: Division of Public Assistance

Phone: 465-2680
 Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

Waiver evaluation contractor: The federal Department of Health and Human Services requires that a demonstration project evaluation be performed by an independent contractor. The evaluation tests the effects of the demonstration on program costs and recipient outcomes. Estimated cost of \$130,000 for the 5-year duration of the project is based on amounts other states pay for the evaluation of similar projects.

TEEN PARENT SERVICES: Section 2 of this legislation provides that a minor parent must live with a parent or another relative unless no such safe home is available. This provision is not a waiver project; we assume that the regulations to implement this provision take effect on 1/1/97.

Case Management Services: Existing case management services will be enhanced to investigate a teen's claim that the family home is unsafe, assist teens in finding suitable alternate living situations when necessary, and direct teens to educational and social services. Grants to provide these additional services is \$135,000 per year.

Alternate Living Arrangements: If there is no safe, available family home for the teen parent, the teen must live in an alternate, adult-supervised setting. Currently, the only option the state currently has is foster care, at high cost and with a limited number of available spaces. \$125,000 in community grants will develop and provide supervised alternate teen parent housing when no other appropriate placement is available. These funds are expected to pay for approximately 35 placements at \$3,570 per year.

Total annual cost of this provision is \$260,000; the cost is half, \$130,000, in FY98 to allow for the 1/1/97 implementation date.

NEEDS STUDY: Section 50 of this legislation directs the Department to conduct a comprehensive needs study and submit the results to the Legislature in January 1999. An independent contractor will conduct this study; estimated cost is \$90,000 in FY 98.

EMERGENCY FOOD SERVICES: Welfare reform will reduce benefits to low-income families. To maintain a safety net for families, \$50,000 in grants is needed to assist community organizations to establish and operate emergency food programs.

ANNUAL COST SUMMARY

FY97

(Positions budgeted for 9 months in this initial year.)

1	Project Coordinator	R19	46.9
1	Research Analyst III (existing unfunded position)	R18	45.8
1	Public Assistance Analyst	R16	39.0
	Equipment		20.0
	Office Space, phone, etc.		4.5
	Supplies		1.0
	Travel		5.0
	Evaluation contractor		30.0
	Teen Parent Services		130.0
	Emergency Food Services		<u>50.0</u>
	Total		372.2

ANALYSIS (cont.):

FY98

1	Project Coordinator	R19	62.5
1	Research Analyst III	R18	61.0
1	Public Assistance Analyst	R16	52.0
	Office Space, phone, etc.		6.0
	Supplies		1.5
	Travel		9.0
	Evaluation Contractor		40.0
	Needs Study		90.0
	Emergency Food Services		50.0
	Teen Parent Services		<u>260.0</u>
	Total		632.0

FY99 through FY02

1	Project Coordinator	R19	62.5
1	Research Analyst III	R18	61.0
1	Public Assistance Analyst	R16	52.0
	Office Space, phone, etc.		6.0
	Supplies		1.5
	Travel		9.0
	Evaluation contractor		10.0
	Teen Parent Services		260.0
	Emergency Food Services		<u>50.0</u>
	Total		512.0

Position Title Public Assistance Analyst I		No. of Positions 1	Range/Step 16A	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		52.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.0		
Travel		2.0		
Contractual		2.0		
Commodities		0.5		
Equipment		10.0		
Other				
Total Cost		66.5		
FUNDING SOURCE for TOTAL COST				
1002 Federal Receipts				
1003 GF Match		33.2		
1004 General Fund		33.3		
1005 GF/Program Receipts				
1007 I/A Receipts				
1037 GF/MH				
1061 CIP Receipts				
Other ()				
Justification				
Timely implementation of the many new program provisions require project staff to coordinate regulation development, inter agency cooperation, and dissemination of information instructions and training to eligibility staff and the recipient population.				
After assisting with implementation, this position continues as a member of the AFDC policy support unit.				

**REQUEST for
NEW POSITION**

AGENCY: **Health and Social Services**

BRU: **Public Assistance**

COMPONENT: **Public Assistance Admin**

FY97

Page: 1 1

Revised Date:

Position Title Project Coordinator		No. of Positions 1	Range/Step 19A	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT	Justification Project development and management include planning, negotiating, and preparing the demonstration project application(s). Including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration. This request is for the project coordinator	
Salary		62.5		
Benefits				
Premium Pay				
Other				
Total Personal Services		62.5		
Travel		5.0		
Contractual		2.0		
Commodities		0.5		
Equipment		10.0		
Other				
Total Cost		80.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts	40.0		
1003	GF Match	40.0		
1004	General Fund			
1005	GF/Program Receipts			
1007	I/A Receipts			
1037	GF/MI			
1061	CIP Receipts			
Other ()				

**REQUEST for
NEW POSITION**

AGENCY: **Health and Social Services**

BRU: **Public Assistance**

COMPONENT: **Public Assistance Admin**

FY97

Page: 1 1

Revised Date:

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Waiver #5

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act relating to the AFDC program demonstration projects, and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Alaska Work Programs</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>238</u>
	See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
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	1,370.4	1,370.4	1,370.4	1,370.4	1,370.4	1,370.4
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	400.0	400.0	400.0	400.0	400.0	400.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4

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	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	445.0	445.0	445.0	445.0	445.0	445.0
1003 GF Match	445.0	445.0	445.0	445.0	445.0	445.0
1004 GF	880.4	880.4	880.4	880.4	880.4	880.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4	1,770.4

Estimate of any current year (FY98) cost: \$0.0

POSITIONS:

POSITIONS	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Under either comprehensive federal and state welfare reform or continuation of the current AFDC and JOBS programs, federal law will mandate that increasing numbers of recipients be required to participate in work activities: training, education, job preparation and placement, and paid or unpaid work experience. These increasing mandates create a need for funding for a number of services to support these activities.

The FY 97 Governor's budget proposed to reinvest \$2,684.0 in AFDC component savings to support work activities in the Alaska Work Programs component. The House and Senate budget bill authorize only \$180.0 of these reinvestments. This fiscal note requests restoration of \$1,770.4 of the deleted \$2,504.0 in the Alaska Work Programs component beginning in FY 97. These restorations will support the following work activities:

Prepared by: Jim Nordlund, Director
Division: Public Assistance

Phone: 465-3347
Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Date: 5-3-96

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ANALYSIS (cont.):

DHSS operates the JOBS program in partnership with the Department of Labor. Part of the restored reinvestments will be used to increase the existing transfers to DOL, to support increases in vocational counseling, job readiness workshops, job development, and job search activities for welfare recipients.

Low literacy is a major obstacle for many welfare recipients. About 30 percent of JOBS participants enter the program without a high school diploma. Many with diplomas have low math and English skills. Some need training in English as a second language. Alaska Work Programs case managers routinely assign JOBS participants for such specialized training, through local Adult Basic Education centers. The reinvestment funds will be transferred to the Department of Education and in turn distributed to local ABE centers, to secure additional training slots for welfare clients.

Vocational training provides job skills that ensure long-term financial independence. \$100.0 in restored reinvestment funds will secure additional vocational training slots for JOBS/ Work Program participants.

Since 1990, Alaska Native organizations have operated JOBS welfare-to-work programs for Native AFDC recipients in each of the 12 ANCSA Regions, plus Metlakatla, under arrangements made directly with the federal government. The success of these Native JOBS programs directly impacts the AFDC caseload. In Alaska, these programs have never received any state matching funds, despite the fact that they administer JOBS for about 35 percent of AFDC families. \$870.4 in restored reinvestments will be used to match the total federal Native JOBS funding of \$1,400.0 at a 38 percent rate, roughly equivalent to the state JOBS match rate.

Supportive services are essential to the success of JOBS/ Work Program clients. These funds pay for special needs directly related to work program participants obtaining employment and often make the difference in whether someone gets a job and keeps it. Typical supportive service purchases include bus passes, a haircut for a job interview, a special tool, or an occupational license. Increasing numbers of work program participants will produce increasing need for supportive services. \$300.0 in restored reinvestment funds will purchase the needed services.

Preventing unplanned pregnancies reduces both AFDC and Medicaid costs by lowering the number of children born to recipients. Proposed federal welfare reform offers enhanced funding to states that bring down the number of out-of-wedlock births. Restoration of \$100.0 of the originally requested 390.0 will provide pilot money to contract with local agencies to provide pregnancy prevention services to recipients who request them.

Summary of restorations: AWP component

DOL Employment Security RSA	250.0
DOE Adult Education RSA	150.0
Vocational Training Grants	100.0
State match for Alaska Native JOBS programs	870.4
Client supportive services	300.0
Pregnancy prevention grants	100.0
Total restorations	1,770.4

THIS SUPPLEMENTAL FISCAL NOTE REQUESTS FUNDING TO RESTORE "REINVESTMENT" FUNDS THAT WERE DELETED FORM THE GOVERNOR'S FY 97 BUDGET. THE REINVESTMENT FUNDS ARE ASSUMED TO BE AVAILABLE IN THE BASELINE ASSUMPTIONS FOR AFDC ASSISTANCE PAYMENT FISCAL NOTES.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB 98(HES)
DPA Waiver #8

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act Related to the AFDC program, demonstration projects, and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Public Assistance Data Processing</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>240</u>
	See also (SN#): _____

Expenditures/Revenues:	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	807.4	807.4	807.4	807.4	807.4	807.4
TRAVEL	17.0	17.0	17.0	0.0	0.0	0.0
CONTRACTUAL	92.5	92.5	92.5	0.0	0.0	0.0
SUPPLIES	2.7	2.7	2.7	0.0	0.0	0.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	919.6	919.6	919.6	807.4	807.4	807.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	400.0	400.0	400.0	403.7	403.7	403.7
1003 GF Match	400.0	400.0	400.0	403.7	403.7	403.7
1004 GF	119.6	119.6	119.6	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	919.6	919.6	919.6	807.4	807.4	807.4

Estimate of any current year (FY96) cost: \$0.0

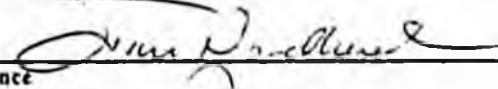
POSITIONS:						
FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						


ANALYSIS: (Attach a separate page if necessary)

The Eligibility Information System (EIS) is a large, complex data system with several subsystems. Extensive modifications to the Division's Eligibility Information System (EIS) and its subsystems are necessary to implement welfare reform.

Modifications to the EIS and its subsystems, the JOBS Automated System (JAS), and the JOBS Child Care and Supportive Service Payments System (JASP), will require a level of effort in excess of 15,000 hours or 116 FTE-months.

The effort includes the analysis, design, development, testing, and implementation of new system functionality and implementing changes in program policy that revise or replace the Aid to Families with Dependent Children and Alaska Work Programs. Policy changes impact systems programs for Medicaid and will potentially impact the Food Stamp program too.

Prepared by: Jim Nordlund, Director 
 Division: Division of Public Assistance

Approved by Com: Karen Perdue, Commissioner 
 Agency: Department of Health & Social Services

Phone: 465-2680
 Date: 05/03/96

Date: 5-3-96

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ANALYSIS (cont.):

To undertake the changes to the Eligibility Information System and its subsystems necessary to implement welfare reform the following assumptions were applied in determining costs:

1. The EIS modifications will require a combination of state data processing staff and contractor staff.
2. Contractual costs are to assist with the initial high volume of fast-track programming work necessary to implement comprehensive system changes by FY98 or waivers by FY99, and to assist with programming changes identified after implementation. Contractual costs above House/Senate budget = 92.5 for FY 97 - 99.
3. The project level of effort requires 116 FTE months for analysis, design, development, testing, and implementation.
4. The project will require a minimum of 12 calendar months to complete the analysis, design, development, testing, and implementation.
5. Some of the requirements design must begin no later than July 1, 1996, requirements and design must be complete and programming started no later than December 1996.
6. Other states with similar welfare reform provisions, such as Arizona and Indiana, had similar system approaches and costs.
7. The State personal services cost includes 13 data processing positions that were requested in the Governor's FY 97 budget but deleted in the House/Senate budget bill.
8. Travel costs are necessary for Juneau data processing staff to system design and implementation with programming

Personal Services calculations:

FTE	Job Class	Range	Cost Location
1	Public Assistance Program Officer	R21	\$90.1 Juneau
3	Analyst/Programmer I	R16	\$174.3 Juneau
1	Analyst/Programmer V	R21	\$74.8 Anch
3	Analyst/Programmer IV	R19	\$206.9 Anch
1	Analyst/Programmer III	R17	\$57.6 Anch
3	Public Assistance Analyst I's	R16	\$169.3 Anch
1	Administrative Clerk II	R08	\$34.4 Anch
13	Personal Services Total		\$807.4

This is not a request for new positions: It is a request for funding to maintain the incumbents in ten existing PCNs and fill three vacant PCNs.

This fiscal note requests funding to restore the "Reinvestment" funds that were deleted from the Governor's FY 97 budget. These reinvestment funds are assumed to be available in the baseline assumptions for the AFDC assistance payments fiscal notes in this package.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB98 (HES)
DPA Waiver #7

Revision Date: <u>05/03/96</u>	Dept. Affected: <u>Health and Social Services</u>
Title: <u>An Act relating to the AFDC program demonstration projects and the Alaska temporary assistance program</u>	BRU: <u>Public Assistance</u>
Sponsor: <u>Senate HESS</u>	Component: <u>Child Care Benefits</u>
Requestor: <u>House Finance</u>	COMPONENT SERIAL NO. <u>1897</u>
	See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
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	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0

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	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	1,105.0	1,105.00	1,105.0	1,105.0	1,105.0	1,105.0
1003 GF Match	1,105.0	1,105.00	1,105.0	1,105.0	1,105.0	1,105.0
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0	2,210.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

POSITIONS	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS:

(Attach a separate page if necessary)

Child care is essential for families that are working, participating in the JOBS program and in work activities, and in receiving transition after they leave the welfare caseload because they are employed. In FY 97, welfare families will need care for an estimated 908 more children per month than in FY 96 because of the increased emphasis on work, at an average cost of \$290 per child per month. This fiscal note requests restoration of the \$2,210.0 in child care reinvestments that was deleted from the original request of \$3,159.8.

Prepared by: Jim Nordlund, Director
 Division: Public Assistance

Phone: 465-3347
 Date: 05/03/96

Approved by Com: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Date: 5-3-96

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB98(RLS)

Waiver

Revision Date: _____
 Title: An Act related to the AFDC Program.
 Demonstration Projects and Payment Reductions
 Sponsor: SENATE WESS
 Requestor: House (FIN)

Dept. Affected: Health and Social Services
 BRU: Family and Youth Services
 Component: DFYS Central Office
 COMPONENT SERIAL NO. 259
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	58.9	58.9	58.9	58.9	58.9	58.9
TRAVEL	1.1	1.1	1.1	1.1	1.1	1.1
CONTRACTUAL						
SUPPLIES	2.8	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	4.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	66.8	60.2	60.2	60.2	60.2	60.2

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	88.8	80.2	80.2	80.2	80.2	80.2
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (please specify)						
TOTAL	66.6	60.2	60.2	60.2	60.2	60.2

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

Estimate of any current year (FY96) cost: 30.0

ANALYSIS: (Attach a separate page if necessary)

A proportion of AFDC applicants who are pregnant teens or teen parents will not be able to reside in their parental home due to alleged abuse or neglect in that home. The circumstances alleged must be investigated, and case management services must be provided to arrange for alternate housing and to assist the teen parent to achieve self-sufficiency. While the services will be provided through grants or contracts, the services must be developed, the providers trained, and the services coordinated. This position will serve as the case management coordinator to see that these services are available across the state.

Continued

Prepared by: L. Diane Worley, Director
 Division: Family & Youth Services
 Approved by Commissioner: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-2191
 Date: 04/25/96
 Date: 4-25-96

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ANALYSIS (cont.):

Social Worker IV Range 18 Juneau State Office	\$58,900.00
Travel: 1 trip to Fairbanks, 1 trip to Anchorage	\$1,100.00
Equipment (Computer, Software)	\$4,000.00
Supplies (Desk, Chair, Telephone, Office Supplies)	\$2,580.00
TOTAL	\$66,580.00

The personal services cost for the Social Worker IV is calculated for one year rather than six months as this person will have to be hired and trained for the entire Fiscal year in order to be ready to do the job by January 97. The contractual costs will be double the first year in order to process the initial investigations required by this fiscal note.

The equipment and supplies will decrease after the initial set up year for this position. The continuing office supplies should cost approximately \$200/yr for the continuing position.

It is not possible to project the fiscal impact of the amendment which includes licenses granted under 47.35 with those occupational licenses which may be adversely affected by child support arrearages. The division licenses approximately 980 foster homes and approximately 550 child care facilities. Most areas of the state constantly face a shortage of foster homes, and the loss of any of the existing homes will increase staff time in locating placements for children who cannot remain at home. It is possible that additional group homes or residential child care facilities will have to be developed, at a much higher daily cost, to offset the loss of those homes. In addition to unnecessary cost increases, it would be unfair to place children who could function well in foster care into more institutional living arrangements. Division staff time will also be negatively impacted in helping parents to find alternative day care arrangements when a provider's license is affected. Most communities also already face a shortage in licensed day care.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSS8 98(FIN)

Waiver

Revision Date:		Dept. Affected:	<u>Health and Social Services</u>
Title:	<u>An act relating to AFDC and demonstration</u>	BRU:	<u>Medical Assistance</u>
Project:		Component:	<u>Medicaid Services</u>
Sponsor:	<u>Seneca HESS</u>	COMPONENT SERIAL NO.:	<u>2077</u>
Requestor:	<u>Seneca FIN</u>	See also (SN#):	

Expenditures/Revenues:		(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02	
PERSONAL SERVICES							
TRAVEL							
CONTRACTUAL							
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0	
MISCELLANEOUS							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES						
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FUND SOURCE		(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							
1005 GF/Program Receipts							
1007 GF/Mental Health							
Other (please specify)							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	

Balance of any current year (FY96) use: 10.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

For the purpose of welfare reform, CSS8 98 (FIN) directs the department to establish pilot projects that will encourage people to move from assistance to work. These pilot projects will require federal waivers. If federal welfare reform legislation is enacted, this bill establishes the Alaska Temporary Assistance Program. This bill contains no provision that directly alters the Medicaid program.

Under the waiver approach, people who lose Aid To Families With Dependent Children (AFDC) payments due to the waiver will continue to be eligible for Medicaid. Consequently, this portion of the bill will have no measurable fiscal effect on the Alaska Medicaid program.

Under federal welfare reform, the link between Medicaid and AFDC (or what ever other program is established) is uncertain. Some welfare reform proposals require Medicaid to use current AFDC rules. Other proposals require Medicaid eligibility to be determined separately from any cash assistance program. Since the link between federal welfare reform and Medicaid is uncertain, the Division of Medical Assistance cannot determine this bill's fiscal impact on the Alaska Medicaid program.

Prepared by: Jon Sherwood
Division: Medical Assistance

Phone: 465-3353
Date: 04/19/96

Approved by Com: Jon Sherwood
Agency: Department of Health & Social Services

Date: 4-20-96

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**DHSS FISCAL NOTE DISCUSSION
HCS CSSB 98(HES): COMPREHENSIVE TRACK**

Background

This legislation provides two possible tracks for implementation, and we have developed a separate set of fiscal notes for each track, using different assumptions.

Sections 1 - 6 of the bill amend existing statutes for the Aid to Families with Dependent Children (AFDC) program and provide for the adoption of certain AFDC options under existing federal law, along with implementation of a series of AFDC waiver provisions under federal demonstration project authority. Fiscal notes labeled DPA Waiver assume that federal AFDC law does not change. This discussion and this set of fiscal notes do not cover the waiver track.

Section 7 of the bill provides for the establishment of a new Alaska Temporary Assistance program (ATAP) to replace the AFDC and Job Opportunities and Basic Skills Training (JOBS) programs upon enactment of pending federal welfare reform block grant legislation. Fiscal notes labeled DPA Comprehensive assume, based on the most recent draft federal legislation, that the Temporary Assistance program takes effect on July 1, 1997, concurrent with repeal of the existing state and federal AFDC and JOBS programs. The federal legislation is expected to include a five-year limit on benefits for most families; a five-year limit based on the proposed federal language is included in section 7 of this legislation. This discussion and this set of fiscal notes cover the comprehensive track.

Comprehensive Track: Fiscal Note Summary

Section 7 of this legislation establishes the basic eligibility requirements and program standards for ATAP. We assume in this analysis that the federal legislation that triggers the implementation of ATAP will take effect on July 1, 1997, as provided under section 55 of this bill.

This project will place substantial additional demands on Division of Public Assistance field Eligibility Determination staff. **The fiscal note package does not include any additional funding in the Eligibility Determination component, based on our assumption of full funding of the Governor's FY 97 budget request for the Eligibility Determination component.**

The Governor's FY 97 budget request includes many of the other costs associated with implementing ATAP (including child care costs, work requirements and activities, and automated system development costs). **In general, we assume full funding for the Governor's requests, including the "reinvestment" increments, in the baseline assumptions and costs in this analysis.** Any exception to that assumption is noted in the fiscal note text.

These fiscal notes:

- Define the savings generated by the new ATAP program design on the AFDC component.
Identify the effect of increased child support collections on funding for AFDC component;
- Request funds for Safety Net Services, including intensive case management and alternative living arrangements for teen parents as well as emergency food services for families;
- Provide for the costs of investigating the appropriateness of living arrangements for teen parents; and
- Cover the cost of the child support enforcement occupational licensing provisions on the administration of licenses for emergency medical personnel.

1. AFDC Component (Alaska Temporary Assistance Program)

This legislation establishes a new program design to provide assistance with living expenses, establish work activities, and provide self-sufficiency services to low-income families with children through the Alaska Temporary Assistance program.

Child Support Enforcement Occupational/Drivers License Provisions - Bill Section 22

This legislation also includes amendments to the Child Support Enforcement statutes. The occupational and drivers licensing provisions of the child support amendments, which are assumed to take effect on October 1, 1996, will increase the amount of support collected on behalf of ATAP children. The state share of child support collected on behalf of ATAP children is transferred to DHSS as General Fund Program Receipts, which reduce the need for unencumbered General Fund money in the AFDC component.

Alaska Temporary Assistance Program

Section 7 of the bill authorizes the Alaska Temporary Assistance program. References in this section of the analysis point to sections of the proposed statutory language within section 7.

Benefits Based on Household Expenses - 47.27.025(a)

This section provides for the establishment of payment standards that take into account a family's income, assets, and other resources. DHSS will establish standards whereby families with lower living costs will receive smaller benefit payments than similar families paying full market price for living costs. This provision will be implemented gradually beginning in January 1997. By January 1998, the benefits of most families with low housing and basic utility costs will be reduced by up to 30 percent of the maximum assistance payment. At full implementation, approximately 2,600 families per month will receive a reduced benefit because they have low living expenses.

No Additional Assistance for Second Parent - 47.27.025(b)(2)

This section provides that the current \$102 per month assistance payment increment for the second parent in two-parent households be eliminated, unless one of the parents is medically incapacitated. Under this provision, most two-parent families would qualify for the same amount of assistance as a single-parent family with the same number of children.

Seasonal Benefit Reduction for Two-Parent Families - 47.27.025(c)

This section limits the assistance payment to most two-parent families to 50 percent of the normal maximum benefit during the months of July, August, and September when work is available unless the family receives a waiver. The reduction does not apply to two-parent families if either parent is physically or mentally incapacitated.

Increased Earned Income Disregards: Elimination of the "100-Hour Rule" - 47.27.025, 47.27.005(2)

The earned income "disregards" (the amounts of money a family may earn before the earnings are counted against their assistance benefit) are designed to make work pay and encourage ATAP parents to work and gain job experience by allowing working families to keep some of the income they earn. DHSS will use the authority granted in these bill sections to increase the earned income disregards.

Increasing the disregards initially increases costs because families with earnings receive larger assistance grants than they do under existing rules. The costs are more than offset by savings that result from increases in the number of families with a working member, increases in the earnings of working families, and from families that lose eligibility because of employment resulting from the increased incentives to work.

Currently, the first \$90 per month of earnings are disregarded for all families. For the first four months an individual has earnings, an additional \$ 30 per month plus one-third of the remainder is disregarded. After the applicable disregards are applied, the remaining income reduces the family's monthly grant by 89.87 cents for every dollar of income.

Beginning in July 1997, the new earned income disregards will be the first \$300 per month plus 40 percent of the remainder for the family's first year on assistance. \$300 plus 30 percent in the second year, \$300 plus 20 percent in the third year, and \$300 plus 10 percent in years four and five. After application of the disregard, assistance will be reduced dollar-for-dollar by the remaining countable income.

The Administration also plans to discontinue the current federal AFDC "100-hour-rule" which limits the number of hours the primary earner in a two-parent household may work without losing eligibility; pending federal block grant legislation is not expected to require application of the 100-hour rule. The removal of this disincentive to work is also expected to produce savings.

Automobile Allowance - 47.27.025, 47.27.005(2)

Existing federal AFDC rules require that all but the first \$1,500 in the equity value of a family's vehicle be counted against the \$1000 AFDC asset limit. This policy is a significant disincentive and barrier to work, since families cannot own a reliable car that would help them find a job and keep working. DHSS plans to use the rulemaking authority provided in this bill allow families to own one vehicle regardless of value.

This provision initially incurs some additional costs because some families which would otherwise be ineligible because of the value of a vehicle would become eligible, and is expected to generate a net savings in the long term because families will be better equipped to remain employed when they have reliable transportation.

Diversion Payments - 47.27.026

This provision will give families an alternative to long-term welfare dependency by offering eligible, job-ready ATAP applicants a one-time lump-sum payment in lieu of ongoing eligibility, to meet critical needs while they obtain employment and/or child support. The Diversion payment amount will be based on actual, immediate needs and is limited to a maximum of two months' worth of regular benefits. Families that opt for a diversion payment will have the diversion payment counted as income if they reapply for ATAP within 3 months. The Diversion program produces program savings by enabling a quick return to the work force for applicants who might otherwise need assistance for several months.

Assistance to Minors - 47.27.027

This section provides that, with specified exceptions, unmarried minor parents must live with a parent, another adult relative, or a legal guardian. If no such safe living arrangement is available, they must live in another adult-supervised living arrangement. Teen parents who do not cooperate with these requirements are ineligible for ATAP benefits. This provision produces savings by reducing the number of eligible teen parents. Teen parents who cooperate with the requirements will receive intensive case management services and some will need help to secure appropriate housing; the costs of these additional services are covered in the Public Assistance Administration component.

Participation in Work Activities - 47.27.035

This section requires recipients to participate in a range of activities that are designed to transition most families into work as soon as possible, and no later than 24 months after they begin receiving assistance. Work activities are tied to other self-sufficiency activities set for in each family's self-sufficiency plan, as required in new statutory section 47.27.030. These new requirements, combined with the enhanced work incentives, produce substantial program savings through reductions in the caseload and increases in the earned income of recipients.

Sanctions - 47.27.015, 47.27.027, 47.27.030, 47.27.035, 47.27.085

The bill sections that prohibit transferring assets to become eligible, disqualify families if a family member refuses or quits a job without good cause, require teen parents to attend school, require family self-sufficiency plans, require participation in work activities, and establish fraud disqualification penalties all impose financial penalties on families that fail to comply with certain program requirements. These provisions are expected to produce substantial savings in program costs.

Child Support Pass-Through Payments - 47.27.040(c)

This bill section authorizes continuation of the \$50 per month child support pass-through payment. Current federal law requires that the first \$50 per month of child support collected for children included in a single-parent AFDC case be paid to the AFDC custodial parent as an incentive for the parent to cooperate in the continued location of the absent parent and in the collection of support. Pending federal law changes will eliminate current federal funding for 50 percent of the cost of pass-through payments. This provision produces additional program costs for replacement of the lost federal share.

2. PFD Hold Harmless Component

PFD hold harmless program benefits replace public assistance benefits when receiving the dividend causes individuals to lose eligibility or have benefits reduced. PFD hold harmless funds approximately 10 percent of annual AFDC benefit costs. The AFDC component savings produced by this legislation produce proportionate savings in the PFD hold harmless component.

3. Public Assistance Administration Component

Services for Teen Parents In Section 7 of the bill, new statutory section 47.27.027 provides that an unmarried minor custodial parent must live with a parent or another relative. If no such safe home is available, teen parents are required to live in an approved, adult-supervised, supportive setting. New statutory section 47.27.005(1) authorizes self-sufficiency services for ATAP recipients. The costs for these services are documented in the fiscal note.

Alternate Housing for Teen Parents

Pending federal welfare reform legislation requires states help teen parents find alternate housing if they cannot live at home. These community grant funds will be used to develop a supply of alternate housing for teen parents who cannot live at home. Grantees will provide "Second Chance Homes", which would provide shelter, as well as parenting, life skills, health and pregnancy prevention services to teen mothers.

Case management services for teen parents and their children

These grants will procure intensive case management services to assess the safety of the home for teens who claim they cannot live with their parents and help teen parents who cannot live at home identify and arrange for alternative, adult-supervised, safe living arrangements for approximately 35 teen parents and their children.

Needs Study

Section 50(a) of the bill requires DHSS conduct a comprehensive needs study to evaluate and form recommendations about the maximum monthly benefit standards for the temporary assistance program. Funds are required to engage an independent contractor to conduct the study and complete a report.

Emergency Food Services

About 225 agencies in Alaska distributed or provided 2.24 million pounds of food to needy families and individuals in 1995. This community service is an essential part of the state's safety net. Federal funding for food assistance is shrinking. Food donations to the agencies come from the private sector - individuals as well as corporations and local groups.

Welfare and other low-income families need emergency food in many situations. They may be waiting for their first paycheck after starting a new job, waiting for unemployment benefits after being laid off, or waiting for their application for assistance to be processed. They may suffer an unexpected catastrophe, or have a Veteran's benefit, SSI, welfare or other check delayed or lost in the mail.

Because of their concern that welfare reform and other federal budget cuts will reduce funding for the food network, and benefit reductions and other changes to the welfare system will create additional demand for emergency food, DHSS joined with food distribution groups to organize the agencies in the food network as the *Alaska Food Coalition*. Agencies which distribute food run on extremely tight budgets, and many may have to close when federal cuts eliminate their slim operating budgets.

The requested grant funds will be distributed to community food distribution organizations to support the development of more efficient, centralized collection and distribution centers for donated emergency food supplies.

Welfare Reform Research, Monitoring, and Evaluation Staff

In bill section 7, new statutory section 47.27.005(7) requires DHSS to conduct research and monitor the effectiveness of the new Temporary Assistance program. Funding for a research analyst position is required for this new policy support and accountability activity.

4. Public Assistance Data Processing Component

The Eligibility Information System (EIS) is central to the administration of all public assistance programs. DPA field workers perform enter basic information on recipients, maintain case records, make eligibility determinations and benefit authorizations, and correspond with their clients using EIS. EIS generates benefit payments and stores and compiles management information.

Extensive modifications to the existing AFDC and JOBS structures in EIS are necessary to implement, administer, and monitor the new temporary assistance program. Funding is needed to provide sufficient programming resources for the necessary EIS modifications.

5. Family and Youth Services, DFYS Central Office Component

In Section 7 of the bill, new statutory section 47.27.027 provides that a minor parent must live with a parent or another relative unless no such safe home is available. One position is necessary to coordinate special services for teen parents and administer local grants for case management services and alternative housing.

6. State Health Services, Community Health/EMS Services Component

Funds are necessary to cover the cost of the child support enforcement occupational licensing provisions on the administration of licenses for emergency medical personnel.

**DHSS FISCAL NOTE DISCUSSION
HCS CSSB 98(HES): WAIVER TRACK**

Background

This legislation provides two possible tracks for implementation, and we have developed a separate set of fiscal notes for each track, using different assumptions.

Section 7 of the bill provides for the establishment of a new Alaska Temporary Assistance program (AFDC) to replace the AFDC and Job Opportunities and Basic Skills Training (JOBS) programs upon enactment of pending federal welfare reform block grant legislation. Fiscal notes labeled DPA Comprehensive assume that the Temporary Assistance program takes effect on July 1, 1997, concurrent with repeal of the existing state and federal AFDC and JOBS programs. The federal legislation is expected to include a five-year limit on benefits for most families; a five-year limit based on the proposed federal language is included in section 7 of this legislation. This discussion and this set of fiscal notes do not cover the comprehensive track.

Sections 1 - 6 of the bill amend existing statutes for the Aid to Families with Dependent Children (AFDC) program and provide for the adoption of certain AFDC options under existing federal law, along with implementation of a series of AFDC waiver provisions under federal demonstration project authority. Fiscal notes labeled DPA Waiver assume that federal AFDC law does not change, and that the necessary federal waivers are approved for implementation effective July 1, 1998. This discussion and this set of fiscal notes cover the waiver track.

Federal Waivers

This legislation includes AFDC provisions that are state options under existing law, and provisions that are permissible only under federally approved policy waivers for experimental purposes. The waivers are required to be implemented in the context of a demonstration project that is subject to statistical and qualitative evaluation. Demonstration projects must be cost-neutral to the federal government, and the state must reimburse the federal government for costs that exceed the cost-neutral level.

Project design must include geographically coincident, randomly assigned experimental and control groups; the experimental group is subject to the provisions of the waiver, while the control group is subject to normal AFDC rules under the AFDC State Plan. The project outcomes must be evaluated by an independent contractor. Waivers are temporary, granted only for a duration long enough to conduct the experiment; most AFDC demonstration projects are approved for five to eight years.

In effect, the demonstration project methodology requires the state to establish two different, parallel programs with different eligibility rules, and to maintain parallel sets of data so the experimental and control group outcomes can be compared. These rigid federal project requirements constrain the states from doing comprehensive welfare reform and generate substantial operating costs.

Waiver Track: Fiscal Note Summary

This bill includes a number of policy provisions. Only provisions that generate substantial costs or savings are discussed in this fiscal note package.

Assumptions: Waiver Track

We assume in this analysis that:

- Federal legislation that would trigger the comprehensive track does not occur, so that this legislation is implemented under the waiver track.
- The necessary data system and regulation changes to implement the demonstration are in place by July 1998, and the demonstration begins on July 1, 1998.
- All provisions of the legislation that involve waivers are implemented together as a single project in at least three locations in the state. The experimental group includes 4,400 randomly assigned families, which are subject to the waiver provisions. The control group includes 1,500 randomly assigned families, which are subject to normal AFDC program rules. The balance of the AFDC caseload (roughly 6,600 families) is not involved in the demonstration project and is subject to normal AFDC rules.
- Provisions that do not require federal waivers will impact the entire AFDC caseload. Implementation dates for these provisions are specified in the fiscal notes.
- This project will place substantial additional demands on Division of Public Assistance field Eligibility Determination staff. **The fiscal note package does not include any additional funding in the Eligibility Determination component**, based on our assumption of full funding of the Governor's FY 97 budget request for the Eligibility Determination component.
- The Governor's FY 97 budget request includes many of the other costs associated with administering the AFDC program and implementing the provisions of this bill (including child care costs, work requirements and activities, and automated system development costs). **In general, the baseline assumptions and costs in this analysis assume full funding for the Governor's requests, including the "reinvestment" increments.** Any exception to that assumption is noted in the fiscal note text.

1. AFDC Component

Sections 1 - 6 of this legislation establish a demonstration project and a number of AFDC policy waiver provisions and amend existing AFDC law to adopt options under existing federal law.

Waiver/Demonstration Project Provisions

Workfare project

Section 1 of the bill establishes an AFDC Workfare demonstration project. Members of the experimental group are, with specified exceptions, required to perform unpaid community service work for up to 21 hours per week.

Members of the experimental group are also subject to policy waiver provisions that are designed to increase incentives for paid employment, including:

- The earned income "disregard" is increased to the first \$200 of earnings plus 1/3 of the remainder for 24 cumulative benefit months, under a waiver.

The earned income disregards (the amounts of money a family may earn before the earnings are counted against their assistance benefit) are designed to make work pay and encourage AFDC parents to work and gain job experience by allowing working families to keep some of the income they earn. Currently, the first \$90 per month of earnings are disregarded for all families. For the first four months an individual has earnings, an additional \$ 30 per month plus one-third of the remainder is disregarded. After the applicable disregards are applied, the remaining income reduces the family's monthly grant by 89.87 cents for every dollar of income.

- The AFDC "100-hour rule" for Unemployed Parent cases is waived. The federal 100-hour-rule limits the number of hours the primary earner in a two-parent household may work without losing eligibility. This waiver of this rule eliminates another significant disincentive to work.
- The automobile allowance is increased from \$1,500 on one vehicle to \$5,000 on all vehicles owned, under waivers. Existing federal AFDC rules require that all but the first \$1,500 in the equity value of a family's vehicle be counted against the \$1000 AFDC asset limit. This policy is a significant disincentive and barrier to work, since families cannot own a reliable car that would help them find a job and keep working.

These work requirements and work incentives initially incur some additional costs because some families which would otherwise be ineligible would become eligible, and are projected to generate a net savings in the long term as more recipients move into employment and work longer hours, resulting in smaller assistance grants for families as their earnings increase, and in some families leaving the caseload because their earnings make them ineligible.

24-month time limit

Section 5 of the bill establishes a limit of 24 cumulative months of benefits in a 60-month period for specified families, under waivers. Families that reach the end of the 24-month period will be ineligible for the subsequent 36 months unless they have complied with Workfare and the JOBS program and are still unable to secure adequate employment. This provision produces program savings as effected families begin to lose AFDC eligibility in the third year of the project.

Diversion project

Section 1 of the bill also establishes a diversion program demonstration under federal waivers. This provision will give families an alternative to long-term welfare dependency by offering eligible, job-ready AFDC applicants a one-time lump-sum payment in lieu of ongoing eligibility, to meet critical needs while they obtain employment and/or child support. The Diversion payment amount will be based on actual, immediate needs and is limited to a maximum of two months' worth of regular benefits. Families that opt for a diversion payment will have the diversion payment counted as income if they reapply for AFDC within 3 months. The Diversion program produces program savings by enabling a quick return to the work force for applicants who might otherwise need assistance for several months.

Seasonal Benefit Reduction for Two-Parent Families

Section 3 of the bill includes a waiver provision to limit the assistance payment to most two-parent families to 50 percent of the normal maximum benefit during the months of July, August, and September when work is available unless the family receives a waiver. The reduction does not apply to two-parent families if either parent is physically or mentally incapacitated.

Federal Option Provisions

Benefits Based on Household Expenses

Section 3 adopts an existing federal option for the establishment of payment standards that take into account a family's income, assets, and other resources. DHSS will establish standards whereby families with lower living costs will receive smaller benefit payments than similar families paying full market price for living costs. This provision will be implemented gradually beginning in January 1997. By January 1998, the benefits of most families with low housing and basic utility costs will be reduced by up to 30 percent of the maximum assistance payment. At full implementation, approximately 2,600 families per month will receive a reduced benefit because they have low living expenses.

Assistance to Minors

Bill section 2 provides that, with specified exceptions, unmarried minor parents must live with a parent, another adult relative, or a legal guardian. If no such safe living arrangement is available, they must live in another adult-supervised living arrangement. Teen parents who do not cooperate with these requirements are ineligible for AFDC benefits. This provision produces savings by reducing the number of eligible teen parents. Teen parents who cooperate with the requirements will receive intensive case management services and some will need help to secure appropriate housing; the costs of these additional services are covered in the Public Assistance Administration component.

Sanctions

The bill sections that: prohibit transferring assets to become eligible (a federal option, bill section 2); disqualify families if a family member refuses or quits a job without good cause (a waiver, bill section 2), require participation in Workfare, and require teen parents to attend school (a waiver, bill section 6) all impose financial penalties on families that fail to comply with certain program requirements. These penalties produce savings in program costs.

2. PFD Hold Harmless Component

PFD hold harmless program benefits replace public assistance benefits when receiving the dividend causes individuals to lose eligibility or have benefits reduced. PFD hold harmless funds approximately 10 percent of annual AFDC benefit costs. The AFDC component savings produced by this legislation produce proportionate savings in the PFD hold harmless component.

3. Public Assistance Administration Component

Waiver project staff

Project development staff are necessary to develop, apply for, and monitor the demonstration project authorized by this legislation. Project staff will coordinate data system and program changes, oversee an evaluation contractor, coordinate policy and training, and maintain relationships with federal project oversight officials.

Evaluation contractor

The federal government requires that demonstration projects be evaluated by an independent contractor. The evaluation contractor must be involved beginning with project development throughout the project, participating in the design of the data system changes needed for evaluation data and assignment of participants, monitoring compliance with federal cost-neutrality requirements, and producing interim and final reports on project outcomes.

Services for Teen Parents

Section 2 of the bill requires an unmarried minor custodial parent to live with a parent or another relative. If no such safe home is available, teen parents are required to live in an approved, adult-supervised, supportive setting.

- **Alternate Housing**

Teen parents will have to find alternate housing if they cannot live at home. These community grant funds will be used to develop a supply of alternate housing for teen parents who cannot live at home. Grantees will provide "Second Chance Homes", which will provide shelter, as well as parenting, life skills, health and pregnancy prevention services to teen mothers.

- Case management services for teen parents and their children

These grants will procure intensive case management services to assess the safety of the home for teens who claim they cannot live with their parents and help teen parents who cannot live at home identify and arrange for alternative, adult-supervised, safe living arrangements for approximately 35 teen parents and their children.

Emergency Food Services

About 225 agencies in Alaska distributed or provided 2.24 million pounds of food to needy families and individuals in 1995. This community service is an essential part of the state's safety net. Federal funding for food assistance is shrinking. Food donations to the agencies come from the private sector - individuals as well as corporations and local groups.

Welfare and other low-income families need emergency food in many situations. They may be waiting for their first paycheck after starting a new job, waiting for unemployment benefits after being laid off, or waiting for their application for assistance to be processed. They may suffer an unexpected catastrophe, or have a Veteran's benefit, SSI, welfare or other check delayed or lost in the mail.

Because of their concern that welfare reform and other federal budget cuts will reduce funding for the food network, and benefit reductions and other changes to the welfare system will create additional demand for emergency food, DHSS joined with food distribution groups to organize the agencies in the food network as the *Alaska Food Coalition*. Agencies which distribute food run on extremely tight budgets, and many may have to close when federal cuts eliminate their slim operating budgets.

The requested grant funds will be distributed to community food distribution organizations to support the development of more efficient, centralized collection and distribution centers for donated emergency food supplies

4. Alaska Work Programs Component

The Workfare demonstration requires development of unpaid community work slots, case management of workfare participants, payment of transportation and payment of transportation and other expenses. Contractual funds are required to pay for these services.

5. Public Assistance Data Processing Component

The Eligibility Information System (EIS) is central to the administration of all public assistance programs. DPA field workers enter basic information on recipients, maintain case records, make eligibility determinations and benefit authorizations, and correspond with their clients using EIS. EIS generates benefit payments and stores and compiles management information.

Extensive modifications to the existing AFDC and JOBS structures in EIS are necessary to implement, administer, and monitor the demonstration project and other provisions of this legislation. Funding is needed to provide sufficient programming resources for the necessary EIS modifications.

6. Child Care Benefits Component

DHSS is required to pay for any child care needed by Workfare participants. Funding is needed to provide these services.

7. Family and Youth Services, DFYS Central Office Component

Teen Parent Living Arrangement Investigations Section 2 of the bill provides that a minor parent must live with a parent or another relative unless no such safe home is available. One position is necessary to coordinate special services for teen parents and administer local grants for case management services and alternative housing.

NOT OFFERED

AMENDMENT

OFFERED IN THE HOUSE
TO HCS CSSB 98(HES)

BY REPRESENTATIVE BROWN

1 Page 12, following line 3:

2 Insert a new subparagraph to read:

3 "(A) a person who the department
4 has reasonable cause to believe has been or is
5 physically, mentally, or emotionally endangered by
6 domestic violence as defined in AS 18.66.900

7 Reletter the following subparagraphs accordingly.

9 Page 14, following line 24:

10 "(A) a person who the department
11 has reasonable cause to believe has been or is
12 physically, mentally, or emotionally endangered by
13 domestic violence as defined in AS 18.66.900

14 Reletter the following subparagraphs accordingly.



CENTRAL COUNCIL
Tlingit and Haida Indian Tribes of Alaska
ANDREW P. HOPE BUILDING
320 West Willoughby Avenue • Suite 300
Juneau, Alaska 99801-9983

May 1, 1996

Honorable Steve Frank
Honorable Rick Halford
Co-Chairs
Senate Finance Committee
State of Alaska

This letter is in support of the retention of language in SB 98 funding for a 50/50 state-federal match for AFDC benefits for families serviced by Alaska Native Organizations. Under anticipated federal welfare reform legislation, 13 Alaska Native Organizations could exercise the option to administer cash assistance programs for village residents in their service area. Each organization would be required to coordinate their efforts with the state to offer comparable benefits and programming while minimizing duplication of services.

The Central Council of the Tlingit and Haida Indian Tribes of Alaska (Tlingit & Haida) is already working cooperatively with state agencies in preparation for welfare reform provisions requiring able-bodied welfare recipients to either work or participate in job-readiness programs. We offer well established infrastructures to Alaska's rural villages that will maximize effectiveness while maintaining relatively low administrative over-head costs.

We remain committed to working with the state in our joint goal of reducing welfare dependency. However, our funding to accomplish this mission is very limited. For example, Tlingit & Haida currently receives only \$119,000 per year under a federal JOBS Program to serve 21 communities. You can readily see that this is not enough funding given the enormity of the mission.

Alaska Natives make up approximately 35% of the state's AFDC caseload while the total Alaska Native population is only 16% of the state's non-Native population. It is imperative that state funding be made equitably available to Native organizations to improve the probability of successful welfare reform in Alaska.

Recommendations:

On page 25, line 28 after the word "Service" insert "and is authorized to transfer state matching funds".

On page 11, line 17, replace "or" with "and".

60th Anniversary - 1995

It is my understanding that the Governor's budget does include Tribal matching funds for Fiscal Year '97. The Department of Health and Social Services has increased funding to Native work programs for eleven Alaska Native Organizations. This is a clear demonstration of the spirit of cooperation upon which we are facing our challenge of reforming welfare.

Any consideration give this letter with its recommendations is very much appreciated. Please feel free to contact me at any time should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ed Thomas".

Edward K. Thomas
President

cc: Alaska Senate Finance Committee
Alaska House Finance Committee

1 federal assistance available for the purposes of this chapter. The department shall
2 make reports in the form and containing the information required to the Secretary of
3 the United States Department of Health and Human Services. The department may
4 cooperate with federal agencies charged with the administration of the federal public
5 assistance block grants and other financial assistance.

6 Sec. 47.27.070. ALASKA NATIVE ORGANIZATIONS' FAMILY
7 ASSISTANCE PROGRAMS. (a) The department may coordinate only with the
8 following Alaska Native organizations, as designated under federal law, in the
9 development of family assistance programs:

- 10 (1) Arctic Slope Native Association;
- 11 (2) Kawerak, Inc.;
- 12 (3) Maniilaq Association;
- 13 (4) Association of Village Council Presidents;
- 14 (5) Tanana Chiefs Conference;
- 15 (6) Cook Inlet Tribal Council;
- 16 (7) Bristol Bay Native Association;
- 17 (8) Aleutian and Pribilof Island Association;
- 18 (9) Chugachmiut;
- 19 (10) Tlingit Haida Central Council;
- 20 (11) Kodiak Area Native Association;
- 21 (12) Copper River Native Association; and
- 22 (13) Metlakatla Indian Community of the Annette Islands Reserve;

23 however, the department may cooperate with the Metlakatla Indian Community under
24 this chapter only if the community waives any claim to sovereign immunity with
25 respect to matters involved with the family assistance program.

26 (b) The department may cooperate with the Alaska Native organizations named
27 in (a) of this section to propose program criteria to the Secretary of the United States
28 Department of Health and Human Services *and is authorized to transfer the State Share of funds* in order to promote programs comparable
29 to the state program in the same area. *appropriated for this purpose*

30 (c) Notwithstanding other provisions of this section, the department may
31 coordinate with an Alaskan Native organization under (a) of this section only if, for



NATIONAL ASSOCIATION OF SOCIAL WORKERS ALASKA CHAPTER

Executive Director
Angela M. Salerno, ACSW

April 30, 1996

Testimony to House Finance Committee
CS for CSSB98 (HESS)

From: Angela M. Salerno, Executive Director, National Association of Social Workers Alaska Chapter

Chairman Hanley, members of the committee:

We commend Senator Lyda Green, the House and Senate Majority and the Department of Health and Social Services for their willingness and success in working together on this bill. They're making it possible for Alaska to respond to the mandate of welfare reform in a productive way.

Sec 1 - We are pleased to see the progressive reforms contained in this section. The earned income disregard, suspension of the 100-hour rule and increased auto allowance are incentives to work and productivity.

Workfare. Uncompensated employment experience does have some utility for people who lack any job experience. But this workfare "experiment" could be strengthened if the activities offered focused on providing the job training and job finding skills that people will need to become and remain independent.

This section would also be strengthened with the inclusion of case management services for workfare participants. Case management services will ensure participants have a plan for how to get off welfare and into work.

Sec 7 - The Alaska Temporary Assistance Program represents the best thinking of Alaska policy-makers, social service professionals, community members and the recipients themselves. We support the provisions of this program as an incentive-based, welfare to work program that responds to the realities of federal welfare reform.

The Alaska Temporary Assistance Program is the result of an exhaustive public process and therefore reflects the needs and desires of the people of Alaska.

Disqualifying Conditions: We remain opposed to the imposition of lifetime limits on access to public assistance benefits. This provision ignores the facts on how people in Alaska use welfare. The majority of AFDC recipients use welfare in times of crisis or transition - job loss, divorce, abandonment. The average time a recipient stays on AFDC is two years, or until the family is again able to support themselves. Imposing a lifetime limit will slam the door on families in crisis, and will ensure that some families with children will be left in poverty. This is a potentially costly measure, as poverty in childhood is associated with future costs to the state. One study done at MIT shows that for every dollar cut from public assistance

benefits, the state will eventually spend \$1.50 to \$1.90 in increased health care and lost productivity. Family poverty is also associated with school drop-out rates, family stress and domestic violence, all costly to our communities. We recommend that the Alaska Temporary Assistance Program include benefit limits similar to those found in the waiver side of the bill - a limit of 24 months during any five-year period. This would allow a family access to benefits in emergency situations, and would offer a real safety net in times of crisis.

Sec 23 - Delinquent Obligors Occupational License. We strongly support the inclusion of this provision as a progressive and necessary tool in the collection of child support payments. No comprehensive welfare reform proposal can be successful without recognition of the role of delinquent obligors. As Senator Green said on the floor of the senate, this provision has the potential to generate \$16 million in additional receipts of child support.

Sec 33 - Release of Confidential Records. We strongly oppose changes in law which will allow legislators access to the confidential records of public assistance recipients. We are unsure of which legislative functions might be served by this provision. Public assistance recipients have long enjoyed the same privacy rights as other Alaskan citizens. If its fraud legislators are concerned about, additional funds have just this year been allocated to fraud investigations - we've addressed the issue in an appropriate way, without violating the rights of our citizens. This provision can only work to undermine the self-esteem of recipients, at a time when we're attempting to promote self-sufficiency and independence. This is a misguided provision, and will only work against the programs goals.

Angela M. Salerno
1727 Wickersham Drive
Anchorage, AK 99507
563-4502

Alaska Native Coalition on Employment and Training

320 W. Willoughby Avenue, Suite 300

Juneau, AK 99801

(907)586-1432/Fax (907)586-8970

Aleutian-Pribilof
Island Association

Association of Village
Council Presidents

Bristol Bay Native
Association

Central Council
Tlingit & Haida
Indian Tribes Alaska

Cook Inlet
Tribal Council

Chugachmit

Kaweruk, Inc.

Kenaitze Indian Tribe

Kodiak Area
Native Association

Manilau Manpower

Metlakatla Indian
Community

Orutsaramut Native
Council

Tanana Chiefs
Conference, Inc.

ANCET Officers

Sharon Olsen, CCTHITA
Chairperson

Alexie Morris, AVCP
Vice Chairperson

Connie Hugue, KANA
Secretary

Ruthie Monroe, MM
Treasurer

April 29, 1996

House Finance Committee
Senate Finance Committee

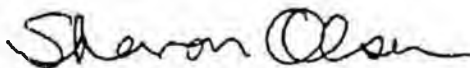
Once again we are writing to you requesting the State of Alaska match Tribal JOBS just as they match the State JOBS program. Every year we make this same request because we believe it is only fair our Tribal JOBS program participants, who are Alaska residents, receive the same privileges that other state residents receive through the State JOBS program. Alaska Natives make up 35% of the State's AFDC caseload for FY 96.

The majority of our tribal programs have received cuts in funding this year. Our Tribal JOBS has always been a small amount of money, i.e., Central Council receives \$119,000 to serve 21 communities in Southeast Alaska. Imagine trying to stretch funds enough to make something meaningful for a limited number of Alaska Natives on AFDC. Tribes have always been working to reduce welfare but can only do so much with limited funds.

It is even more critical now that the State of Alaska match Tribal JOBS. The State Administration supports a Tribal JOBS match for the obvious reason it costs more money to serve clients in rural communities, especially when you are faced with multiple barriers and limited resources. The cost of living in many of our villages is 2-6 times more than in urban areas.

Your support for a Tribal JOBS match is deeply appreciated.

Sincerely,



Sharon Olsen, Chairperson

Alaska Native Coalition on Employment & Training

Workforce Development Resource

Volume 2, Issue 23
April 22, 1996

Job training doubles welfare mothers' chances of escaping poverty, study finds

Efforts to reduce the public rolls will likely result in increased poverty for many single mothers and their children if employment opportunities are not reformed along with welfare, according to a recent report by the Institute for Women's Policy Research.

In the frenzy to move welfare recipients off the rolls through budget cuts, block grants, time limits, cries to "end welfare as we know it," and attempts to exclude children and young mothers from coverage, little attention has been paid to what works to help current welfare recipients find work and earn wages that help them escape poverty — a high school diploma, some job training, work experience, job availability and family support, the institute asserted in *Welfare That Works: The Working Lives of AFDC Recipients*.

The Women's Policy Research examined the factors that increase the likelihood that single mothers receiving Aid to Families with Dependent Children find paid self-sustaining employment and the factors that improve their prospects for obtaining better jobs.

The problem is not finding welfare mothers a job. Half of all single mothers who spend any time on welfare during a two-year period also work during that period, the study found. Forty-three percent of the women studied worked 300 hours or more. Another 7 percent of the welfare mothers included in the sample survey spent more time looking for work than actually working.

An additional 23 percent of the welfare mothers were not employed during the two-year period, but spent substantial time looking for work — eight out of the 24 study months.

The average job acquired by the welfare mothers lasted only 46 weeks. Working AFDC mothers held an average of 1.7 jobs during the two-year study period and spent an average of 16 weeks looking for work. The jobs provided health care only one-third of the months they did work.

On average, the jobs paid \$4.29 per hour, and for those who worked all two years of the study period, approximately half earned more at the end of the period than at the beginning, while half earned less.

Jobs tended to be in the lowest-wage women-dominated occupations — 37 percent worked as maids, cashiers, nursing aides, child care workers and waitresses. In contrast, 13 percent of all women work in those occupations.

Employers tended to be in the low-paying service industries, such as restaurants, bars, nursing homes, private households, hotels and motels, department stores, hospitals, and temporary help firms. These businesses employed two-fifths of the welfare mothers in the study compared to 19 percent of all women.

Disabilities prevent some mothers from being able to work and decreased their likelihood of employment substantially, from 20 percent to 3 percent, the study found.

The institute found that contrary to popular stereotypes, average state benefit levels, the amount of time spent looking for work, the mother's age, and the mother's welfare history were insignificant in distinguishing between those mothers who found paying jobs and those who did not.

Being African-American also had no significant value in predicting whether or not an AFDC mother found paid work, the research indicated.

The study findings point to methods that did work to increase earnings for AFDC mothers and increase the likelihood that their families can escape poverty.

Compared to a hypothetical woman similar to the one above, who has an 11 percent chance of escaping poverty when she does work, women who complete high school in-

See ESCAPING POVERTY, page 7

Post-It Fax Note 7871	
Done 5/1/96 for page 2	From DONNA SCOTT
To LOUISE CHARLES	On ICC
Com: TANANA CHIEFS	Phone 452-8251
Phone 907-586-8315	Fax #

Escaping poverty

Continued from page 1

crease their chances of escaping poverty nearly three times, to 31 percent, according to the 88-page study.

The majority of high school dropouts have service jobs, especially cleaning and food service; in contrast high school graduates are more likely to have administrative support jobs and skilled blue collar jobs. High school graduates are less likely to work part-time and make 20 percent higher wages than do dropouts.

Some job training more than doubles the chances of escaping poverty, raising the chance to 26 percent, the institute stated. Welfare mothers with job training are more likely to work at white collar jobs than those without such training, although the largest share of both groups work at service jobs. Those with job training are less likely to work at part-time jobs, 21 percent compared to 31 percent.

Although having more previous work experience increases a mother's chances of escaping poverty, it takes 10 years of work experience to raise her family's chances of escaping poverty by two-thirds, from 11 percent to 18 percent.

State unemployment rates — a measure of job availability — are also a powerful and significant predictor of welfare mothers' likelihood of escaping poverty. High state unemployment rates of 10 percent or more mean that these mothers are likely to have longer, unsuccessful job searches. The result is that their chances of rising above the poverty level is decreased by nearly half, from 11 percent to 6 percent.

The institute also found that regardless of the reasons for job loss, the more times the mother starts and stops working, the more likely she is to be poor.

The kinds of jobs that most welfare recipients can obtain are likely to be low-wage and unstable. On average mothers have over two transitions into and out of working during

the two-year study period. Those with greater job instability are less likely to escape poverty — 8 percent versus 11 percent.

Only 7 percent of the women in the study group obtained jobs covered by union contracts. For those who do, union coverage increases the chances of an AFDC recipient's having high enough income to bring her family out of poverty more than three times, from 11 percent to 39 percent.

The study also found that working AFDC mothers are better off when they live in states with higher AFDC benefits, raising their chances to escape poverty to 17 percent, when they receive non means-tested benefits, such as unemployment compensation, social security, or workers' compensation. These benefits more than double their chances of overcoming poverty to 26 percent.

The institute concluded its report by emphasizing the need for further education and training and a reformed low-wage labor market to give welfare mothers improved earnings and eventually move them off the public dole.

The data for the study were generated from the Bureau of the Census' Survey of Income and Program Participation (1984-1989), a nationally representative sample of individuals and families, and cover two years in the lives of single mothers receiving AFDC. The study sample includes 1,181 single mothers who received AFDC for at least two months out of 24 and who represent about 2.8 million, or 80 percent, of all adult AFDC recipients.

The study was conducted by Roberta Spalter-Roth, Beverly Barr, Heidi Hartmann and Lois Shaw and paid for by The Ford Foundation. The Institute for Women's Policy Research is a nonprofit research institute that examines public policy affecting women.

To purchase a copy of the study at \$19 each, contact the Institute for Women's Policy Research, 1400 20th St. NW, Suite 104, Washington, D.C. 20036, (202) 783-5100.

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Cook Inlet Tribal Council, Inc.



April 26, 1996

State of Alaska
Alaska State Legislature
Finance Committee Members
Juneau, AK. 99801

RE: Committee Substitute for Senate Bill 98

As the Tribal Grantee operating the Job Opportunities and Basic Skills Program for the Cook Inlet Region. While I commend the sponsor, the legal department and staffers who put in long hours to submit this bill. I have challenges in areas that include the following:

*Cyclical behaviors in numerous areas often reflect a lack of education, skills and knowledge. Lack of consideration for education, employment or training opportunities in this bill will adversely impact Tribal grantees statewide as well as state agencies operating the A.C. Work Programs. I would highly urge you to support the Governors FY '97 budget request as this does address funding for training and child care for Tribal Grantees, which is necessary to put people to work and achieve the purposes of the bill.


*The inclusion of a state match for Tribal Grantees is in the Governors FY '97 budget request. Some of the challenges that are outlined may be alleviated, especially in light of the fact that we will be charged with removing AK. Native clientele from the welfare roles. Tribal JOBS matching funds needs to be included to provide adequate equitable assistance to grantees in parallel pursuit of moving recipients toward independence, self-sufficiency and meaningful contributing citizens of society.

*Economic Development and job creation for AFDC recipients is an area that is lacking. Yes, the state and programs such as CITC's have been working hard to achieve success. But, recognition that those successes have been by hard work and grueling pursuit of establishing our agencies as viable resources for our clients. We need your assistance to help us help them, we are here doing our part, we need you to do yours!! Solutions include the need to mandate local hire, jobs that would alleviate the state's need for assistance by clients in those areas ready and willing to accept those jobs. How many millions of dollars leave this state. State laws could be a reflection of the state's commitment and your incentive to help Alaska's needy people of all races.

*The JOBS Programs have to and operate on a comprehensive basis and approach. We have established mutual MOA's and MOU's with school districts, higher education facilities, private learning facilities, Headstart programs the child care programs both CITC's as well as the Municipality's. Secondly, to assist our agency and agencies statewide in promoting Native American hire. CITC has operated a Tribal Employment Rights Office, with successes that number in the hundreds which has also included employing qualified AFDC recipients or integrating them into the apprenticeship opportunities.. We have been working hard to assist the State of Alaska in decreasing the client load. Without the Tribal JOBS Programs, the Alaska Native reciprocity, 33% of the cases statewide would see an increase in this ethnic group, due to our continued commitment to our people, we are proud of the accomplishments of our clients that have achieved success and reflected on the DOL roles as meaningful contributing tax paying members of society..

In light of the timeline to have welfare reform addressed in Alaska. I would highly urge the state to continue in its efforts to make Alaska a better place for all residents by collaboration efforts between the state agencies for seamless services. Secondly, by further developing the working relationships between agencies for the common goal of reducing AFDC reciprocity that will be equitable in urban as well as rural communities.

Respectfully submitted;


Betty Baricls, Coordinator, Development Services.

**JOBS Home Care Initiative
April 1996 Update**

Fairbanks class, September 17 - October 5, 1995

Eight of the nine village residents who graduated from the Certified Nurse Aide training class in Fairbanks are working for Tanana Chiefs Conference Home Care Services as personal care attendants. The ninth participant left a domestic violence situation after completing training and moved her children to Fairbanks. She is presently getting her family stabilized; TCC JOBS remains in contact with her and will help her find a job when she is ready. Five members of this training class are off AFDC. A sixth person's AFDC case appears likely to close in June when large 30 + 1/3 disregards end:

1. W. D., single mother of 4 children, has been off AFDC since November. She had been on and off AFDC for 9 1/2 years. W. is averaging nearly 40 hours of work per week. She lives in Tetlin.
2. J. N., single mother of 3 children, has been off AFDC since January. She had been on AFDC since 1984! She lives in Nulato.
3. J. S., single mother of one child, left AFDC in March. She works 20 hours per week for TCC and has another part time job at the village school. She had been on AFDC since 1989. She lives in Arctic Village.
4. I. H., single mother of one child, left AFDC in January. She had been on AFDC since March 1993. She lives in Grayling.
5. D. J., AFDC-UP recipient and mother of 3 children, was on AFDC for 7 months in 1995. The family now receives Transitional benefits. The case closed because D.'s husband began working more than 100 hours per month. D. works about 20 hours per week for TCC. The family lives in Northway.
6. C. S., AFDC-UP recipient and mother of 3 children, is averaging nearly 40 hours per week of employment. Her AFDC case will probably close in June. She lives in Northway.

Bethel class, November 26 - December 15, 1995

Of the nine AFDC recipients who completed the Bethel training class in December, all are still employed by Yukon Kuskokwim Health Corporation Home Care Services. Two are off AFDC and two others are pended because their recent earnings put them over-income:

1. E. J., single mother of 3 children, closed her AFDC and went onto transitional benefits at the end of March. She had been on and off AFDC for 11 years! She lives in Hooper Bay.
2. B. H., AFDC-UP recipient and mother of 3 children, has been off AFDC and on transitional benefits since February. She had been on AFDC for 4 years. B. lives in Alakanuk.

3. L. B.'s AFDC case is pended because the household was over-income for one month. L. is an AFDC-UP recipient and mother of two children. The family has been on AFDC for two years. They live in Hooper Bay.

4. S. G., single mother of two children, was over-income for AFDC in April. She works for YKHC and also for the Alzheimers Association as a respite care provider. S. has been on AFDC since 1989. She lives in Bethel.

As a result of this project, YKHC Home Care Services has been able to move a woman from a nursing home in Anchorage to a home in Bethel. YKHC is now able to offer enough home care services to meet her needs in Bethel.

Other results

Three AFDC recipients from Tununak, Nunapichuk and Napakiak completed CNA training in March 1996 in a class sponsored by JTPA in Bethel. They are working for YKHC. JTPA's willingness to provide training funds for this class was due in part to the successful recruitment and assesment methods developed by the JOBS Home Care Initiative project.

The JOBS Home Care Initiative sponsored five Tanana Chiefs Conference JOBS clients to attend a CNA training class at Fairbanks Memorial Hospital. They graduated on April 5, 1996. These AFDC recipients all live in Fairbanks. They are expected to find work easily. All five graduated at the upper end of the class, and there is a demand for Native CNAs in Fairbanks.

One of the improvements the project achieved with the Bethel group was linking the clients with eligibility workers in Bethel. This served as an introduction to case management for the Bethel office eligibility staff, and it has been a big help for the clients. The Eligibility Technician is focused on helping the clients transition to employment which is often a stressful process as they begin earning income and their benefit amounts change. With home health care, work hours often fluctuate – further complicating the family's financial situation. The Eligibility Technician in Bethel who is handling the cases of the JOBS Home Care Initiative participants is doing a wonderful job encouraging them and explaining clearly what is happening with their benefits. This supportive approach has worked out so well in Bethel that DPA recently established a similar arrangement with an eligibility worker in Fairbanks for the five AFDC recipients who recently completed CNA training there.

Planning is underway for a CNA training class in the fall for AFDC recipients in the Nome area. Norton Sound Health Corp. and Kawerak JOBS are working with the Division of Public Assistance to plan and carry out this class. Graduates will be employed by Norton Sound Health Corporation, working as personal care attendants in Nome and the villages in the region.

1900 Logans
Anchorage, AK 99508

107 272-3872
AK 237-8434

May 2, 1996

Good Morning Ladies and Gentlemen
of the Finance Committee,

Yesterday, a survey of just 50 people confirmed that two primary issues keep women in poverty. Lack of CHILD CARE and JOB TRAINING !!! Of course the third being ongoing medical care.

Often, HOPE had begun SELF ESTEEM was growing as many people actually started these programs ^{only} to be told that "We are sorry we are out of dollars, the need was so great!" With the rug pulled out again, for many fear, depression and often immobilization set in.

Well, we are actively working on changing these mind sets. We have created a space to "PROACTIVELY" work on these issues. We are "POWOWER - People on Welfare Working on Winning and Enhancing Welfare Reform."

It is all of "us" - communities, legislators, recipients, who can change attitudes and change the face of welfare in Alaska.

Show us you care and have listened, please fully fund the REQUIRED tools to facilitate ~~the~~ our movement out of the quagmire of poverty. We look to the future with your favorable response.

Hosanna LaHaie-Lee, A. Chave

Alaska Native Coalition on Employment and Training

320 W. Willoughby Avenue, Suite 300

Juneau, AK 99801

(907)586-1432/Fax (907)586-8970

Aleutian-Pribilof
Island Association

Association of Village
Council Presidents

Bristol Bay Native
Association

Central Council
Tlingit & Haida
Indian Tribes Alaska

Cook Inlet
Tribal Council

Chugachmit

Kawerak, Inc.

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Ruthie Monroe, MM
Treasurer

April 29, 1996

House Finance Committee
Senate Finance Committee

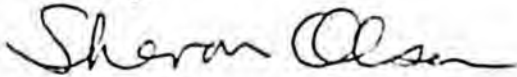
Once again we are writing to you requesting the State of Alaska match Tribal JOBS just as they match the State JOBS program. Every year we make this same request because we believe it is only fair our Tribal JOBS program participants, who are Alaska residents, receive the same privileges that other state residents receive through the State JOBS program. Alaska Natives make up 35% of the State's AFDC caseload for FY 96.

The majority of our tribal programs have received cuts in funding this year. Our Tribal JOBS has always been a small amount of money, i.e., Central Council receives \$119,000 to serve 21 communities in Southeast Alaska. Imagine trying to stretch funds enough to make something meaningful for a limited number of Alaska Natives on AFDC. Tribes have always been working to reduce welfare but can only do so much with limited funds.

It is even more critical now that the State of Alaska match Tribal JOBS. The State Administration supports a Tribal JOBS match for the obvious reason it costs more money to serve clients in rural communities, especially when you are faced with multiple barriers and limited resources. The cost of living in many of our villages is 2-6 times more than in urban areas.

Your support for a Tribal JOBS match is deeply appreciated.

Sincerely,



Sharon Olsen, Chairperson

Alaska Native Coalition on Employment & Training

Sec.	Page/Line	Provisions In HCSCSSB 98 (HESS)	In HB78	Comments
WAIVER PROVISIONS				
1	2/10	Sec. 47.25.301 WAIVER APPLICATION - requires dept. to implement workfare project in at least three areas of the state.	Y	Language is from HB 78, however SB 98 only requires one control group and at least three experimental groups.
		SECTION 47.25.302 EARNED INCOME DISREGARD; WAIVER OF 100 HOUR RULE; AUTO ALLOWANCE	Y	Language taken directly from HB 78
	3/10	(a) disregard \$200 & 1/3 of income when determining eligibility		Language taken directly from HB 78
	3/19	(b) exempt 2 parent families from 100 hour work rule		Language taken directly from HB 78
	3/22	(c) increase auto allowance from \$1,500 to \$5,000		Language taken directly from HB 78
	3/29	Sec. 47.25.303 WORKFARE - Requires individual to work 20 hours paid actively or perform community work activities for 21 hours.	Y	HB 78 only required participant to work 15 hours of paid activity, SB 98 increased amount to 20 hours.
	6/31	Sec. 47.25.309 DIVERSION PROGRAM - allows job ready individuals to apply for a lump-sum payment to help keep them off of long term assistance.	Y	Language from HB 78. Modified lump-sum amount to equal two months of what the family would otherwise be eligible for. ✓
2		Sec. 47.25.311 INELIGIBILITY FOR ASSISTANCE		
	8/17	(a) disqualifications for welfare fraud		HB 78 included a permanent ineligibility for fraud convictions ✓
	8/26	(b) ineligibility due to the transferring of assets		New provision added in Senate Finance ✓
	9/2	(c) job quit penalties		Gov's bill included job quit penalties ✓
	9/15	Sec. 47.25.315 ASSISTANCE TO MINORS WITH CHILDREN - (a) as a condition of eligibility minor parents must reside with an adult relative	Y	Language taken from SB 98, but also in HB 78 & Gov's bill ✓
	10/3	(b) requires department, where possible to pay assistance to adult relative.		
3	10/25	Sec. 47.25.320 (h) - modifies benefits based upon actual household expenses.		Expanded provision from Gov's bill to reduce benefits to families that pay little or no shelter costs. ✓
	11/11	Sec. 47.25.320 (l) - establishes a seasonal benefit reduction to 2 parent families.		Expanded provision from Gov's bill. Reduces benefits by 50% for months of July, August & Sept. for two parent families. ✓
4	11/21	Technical change		
5	11/28	Sec. 47.25.364 TIME LIMITS ON BENEFITS - limits benefits to 24 months in a consecutive 60 month period (with exemptions).	Y	HB 78 established a two year time limit to those participants of the workfare project and the JOBS program. ✓
6	12/31	Sec. 47.25.366 SCHOOL ATTENDANCE - requires minor parents, as a condition of eligibility to maintain adequate levels of school attendance.		Modified version of SB 98 (last year), also in Gov's bill. ✓
	13/12	COMPREHENSIVE REFORM PROVISIONS		
7		Sec. 47.25.005 establishes the ALASKA TEMPORARY ASSISTANCE PROGRAM		
	13/13	Sec. 47.27.005 DUTIES OF THE DEPARTMENT		
	14/8	Sec. 47.27.010 sets ELIGIBILITY STANDARDS for ATAP		
		Sec. 47.27.015 sets the DISQUALIFYING CONDITIONS for ATAP		
	14/17	(a)(1) a family may not receive assistance for more than 5 cumulative years	Y	5 year language is a modified version of HB 78 ✓
	15/3	(a)(2) a family is ineligible if determined to be fleeing to avoid prosecution.		New provision - out of federal welfare reform measure ✓
	15/7	(b) a family is ineligible for 120 months following conviction of fraudulently misrepresenting their state of residence.		New provision - out of federal welfare reform measure ✓

✓ Indicates cost saving provision

Sec.	Page/Line	Provisions in HCSCSSB 98 (HESS)	In HB 78	Comments
	15/13	(c) establishes ineligibility period for leaving employment without good cause.		Same language as in walver provision, sec. 2
	15/22	(d) establishes ineligibility periods for transferring of assets.		Same language as in walver provision, sec. 2
	15/29	(e) establishes ineligibility periods for other fraud cases.		Same language as in walver provision, sec. 2
	16/6	Sec. 47.27.020 sets the APPLICATION AND REQUIREMENTS FOR ASSTANCE		
	17/13	SEC. 47.27.025 FAMILY ASSISTANCE - (b) establishes benefit levels.		
	17/23	(c) establishes a seasonal benefit reduction to 2 parent families.		Same language as in walver provision, sec. 3
	17/31	(d) modifies benefits based upon actual household expenses.		Same language as in walver provision, sec. 3
	18/16	(e) permit dept. to use cash assistance as a wage subsidy.	Y	Similar provision in HB 78
	18/20	Sec. 47.27.026 DIVERSION PAYMENTS - allows job ready individuals to apply for a lump-sum payment to help keep them off of long-term assistance.	Y	Same language as in walver provision
	19/28	Sec. 47.27.027 - ASSISTANCE TO MINORS - (a) requires applicants under 18 to live under adult supervision.	Y	Same language as in walver provision
	20/12	(b) requires minor parents, as a condition of eligibility to maintain adequate levels of school attendance.		
	20/19	Sec. 47.27.030 FAMILY SELF-SUFFICIENCY PLAN - requires participants to develop and sign a Self-Sufficiency Plan.		From Gov's bill & was also in the U.S. Senate version of the federal welfare reform.
	21/15	Sec. 47.27.035 - PARTICIPATION IN WORK ACTIVITIES - requires ATAP recipients to participate in a work activity within two years or lose eligibility.		New provision added in Senate Finance. Place emphasis on work.
	22/23	Sec. 47.27.040 - ASSIGNMENT OF SUPPORT RIGHTS - requires participants to cooperate with the dept. of revenue in establishing paternity and assigns the dept. all rights to child support owed to the participant.		Existing state law.
	23/13	Sec. 47.27.045 - ALIENATION & ATTACHMENT - makes benefits non-transferrable and exempt from garnishment.		
	23/16	Sec. 47.27.050 - GRANTS & CONTRACTS FOR SERVICES - allows the dept to contract with or award grants to qualified entities in the state to administer an ATAP or a distinct part of the ATAP.		Language from Gov's bill.
	23/31	Sec. 47.27.055 - AGENCY COLLABORATION - requires the dept. to coordinate with other state agencies to provide benefits & services to eligible participants, including co-location of facilities to improve service delivery.		Language from Gov's bill.
	24/22	Sec. 47.27.060 - JOB DEVELOPMENT - allows the dept. to establish cooperative agreements with other agencies and private sector organizations to promote job development.		Language from Gov's bill.
	24/28	Sec. 47.27.065 requires FEDERAL-STATE COOPERATION of the dept. to implement public assistance block grants, & allows dept. to implement modifications not directly authorized, w/approval of Fed, Gov, commiss.		Similar to provision in existing law.
	25/6	Sec. 47.27.070 AK NATIVE ORGANIZATIONS - Allows the dept. to coordinate with AK Native organizations to develop similar & equal programs.		Language modified in Senate Finance to parallel federal reform.

