

HB

142

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/1/01

FURTHER:

REPORTED OUT
MAY 04 2001
SENATE FINANCE
COMMITTEE

DATE TURNED
IN TO OFFICE: 4 May 2001

Finance Committee considered CS FOR HOUSE BILL NO. 142(HES)

"An Act relating to the Alaska temporary assistance program; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____
- adopt previous 5 CS CS HB 142 (~~142 HES~~)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
H&SS	2/15/01		✓	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Lode Beer</i>	✓			
<i>Allen Curtis</i>			✓	
<i>Robert ...</i>	✓			
<i>Robert ...</i>			⊗	
<i>Erny Wilber</i>	✓			
<i>...</i>	✓			
<i>...</i>	✓			
COCHAIR: <i>...</i>			✓	
COCHAIR: <i>...</i>			✓	

SENATE CS FOR CS FOR HOUSE BILL NO. 142(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 5/1/01

Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Alaska temporary assistance program; and providing for an
2 effective date."

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

4 * Section 1. AS 47.27.015 is amended by adding a new subsection to read:

5 (h) When determining under (a)(1) of this section whether an adult has
6 received benefits for a total of 60 months, the department shall disregard the months
7 that are required to be disregarded under 42 U.S.C. 608(a)(7)(D).

8 * Sec. 2. AS 47.27.025(c) is amended to read:

9 (c) The department shall, for the months of July, August, and September,
10 reduce by 50 percent the maximum assistance for which the family is otherwise
11 eligible if the family's eligibility for assistance is based on AS 47.27.010(4), unless
12 the second needy parent is determined, under regulations of the department, to
13 be physically or mentally unable to perform gainful activity [THE
14 UNEMPLOYMENT OF THE FAMILY'S PRINCIPAL WAGE EARNER].

1 However, if the commissioner determines that temporary economic conditions have
2 resulted in decreased employment opportunities during those months and a reduction
3 in assistance would impose an undue hardship on a family, the department may waive
4 application of this subsection with respect to that family.

5 * **Sec. 3.** AS 47.27.030(c)(2) is repealed.

6 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 **TRANSITION: REGULATIONS.** Notwithstanding sec. 6 of this Act, the Department
9 of Health and Social Services may immediately proceed to adopt regulations necessary to
10 implement the changes made by this Act. A regulation adopted under this section takes effect
11 under AS 44.62 (Administrative Procedure Act), but not before the effective date of the
12 statutory change authorizing the regulation.

13 * **Sec. 5.** Sections 2 and 4 of this Act take effect immediately under AS 01.10.070(c).

14 * **Sec. 6.** Except as provided in sec. 5 of this Act, this Act takes effect July 1, 2001.

MAY 04 2001

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 142
(H) Publish Date: 2/23/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
Title: ATAP Program Amendments BRU: Public Assistance
Component: ATAP
Sponsor: Rules
Requester: Governor Component Number: 220

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
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 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						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Although this proposed legislation may allow more than 20% of the eligible ATAP caseload to receive benefits beyond 60 months, there are no projected financial impacts. The ATAP program is partially funded by the federal TANF block grant which does not vary regardless of the number of families served. Also, federal law requires the State to contribute a fixed amount of state funds toward the program, called maintenance of effort (MOE). Additionally, caseloads are projected to continue their downward trend.

Prepared by: Jim Nordlund Phone _____
Division: Director of Public Assistance Date/Time _____
Approved by: Elmer A. Lindstrom, Special Assistant Date 2/15/01 4:29 PM
Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

May 1, 2001

Honorable Pete Kelly, Co-Chair
Senate Finance Committee
State Capitol; Room 518
Juneau, AK 99801-1182

Dear Chairman Kelly,

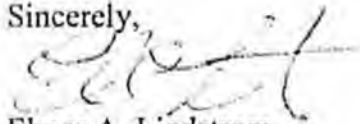
The Department of Health and Social Services respectfully requests a hearing in the Senate Finance Committee on Committee Substitute for House Bill 142 (HES) "An Act relating to the Alaska temporary assistance program; and providing for an effective date."

CS HB 142 (HES) includes provisions necessary for the department to continue to reduce benefits for most two-parent families during the summer months. A recent court decision will make it administratively difficult for the department to reduce benefits for two-parent families in the absence of this legislation.

The Senate Health, Education and Social Services Committee has heard the bill and recommends it be replaced with SCS CS HB 142 (HES). The Senate (HES) CS deletes the provision of the bill that would exempt two parent families that include a disabled child from the seasonal reduction.

The original zero fiscal note submitted to the bill at the time of introduction also applies to the House (HES) CS. Attached is a one page summary of the bill's provisions. Your favorable consideration of this request will be most appreciated.

