

SB

102

<TARGET><BILL>SB 102</BILL><SUBJECT>SB
102</SUBJECT><COMM>SF27</COMM></TARGET>

SENATE FINANCE COMMITTEE REPORT First Committee of Referral

DATE: 3/14/11

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered SENATE BILL NO. 102

SB 102-AK AFFORDABLE HEATING PROGRAM PAYMENTS

"An Act relating to certain payments made under the Alaska affordable heating program."

and recommends:

- be replaced with CS _____ (_____) Same Title New Title
- adopt previous CS _____ (_____) Same Title New Title
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Egan	X			
	McDevine	✓			
	Olson	X			
	Ellis	X			
CO-CHAIR:	Hoffman	✓			
CO-CHAIR:	Steinhilber	✓			

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB102
 () Publish Date: _____

Identifier (file name): SB102-DHSS-EAP-03-18-11
 Title: AK Affordable Heating Program Payments
 Sponsor: Finance
 Requester: Senate FIN
 Dept. Affected: Health and Social Services
 Appropriation: Public Assistance
 Allocation: Energy Assistance Program
 OMB Component Number: 226

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants								
Miscellaneous								
TOTAL OPERATING		0.0	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 (please identify)								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

Not Applicable

Prepared by: Ron Kreher, Director
 Division: Public Assistance
 Approved by: Alison Elgee, Assistant Commissioner
DHSS Finance & Management Services

Phone 465-5847
 Date/Time 3/18/11 12:00 PM
 Date 3/18/2011

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB102

Analysis:

The intent of this bill is to suspend the calculation of payments based on the dollar value of community heating points mandated in 47.25.623 and allow the proration of heating assistance benefits when appropriations are insufficient to pay benefits through the Alaska Affordable Heating Program at the levels described in Chapter 83, SLA10.

Senator Lyman Hoffman

Alaska State Legislature



Sponsor Statement for SB 102

SB 102 amends the State's Affordable Heating Program. Last year, the legislature combined the Low Income Heating and Energy Assistance Program (LIHEAP) and Alaska Heating Assistance Program to form the Affordable Heating Assistance Program. This change was to more closely align the cost of energy as measured by the cost of a barrel of North Slope crude oil with the amount of assistance an eligible family would receive.

In creating that program, the bill contained language that would allow the Department of Health and Social Services to prorate benefits should that become necessary as a result of a shortage of funds. However, the Department is concerned that this language does not offer them sufficient discretion needed to do this.

SB 102 eliminates this ambiguity by assuring that the Department may prorate benefits, if necessary, regardless of a recipient's income or the price of oil upon which their benefit is based.

Heating assistance is one of the most critical programs to Alaskan's who rely on oil heat. In rural areas, a family may pay up to fifty percent of its income to heat its home in winter. That scenario occurs in other parts of the State as well, giving this program a critical statewide focus. Therefore, we urge that this critical program continue to be fully funded, particularly considering the potential rise in fuel costs next winter.

However, with this amendment, the Department of Health and Social Services will have the authority to prorate benefits to eligible families should this become necessary.