Sec.	Page/Line	Provisions in HCSCSSB 98 (HESS)	In HB 78	Comments
	26/4	Sec. 47.27.075 - Establishes an EMERGENCY ACCOUNT within the with in the general fund subject to legislative appropriation.		Senate finance amended Gov's language to require legislative appropriation of funds, not commissioner's discretion.
	26/11	Sec. 47.27.080 - Allows for an APPEAL to dispute a determination by the dept. that denies, limits or modifies assistance for an applicant.		Similar to existing law.
	26/21	Sec. 47.27.085 SANCTIONS - (a) establishes penalties for applicants who fail to participate in work activities or self-sufficiency plan.		Modified version of Gov's language ✓
		(b) establishes penalties for applicants who fail to cooperate with the establishment of paternity.		Requirement of federal reform ✓
		(c) allows dept. to recover costs of benefits paid to participants not entitled to them.		Parallel to existing law. ✓
	27/20	Sec. 47.27.900 - Sets the DEFINITIONS		
	28/17	Sec. 47.27.990 SHORT TITLE		
8	28/19	Amends AS 15.07.055(a) to designate ATAP a voter registration agency.		Technical change
9	28/31	Amends AS 23.10.055 (AK Wage & Hour Act) to exempt unpaid ATAP work program participants from minimum wage standards.		Gov's language
10	29/6	Sec. 23.40.075 ITEMS NOT SUBJECT TO BARGAINING - establishes the authority of the dept. to assign participants to a work activity as not subject to bargaining.		Gov's language
11	29/19	Amends AS 25.20.050(f) to change assistance to aid, & AFDC to ATAP		Technical change
12	29/27	Sec. 25.27.025 RATE OF INTEREST - reduces interest rate on CSED arrears at 6%		Senate Finance Committee amendment added this provision.
13	30/1	Amends AS 25.57.040(a) to change assistance to aid, & AFDC to ATAP		Technical change
14	30/11	AS 25.27.065(b) changes references from AFDC to ATAP		Technical change
15 - 21	30/17-31/25	Technical - changes references from AFDC to new programs		
22	31/26	Sec. 25.27.195 RELIEF FROM ADMINISTRATIVE ORDER - Allows CSED to administratively vacate an order based upon a default amount upon the motion of an obligor.		New provision - modified version of CSED's request, added in Senate Finance Committee.
23	32/13-38/23	Sec. 25.27.244 ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S OCCUPATIONAL LICENSE - Section takes effect only when mandated by fed. gov., sunsets in 2 yrs.	Y	Language was taken from HB 78. (S) FIN amended exemptions ✓
	38/24-43/1	Sec. 25.27.246 ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S DRIVERS LICENSE - Section takes effect only when mandated by fed. gov., sunsets in 2 yrs.	Y	Language was taken from HB 78. ✓
24	43/2	Sec. 36.30.850 (b)(11) Technical change removing reference to AFDC		
25	43/6	Amends AS 39.25.110 to add ATAP as an exemption from the State Personnel Act.		Gov's language
26	43/10	Amends AS 44.19.626 - add work activities to list of activities the AK Human Resource Investment Council can coordinate in the state.		
27	43/16	Amends AS 44.29.020(a) to add ATAP to the duties of the Department of Health & Social Services, in place of AFDC.		Technical change
28	44/3	Amends Section 44.47.280, directing the department to determine eligibility for day care asst. based on income, not net income, of sources.		Conform Alaska statutes with federal reform.

Sec.	Page/Line	Provisions In HCSCSSB 98 (HESS)	In HB 78	Comments
29	44/15	Conform statutes with AFDC language to ATAP.		
30	44/20	Conforms statutes with AFDC language to ATAP, or federal successor.		
31	44/25	Conforms statutes with AFDC language to ATAP, or federal successor.		
32	44/30	Sec. 47.05.010 Adds an additional general authority to dept. to reduce the number of out-of-wedlock pregnancies in the state.		Federal reform measure provides incentives (increased grants) for states meeting goals.
33	45/3	Sec. 47.05.020 REGULATIONS TO PROTECT CONFIDENTIAL PUBLIC ASSISTANCE RECORDS - requires dept. to write regulations concerning the disclosure of information to a legislator.		Added in Senate Finance
34	45/23	Sec. 47.05.030 MISUSE OF PUBLIC ASSISTANCE LISTS AND RECORDS - Technical change to reference exemption of (b) in Sec. 35.		
35	46/4	Sec. 47.05.030(b) MISUSE OF PUBLIC ASSISTANCE LISTS AND RECORDS - Allows financial information concerning an eligibility determination of a day care assistance or ATAP applicant or recipient to be disclosed to a legislator.		Amended in Senate Finance to exclude legislators as a misuse of information.
36	46/14	Sec. 47.05.032 DISCLOSURES TO LEGISLATORS - states a legislator is not subject penalties for the disclosure of information unless notification was given as to the confidentiality of that information.		New Section added in Senate Finance.
37	46/20	Technical change		
38-43	46/27-47/27	References the successor to the AFDC program		
44	47/28	Amends Court Rule 90.3 authorizing the courts to calculate income from the natural or adoptive parent of the minor parent when determining the order.	Y	Modified version of HB 78. Senate Finance set limit on order and gave courts discretion of waiving obligation.
45	48/13	Repeals Sec. 23 (CSED Provisions) of this act 2 years after the effective date of act.		Added in Senate Finance
46	48/14	Repeals AS 43.05.225(2)(B) establishing a 12% interest rate for CSED arrears.		
47	48/15	Repeals AS 47.25.310(c) prohibiting the dept. from requiring a minor to reside in a particular type of household or institutional setting.		Conforming amendment to changes made to AS 47.25.315 & 47.27.027.
48	48/16	Repeals Workfare and Diversion Projects in 2003.		
49	48/18	Repeals AFDC and JOBS statutes the day Congressional reform is enacted.		
50	48/22	Amends Court Rule 90.3(h)(2) allowing retroactive modification of child support arrearages when the order was based upon a default amount rather than the obligor's ability to pay.		Authorizes change in section 22 of this act.
51	48/51	States that the Court Rule changes in Sec. 22, 44, and 50 of this act take effect with a majority of the membership of each house.		
52	48/30	Directs the dept. to apply to the federal government for waivers to implement sec. 1, or any part of secs. 2 - 6 or 47 of this act.		
53	49/4	Requires CSED to issue a report to the Governor based on data collected by licensing entities.		
54	49/31	REDETERMINATION OF ASSISTANCE LEVELS - Directs the dept. to submit a study to		New provision added in Senate Finance. ✓

Sec.	Page/Line	Provisions in HCSCSSB 98 (HESS)	In HB 78	Comments
		the Legislature on the first day of the 21st Alaska State Legislature regarding the benefit levels in Alaska. If no action is taken by the Legislature to adjust the benefit levels the benefit levels will be reduced by the percentage of increased GF allocated in FY 99 over FY 97.		
55	50/13	TRANSITION - Allows the dept. to begin developing regulations for implementation of the provisions in this act.		
56	51/3	APPLICABILITY - Limits ineligibility to disqualifications imposed on or after the effective date of those sections.		
57	51/14	Establishes an immediate effective date for secs. 1, 52, 55(a) & (b), and 56		
58	51/16	Establishes Oct. 1, 1996 as the effective date for secs. 12,22,44,46,50,51,55(c) and 55(d).		
59	51/18	Establishes Oct. 1, 1996 or the date of Congressional reform as the effective date of secs. 7-11, 13-21, 24-43, and 49 of this act.		
60	51/25	Establishes an effective date for the waiver provisions in this act as the day the federal government approves such a waiver.		
61	51/31	Establishes an effective date for secs. 23 & 53 (CSED Provisions) on the day federal law requires the state to have such provisions.		
62	52/3	Establishes an effective date for sec. 45 as 2 years after the effective date of sec. 57		
63	52/5	Requires the Commissioner of H & SS to notify the revisor of statutes and the lieutenant governor as to the effective date of sections covered under sec. 60		
64	52/11	Establishes July 1, 2003 or the effective date of sec. 59 as the effective date of sec. 48 of this act.		

MEMORANDUM

TO: House Finance Committee members
FROM: Representative Kay Brown
DATE: May 1, 1996
RE: HCS CSSB 98(HES)

Alaska unemployment rates 1986 - 1995
Source: Alaska Dept. of Labor

<u>Year</u>	<u>% unemployed</u>	<u># unemployed</u>	
1986	10.8	28,000	
1987	10.8	27,000	
1988	9.3	23,000	
1989	6.7	17,000	
1990	6.9	18,000	
1991	8.5	23,000	
1992	9.1	26,000	2% higher than 1990
1993	7.7	22,989	
1994	7.8	23,672	
1995	7.3	22,114	

CHILD SUPPORT PROVISIONS IN CSSB98(Fin)

Suspension/Revocation of Occupational and Driver's Licenses

- ▶ 32 states already have occupational and/or driver's license suspension/revocation laws.
- ▶ State legislation is required in all versions of federal welfare reform legislation.
- ▶ Occupational/driver's licensing provisions in CSSB98(FIN) will go into effect only upon the effective date of federal legislation and will sunset two years after the effective date of the state legislation.
- ▶ During a two year period, this legislation will increase collections by approximately 25%. The State is estimated to receive an additional \$3,934.8 in AFDC reimbursements and custodial families may receive up to \$16 million in additional child support. The State will receive a 10:1 return on an investment of \$391.9.
- ▶ Obligors must be in substantial compliance to avoid any adverse action. Substantial compliance is defined as being no more than four months in arrears on a support order or a payment plan.
- ▶ DMV will issue the driver's license and will notify the obligor that suspension will occur in 150 days unless the obligor works with CSED to establish a payment plan or come into compliance with the support order.
- ▶ The Division of Occupational Licenses will issue a temporary license for 150 days and will notify the obligor that the permanent license will not be issued unless the obligor works with CSED to establish a payment plan or come into compliance with the support order.
- ▶ The obligor is sent warning letters prior to any revocation action. The obligor has the right to a judicial review .

Reduction in Interest Rate

- ▶ Late payments will accrue 6% simple interest. Existing interest rate is 12%.

Relief from Administrative Order

- ▶ CSED will be able to correct clerical mistakes and errors on the part of CSED when establishing a child support order.
- ▶ CSED will be able to vacate an order which was based upon a default amount. CSED will then establish a new order, with arrears that reflect the true income of the obligor which existed during the time period of the default.

(OVER)

Relief from Administrative Orders (continued)

- ▶ CSED will be able to "clean up" some of the 4,400 default cases, representing \$108 million in arrears
- ▶ Only the obligor can apply for a vacated and reestablished order in default cases.
- ▶ Both the custodian and the non-custodial parent will receive notification of a proposed action. The custodial parent will have the opportunity to contest the action.

Grandparent Liability

- ▶ Both maternal and paternal grandparents of teen parents will share the responsibility of support for the grandchild.
- ▶ A child support order for grandparents will be based upon a proportionate share of the costs of raising the grandchild, but would not exceed the amounts allowed under Civil Rule 90.3.
- ▶ A grandparent is defined as the natural or adoptive parent of the minor child.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

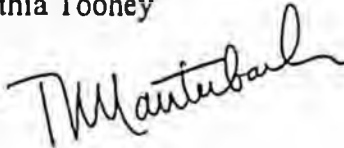
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

April 27, 1996

SUBJECT: Overinclusive Title in Welfare Reform Bill (CSSB 98(RLS))

TO: Representative Cynthia Toohey

FROM: Terri Lauterbach
Legislative Counsel 

I need to bring to your attention a flaw in CSSB 98(RLS) that could be fixed in your committee.

The flaw is an overinclusive bill title. It includes a reference to a matter that is not contained in the body of the bill itself. The extra words are on page 2, lines 3 - 4: "**day care assistance and.**" There was at one time a version of SB 98 that included a provision relating to disclosure of information relating to day care assistance, but that provision is no longer in the bill, so this part of the bill title is inaccurate. If the flaw is not fixed, there is some risk that a challenge to the validity of the bill could be made in court because the constitution requires that the subject of the bill be expressed in its title. (Art. II, sec. 13, Constitution of the State of Alaska) I cannot say with certainty that such a challenge would be successful in this particular case, but, given the sensitivities surrounding this bill and its wide impact on citizens of the state, any flaw could be seized upon with attendant litigation costs and potential delays.

You have two options for correcting the flaw: amend the title to take out the extra words ("**day care assistance and**") or amend the bill so that the title becomes accurate.

The first option would not require a two-thirds majority because it would be a technical correction to make the bill title match its contents. However, if you choose this option, every time the bill was read or printed on a calendar in the future, it would be noted that there was a new title. Again, given the sensitivities surrounding this bill, the notation of having a new title might be a controversy you want to avoid so that suspicions are not unnecessarily aroused as to what other changes in the title or the body of the bill might have been made.

The second option, which avoids the title change controversy, would be to make a nonsubstantive "clarifying" amendment that would make the title accurate. Such an amendment could be the following:

Representative Cynthia Toohey

April 27, 1996

Page 2

Page 45, line 27:

Delete "authorized"

Insert "administered through the Department of Community and
Regional Affairs [AUTHORIZED]"

Please let me know if you have further questions about this matter or if you want a more formal amendment drafted.