Sincerely,



Elmer A. Lindstrom
Special Assistant to the Commissioner

CC: Mike Abbott, Legislative Director
Office of the Governor

**Alaska Temporary Assistance Program Amendments:
Bill Summary
CS HB 142 (HES)**

Division of Public Assistance
April 20, 2001

Section 1 puts the State of Alaska in compliance with federal Temporary Assistance for Needy Family (TANF) statute that exempts welfare recipients living in certain Alaska Native villages from the 60-month limit on benefits.

Section 2 clarifies statutory language regarding the Alaska Temporary Assistance Program (ATAP) seasonal benefit reduction imposed on able-bodied, two-parent families during the months of July, August, and September. This amendment is a response to a Superior Court ruling against the state, and must be enacted in order for the Division of Public Assistance to continue the policy of 2-parent seasonal reduction, regardless of employment status or which parent is the family's principal wage earner.

Section 3 repeals a provision now in statute which exempts incapacitated adults (those who are physically or mentally unable to perform gainful activity) from completing a Family Self-Sufficiency Plan (FSSP). This change will help these vulnerable families address their challenges by requiring them to engage in appropriate self-sufficiency activities such as wellness plans, treatment activities or pursuit of disability benefits. Even if the adult cannot work, the FSSP can be used to promote activities that will enhance well being and quality of life for the individual and the family.

Section 4 Gives the DHSS the authority to draft implementing regulations.

Sections 5 & 6: Effective Dates

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 142
P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

February 21, 2001

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Porter:

Five years ago my Administration worked with the Legislature to create a new welfare law for Alaska. Under the banner of welfare reform, we repealed the Aid to Families with Dependent Children and Job Opportunity and Basic Skills programs and created the Alaska Temporary Assistance Program (ATAP). We have had great success with the program, with more Alaskans transitioning from welfare to work and our caseload dropping by more than 40 percent. Like many other states addressing welfare reform, we recognize what changes are needed to improve our program administration and ensure its continued success. These changes are addressed in the bill I transmit today.

The bill repeals the percentage limit on the number of families that may continue on assistance for more than 60 months due to hardship. Removal of this limit will permit the Department of Health and Social Services to base its hardship exceptions on objective criteria rather than on a fixed percentage of overall caseload. As families are successful in finding work and the overall caseload decreases, the number of hardship cases makes up a greater percentage of the total.

Alaska set an extremely aggressive goal, compared to other states, in capping our hardship cases at a specific percentage of the total. Other states either avoided time limits completely or set a broader range of exemptions to the limits. We now recognize the fixed percentage in our law artificially bars needy families with disabled adults from receiving essential cash assistance and services for their children. The first families will begin to exceed the 60-month lifetime limit in July of 2002.

4B142

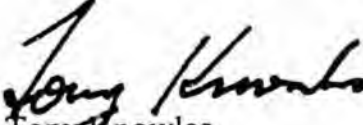
The Honorable Brian Porter
February 21, 2001
Page 2

The bill also addresses the seasonal reduction provisions for a two-parent needy family by removing outdated eligibility requirements as cited in a Superior Court ruling. This change permits the department to apply the seasonal reduction provision to all two-parent needy families in which both parents are physically and mentally able to work.

Finally, the bill requires disabled parents to have self-sufficiency plans. The state can better serve these parents by promoting their efforts toward self-sufficiency.

We have seen dramatic, positive changes for poor Alaska families. Thousands of recipients have been assisted into work and the state has saved millions of dollars in welfare benefit payments. The reform measures provided a durable framework for a new era of welfare in Alaska. I urge your favorable consideration for these improvements to the program.

Sincerely,


Tony Knowles
Governor

HR 147

SENATE COMMITTEE REPORT

DATE: 4/27/01

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 05/01/01

HESS Committee considered CS FOR HOUSE BILL NO. 142(HES)

"An Act relating to the Alaska temporary assistance program; and providing for an effective date."

and recommends:

- be replaced with SCS CS HB 142 (HES)
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- attached amendment(s)
- adopt Letter of Intent by _____ Committee
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Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DH&SS	2/15/01		x	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Conrad</i>			✓	
<i>Betty Davis</i>	✓			
<i>Ray Ward</i>	✓			
CHAIR: <i>Linda Owen</i>				

SENATE FINANCE COMMITTEE

SIGN-IN

HB 142-AK TEMP. ASSISTANCE PROGRAM AMENDMENTS

NAME: Jim Nordlund Subject/Bill No: AB142
Co./Dept./Title: Director of Public Assistance Phone: _____
Address: DHSS Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions