

ALASKA LEGISLATURE

1498

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

1 the family's shelter costs are lower than the standard shelter allowance used by the  
2 department for similar families. The shelter allowance for a family whose costs are  
3 below the standard allowance shall be an amount equal to the family's actual verified  
4 shelter costs. In this subsection,

5 (1) "shelter allowance" means the portion of the assistance provided  
6 under this section that is allocated by the department for shelter costs;

7 (2) "shelter costs" means

8 (A) rental payments or mortgage payments for the family's  
9 housing, including payments made for property or mortgage insurance and  
10 property taxes; and

11 (B) the cost of utilities, including heat, electricity, basic  
12 telephone service, water, sewer, and garbage services incurred for the family's  
13 housing; the department may establish different utility cost standards for  
14 different areas of the state and may use an average utility cost per month based  
15 on estimated level payments over a 12-month period.

16 (c) The department may, instead of paying all of the cash assistance to a  
17 family under this section, use all or part of the cash assistance as a wage subsidy paid  
18 to an employer who employs a person in the family at a wage that is higher than the  
19 wage subsidy. A subsidy under this subsection may not exceed one year in duration.

20 Sec. 47.27.026. DIVERSION PAYMENTS. (a) The department may offer  
21 a lump-sum diversion payment in place of ongoing assistance and services to an adult  
22 applicant who applies for assistance under AS 47.27.020 if the adult applicant is job  
23 ready and is determined to need only short-term financial assistance to meet critical  
24 needs in order to secure employment and support for the adult applicant's family. The  
25 department shall set standards and conditions for diversion payments by regulation.

26 (b) The department may pay diversion benefits to an applicant's family only  
27 if that family appears to be eligible for benefits under AS 47.27.020 and to include a  
28 job-ready individual based on the information provided to the department in the  
29 application completed under AS 47.27.020. The department may offer to an applicant  
30 with the potential to participate in the diversion project a choice between

31 (1) having the Alaska temporary assistance program application

1 processed under AS 47.27.020 and the regulations adopted by the department; or

2 (2) having the application referred to the diversion project of the Alaska  
3 temporary assistance program for a determination of project benefits under this section.

4 (c) The amount of the diversion payment must be sufficient to meet the  
5 family's immediate needs as determined by the department and the participant. A  
6 diversion payment may not exceed the amount the family would be eligible to receive  
7 as cash assistance in the first two months of eligibility under AS 47.27.025 if the  
8 family did not elect to receive a diversion payment.

9 (d) As a condition of a family receiving a diversion payment under this  
10 section, the participant must sign an agreement that

11 (1) specifies the amount of the diversion payment and the needs it is  
12 intended to cover;

13 (2) provides that, during the three-month period beginning with the  
14 month in which the diversion payment was received, child support collected on behalf  
15 of a child whose needs were considered in determining the diversion payment shall be  
16 paid to the family; and

17 (3) provides that if the family reapplies for Alaska temporary assistance  
18 program assistance under AS 47.27.020 during the three months beginning with the  
19 month in which the family received a diversion payment, the diversion payment shall  
20 be treated as unearned income, prorated over the three-month period, and deducted  
21 from any Alaska temporary assistance program benefit the family may be eligible for  
22 under the new application.

23 (e) A family that receives a diversion payment may not receive another  
24 diversion payment before the 12th month following the month in which it last received  
25 a diversion payment.

26 (f) To the extent that (d)(2) of this section is inconsistent with AS 25.27.120  
27 or 25.27.130, or with another provision of this chapter, (d)(2) of this section governs.

28 Sec. 47.27.027. ASSISTANCE TO MINORS. (a) If an applicant under  
29 AS 47.27.020 is not married, is under the age of 18, and has not been previously  
30 emancipated under AS 09.55.590, the applicant must

31 (1) live in a home maintained by the applicant's parent, legal guardian,

1 or other adult relative, unless the applicant establishes that there is good cause, as  
2 established by the department in regulation, to waive this requirement; if the  
3 department waives this requirement, the applicant must live in an approved, adult-  
4 supervised, supportive living environment;

5 (2) agree that assistance for basic living expenses on behalf of the  
6 applicant's family may be paid to the applicant's parent, legal guardian, or other adult  
7 relative, or, if applicable, to the adult head of the adult-supervised, supportive living  
8 environment in which the applicant resides; and

9 (3) maintain attendance in a secondary school or other appropriate  
10 training program unless the applicant has a high school diploma or general equivalent  
11 diploma.

12 (b) The department shall reduce the assistance for which an assistance unit is  
13 otherwise eligible under this chapter if a minor parent in the assistance unit fails,  
14 without good cause, to meet standards of adequate levels of school attendance, as  
15 defined in regulations of the department. The reduction under this subsection shall be  
16 achieved by disregarding the needs of the person who failed to meet the school  
17 attendance standards. The person's needs shall be disregarded until the minor parent  
18 complies.

19 Sec. 47.27.030. FAMILY SELF-SUFFICIENCY PLAN. (a) A participant in  
20 the Alaska temporary assistance program shall cooperate with the department, or its  
21 designee, to develop and sign a family self-sufficiency plan that includes

22 (1) the steps the family will take towards the self-sufficiency of the  
23 family;

24 (2) the self-sufficiency services the department will provide to assist  
25 the family to attain self-sufficiency;

26 (3) specific benchmarks to indicate the steps toward successful  
27 completion of the family plan;

28 (4) a statement that the family may be subject to benefit reductions or  
29 other sanctions if the family fails to comply with the family plan; and

30 (5) a statement that describes the necessary conditions and the steps  
31 that must be taken to renegotiate the terms of the family plan.

1 (b) The family self-sufficiency plan must set a time period for the achievement  
2 of self-sufficiency from assistance under the Alaska temporary assistance program.  
3 That time period may not provide for any more than a total of 60 months of assistance  
4 under the Alaska temporary assistance program. Unless the members of the family  
5 who are not dependent children are all exempt under AS 47.27.035(b) - (d), the time  
6 period for receiving assistance may not exceed a cumulative total of 24 months unless  
7 each nonexempt person is in compliance with the work activity assignment made under  
8 AS 47.27.035.

9 (c) A family is exempt from the requirement that the family have a self-  
10 sufficiency plan under this section if the family

11 (1) does not include a needy adult;

12 (2) does not include an adult physically or mentally able to perform  
13 gainful activity; or

14 (3) is receiving a diversion payment under AS 47.27.026.

15 Sec. 47.27.035. PARTICIPATION IN WORK ACTIVITIES. (a) An Alaska  
16 temporary assistance program participant shall, after the participant's family has  
17 received a cumulative total of 24 months of assistance or sooner if assigned to do so  
18 by the department, participate in work activities as assigned by the department or its  
19 designee in order for the family to continue to receive assistance or services from the  
20 department under the Alaska temporary assistance program, unless the participant is  
21 exempt from the work participation requirements under one or more of the exemptions  
22 set out in (b) - (d) of this section.

23 (b) A parent or caretaker with a dependent child of up to 12 months of age  
24 may be exempt from work participation requirements for up to 12 months, as  
25 established in the family self-sufficiency plan.

26 (c) A parent or caretaker may be exempt from work participation requirements  
27 in the family self-sufficiency plan if

28 (1) the parent or caretaker is providing home care for a child who is  
29 experiencing a disability or a related, disabled person who requires 24-hour care;

30 (2) the parent or caretaker establishes an inability to participate for  
31 medical reasons supported by documentation from a physician or other licensed

1 medical professional;

2 (3) the participation would impose an unreasonable hardship on the  
3 family; or

4 (4) there is a dependent child in the home that has not yet attained six  
5 years of age and the parent or caretaker demonstrates an inability to obtain needed  
6 child care because appropriate child care is not available.

7 (d) The department may not require a person to participate in work activities  
8 under (a) of this section

9 (1) if the person is the sole custodial parent for a child under six years  
10 of age unless the department agrees to pay for the costs of child care determined by  
11 the department to be necessary for the person's participation; and

12 (2) unless the department agrees to pay for transportation expenses  
13 determined by the department to be necessary for the person's participation in the  
14 activity.

15 (e) A participant in work activities under this section is not a state employee  
16 for purposes of AS 39.25 (State Personnel Act).

17 (f) A participant in work activities under this section is not considered an  
18 employee of the state or other public employer for purposes of AS 23.40.070 -  
19 23.40.260 (Public Employment Relations Act) nor shall any provision of a collective  
20 bargaining agreement entered into under AS 23.40.070 - 23.40.260 be construed to  
21 interfere with the department's authority to assign participants to work activities as  
22 authorized under this section.

23 Sec. 47.27.040. ASSIGNMENT OF SUPPORT RIGHTS; COOPERATION  
24 WITH CHILD SUPPORT ENFORCEMENT AGENCY. (a) An Alaska temporary  
25 assistance program applicant is considered to have assigned to the state, through the  
26 child support enforcement agency of the Department of Revenue, all rights to accrued  
27 and continuing child support, from all sources, that is due for the support of any  
28 individuals in the family for whom support is sought. The assignment takes effect  
29 upon a determination that the applicant's family is eligible for assistance under this  
30 chapter. Except with respect to the amount of any unpaid support obligation accrued  
31 under the assignment, the assignment terminates when the family ceases to be a

1 participant in the Alaska temporary assistance program.

2 (b) An Alaska temporary assistance program participant shall cooperate with  
3 the child support enforcement agency of the Department of Revenue in establishing  
4 paternity or establishing, modifying, or enforcing a child support order requiring the  
5 payment of support by the noncustodial parent for a dependent child for whom Alaska  
6 temporary assistance program assistance is received unless the participant establishes  
7 good cause for refusing to cooperate.

8 (c) The department may distribute to an Alaska temporary assistance program  
9 participant \$50 per month from a monthly child support payment, or the amount of the  
10 child support payment if it is less than \$50, received by the child support enforcement  
11 agency for the support of a child for whom Alaska temporary assistance program  
12 assistance is paid.

13 Sec. 47.27.045. ALIENATION AND ATTACHMENT. Assistance granted  
14 under this chapter is inalienable by assignment or transfer and is exempt from  
15 garnishment, levy, or execution as is provided in AS 09.38.

16 Sec. 47.27.050. GRANTS AND CONTRACTS FOR SERVICES. (a) The  
17 department may contract with or award grants to qualified entities in the state to  
18 administer an Alaska temporary assistance program or a distinct part of the Alaska  
19 temporary assistance program. The department may establish standards for the  
20 administration of services under the grant or contract, including fees to be charged to  
21 applicants for or recipients of those services.

22 (b) Contracts authorized under this section are to be administered in  
23 accordance with AS 47.05.015. Grants authorized under this section are to be awarded  
24 using requirements, established in regulation, that are substantially similar to those set  
25 out in AS 47.05.015 for contracts.

26 (c) This section may not be construed to expand the powers of a municipality.

27 (d) In this section, "qualified entities" include municipalities, other political  
28 subdivisions of the state, nonprofit corporations formed under AS 10.20, churches and  
29 religious organizations, and incorporated and unincorporated businesses operating  
30 within the state that meet the requirements established by the department in regulation.

31 Sec. 47.27.055. AGENCY COLLABORATION. (a) The department shall

1 coordinate with other state agencies that provide assistance, benefits, or services to  
2 applicants that are eligible for and to participants in the Alaska temporary assistance  
3 program in order to facilitate the application for and delivery of assistance, benefits,  
4 or services to promote family self-sufficiency. Subject to appropriations, state agencies  
5 may locate their facilities and operations near each other in order to improve service  
6 delivery.

7 (b) The department may provide information received under this chapter to  
8 other state agencies in order to facilitate the delivery of services. Information received  
9 from an applicant for or participant in the Alaska temporary assistance program shall  
10 be treated as confidential by all state agencies that share the information under this  
11 section and is not open to public inspection or copying under AS 09.25.110 -  
12 09.25.125. Misuse of public assistance lists or information is punishable as a violation  
13 of AS 47.05.030.

14 (c) Departments in the executive branch shall cooperate in fulfilling the  
15 purposes of this chapter, including, subject to appropriations, the establishment of  
16 temporary positions that will provide job opportunities for families participating in the  
17 Alaska temporary assistance program. Temporary positions established for this  
18 purpose are in the exempt service under AS 39.25.110 but are not subject to  
19 AS 39.25.195. An individual participating in the Alaska temporary assistance program  
20 who holds a temporary position established for purposes of this subsection is not a  
21 public employee for purposes of AS 23.40.070 - 23.40.260.

22 Sec. 47.27.060. JOB DEVELOPMENT. The department may establish  
23 cooperative agreements with the Department of Labor, Department of Community and  
24 Regional Affairs, Department of Education, and Department of Commerce and  
25 Economic Development, and with other public or private sector organizations for the  
26 purpose of developing job, training, and educational opportunities for families eligible  
27 for assistance under this chapter.

28 Sec. 47.27.065. FEDERAL-STATE COOPERATION. In the administration  
29 of this chapter, the department shall cooperate with the Secretary of the United States  
30 Department of Health and Human Services and shall take actions necessary to comply  
31 with the requirements of federal law to obtain public assistance block grants or other

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 in order to promote programs comparable  
29 to the state program in the same area.

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

1 purposes of this chapter, the Alaska Native organization incorporates a nonprofit entity  
2 under state law and the nonprofit entity is active and in good standing, as determined  
3 by the Department of Commerce and Economic Development.

4 Sec. 47.27.075. EMERGENCY ACCOUNT ESTABLISHED. There is  
5 established within the general fund the Alaska temporary assistance program  
6 emergency account. The account consists of appropriations that were made by the  
7 legislature from federal money available for assistance under this chapter, including  
8 lapsing money that was previously appropriated from federal money for the Alaska  
9 temporary assistance program, but that were not expended or obligated in the fiscal  
10 year for which they were appropriated.

11 Sec. 47.27.080. APPEALS; DISPUTE RESOLUTION. (a) An applicant or  
12 participant who receives a determination from the department that denies, limits, or  
13 modifies the assistance or services provided under this chapter may request a hearing  
14 before the department or a representative of the department appointed for that purpose.  
15 If a representative is appointed, the representative shall conduct the hearing under the  
16 regulations adopted by the department. The appeal is not subject to AS 44.62.330 -  
17 44.62.630.

18 (b) The department may require an applicant or participant to participate in an  
19 informal dispute resolution process before a formal hearing. The department may  
20 adopt regulations establishing the informal dispute resolution process.

21 Sec. 47.27.085. SANCTIONS; RECOVERY OF COSTS. (a) The department  
22 shall penalize an Alaska temporary assistance program applicant or participant who,  
23 without good cause, fails to comply with a condition of the family self-sufficiency plan  
24 or who fails to participate in work activities required as a part of the Alaska temporary  
25 assistance program by disregarding that person as a member of the family for purposes  
26 of determining the amount of assistance given to the family. The period of time  
27 during which the department shall disregard the noncomplying person for purposes of  
28 determining the amount of the family's assistance is

29 (1) until the person is in compliance under this subsection if the person  
30 has not previously been disregarded under this subsection;

31 (2) the longer of six months or until the person is in compliance under

1 this subsection if the person has previously been disregarded under (1) of this  
2 subsection;

3 (3) the longer of 12 months or until the person is in compliance under  
4 this subsection if the person has previously been disregarded under (2) of this section.

5 (b) An Alaska temporary assistance program applicant or participant who,  
6 without good cause, fails to cooperate with establishment of paternity or the  
7 establishment, modification, or enforcement of a support order for a child for whom  
8 assistance is received is subject to a reduction or limitation in assistance or services  
9 for the term of noncooperation as required by federal law and as specified in  
10 regulations adopted by the department.

11 (c) An Alaska temporary assistance program applicant or participant who  
12 receives assistance or services when not entitled to them under this chapter because  
13 the information provided by the applicant or participant was inaccurate or incomplete  
14 is liable to the department for the value of the assistance and services improperly  
15 provided to the applicant or participant.

16 (d) In a civil action brought by the state to recover the value of assistance or  
17 services improperly provided under this chapter, the state may recover costs of  
18 investigation and prosecution of the civil action, including attorney fees as determined  
19 under court rules.

20 Sec. 47.27.900. DEFINITIONS. In this chapter,

21 (1) "assistance for basic living expenses" means assistance provided  
22 under the Alaska temporary assistance program that may include cash, vouchers, or  
23 third-party vendor payments;

24 (2) "child care assistance" means payments made by the Department  
25 of Health and Social Services or the Department of Community and Regional Affairs  
26 to Alaska temporary assistance program participant families or to providers for the care  
27 of children of the participant families;

28 (3) "child support" includes court-ordered or administratively ordered  
29 child support, medical support, and spousal support;

30 (4) "child support enforcement agency" means the child support  
31 enforcement agency in the Department of Revenue;

1 (5) "commissioner" means the commissioner of health and social  
2 services;

3 (6) "department" means the Department of Health and Social Services;

4 (7) "dependent child" means an individual who

5 (A) has not attained

6 (i) 18 years of age; or

7 (ii) 19 years of age and is a full-time student in a  
8 secondary school or in the equivalent level of vocational or technical  
9 training; and

10 (B) is not an applicant under AS 47.27.020;

11 (8) "self-sufficiency services" means work-related services, community  
12 service work referrals, child care assistance, and other services determined by the  
13 department in regulation to promote family self-sufficiency;

14 (9) "work activities" includes job readiness assessments, on-the-job  
15 training, education and vocational training, job sampling, job search requirements,  
16 subsidized and unsubsidized work, and community work service.

17 Sec. 47.27.990. SHORT TITLE. This chapter may be cited as the Alaska  
18 temporary assistance program.

19 \* Sec. 8. AS 15.07.055(a) is amended to read:

20 (a) The following agencies are designated voter registration agencies:

21 (1) the Department of Public Safety, division of motor vehicles;

22 (2) divisions of the Department of Health and Social Services that  
23 provide public assistance through the food stamp program, Medicaid program, Special  
24 Supplemental Food Program for Women, Infants, and Children (WIC), and Alaska  
25 temporary assistance program [AID TO FAMILIES WITH DEPENDENT  
26 CHILDREN (AFDC) PROGRAM];

27 (3) the division of the Department of Community and Regional Affairs  
28 that is responsible for municipal and regional assistance programs; and

29 (4) all recruitment offices of the armed forces of the United States  
30 located in Alaska.

31 \* Sec. 9. AS 23.10.055 is amended by adding a new paragraph to read:

1 (14) an individual engaged in activities for a nonprofit religious,  
2 charitable, civic, cemetery, recreational, or educational organization where the  
3 employer-employee relationship does not, in fact, exist, and where services are  
4 rendered to the organization under a work activity requirement of AS 47.27 (Alaska  
5 temporary assistance program).

6 \* Sec. 10. AS 23.40.075 is amended to read:

7 Sec. 23.40.075. ITEMS NOT SUBJECT TO BARGAINING. The parties may  
8 not negotiate terms contrary to the

9 (1) [THE] reemployment rights for injured state employees under  
10 AS 39.25.158; [OR]

11 (2) [THE] reemployment rights of the organized militia under  
12 AS 26.05.075;

13 (3) authority of the Department of Health and Social Services  
14 under AS 47.27.035 to assign Alaska temporary assistance program participants  
15 to a work activity considered appropriate by the Department of Health and Social  
16 Services; or

17 (4) authority for agencies to create temporary positions under  
18 AS 47.27.055(c).

19 \* Sec. 11. AS 25.20.050(f) is amended to read:

20 (f) If the child support enforcement agency is a party in an action in which  
21 paternity is contested, the agency shall request the court to order the tests and  
22 procedures described in (e) of this section. The agency may recover the costs of tests  
23 as a cost of the action, except that costs may not be recovered from a person who is  
24 a recipient of assistance [AID] under AS 47.27 (Alaska temporary assistance  
25 program) [AS 47.25.310 - 47.25.420 (AID TO FAMILIES WITH DEPENDENT  
26 CHILDREN)].

27 \* Sec. 12. AS 25.27.025 is amended to read:

28 Sec. 25.27.025. RATE OF INTEREST. The rate of interest imposed under  
29 AS 25.27.020(a)(2)(C) shall be six percent a year [EQUAL THE RATE IMPOSED  
30 UNDER AS 43.05.225] or a lesser rate that is the maximum rate of interest permitted  
31 to be imposed under federal law.

1 \* Sec. 13. AS 25.27.040(a) is amended to read:

2 (a) The agency may appear on behalf of minor children or their mother or  
3 legal custodian or the state and initiate efforts to have the paternity of children born  
4 out of wedlock determined by the court. When the agency is a party to a court action  
5 in which paternity is contested, it shall request and pay for genetic testing and  
6 procedures under AS 25.20.050(f). The agency may recover the costs of the tests as  
7 a cost of the court action, except that costs may not be recovered from a person who  
8 is a recipient of assistance [AID] under AS 47.27 (Alaska temporary assistance  
9 program) [AS 47.25.310 - 47.25.420 (AID TO FAMILIES WITH DEPENDENT  
10 CHILDREN)].

11 \* Sec. 14. AS 25.27.065(b) is amended to read:

12 (b) When the right to receive child support has been assigned to a  
13 governmental entity, an agreement under (a) of this section that has not been adopted  
14 as an administrative order of the agency is not effective during a period when the  
15 obligee is receiving assistance under AS 47.07 or AS 47.27 [AS 47.25.310 -  
16 47.25.420].

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

18 (a) An obligor is liable to the state in the amount of assistance granted under  
19 AS 47.07 and AS 47.27 [AS 47.25.310 - 47.25.420] to a child to whom the obligor  
20 owes a duty of support except that, if a support order has been entered, the liability  
21 of the obligor for assistance granted under AS 47.27 [AS 47.25.310 - 47.25.420] may  
22 not exceed the amount of support provided for in the support order, and, if a medical  
23 order of support has been entered, the liability of the obligor for assistance granted  
24 under AS 47.07 may not exceed the amount of support provided for in the medical  
25 order of support.

26 \* Sec. 16. AS 25.27.125(b) is amended to read:

27 (b) The annual estimated balance in the account maintained by the  
28 commissioner of administration under AS 37.05.142 may be used by the legislature to  
29 make appropriations to the Department of Health and Social Services to carry out the  
30 purposes of AS 47.10.230 - 47.10.260 and AS 47.27 [AS 47.25.310 - 47.25.420].

31 \* Sec. 17. AS 25.27.130(c) is amended to read:

1 (c) The recovery of any amount for which the obligor is liable that exceeds the  
2 total assistance granted under AS 47.07 and AS 47.27 [AS 47.25.310 - 47.25.420] shall  
3 be paid to the obligee.

4 \* Sec. 18. AS 25.27.130(d) is amended to read:

5 (d) Except as provided in (f) of this section, if the obligee is not receiving  
6 assistance under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420] at the time the  
7 state recovers money in an action under this section, the recovery of any amount for  
8 which the obligor is liable shall be distributed to the obligee for support payments,  
9 including medical support payments, that have become due and unpaid since the  
10 termination of assistance under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420]  
11 under a support order in favor of the obligee.

12 \* Sec. 19. AS 25.27.130(e) is amended to read:

13 (e) After payment to the obligee under (d) of this section, the state may retain  
14 an amount not to exceed the total unreimbursed assistance paid on behalf of the  
15 obligee under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420].

16 \* Sec. 20. AS 25.27.130(f) is amended to read:

17 (f) Notwithstanding (d) of this section, the state shall, if required under federal  
18 law or regulations, distribute amounts recovered through offset of the obligor's federal  
19 tax refund as past due support with first distribution to the state for unpaid support  
20 assigned to the state under AS 47.07.025 and AS 47.27.040 [AS 47.25.345].

21 \* Sec. 21. AS 25.27.165(i) is amended to read:

22 (i) The agency may recover any costs it pays for genetic tests required by this  
23 section, except that costs may not be recovered from a person who is a recipient of  
24 assistance [AID] under AS 47.27 (Alaska temporary assistance program)  
25 [AS 47.25.310 - 47.25.420 (AID TO FAMILIES WITH DEPENDENT CHILDREN)].

26 \* Sec. 22. AS 25.27 is amended by adding a new section to read:

New bill section

27 Sec. 25.27.195. RELIEF FROM ADMINISTRATIVE ORDER. (a) A clerical  
28 mistake in an administrative order issued by the agency or an error arising from an  
29 oversight or omission by the agency may be corrected by the agency at any time on  
30 the motion of an obligor.

31 (b) Upon the motion of an obligor, the agency may, at any time, vacate an

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1 administrative support order issued by the agency under AS 25.27.160 that was based  
2 on a default amount rather than on the obligor's actual ability to pay.

3 (c) Before an order may be corrected or vacated under (a) or (b) of this  
4 section, the agency must send notice of the intended action to the obligor and the  
5 custodian and provide an adequate opportunity for the obligor and custodian to be  
6 heard on the issue.

7 (d) If an order is vacated under (b) of this section, the agency may at the same  
8 time issue a new order establishing a support amount, based on information about the  
9 obligor's income or on the Alaska average wage standard, for periods of time covered  
10 by the previous order. Upon issuance of the new order, the agency may adjust the  
11 obligor's account to reflect the support amounts established in the new order. In no  
12 case may the agency adjust the obligor's account below zero.

13 \* Sec. 23. AS 25.27 is amended by adding new sections to read:

14 Sec. 25.27.244. ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S  
15 OCCUPATIONAL LICENSE. (a) The agency shall compile and maintain a list of  
16 obligors who are not in substantial compliance with a support order or payment  
17 schedule negotiated under (g)(1) of this section and who have received notice of the  
18 arrearages at least 60 days before placement on the list. The list must include the  
19 names, social security numbers, dates of birth, and last known addresses of the  
20 obligors. The list shall be updated by the agency on a monthly basis.

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#3

21 (b) The agency shall, on a monthly basis, provide a copy of the list to each  
22 licensing entity through a computer readable magnetic medium. A licensing entity  
23 subject to this section shall implement procedures to accept and process the list.  
24 Notwithstanding any other law to the contrary, a licensing entity may not issue or  
25 renew a license for a person on the list except as provided in this section.

26 (c) Promptly after receiving an application from an applicant and before  
27 issuing or renewing a license, a licensing entity shall determine whether the applicant  
28 is on the most recent list provided by the agency. If the applicant is on the list, the  
29 licensing entity shall immediately serve notice under (e) of this section of the licensing  
30 entity's intent to withhold issuance or renewal of the license. The notice shall be  
31 considered given when delivered personally to the applicant or deposited in the United

1 States mail addressed to the applicant's last known mailing address on file with the  
2 licensing entity.

3 (d) A licensing entity shall issue a temporary license valid for a period of 150  
4 days to an applicant whose name is on the list if the applicant is otherwise eligible for  
5 a license. The temporary license may not be extended. Only one temporary license  
6 may be issued during a regular license term and its validity shall coincide with the first  
7 150 days of that license term. A license for the full or remainder of the license term  
8 may be issued or renewed only upon compliance with this section. If a license or  
9 application is denied under this section, money paid by the applicant or licensee shall  
10 be refunded by the licensing entity after retention of the temporary license fee, if any.

11 (e) Notices for use under (c) of this section shall be developed by each  
12 licensing entity under guidelines provided by the agency and are subject to approval  
13 by the agency. The notice must include the address and telephone number of the  
14 agency and shall emphasize the necessity of obtaining a release from the agency as a  
15 condition for the issuance or renewal of a license. The notice must inform an  
16 applicant whose license is governed by (d) of this section that the licensing entity shall  
17 issue a temporary license for 150 calendar days under (d) of this section if the  
18 applicant is otherwise eligible and that, upon expiration of that time period, the license  
19 will be denied unless the licensing entity has received a release from the agency. The  
20 agency shall also develop a form that the applicant may use to request a review by the  
21 agency. A copy of this form shall be included with each notice sent under (c) of this  
22 section.

23 (f) The agency shall establish review procedures consistent with this section  
24 to allow an applicant to have the underlying arrearages and relevant defenses  
25 investigated, to provide an applicant information on the process of obtaining a  
26 modification of a support order, or to provide an applicant assistance in the  
27 establishment of a payment schedule on arrearages if the circumstances warrant.

28 (g) If the applicant wishes to challenge being included on the list, the applicant  
29 shall submit to the agency a written request for review within 30 days after receiving  
30 the notice under (c) of this section by using the form developed under (e) of this  
31 section. Within 30 days after receiving a written request for review, the agency shall

1 inform the applicant in writing of the agency's findings. The agency shall immediately  
2 send a release to the appropriate licensing entity and the applicant if any of the  
3 following conditions is met:

4 (1) the applicant is found to be in substantial compliance with each  
5 support order applicable to the applicant or has negotiated an agreement with the  
6 agency for a payment schedule on arrearages and is in substantial compliance with the  
7 negotiated agreement; if the applicant fails to be in substantial compliance with an  
8 agreement negotiated under this paragraph, the agency shall send to the appropriate  
9 licensing entity a revocation of any release previously sent to the entity for that  
10 applicant;

11 (2) the applicant has submitted a timely request for review to the  
12 agency, but the agency will be unable to complete the review and send notice of  
13 findings to the applicant in sufficient time for the applicant to file a timely request for  
14 judicial relief within the 150-day period during which the applicant's temporary license  
15 is valid under (d) of this section; this paragraph applies only if the delay in completing  
16 the review process is not the result of the applicant's failure to act in a reasonable,  
17 timely, and diligent manner upon receiving notice from the licensing entity that the  
18 applicant's name is on the list;

19 (3) the applicant has, within 30 days after receiving the agency's  
20 findings following a request for review under (2) of this subsection, filed and served  
21 a request for judicial relief under this section, but a resolution of that relief will not  
22 be made within the 150-day period of the temporary license under (d) of this section;  
23 this paragraph applies only if the delay in completing the judicial relief process is not  
24 the result of the applicant's failure to act in a reasonable, timely, and diligent manner  
25 upon receiving the agency's notice of findings; or

26 (4) the applicant has obtained a judicial finding of substantial  
27 compliance.

28 (h) An applicant is required to act with diligence in responding to notices from  
29 the licensing entity and the agency with the recognition that the temporary license  
30 granted under (d) of this section will lapse after 150 days and that the agency and,  
31 where appropriate, the court must have time to act within that 150-day period. An

1 applicant's delay in acting, without good cause, that directly results in the inability of  
2 the agency to complete a review of the applicant's request or the court to hear the  
3 request for judicial relief within the required period does not constitute the diligence  
4 required under this section that would justify the issuance of a release.

5 (i) Except as otherwise provided in this section, the agency may not issue a  
6 release if the applicant is not in substantial compliance with the order for support or  
7 is not in substantial compliance with an agreement negotiated under (g)(1) of this  
8 section. The agency shall notify the applicant in writing that the applicant may request  
9 any or all of the following: (1) judicial relief from the agency's decision not to issue  
10 a release or the agency's decision to revoke a release under (g)(1) of this section; (2)  
11 a judicial determination of substantial compliance; (3) a modification of the support  
12 order. The notice must also contain the name and address of the court in which the  
13 applicant may file the request for relief and inform the applicant that the applicant's  
14 name shall remain on the list if the applicant does not request judicial relief within 30  
15 days after receiving the notice. The applicant shall comply with all statutes and rules  
16 of court implementing this section. This section does not limit an applicant's authority  
17 under other law to request an order to show cause or notice of motion to modify a  
18 support order or to fix a payment schedule on arrearages accruing under a support  
19 order or to obtain a court finding of substantial compliance with a support order.

20 (j) A request for judicial relief from the agency's decision must state the  
21 grounds on which relief is requested and the judicial action shall be limited to those  
22 stated grounds. Judicial relief under this subsection is not an appeal, and shall be  
23 governed by court rules adopted to implement this section. Unless otherwise provided  
24 by court rule, the court shall hold an evidentiary hearing within 20 calendar days after  
25 the filing of service on the opposing party. The court's decision shall be limited to a  
26 determination of each of the following issues:

27 (1) whether there is a support order or a payment schedule on  
28 arrearages;

29 (2) whether the petitioner is the obligor covered by the support order;

30 and

31 (3) whether the obligor is in substantial compliance with the support

1 order or payment schedule.

2 (k) If the court finds that the obligor is in substantial compliance with the  
3 support order or payment schedule, the agency shall immediately send a release under  
4 (g) of this section to the appropriate licensing entity and the applicant.

5 (l) When the obligor is in substantial compliance with a support order or  
6 payment schedule, the agency shall mail to the applicant and the appropriate licensing  
7 entity a release stating that the applicant is in substantial compliance. The receipt of  
8 a release shall serve to notify the applicant and the licensing entity that, for the  
9 purposes of this section, the applicant is in substantial compliance with the support  
10 order or payment schedule unless the agency, under (a) of this section, certifies  
11 subsequent to the issuance of a release that the applicant is once again not in  
12 substantial compliance with a support order or payment schedule.

13 (m) The agency may enter into interagency agreements with the state agencies  
14 that have responsibility for the administration of licensing entities as necessary to  
15 implement this section to the extent that it is cost effective to implement the  
16 interagency agreements. The agreements shall provide for the receipt by the other  
17 state agencies and licensing entities of federal money to cover that portion of costs  
18 allowable in federal law and regulation and incurred by the state agencies and licensing  
19 entities in implementing this section.

20 (n) Notwithstanding any other provision of law, the licensing entities subject  
21 to this section shall assess a fee for issuance of a temporary license under this section.  
22 The licensing entity shall set the amount of the fee so that the fees collected under this  
23 section, to the extent reasonable, cover the costs of implementing and administering  
24 this section.

25 (o) The process described in (g) of this section is the sole administrative  
26 remedy for contesting the issuance to the applicant of a temporary license or the denial  
27 of a license under this section. The procedures specified in AS 41.62.330 - 41.62.630  
28 do not apply to the denial or failure to issue or renew a license under this section.

29 (p) The agency and licensing entities, as appropriate, shall adopt regulations  
30 necessary to implement this section.

31 (q) In this section,

1 (1) "applicant" means a person applying for issuance or renewal of a  
2 license;

3 (2) "license"

4 (A) means, except as provided in (B) of this paragraph, a  
5 license, certificate, permit, registration, or other authorization that, at the time  
6 of issuance, will be valid for more than 150 days and that may be acquired  
7 from a state agency to perform an occupation, including the following:

8 (i) license relating to boxing or wrestling under  
9 AS 05.10;

10 (ii) authorization to perform an occupation regulated  
11 under AS 08;

12 (iii) teacher certificate under AS 14.20;

13 (iv) authorization under AS 18.08 to perform emergency  
14 medical services;

15 (v) asbestos worker certification under AS 18.31;

16 (vi) boiler operator's license under AS 18.60.395;

17 (vii) certificate of fitness under AS 18.62;

18 (viii) hazardous painting certification under AS 18.63;

19 (ix) security guard license under AS 18.65.400 -  
20 18.65.490;

21 (x) license relating to insurance under AS 21.27;

22 (xi) employment agency permit under AS 23.15.330 -  
23 23.15.520;

24 (xii) registration as a broker-dealer, agent, or investment  
25 adviser under AS 45.55.030;

26 (xiii) certification as a pesticide applicator under  
27 AS 46.03.320;

28 (xiv) certification as a storage tank worker or contractor  
29 under AS 46.03.375;

30 (xv) certification as a water and wastewater works  
31 operator under AS 46.30;

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(xvi) a vessel license issued under AS 16.05.490 or 16.05.530;

(xvii) a commercial fishing license under AS 16.05.480, including a crew member fishing license;

(xviii) a license issued under AS 47.35; and

(xix) a business license issued under AS 43.70;

*2. not  
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to Amend #6*

(B) does not include

(i) an entry permit or interim-use permit issued under AS 16.43; or

(ii) a driver's license issued under AS 28.15;

(3) "licensee" means a person holding a license or applying to renew a license;

(4) "licensing entity" means the state agency that issues or renews a license; in the case of a license issued or renewed by the Department of Commerce and Economic Development after an applicant's qualifications are determined by another agency, "licensing entity" means the department;

(5) "list" means the list of obligors compiled and maintained under (a) of this section;

(6) "substantial compliance with a support order or payment schedule" means that, with respect to a support order or a negotiated payment schedule under (g) of this section, whichever is applicable, the obligor either has no arrearage or has an arrearage in an amount that is not more than four times the monthly obligation under the support order or payment schedule.

Sec. 25.27.246. ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S DRIVER'S LICENSE. (a) The agency shall compile and maintain a list of obligors who have a driver's license, are not in substantial compliance with a support order or payment schedule negotiated under (f)(1) of this section, and have received notice of the arrearages at least 60 days before placement on the list. The list must include the names, social security numbers, dates of birth, and last known addresses of the obligors. The list shall be updated by the agency on a monthly basis.

(b) The agency shall serve notice under (d) of this section to each person on

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Amend #6*

*Amend #3*

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*Amend #3*

1 the list that the person's driver's license will be suspended in 150 days, and will not  
2 be reissued or renewed the next time it is applied for if the person's name is on the  
3 list at the time of the subsequent application, unless the licensee receives a release  
4 from the agency. The notice shall be considered given when delivered personally to  
5 the obligor or deposited in the United States mail addressed to the obligor's last known  
6 mailing address on file with the agency.

7 (c) If the licensee fails to obtain a release during the 150-day period following  
8 notice under (b) and (d) of this section, the agency shall notify the department that the  
9 licensee's driver's license should be suspended and further renewals or applications  
10 should be denied until the agency sends the department a release for the licensee.  
11 Upon receiving the agency's notice under this subsection, the department shall suspend  
12 the licensee's driver's license and may not issue or renew a driver's license for the  
13 licensee until the department receives a release to do so from the agency. If a license  
14 is suspended or an application is denied under this section, money paid by the  
15 applicant or licensee may not be refunded by the department.

16 (d) The notice under (b) of this section must include the address and telephone  
17 number of the agency and shall emphasize the necessity of obtaining a release from  
18 the agency as a condition for avoiding suspension or denial of the person's driver's  
19 license. The notice must also inform the licensee that, if a license is suspended or an  
20 application is denied under this section, money paid by the licensee will not be  
21 refunded by the department. The agency shall also develop a form that the licensee  
22 may use to request a review by the agency. A copy of this form shall be included  
23 with each notice sent under (b) of this section.

24 (e) The agency shall establish review procedures consistent with this section  
25 to allow a licensee to have the underlying arrearages and relevant defenses  
26 investigated, to provide a licensee with information on the process of obtaining a  
27 modification of a support order, or to provide a licensee with assistance in the  
28 establishment of a payment schedule on arrearages if the circumstances warrant.

29 (f) If a licensee wishes to challenge being included on the list, the licensee  
30 shall submit to the agency a written request for review within 30 days after the notice  
31 under (b) of this section was personally delivered or postmarked by using the form

1 developed under (d) of this section. Within 30 days after receiving a written request  
2 for review, the agency shall inform the licensee in writing of the agency's findings.  
3 The agency shall immediately send a release to the department and the licensee if any  
4 of the following conditions is met:

5 (1) the licensee is found to be in substantial compliance with each  
6 support order applicable to the licensee or has negotiated an agreement with the agency  
7 for a payment schedule on arrearages and is in substantial compliance with the  
8 negotiated agreement; if the licensee fails to be in substantial compliance with an  
9 agreement negotiated under this paragraph, the agency shall send to the department a  
10 revocation of any release previously sent to the entity for that licensee;

11 (2) the licensee has submitted a timely request for review to the  
12 agency, but the agency will be unable to complete the review and send notice of  
13 findings to the licensee in sufficient time for the licensee to file a timely request for  
14 judicial relief within the 150-day period before the licensee's license will be suspended  
15 under (c) of this section: this paragraph applies only if the delay in completing the  
16 review process is not the result of the licensee's failure to act in a reasonable, timely,  
17 and diligent manner upon receiving notice from the agency that the licensee's driver's  
18 license will be suspended in 150 days;

19 (3) the licensee has, within 30 days after receiving the agency's  
20 findings following a request for review under (2) of this subsection, filed and served  
21 a request for judicial relief under this section, but a resolution of that relief will not  
22 be made within the 150-day period before license suspension under (c) of this section:  
23 this paragraph applies only if the delay in completing the judicial relief process is not  
24 the result of the licensee's failure to act in a reasonable, timely, and diligent manner  
25 upon receiving the agency's notice of findings; or

26 (4) the licensee has obtained a judicial finding of substantial  
27 compliance.

28 (g) A licensee is required to act with diligence in responding to notices from  
29 the agency with the recognition that the person's driver's license will be suspended  
30 after 150 days or that a subsequent license will not be issued and that the agency and,  
31 where appropriate, the court must have time to act within that 150-day period or before

1 the subsequent license is needed, as applicable. A licensee's delay in acting, without  
2 good cause, that directly results in the inability of the agency to complete a review of  
3 the licensee's request or the court to hear the request for judicial relief within the  
4 required period does not constitute the diligence required under this section that would  
5 justify the issuance of a release.

6 (h) Except as otherwise provided in this section, the agency may not issue a  
7 release if the applicant is not in substantial compliance with the order for support or  
8 is not in substantial compliance with an agreement negotiated under (f)(1) of this  
9 section. The agency shall notify the licensee in writing that the licensee may request  
10 any or all of the following: (1) judicial relief from the agency's decision not to issue  
11 a release or the agency's decision to revoke a release under (f)(1) of this section; (2)  
12 a judicial determination of substantial compliance; (3) a modification of the support  
13 order. The notice must also contain the name and address of the court in which the  
14 licensee may file the request for relief and inform the licensee that the licensee's name  
15 shall remain on the list if the licensee does not request judicial relief within 30 days  
16 after receiving the notice. The licensee shall comply with all statutes and rules of  
17 court implementing this section. This section does not limit a licensee's authority  
18 under other law to request an order to show cause or notice of motion to modify a  
19 support order or to fix a payment schedule on arrearages accruing under a support  
20 order or to obtain a court finding of substantial compliance with a support order.

21 (i) A request for judicial relief from the agency's decision must state the  
22 grounds on which relief is requested and the judicial action shall be limited to those  
23 stated grounds. Judicial relief under this subsection is not an appeal and shall be  
24 governed by court rules adopted to implement this section. Unless otherwise provided  
25 by court rule, the court shall hold an evidentiary hearing within 20 calendar days after  
26 the filing of service on the opposing party. The court's decision shall be limited to a  
27 determination of each of the following issues:

28 (1) whether there is a support order or a payment schedule on  
29 arrearages;

30 (2) whether the petitioner is the obligor covered by the support order;

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(3) whether the obligor is in substantial compliance with the support order or payment schedule.

(j) If the court finds that the obligor is in substantial compliance with the support order or payment schedule, the agency shall immediately send a release under (f) of this section to the department and the licensee.

(k) When the obligor is in substantial compliance with a support order or payment schedule, the agency shall mail to the applicant and the department a release stating that the licensee is in substantial compliance. The receipt of a release shall serve to notify the licensee and the department that, for the purposes of this section, the applicant is in substantial compliance with the support order or payment schedule unless the agency, under (a) of this section, certifies subsequent to the issuance of a release that the licensee is once again not in substantial compliance with a support order or payment schedule.

(l) The process described in (f) of this section is the sole administrative remedy for contesting the suspension or the denial of a driver's license under this section. The procedures specified in AS 28 or AS 44.62.330 - 44.62.630 do not apply to the suspension or failure to issue or renew a license under this section.

(m) The agency and department, as appropriate, shall adopt regulations necessary to implement this section.

(n) In this section,

(1) "department" means the Department of Public Safety;

(2) "driver's license" or "license" means a driver's license, as defined in AS 28.40.100;

(3) "licensee" means a person holding or requesting a driver's license;

(4) "list" means the list of obligors compiled and maintained under (a) of this section;

(5) "substantial compliance with a support order or payment schedule" means that, with respect to a support order or a negotiated payment schedule under (f) of this section, whichever is applicable, the obligor either has no arrearage or has an arrearage in an amount that is not more than four times the monthly obligation under the support order or payment schedule.

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1 \* Sec. 24. AS 36.30.850(b)(11) is amended to read:

2 (11) agreements with providers of services under AS 44.47.250;  
3 AS 47.07; AS 47.08; AS 47.10; AS 47.17; AS 47.24; and AS 47.27, including  
4 contractors under AS 47.27.050 [AS 47.25.195 AND 47.25.310];

5 \* Sec. 25. AS 39.25.110 is amended by adding a new paragraph to read:

6 (31) a participant in the Alaska temporary assistance program under  
7 AS 47.27 who holds a temporary position with the state in order to obtain job training  
8 or experience.

9 \* Sec. 26. AS 44.19.626(a) is amended to read:

10 (a) As the lead state planning and coordinating entity, the Alaska Human  
11 Resource Investment Council has responsibility, to the extent authorized by federal and  
12 state law, for planning and coordinating federal, state, and local efforts in human  
13 resource programs in this state related to employment training, including the work  
14 activities of the Alaska temporary assistance program under AS 47.27.

15 \* Sec. 27. AS 44.29.020(a) is amended to read:

16 (a) The Department of Health and Social Services shall administer the state  
17 programs of public health and social services, including

18 (1) maternal and child health services;

19 (2) preventive medical services;

20 (3) public health nursing services;

21 (4) nutrition services;

22 (5) health education;

23 (6) laboratories;

24 (7) mental health treatment and diagnosis;

25 (8) management of state institutions, except for adult penal institutions;

26 (9) medical facilities;

27 (10) adult public assistance;

28 (11) Alaska temporary assistance program [AID TO FAMILIES  
29 WITH DEPENDENT CHILDREN];

30 (12) child welfare services;

31 (13) general relief; and

1 (14) licensing and supervision of child care facilities.

2 \* Sec. 28. AS 44.47.280 is amended to read:

3 Sec. 44.47.280. ELIGIBILITY OF FAMILIES FOR BENEFITS. The  
4 department shall determine the eligibility of families for day care benefits on the basis  
5 of the following factors:

6 (1) [NET] income of the family, including salary, alimony, child  
7 support, retirement benefits, social security, and any other source of income;

8 (2) number of children in the family;

9 (3) whether there is one parent or guardian solely responsible for the  
10 care of the family [;

11 (4) REPEALED

12 (5) OTHER FACTORS FOUND RELEVANT BY THE  
13 DEPARTMENT].

14 \* Sec. 29. AS 47.05.010(1) is amended to read:

15 (1) administer adult public assistance, the Alaska temporary  
16 assistance program [AID TO FAMILIES WITH DEPENDENT CHILDREN], and all  
17 other assistance programs, and receive and spend money [FUNDS] made available to  
18 it;

19 \* Sec. 30. AS 47.05.010(2) is amended to read:

20 (2) adopt regulations necessary for the conduct of its business and for  
21 carrying out federal and state laws granting adult public assistance, temporary  
22 assistance for needy families under the Alaska temporary assistance program  
23 [AID TO FAMILIES WITH DEPENDENT CHILDREN], and other assistance;

24 \* Sec. 31. AS 47.05.010(5) is amended to read:

25 (5) cooperate with the federal government in matters of mutual concern  
26 pertaining to adult public assistance, the Alaska temporary assistance program [AID  
27 TO FAMILIES WITH DEPENDENT CHILDREN], and other forms of public  
28 assistance;

29 \* Sec. 32. AS 47.05.010 is amended by adding a new paragraph to read:

30 (14) provide education and health-related services and referrals  
31 designed to reduce the number of out-of-wedlock pregnancies and the number of

1 induced pregnancy terminations in the state.

2 \* Sec. 33. AS 47.05.020 is amended to read:

3 Sec. 47.05.020. REGULATIONS TO PROTECT CONFIDENTIAL PUBLIC  
 4 ASSISTANCE RECORDS. The power of the department to adopt regulations includes  
 5 the power to adopt and enforce reasonable regulations governing the custody, use, and  
 6 preservation of the records, papers, files, and communications of the department. The  
 7 regulations must provide that financial information concerning an eligibility  
 8 determination of a person applying for or receiving assistance under the Alaska  
 9 temporary assistance program shall be disclosed to a legislator on request of the  
 10 legislator in connection with official purposes within the scope of the legislator's  
 11 legislative functions and related to the administration of the program consistent  
 12 with federal law. When, under the law, names and addresses of recipients of public  
 13 assistance are furnished to or held by another agency or department of government the  
 14 agency or department of government shall adopt regulations necessary to prevent the  
 15 publication of the lists or their use for purposes not directly connected with the  
 16 administration of public assistance and legislative functions. A legislator to whom  
 17 information relating to the Alaska temporary assistance program is disclosed  
 18 under this section may not further disclose the information except to another  
 19 legislator and then only in connection with official purposes within each  
 20 legislator's legislative functions and related to the administration of the program  
 21 consistent with federal law.

1st part of Amend #9

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Amend #9

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22 \* Sec. 34. AS 47.05.030 is amended to read:

23 Sec. 47.05.030. MISUSE OF PUBLIC ASSISTANCE LISTS AND  
 24 RECORDS. Except as provided in (b) of this section and for purposes directly  
 25 connected with the administration of general assistance, adult public assistance, the day  
 26 care assistance program authorized under AS 44.47.250 - 44.47.310, or the Alaska  
 27 temporary assistance program [AID TO FAMILIES WITH DEPENDENT  
 28 CHILDREN], and in accordance with the regulations of the department, a person may  
 29 not solicit, disclose, receive, make use of, or authorize, knowingly permit, participate  
 30 in, or acquiesce in the use of, a list of or names of, or information concerning, persons  
 31 applying for or receiving the assistance directly or indirectly derived from the records.

\* Amend #9 (a)

1 papers, files, or communications of the department or subdivisions or agencies of the  
2 department, or acquired in the course of the performance of official duties.

3 \* Sec. 35. AS 47.05.030 is amended by adding a new subsection to read:

*New bill Section #9 (b)*  
↓

4 (b) It is not a violation of (a) of this section for the department or an employee  
5 of the department to disclose to a legislator, or for a legislator to solicit, receive, or  
6 make use of, financial information concerning an eligibility determination of a person  
7 applying for or receiving assistance under the Alaska temporary assistance program  
8 if the disclosure, solicitation, receipt, and use are for official purposes in connection  
9 with the legislator's official functions and related to the administration of the program  
10 consistent with federal law. Information provided to a legislator under this subsection  
11 shall remain confidential and may not be further disclosed except as provided in  
12 AS 47.05.020.

13 \* Sec. 36. AS 47.05 is amended by adding a new section to read:

*New bill section*

14 Sec. 47.05.032. DISCLOSURES TO LEGISLATORS. A legislator to whom  
15 confidential information is disclosed under AS 47.05.020 - 47.05.030 is not subject to  
16 a penalty for further disclosure of the information unless, at the time the information  
17 was provided to the legislator, the legislator was given written notification that the  
18 material was confidential.

*Comp part of Amend #9*  
↓

19 \* Sec. 37. AS 47.05.080(a) is amended to read:

20 (a) Benefit overpayments collected by the department in administering  
21 programs under AS 47.25.120 - 47.25.300 (general relief), [AS 47.25.310 - 47.25.420  
22 (AID TO FAMILIES WITH DEPENDENT CHILDREN),] AS 47.25.430 - 47.25.615  
23 (adult public assistance), [AND] AS 47.25.975 - 47.25.990 (food stamps), and  
24 AS 47.27 (Alaska temporary assistance program) shall be remitted to the  
25 Department of Revenue under AS 37.10.050(a).

26 \* Sec. 38. AS 47.07.020(b)(1) is amended to read:

27 (1) persons eligible for but not receiving assistance under any plan of  
28 the state approved under [42 U.S.C. 601 - 615 (TITLE IV-A, SOCIAL SECURITY  
29 ACT, AID TO FAMILIES WITH DEPENDENT CHILDREN) OR] 42 U.S.C. 1381  
30 - 1383c (Title XVI, Social Security Act, Supplemental Security Income) or a federal  
31 program designated as the successor to the aid to families with dependent

1        children program;

2        \* Sec. 39. AS 47.07.020(b)(5) is amended to read:

3                (5) persons under age 21 who are in an institution designated as an  
4        intermediate care facility for the mentally retarded and who are financially eligible as  
5        determined by the standards of the federal program designated as the successor to  
6        the aid to families with dependent children program;

7        \* Sec. 40. AS 47.07.020(b)(7) is amended to read:

8                (7) persons under age 21 who are receiving active treatment in a  
9        psychiatric hospital and who are financially eligible as determined by the standards of  
10       the federal program designated as the successor to the [42 U.S.C. 601 - 615  
11       (TITLE IV-A, SOCIAL SECURITY ACT,] aid to families with dependent children  
12       program (]);

13       \* Sec. 41. AS 47.07.020(b)(8) is amended to read:

14                (8) persons under age 21 and not covered under (a) of this section, who  
15        would be eligible for benefits under the federal program designated as the successor  
16        to the aid to families with dependent children program, except that they have the care  
17        and support of both their natural and adoptive parents;

18       \* Sec. 42. AS 47.07.020(b)(9) is amended to read:

19                (9) pregnant women not covered under (a) of this section and who meet  
20        the income and resource requirements of the federal program designated as the  
21        successor to the aid to families with dependent children program;

22       \* Sec. 43. AS 47.07.035(26) is amended to read:

23                (26) individuals under age 21 who are not eligible for benefits under  
24        the federal program designated as the successor to the aid to families with  
25        dependent children program because they are not deprived of one or more of their  
26        natural or adoptive parents;

27       \* Sec. 44. Rule 90.3(c), Alaska Rules of Civil Procedure, is amended by adding a new  
28       paragraph to read:

29                (3) In addition to ordering a parent to pay child support as calculated  
30        under this rule, the court may, in appropriate circumstances, order one or more  
31        grandparents of a child to pay child support to an appropriate person in an amount

1st part  
Amend  
#4  
\*

Last portion  
of  
Amend  
4(c)  
\*

?

New  
6-11  
section

\*  
Do not  
appear  
in  
Amend-  
ments

1 determined by the court to serve the best interests of the child. However, the amount  
 2 may not exceed the smaller of (A) a proportionate share of the amount required to  
 3 provide care in a supervised setting to the grandchild, as determined by the court, or  
 4 (B) the amount that would have been awarded if the child's parents had the incomes  
 5 of the child's grandparents and paragraphs (a) and (b) were applied. An order under  
 6 this paragraph may be issued only with respect to a child whose parents are both  
 7 minors, and the order terminates when either parent becomes 18 years of age. The  
 8 court must specify in writing the reasons why it considers it to be appropriate to order  
 9 a grandparent to pay child support under this paragraph and the factors considered in  
 10 setting the amount of the child support award. In this paragraph, "grandparent" means  
 11 the natural or adoptive parent of the minor parent.

12 \* Sec. 45. AS 25.27.244 and 25.27.246, added by sec. 23 of this Act, are repealed.  
 13 \* Sec. 46. AS 43.05.225(2)(B) is repealed.  
 14 \* Sec. 47. AS 47.25.310(c) is repealed.  
 15 \* Sec. 48. AS 47.25.301, 47.25.302, 47.25.303, 47.25.305, 47.25.306, 47.25.307, 47.25.308,  
 16 and 47.25.309 are repealed on the date established under sec. 64 of this Act.

17 \* Sec. 49. AS 47.25.310, 47.25.311, 47.25.315, 47.25.320, 47.25.330, 47.25.340, 47.25.345,  
 18 47.25.350, 47.25.360, 47.25.364, 47.25.365, 47.25.366, 47.25.370, 47.25.380, 47.25.395,  
 19 47.25.400, 47.25.410, 47.25.420, 47.25.421, 47.25.423, 47.25.425, 47.25.427, and 47.25.429  
 20 are repealed on the date established under sec. 59 of this Act.

21 \* Sec. 50. AMENDMENT OF COURT RULE. AS 25.27.195(d), added by sec. 22 of this  
 22 Act, has the effect of amending Rule 90.3(h)(2) by allowing retroactive modification of child  
 23 support arrearages when a child support order is vacated because it was based on a default  
 24 amount rather than on the obligor's actual ability to pay.

25 \* Sec. 51. VOTE REQUIRED FOR COURT RULE CHANGES. The court rule changes  
 26 in secs. 22, 44, and 50 of this Act may take effect with the affirmative vote of a majority of  
 27 the membership of each house, notwithstanding art. IV, sec. 15, Constitution of the State of  
 28 Alaska, because the rule being amended is not a rule governing practice or procedure.

29 \* Sec. 52. WAIVER APPLICATIONS. The Department of Health and Social Services shall  
 30 promptly apply to the federal government for waivers if the department determines that waivers  
 31 are necessary to implement AS 47.25.309, added by sec. 1 of this Act, or any part of secs. 2 -  
 32 6 or 47 of this Act. If waivers are not necessary for any particular provision, the department

1 shall promptly submit a state plan amendment to the federal government to implement the  
2 change made by the provision.

3 \* Sec. 53. REPORT. (a) In furtherance of the public policy of increasing child support  
4 enforcement and collections, the child support enforcement agency shall, within 18 months  
5 after the effective date of this section, make a report to the governor based on data collected  
6 by the licensing entities and the agency in a format prescribed by the agency. The report must  
7 contain

8 (1) the number of delinquent obligors on the lists maintained by the agency  
9 under AS 25.27.244 - 25.27.246, enacted by sec. 23 of this Act, at the end of the first 12  
10 months during which the lists were maintained;

11 (2) the number of delinquent obligors who also were applicants or licensees  
12 subject to AS 25.27.244 - 25.27.246, enacted by sec. 23 of this Act, during the first 12 months  
13 during which AS 25.27.244 - 25.27.246 were applicable;

14 (3) the number of new licenses and renewals that were delayed or denied and  
15 temporary licenses issued subject to AS 25.27.244 and the number of new licenses and  
16 renewals granted following receipt by licensing entities of releases under AS 25.27.244 by the  
17 end of the first 12 months during which AS 25.27.244 was applicable;

18 (4) the number of licenses under AS 28.15 that were suspended under  
19 AS 25.27.246 and the number of licenses under AS 28.15 that were reinstated following  
20 receipt by the Department of Public Safety of releases under AS 25.27.246 by the end of the  
21 first 12 months during which AS 25.27.246 was applicable; and

22 (5) the costs incurred in the implementation and enforcement of AS 25.27.244  
23 - 25.27.246, enacted by sec. 23 of this Act, during the first 12 months during which  
24 AS 25.27.244 - 25.27.246 were applicable;

25 (b) A licensing entity receiving an inquiry from the agency under (a) of this section  
26 shall cooperate with the agency. When queried as to the licensed status of an applicant who  
27 has had a license denied or suspended under AS 25.27.244 or 25.27.246 or has been granted  
28 a temporary license under AS 25.27.244, the licensing entity shall respond only that the  
29 license was denied or suspended or that the temporary license was issued.

30 \* Sec. 54. REDETERMINATION OF ASSISTANCE LEVELS. (a) On the first day of  
31 the First Regular Session of the Twenty-First Alaska State Legislature, the Department of  
32 Health and Social Services shall submit to the legislature the results of a comprehensive needs

1 study that includes estimates of the basic assistance amounts required by Alaska families who  
2 are receiving aid to families with dependent children (AFDC) or assistance under a program  
3 that is a successor to AFDC.

4 (b) If the First Regular Session of the Twenty-First Alaska State Legislature does not  
5 enact a bill that becomes law that adjusts the payment structure or the levels of assistance  
6 provided under AFDC or its successor program, each maximum assistance amount under  
7 AFDC or its successor program, as applicable, is reduced, effective January 1, 2000, by the  
8 percentage by which the total state funds appropriated for AFDC or its successor program for  
9 operation during fiscal year 1999 exceeded the total state funds appropriated for AFDC or its  
10 successor program for operation during fiscal year 1997, with no adjustment required if the  
11 1999 state funds did not exceed the 1997 state funds.

12 \* Sec. 55. TRANSITION. (a) The Department of Health and Social Services and the  
13 Department of Revenue, child support enforcement agency, may proceed to adopt regulations  
14 necessary to implement this Act. Regulations to implement a provision of this Act take effect  
15 under AS 44.62 (Administrative Procedure Act), but not before the effective date of the  
16 relevant provision of this Act.

17 (b) Regulations adopted by the Department of Health and Social Services under the  
18 authority of AS 47.25.310 - 47.25.420 before the effective dates of secs. 1 - 7 of this Act  
19 remain in effect, and may be implemented and enforced to the extent that the regulations are  
20 not inconsistent with the corresponding provisions of secs. 1 - 7 of this Act, until the  
21 department has made regulation changes under AS 44.62 (Administrative Procedure Act) to  
22 implement this Act.