TML:pl

96-139.plm

(7)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 26, 1996

FURTHER REFERRALS:

Finance
Majority Leader's Desk

Date of Committee Action: 4/27/96

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

CSSB 98(RLS)

CS FOR SENATE BILL NO. 98(RLS)

PERSONAL RESPONSIBILITY ACT

"An Act making changes related to the aid to families with dependent children program (AFDC); relating to the duties of the Department of Health and Social Services; establishing a workfare pilot project for AFDC recipients; establishing a diversion program for AFDC applicants; directing the Department of Health and Social Services to seek waivers of applicable federal laws; establishing and relating to the Alaska temporary assistance program and repealing the AFDC and job opportunity and basic skills programs upon the establishment of federal welfare reform; relating to work activities required under the Alaska temporary assistance program; authorizing qualified entities to contract with the state to administer all or part of the Alaska temporary assistance program; relating to child support; relating to certain licenses and applications for a license for persons who are not in substantial compliance with orders, judgments, or payment schedules for child support; relating to an exemption to the State Procurement Code for certain services and contracts under the Alaska temporary assistance program; relating to disclosure of information that relates to day care assistance and the Alaska temporary assistance program; relating to eligibility for day care benefits administered by the Department of Community and Regional Affairs; amending Rule 90.3(c) and (h)(2), Alaska Rules of Civil Procedure; and providing for an effective date."

recommends it be replaced

with the following committee substitute

HCS CSSB 98 (HES)

the same title
 a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) _____

fiscal note(s) Revenue/4-22-96, Educ. 4/22/96, Labor/4/22/96, Pub Saf 4/22/96, CED, F+G, H+SS 4/22/96

zero fiscal note(s) _____

zero fiscal note(s) Labor/4-22-96
H+SS/4-22-96

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i>				<input checked="" type="checkbox"/>
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>				<input checked="" type="checkbox"/>

CHAIR'S SIGNATURE

[Signature]

SB 98

The Finance Committee considered SENATE BILL NO. 98 An Act making changes related to the aid to families with dependent children program, the Medicaid program, the general relief assistance program, and the adult public assistance program; directing the Department of Health and Social Services to apply to the federal government for waivers to implement the changes where necessary; relating to eligibility for permanent fund dividends of certain individuals who receive state assistance, to notice requirements applicable to the dividend program; and providing for an effective date and recommended it be replaced with

SB 98

CS FOR SENATE BILL NO. 98 (FIN), entitled:

An Act making changes related to the aid to families with dependent children program (AFDC); relating to the duties of the Department of Health and Social Services; establishing a workfare pilot project for AFDC recipients; establishing a diversion program for AFDC applicants; directing the Department of Health and Social Services to seek waivers of applicable federal laws; establishing and relating to the Alaska temporary assistance program and repealing the AFDC and job opportunity and basic skills programs upon the establishment of federal welfare reform; relating to work activities required under the Alaska temporary assistance program; authorizing qualified entities to contract with the state to administer all or part of the Alaska temporary assistance program; relating to child support relating to certain licenses and applications for a license for persons who are not in substantial compliance with orders, judgments, or payment schedules for child support; relating to an exemption to the State Procurement Code for certain services and contracts under the Alaska temporary assistance program; relating to disclosure of information that relates to day care assistance and the Alaska temporary assistance program; relating to eligibility for day care benefits administered by the Department of Community and Regional Affairs; amending Rule 90.3(c) and (h) (2), Alaska Rules of Civil Procedure; and providing for an effective date.

Signing do pass: Senators Frank, Halford, Coauthors, Senators Rieger, Sharp. Signing do pass, if amended: Senator Phillips. Signing no recommendation: Senators Zharoff, Donley.

Fiscal notes for the committee substitute published today from Department of Revenue, Department of Education, Department of Labor (2), Department of Public Safety, Department of Commerce and Economic Development (3), Department of Fish and Game, Commercial Fisheries (Limited) Entry Commission. Zero fiscal note for the committee substitute published today from Department of Labor.

Fiscal notes for the committee substitute for the waiver approach published today from Department of Health and Social Services (7). Zero fiscal note for the committee substitute for the waiver approach published today from Department of Health and Social Services.

Fiscal notes for the committee substitute for the comprehensive approach published today from Department of Health and Social Services (6). Zero fiscal note for the committee substitute for the comprehensive approach published today from Department of Health and Social Services.

The bill was referred to the Rules Committee.

HCS CSSB 98(HES)
COST/SAVINGS ANALYSIS
COMPREHENSIVE TRACK
Department of Health and Social Services
Prepared 4/29/96

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
AFDC Policy Provisions	\$ (240.4)	\$ (5,057.1)	\$ (9,994.9)	\$ (11,692.7)	\$ (11,892.8)	\$ (11,990.4)	\$ (50,868.3)
PA Administration	\$ 245.5	\$ 465.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 2,213.0
PA Data Processing	\$ 543.0	\$ 543.0	\$ 543.0	\$ 543.0	\$ 543.0	\$ 543.0	\$ 3,258.0
Family and Youth Services	\$ 66.6	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 367.6
Total Operating	\$ 614.7	\$ (3,988.4)	\$ (9,016.2)	\$ (10,714.0)	\$ (10,914.1)	\$ (11,011.7)	\$ (45,029.7)
Less Federal Receipts	\$ 167.9	\$ (1,973.9)	\$ (4,260.7)	\$ (5,031.5)	\$ (5,122.3)	\$ (5,166.6)	\$ (21,387.1)
Less I/A Receipts (PFD Hold Harmless)	\$ (22.1)	\$ (465.3)	\$ (919.5)	\$ (1,075.7)	\$ (1,094.1)	\$ (1,103.1)	\$ (4,679.8)
Net GF/GF Match	\$ 468.9	\$ (1,549.2)	\$ (3,836.0)	\$ (4,606.8)	\$ (4,697.7)	\$ (4,742.0)	\$ (18,962.8)
Less GF Program Receipts (Savings from Child Support Collections)	\$ 1,022.6	\$ 2,269.4	\$ 642.8	\$ -	\$ -	\$ -	\$ 3,934.8
Net GF/GF Match Budget Impact	\$ (553.7)	\$ (3,818.6)	\$ (4,478.8)	\$ (4,606.8)	\$ (4,697.7)	\$ (4,742.0)	\$ (22,897.6)

FEDERAL RECEIPTS	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
AFDC Policy Provisions	\$ (109.1)	\$ (2,295.9)	\$ (4,537.7)	\$ (5,308.5)	\$ (5,399.3)	\$ (5,443.6)	\$ (23,094.1)
PA Administration	\$ 32.7	\$ 77.7	\$ 32.7	\$ 32.7	\$ 32.7	\$ 32.7	\$ 241.2
PA Data Processing	\$ 244.3	\$ 244.3	\$ 244.3	\$ 244.3	\$ 244.3	\$ 244.3	\$ 1,465.8
Total Federal Receipts	\$ 167.9	\$ (1,973.9)	\$ (4,260.7)	\$ (5,031.5)	\$ (5,122.3)	\$ (5,166.6)	\$ (21,387.1)

HCS CSSB 98(HES)
All Agency - Comprehensive Track
Department of Health and Social Services
 Prepared 4/29/96

Occupational & Driver's Licensing

Expenditures:	FY97	FY98	FY99	FY00	FY01	FY02	TOTAL
Commerce & Economic Dev.	\$ 138.6	\$ 122.7	\$ 26.6	\$ -	\$ -	\$ -	\$ 287.9
Education	\$ 16.4	\$ 17.8	\$ 4.4	\$ -	\$ -	\$ -	\$ 38.6
Labor	\$ 108.8	\$ 78.1	\$ 40.8	\$ -	\$ -	\$ -	\$ 227.7
Health & Social Services	\$ 11.4	\$ 1.4	\$ 1.4	\$ -	\$ -	\$ -	\$ 14.2
Public Safety	\$ 159.7	\$ 85.9	\$ 20.8	\$ -	\$ -	\$ -	\$ 266.4
Fish & Game	\$ 131.6	\$ 94.3	\$ 40.3	\$ -	\$ -	\$ -	\$ 266.2
Revenue	\$ 710.2	\$ 818.9	\$ 169.4	\$ -	\$ -	\$ -	\$ 1,698.5
Gross Project Costs	\$ 1,276.7	\$ 1,219.1	\$ 303.7	\$ -	\$ -	\$ -	\$ 2,799.5
Less Federal Receipts for Project Costs	\$ (842.6)	\$ (804.6)	\$ (200.4)	\$ -	\$ -	\$ -	\$ (1,847.6)
Less Federal Incentive Payments	\$ (255.3)	\$ (243.8)	\$ (60.7)	\$ -	\$ -	\$ -	\$ (559.8)
Net GF/GF Match Project Costs	\$ 178.8	\$ 170.7	\$ 42.6	\$ -	\$ -	\$ -	\$ 392.1

DHSS Family Assistance Program
Operating Expenditures:

AFDC/ATAP Payments	\$ (240.4)	\$ (5,057.1)	\$ (9,994.9)	\$ (11,692.7)	\$ (11,892.8)	\$ (11,990.4)	\$ (50,868.3)
PA Admin	\$ 245.5	\$ 465.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 2,213.0
PA Data Processing	\$ 543.0	\$ 543.0	\$ 543.0	\$ 543.0	\$ 543.0	\$ 543.0	\$ 3,258.0
Teen Parent Investigations (DFYS)	\$ 66.6	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 60.2	\$ 367.6
Gross Project Costs	\$ 614.7	\$ (3,988.4)	\$ (9,016.2)	\$ (10,714.0)	\$ (10,914.1)	\$ (11,011.7)	\$ (45,029.7)
Federal Receipts	\$ 167.9	\$ (1,973.9)	\$ (4,260.7)	\$ (5,031.5)	\$ (5,122.3)	\$ (5,166.6)	\$ (21,387.1)
PFD Hold Harmless Savings	\$ (22.1)	\$ (465.3)	\$ (919.5)	\$ (1,075.7)	\$ (1,094.1)	\$ (1,103.1)	\$ (4,679.8)
GF/Program Receipts (Savings from Child Support Collections)	\$ 1,022.6	\$ 2,269.4	\$ 642.8	\$ -	\$ -	\$ -	\$ 3,934.8
Net GF/GF Match Budget Impact	\$ (553.7)	\$ (3,818.6)	\$ (4,478.8)	\$ (4,606.8)	\$ (4,697.7)	\$ (4,742.0)	\$ (22,897.6)

Gross (Federal & GF) Project Costs/Savings:

Occupational Lic Gross Costs/Savings	\$ 1,276.7	\$ 1,219.1	\$ 303.7	\$ -	\$ -	\$ -	\$ 2,799.5
DHSS Gross Costs/Savings	\$ 614.7	\$ (3,988.4)	\$ (9,016.2)	\$ (10,714.0)	\$ (10,914.1)	\$ (11,011.7)	\$ (45,029.7)
Total Gross Project Costs/Savings	\$ 1,891.4	\$ (2,769.3)	\$ (8,712.5)	\$ (10,714.0)	\$ (10,914.1)	\$ (11,011.7)	\$ (42,230.2)

NET (GF) Project Costs/Savings:

Occupational Lic Net Costs/Savings	\$ 178.8	\$ 170.7	\$ 42.6	\$ -	\$ -	\$ -	\$ 392.1
DHSS Net Costs/Savings	\$ (553.7)	\$ (3,818.6)	\$ (4,478.8)	\$ (4,606.8)	\$ (4,697.7)	\$ (4,742.0)	\$ (22,897.6)
Total Net GF Project Cost/Savings	\$ (374.9)	\$ (3,647.9)	\$ (4,436.2)	\$ (4,606.8)	\$ (4,697.7)	\$ (4,742.0)	\$ (22,505.5)

ALASKA FEDERATION OF NATIVES, INC.

1577 C Street, Suite 201, Anchorage, Alaska 99501
907-274-3611 - Fax 907-276-7989

April 29, 1996

Rep. Richard Foster
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Dear Rep. Foster:

This letter is to support changes as recommended by the Tanana Chiefs Conference to the most recent welfare reform bill - CS SB 98 RLS - and which is scheduled for consideration by the House Finance Committee.

First, and as you probably already know, about 40-percent of those who are dependent upon welfare in the state are Alaska Natives. According to Alaska Department of Health and Social Services statistics, the majority of that number are on AFDC, or Aid-to-Families With Dependent Children.

CS SB 98 RLS, which is offered as a compromise between the Knowles administration and the Republican majority, has some good points, but it does not bode well for Natives in other areas. For example, we have long supported and have been satisfied with certain state-tribal agreements that allow Native groups and Native people to play an essential part in the administration of state programs.

Those agreements, such as co-management of fish and wildlife now in affect in some areas of Alaska, contain plain language that makes these relationships not only possible, but workable as well. In light of these long-standing precedents, any welfare reform effort should allow the State of Alaska to have Native groups manage welfare programs in a manner that is most desirable to them.



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In order to do that, however, language currently in CS SB 98 RLS will have to be changed, with the word, "may" deleted, and the word "shall" inserted, (SEC. 47.27.070 ALASKA NATIVE ORGANIZATION'S FAMILY ASSISTANCE PROGRAMS (a), and (b).

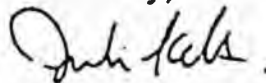
It must also be pointed out that federal legislation allowing Native groups to manage welfare funds and allowing for the use of state matching grants, clearly say that the State of Alaska "shall" allow Native groups to manage and administer State/Federal welfare programs as designed by them.

On another matter, we also urge you to consider language that will serve to provide consistent assistance to Native people in the villages, and elsewhere. Cutting welfare payments in half for the months of July, August, and September assumes that there are jobs that will take up the slack. Rural Alaska does not now have the economic foundation, nor does it have the jobs, to allow more cuts than those already being considered. A 50-percent reduction, slated to occur just before school starts, will only serve to cause undue hardship.

As to the clause that would require grandparents to pay child support for the offspring of their children who are under 18, we recommend that grandparents who have adopted their grandchildren, through tribal or state courts, be exempted. Our elders, who for the most part live on fixed incomes such as Social Security, and perhaps in some cases, small retirement pensions, already bear enough of a burden.

I urge the House Finance Committee to make these and other changes as recommended by the Tanana Chiefs Conference. Thank you for your time and attention.

Sincerely,



Julie Kitka, President

cc: Governor Tony Knowles
DHSS Commissioner Karen Perdue
Will Mayo, President, TCC
AFN Human Resources Committee

amendment pg 9

HOUSE CS FOR CS FOR SENATE BILL NO. 98(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/29/96

Referred: Finance, Majority Leader's Desk

Sponsor(s): SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act making changes related to the aid to families with dependent children
2 program (AFDC); relating to the duties of the Department of Health and Social
3 Services; establishing a workfare pilot project for AFDC recipients; establishing
4 a diversion program for AFDC applicants; directing the Department of Health
5 and Social Services to seek waivers of applicable federal laws; establishing and
6 relating to the Alaska temporary assistance program and repealing the AFDC
7 and job opportunity and basic skills programs upon the establishment of federal
8 welfare reform; relating to work activities required under the Alaska temporary
9 assistance program; authorizing qualified entities to contract with the state to
10 administer all or part of the Alaska temporary assistance program; relating to
11 child support; relating to certain licenses and applications for a license for
12 persons who are not in substantial compliance with orders, judgments, or

1 payment schedules for child support; relating to an exemption to the State
2 Procurement Code for certain services and contracts under the Alaska temporary
3 assistance program; relating to disclosure of information that relates to day care
4 assistance and the Alaska temporary assistance program; relating to eligibility
5 for day care benefits administered by the Department of Community and
6 Regional Affairs; amending Rule 90.3(c) and (h)(2), Alaska Rules of Civil
7 Procedure; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 47.25 is amended by adding new sections to read:

10 ARTICLE 1A. AFDC WORKFARE PROJECT.

11 Sec. 47.25.301. WAIVER APPLICATION FOR PROJECT. (a) The
12 Department of Health and Social Services shall seek appropriate waivers from the
13 federal government to implement the AFDC demonstration project described in
14 AS 47.25.301 - 47.25.308. To the extent that the federal government approves the
15 necessary waivers, the department shall implement the project. The purposes of the
16 project are to promote personal responsibility and self-sufficiency.

