

HB

402

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 402
 (H) Publish Date: 2/15/02

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
 Title: RELATING TO THE ALASKA TEMPORARY ASSISTANCE PROGRAM BRU: Public Assistance
 Component: ATAP
 Sponsor: HOUSE (HES) Component Number: 220
 Requestor: HOUSE (HES)

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|---------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES (0) | | | | | | |
|---------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type--do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2002) cost: _____

Check this box (X) if funding for this bill is included in the Governor's FY 2003 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 funded in part 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, the provision that will allow the Department to offer transitional supportive services to clients no longer receiving a cash benefit will result in more families remaining off the program, thus reducing costs in the Temporary Assistance benefits component.

Prepared by: Jim Nordlund Phone 465-5835
 Division: Public Assistance Date/Time 02/13/2002
 Approved by: Elmer A. Lindstrom, Deputy Commissioner Date 02/14/2002
 Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

Sponsor Statement for HB 402

"An Act relating Welfare Reform"

Updated: *February 4, 2002*

Contact: *House HESS Committee (907) 465-3759*
Representative Fred Dyson, Chair

While the Department of Public Assistance has made strides in the application of welfare reform, lessons have been learned, and insight has been gained, that led us to propose a tune-up of public assistance.

The intent of HB 402 is to align department program operations with the work-first philosophy that has been held up by all of us as the goal. One of the key premises of this philosophy is that the labor market is the best test of an individual's employability. Another is that **all** individuals are capable of moving themselves and their families toward self-sufficiency. A third is that "real job" experience is the best way to specifically identify training needs.

HB 402 has made changes that in general terms:

- Implement a broader and more responsive diversion process to assist families to avoid dependency on cash benefits;
- Strengthen the "up-front message" to clients that public assistance is as much about employment as it is about providing cash benefits;
- Provide more consistent guidance with regard to assessment, emphasizing the utilization of the labor market as the best test of employability and a family strength-based approach versus an approach that emphasizes pre-determining family barriers;
- Implement a more complete subsidized wage program and expanding community service for those unable to obtain unsubsidized employment.