17 (b) At a minimum, the department shall implement AS 47.25.303 so that there
18 are experimental groups in at least three different areas of the state, with at least one
19 experimental group in a municipality with a population over 25,000, one in a
20 municipality with a population between 5,000 and 25,000, and one in a municipality
21 or community with a population under 5,000. The department shall implement
22 AS 47.25.303 with the minimum number of control groups that are required by the
23 federal government for approval of the waivers applied for under this section.

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

27 (1) apply for and implement only the waivers that relate to the parts of
28 the project that are not substantially affected by the changes in federal statutes or

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whichever is less.

(c) A family is not eligible for assistance for the following time periods after the day on which the adult applicant or a custodial parent in the family, without good cause, refused to accept, or separated from, suitable employment and that refusal or separation caused the family's need for assistance:

- (1) one month for the first refusal or separation without good cause;
- (2) six months for the second refusal or separation without good cause;

and

- (3) 12 months for the third and subsequent refusal or separation without good cause.

(d) The department shall implement this section only to the extent that implementation is not prohibited under federal law. To the extent that this section may be implemented under federal law or under a waiver approved under federal law, its provisions supersede inconsistent provisions of AS 47.25.310 - 47.25.420.

Sec. 47.25.315. ASSISTANCE TO MINORS WITH CHILDREN. (a) Except as provided in (c) of this section, the department shall require, as a condition of eligibility for assistance, that a minor parent must reside in a

- (1) place of residence maintained by the minor's parent, legal guardian, or other adult relative of the minor as the parent's, guardian's, or other adult relative's own home; or

- (2) foster home, maternity home, or other adult-supervised supportive living arrangement; however, the minor may satisfy the condition of eligibility imposed by this subsection by residing in a foster home, maternity home, or other adult-supervised supportive living arrangement only if

(A) the minor parent does not have a parent, legal guardian, or other adult relative who is living and whose whereabouts are known;

(B) there is no living parent, legal guardian, or adult relative of the minor parent who will allow the minor to live in the home of the parent, legal guardian, or adult relative; or

(C) the department determines that the physical ^{failed} (or emotional health or safety of the minor parent or the minor's child would be jeopardized

1 if the minor and the minor's child lived in the same residence with any of the
2 minor's parents, legal guardian, or other adult relatives.

3 (b) Notwithstanding AS 47.25.360, the department shall, where possible, pay
4 assistance on behalf of a minor parent who is subject to the requirements of (a) of this
5 section to the minor's parent, legal guardian, or other adult relative, or, as applicable,
6 to the head of the adult-supervised supportive living arrangement where the minor
7 parent resides.

8 (c) The provisions of (a) of this section do not apply if

9 (1) the minor parent lived apart from the minor's parent or legal
10 guardian for either one year before the birth of the dependent child or one year before
11 the minor parent submitted the application for assistance; or

12 (2) the department otherwise determines under regulations that there is
13 good cause for waiving the requirements of (a) of this section in the case of a
14 particular minor parent.

15 (d) In this section, "minor parent" means a person who is under the age of 18,
16 who has never married, and is either

17 (1) the natural parent of a dependent child living in the same
18 household; or

19 (2) eligible for assistance as a pregnant woman.

20 (e) The department shall implement this section only to the extent that
21 implementation is not prohibited under federal law. To the extent that this section may
22 be implemented under federal law or under a waiver approved under federal law, its
23 provisions supersede inconsistent provisions of AS 47.25.310 - 47.25.420.

24 * Sec. 3. AS 47.25.320 is amended by adding new subsections to read:

25 (h) To the extent allowed under federal law or under a waiver approved under
26 federal law, the department shall reduce the shelter allowance used under AS 47.25.310
27 - 47.25.420 for a family whose shelter costs are lower than the standard shelter
28 allowance used by the department for similar families. The shelter allowance for a
29 family whose costs are below the standard allowance shall be an amount equal to the
30 family's actual verified shelter costs. In this subsection,

31 (1) "shelter allowance" means the portion of the benefit under



NATIONAL ASSOCIATION OF SOCIAL WORKERS ALASKA CHAPTER

Executive Director
Angela M. Salerno, ACSW

April 30, 1996

Testimony to House Finance Committee
CS for CSSB98 (HESS)

From: Angela M. Salerno, Executive Director, National Association of Social Workers Alaska Chapter

Chairman Hanley, members of the committee:

We commend Senator Lyda Green, the House and Senate Majority and the Department of Health and Social Services for their willingness and success in working together on this bill. They're making it possible for Alaska to respond to the mandate of welfare reform in a productive way.

Sec 1 - We are pleased to see the progressive reforms contained in this section. The earned income disregard, suspension of the 100-hour rule and increased auto allowance are incentives to work and productivity.

Workfare. Uncompensated employment experience does have some utility for people who lack any job experience. But this workfare "experiment" could be strengthened if the activities offered focused on providing the job training and job finding skills that people will need to become and remain independent.

This section would also be strengthened with the inclusion of case management services for workfare participants. Case management services will ensure participants have a plan for how to get off welfare and into work.

Sec 7 - The Alaska Temporary Assistance Program represents the best thinking of Alaska policy-makers, social service professionals, community members and the recipients themselves. We support the provisions of this program as an incentive-based, welfare to work program that responds to the realities of federal welfare reform.

The Alaska Temporary Assistance Program is the result of an exhaustive public process and therefore reflects the needs and desires of the people of Alaska.

Disqualifying Conditions: We remain opposed to the imposition of lifetime limits on access to public assistance benefits. This provision ignores the facts on how people in Alaska use welfare. The majority of AFDC recipients use welfare in times of crisis or transition - job loss, divorce, abandonment. The average time a recipient stays on AFDC is two years, or until the family is again able to support themselves. Imposing a lifetime limit will slam the door on families in crisis, and will ensure that some families with children will be left in poverty. This is a potentially costly measure, as poverty in childhood is associated with future costs to the state. One study done at MIT shows that for every dollar cut from public assistance

benefits, the state will eventually spend \$1.50 to \$1.90 in increased health care and lost productivity. Family poverty is also associated with school drop-out rates, family stress and domestic violence, all costly to our communities. We recommend that the Alaska Temporary Assistance Program include benefit limits similar to those found in the waiver side of the bill - a limit of 24 months during any five-year period. This would allow a family access to benefits in emergency situations, and would offer a real safety net in times of crisis.

Sec 23 - Delinquent Obligors Occupational License. We strongly support the inclusion of this provision as a progressive and necessary tool in the collection of child support payments. No comprehensive welfare reform proposal can be successful without recognition of the role of delinquent obligors. As Senator Green said on the floor of the senate, this provision has the potential to generate \$16 million in additional receipts of child support.

Sec 33 - Release of Confidential Records. We strongly oppose changes in law which will allow legislators access to the confidential records of public assistance recipients. We are unsure of which legislative functions might be served by this provision. Public assistance recipients have long enjoyed the same privacy rights as other Alaskan citizens. If its fraud legislators are concerned about, additional funds have just this year been allocated to fraud investigations - we've addressed the issue in an appropriate way, without violating the rights of our citizens. This provision can only work to undermine the self-esteem of recipients, at a time when we're attempting to promote self-sufficiency and independence. This is a misguided provision, and will only work against the programs goals.

Angela M. Salerno
1727 Wickersham Drive
Anchorage, AK 99507
563-4502

April 28, 1996

TO: H.F.I.N. COMMITTEE

FROM: Shelly Sachwitz
P.O. Box 1227
Sterling, AK 99672
(907)262-2966

RE: WRITTEN TESTIMONY ON SB 98

*** Sec. 13. AS 25.27.040 is amended by adding to read:**

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Determination of paternity. (c) The agency must establish paternity within one (1) year from the time of service of the complaint to establish paternity according to federal law.

According to the Federal laws, CSED must establish paternity within one year from the start of their action. In a case that my husband was involved in, it took CSED one year and eight months to establish paternity from the time my husband have his blood drawn. During that period of time that CSED and the mother's failed to comply with the court order, arrearages accumulated and we accumulated more obligations. CSED should be sanctioned for their non-actions. If the laws are not printed out for this agency, the agency takes their time in doing their job and causes hardship on the obligors family. In many cases, CSED causes their case loads because CSED causes families to go on public assistance.

***Sec. 15. AS 25.27.120(a) is amended to read:**

(a) **An obligor's liability starts upon receiving notice that the Obligee (custodial-parent) has applied for and is receiving assistance for a child to whom the obligor owes a duty of support except that, if a support order has been entered, the liability of the obligor for assistance granted under AS 47.27 [AS 47.25.310 - 47.25.420] may not exceed the amount of support provided for in the support order, and, if a medical order of support has been entered, the liability of the obligor for assistance granted under AS47.07 may not exceed the amount of support for in the medical order of support.**

It is unfair that the state is allowed to go back six years to collect on an obligation that an obligor had no idea existed. In that six years, an obligor accumulates many obligations including a family. Then when the state gets around to letting an obligor know they owe for a child, the arrearages are outrageous. In my husbands case, it took CSED four years to send him with the complaint and then another year and eight months to establish paternity. By the time CSED told my husband he was the father, the amearages were accumulated from 1989 (the child was adopted by the

father that raised him from birth). The state does not have to hurry on anything. Why should they? The state is allowed to go back six years to collect on a debt. If this statute was written that the obligation started upon notice, CSED wouldn't take their time in doing their jobs and families would not suffer or separate.

AS 44.62.330 is amended by adding to read:

(60) Department of Revenue. Child Support Enforcement Division, where CSED has an interest in the interest in the obligation to be sought from an obligor (AS 25.25.010 - AS 25.25.270) (AS 25.27.010 - AS 25.27.240)

This amendment should be added because CSED must file contempt on any party to an action when CSED has an interest in an obligation. CSED should be responsible for making sure that all parties in the action comply with a court order or they should be denied their interest in the arrearages. In my husbands case, he went in to have his blood drawn eleven days after he was served with the complaint. It took CSED one year and six months to get the mother to go in to have her and the child's blood drawn. If CSED would have threatened her with a contempt charge, she may have complied with the court order. The arrearages would not have accumulated and we (my four children and I) would not have suffered through the hardship and mental anguish that CSED causes families to go through.

I CSED can take a license away from an obligor, then it should also be allowed to give something that is owed to many obligors and that's an amnesty provision on arrearages. CSED has caused many of these outrageous arrearages. When I was there in Juneau back in February 1996, I spoke with many people. But the one I want to bring up is Jim Nordland the Director at AFDC. It was mentioned that an amnesty provision would be supported. Let's get ahold of this agency and change the problems that are recognized by many people and fix the problems that hurt the children (both in and out of the system).

Shelly Sachwitz

May 3, 1996

TO: House Finance Committee

FROM: Shelly Sachwitz
P.O. Box 1227
Sterling, AK 99672

RE: SB 98 Welfare Reform

*** Sec. 25.27.246. ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S DRIVER'S LICENSE.

In 25.27.246(b), it states that "The notice shall be considered given when delivered personally to the obligor or deposited in the United States mail addressed to the obligor's last known mailing address on file with the agency." This is ludicrous. In the first place, this agency doesn't keep up on the current information they receive from custodian's or even act upon the information. Notice according to law is the acknowledgment of an action. If the obligor doesn't receive the notice that he has 150 days to answer or comply, how can he comply and how can that be "NOTICE?" Why give CSED more power to take from people and not give CSED the responsibility of doing their job the right way. Let's make sure CSED gives notice to the obligor. Not just another easy way out so the agency can say "Oh, well. If that's not the right address, to bad." Make the employees work for the money that us tax payers are paying them for. Make them do their jobs RIGHT.

*** Amending Rule 90.3(c)(3). The grandparents are not liable for all actions of the children. Think about it. Where were you in your teen years? Yes, maybe you didn't have a child you were lucky. But what about your children? Are you willing to support a good time that ended with a responsibility that you, yourself, may not even know (child) as a grandparent? Many times CSED don't do their jobs correctly. Are you going to sit back when CSED says "Hey, your Child has a child and your responsible for it." Why should a grandparent be responsible for what their child as done? Give that responsibility back to the person who desires it (the obligor). If that child is old enough to have a child, then that child is old enough to support that child. Where is the "EQUAL PROTECTION OF THE LAW?" I don't know about you, but I know that I wouldn't tell my child to go to bed with anyone and have a child especially if the child couldn't support it. You are letting CSED interpret this statute. It's to broad, they'll run with it. The way they interpret is ludicrous. Look what they have done with the laws you have already given them. I'm sure you all of you had heard more then one horror story from your constituents. Please take this into consideration. You may be the first grandparent or one of many grandparent to pay child support for a grandchild and it may be out of your retirement funds. If you have never had to deal with CSED you are one of the lucky ones. This agency is the gestapo.

Shelly Sachwitz

5/2/96 pm

Louise Charles, JOBS Program Coordinator
Tanana Chiefs Conference, Inc.
122 First Avenue
Fairbanks, Alaska 99701-4897

Dear Louise Charles:

On April 30 several ACF staff attended the welfare-to-work conference titled: "A Working Puget Sound: Meeting the Welfare Challenge", sponsored by the USDHHS Administration for Children and Families and the University of Washington Fiscal Policy Center. We heard from representatives from State and Local governments, Private Industry Councils, private non-profit organizations, the universities of Wisconsin and Washington, as well as Region X officials.

In hearing the presentations, several reoccurring themes emerge, themes that the Tanana Chiefs Conference and other Alaska Native JOBS grantees have been concerned about in the administration of the JOBS program. These themes are issues that continue to present themselves whenever successful strategies are discussed, and, we were told, provide the basis for the three most important elements for welfare to work programs.

They are first, child care. No programs have resulted in successful outcomes without adequate and readily available child care. Second is health care. The practice of staying on welfare to meet basic health care needs is not new. The third most important element to changing the culture from welfare to work is long term labor force attachment. If there was a singularly important deduction reached at the conference, it was that you will not achieve long term labor force attachments without the provision of child care and health care.

We have worked closely with the Alaska Native and Tribal JOBS programs, and know how important they are to our goals of achieving self-sufficiency. We are constantly reminded of the additional difficulties you face because of limited funding and the need for more intensive services. Each Alaska Native and Tribal JOBS program contributes significantly to the success of the overall State program. And yet your program, unlike your State partners, does not receive State matching funds. States that implement re-investment strategies, like Alaska, could certainly consider the contribution their State Native populations have made toward reducing AFDC costs.

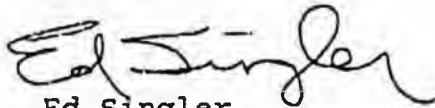
Louise Charles

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I would like to take this opportunity to also inform you that the Home Care Services Program, a coordinated effort with the Alaska Work Programs, has been proposed as the subject of a national technical assistance teleconference. We received a request for models of State and Tribal coordination and we did not hesitate to forward your name. Your presentation at the Region X Fifth Annual Native American Grantee Conference was well received and we hope to give the program national exposure as well.

I am looking forward to visiting with you and seeing your program when I visit Alaska sometime in the next three months. I will call soon to coordinate schedules.

Sincerely,



Ed Singler
Deputy Regional Administrator

cc: Donna Scott
John Crossman