23 (c) Notwithstanding sec. 46 of this Act, an application for assistance filed under  
24 AS 47.25.310 - 47.25.420 remains effective as an application for the Alaska temporary  
25 assistance program following the effective date of sec. 7 of this Act until the Department of  
26 Health and Social Services requires a new application with the development of a family self-  
27 sufficiency plan; new applications shall be required no later than one year following the  
28 effective date of sec. 7 of this Act.

29 (d) Litigation, hearings, investigations, collection actions, and other proceedings  
30 pending under a law amended or repealed by this Act continue in effect and may be  
31 completed by the Department of Health and Social Services notwithstanding the repeal or

Amend  
#  
10  
X

1 amendment under the Act.

2 \* Sec. 56. APPLICABILITY. (a) AS 47.25.311(a), added by sec. 2 of this Act, and  
3 AS 47.27.015(e), added by sec. 7 of this Act, apply to disqualifications imposed on or after the  
4 effective dates of AS 47.25.311(a) and AS 47.27.015(e), respectively.

5 (b) AS 47.25.311(c), added by sec. 2 of this Act, and AS 47.27.015(c), added by sec.  
6 7 of this Act, apply to refusals to accept, and separations from, suitable employment without  
7 good cause that occur on or after the effective dates of AS 47.25.311(c) and AS 47.27.015(c),  
8 respectively.

9 (c) AS 47.25.315, added by sec. 2 of this Act, and AS 47.27.027, added by sec. 7 of  
10 this Act, apply to minors who apply or reapply for assistance under AS 47.25.310 - 47.25.420  
11 or AS 47.27.020, respectively, on or after the effective dates of AS 47.25.315 and AS 47.27.027,  
12 respectively.

13 \* Sec. 57. AS 47.25.301, added by sec. 1 of this Act, and secs. 52, 55(a) and (b), and 56 of  
14 this Act take effect immediately under AS 01.10.070(c).

15 \* Sec. 58. Sections 12, 22, 44, 46, 50, 51, and 55(c) and (d) of this Act take effect  
16 October 1, 1996.

17 \* Sec. 59. Sections 7 - 11, 13 - 21, 24 - 43, and 49 of this Act take effect October 1, 1996,  
18 except that if the federal law providing for the aid to families with dependent children  
19 program has not been repealed by that date, those sections take effect on the first day after  
20 October 1, 1996, that the repeal of the federal aid to families with dependent children program  
21 is effective. The commissioner of health and social services shall notify the revisor of statutes  
22 and the lieutenant governor of the effective date of the repeal of the federal law providing for  
23 the aid to families with dependent children program.

24 \* Sec. 60. AS 47.25.302 - 47.25.309, enacted by sec. 1 of this Act, secs. 2 - 6 of this Act,  
25 and sec. 47 of this Act take effect on the earlier of the following dates:

26 (1) the effective date for which the federal government approves and authorizes  
27 implementation of a state plan amendment effecting the change; or

28 (2) the effective date of a waiver received from the federal government that  
29 authorizes implementation of the provision.

30 \* Sec. 61. Sections 23 and 53 of this Act take effect on the effective date of a provision  
31 of a federal law that requires the state to have procedures under which the state has authority  
32 to withhold or suspend, or to restrict the use of, driver's licenses or professional and

1 occupational licenses of individuals owing overdue child support.

2 \* Sec. 62. Section 45 of this Act takes effect two years after the effective date established  
3 under sec. 57 of this Act.

*((Sec. 57 is correct now, because of other remembering))*

4 \* Sec. 63. The commissioner of health and social services shall notify the revisor of  
5 statutes and the lieutenant governor of the effective date of

6 (1) the sections and parts of sections governed by sec. 60 of this Act and of  
7 whether the effective date was determined by a waiver approval or a determination that a  
8 waiver is not necessary; and

9 (2) sec. 23 of this Act.

10 \* Sec. 64. Section 48 of this Act takes effect on the earlier of July 1, 2003, or the effective  
11 date established in sec. 59 of this Act.

*Amend.  
#8*

AMENDMENT #4(a)

OFFERED IN THE SENATE

TO: CSSB98(FIN) 4/18/96

Page 47, line 2:

Following "exceed":

Delete "the amount that would have been awarded if the child's parents had the incomes of the child's grandparents and paragraph (a) and (b) were applied." *but in no event exceed*

#4(b)

*more than*  
Insert "a proportionate share of the amount required to provide care in a supervised setting to the minor parent and the grandchild or grandchildren, as determined by the court."

Page 47, line 9:

Following "award":

Delete "A grandparent ordered to pay child support under this paragraph is considered to be a child support obligor for the purpose of all laws, rules, and regulations relating to child support obligors."

Insert "For the purposes of this paragraph, a grandparent is the natural or adoptive parent of the minor parent."

*amend. to amend moved by  
Sen Phillips  
delete whole grandparent  
section.*

4-11-96  
Dist  
4-13-96

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

BY

Offered:  
Referred:

Sponsors: 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; adjusting AFDC payment levels; establishing a workfare pilot project  
4 for AFDC recipients; establishing a diversion program for AFDC applicants;  
5 directing the Department of Health and Social Services to seek waivers of  
6 applicable federal laws; establishing the Alaska family independence program and  
7 repealing the ADFC and job opportunity and basic skills programs upon the  
8 establishment of federal welfare reform; relating to work activities required  
9 under the Alaska family independence program; authorizing qualified entities to  
10 contract with the state to administer all or part of the Alaska family  
11 independence program; reducing the interest rate on child support arrears;  
12 relating to the duty to support children of minor parents; relating to relief

1 from administrative child support orders; relating to certain licenses and  
2 applications for a license for persons who are not in substantial compliance with  
3 orders, judgments, or payment schedules for child support; relating to an  
4 exemption to the State Procurement Code for certain services and contracts  
5 under the Alaska family independence program; relating to eligibility for day  
6 care benefits administered by the Department of Community and Regional  
7 Affairs; amending Rule 90.3, Alaska Rules of Civil Procedure; and providing for  
8 an effective date."

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

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

11 ARTICLE 1A. AFDC WORKFARE PROJECT.

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

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

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

28 (1) apply for and implement only the waivers that relate to the parts of

1 the project that are not substantially affected by the changes in federal statutes or  
2 regulations; if the department determines that the parts of the project that are not  
3 substantially affected by the federal changes do not comprise a fiscally responsible  
4 project, the department is not required to apply for or implement waivers under this  
5 section and may discontinue operation of the project under waivers that were  
6 implemented before the federal changes occurred;

7 (2) report to the legislature its recommendations for changes in its  
8 statutory authority that may be needed in order to implement a fiscally responsible  
9 project in light of conflicting or permissive changes in federal statutes or regulations.

10 Sec. 47.25.302. EARNED INCOME DISREGARD; WAIVER OF "100-  
11 HOUR" RULE; AUTO ALLOWANCE. When determining the AFDC eligibility of  
12 a family that is participating in an experimental group in the project under  
13 AS 47.25.303 and when determining the amount of assistance to which the family is  
14 entitled, the department shall

15 (1) disregard, for the first 24 months for which the family receives  
16 assistance, \$200 plus one-third of the remainder of the earned income of each person  
17 in the family unless federal regulations require that more earned income of a person  
18 must be disregarded, in which case the department shall disregard earned income as  
19 required by federal law; for a family that applies for AFDC after this paragraph has  
20 been implemented, this 24 months begins with the month for which the family is first  
21 granted AFDC; for a family that is already receiving assistance when this paragraph  
22 is implemented, this 24 months begins with the first month during which this  
23 paragraph is implemented;

24 (2) waive the requirement that, for purposes of assistance for a  
25 dependent child of unemployed parents, the principal wage-earning parent must be  
26 employed less than 100 hours a month; and

27 (3) allow the exclusion of \$5,000 of the combined equity of motor  
28 vehicles used by the family for basic family transportation, transportation of a disabled  
29 child in the household, or transportation of a member of the family to or from  
30 employment, training, or participation in an activity required under AS 47.25.303; if  
31 the combined equity of vehicles described in this paragraph exceeds \$5,000, the

1 department shall apply the excess equity amount toward the asset limit otherwise  
2 applicable to the family.

3 Sec. 47.25.303. WORKFARE. (a) The department shall operate a workfare  
4 project. Each member of a family in an experimental group in the workfare project  
5 who is 18 years of age or older shall participate for 21 hours a week in an  
6 uncompensated activity if assigned to the activity by the department. The department  
7 shall assess the availability of activities that satisfy the purposes of this subsection in  
8 the project area and attempt to develop additional activities where necessary. When  
9 assessing the availability of activities that are suitable as uncompensated activities  
10 under this section and in assigning persons to those activities, the department shall  
11 consider activities recommended by governmental representatives of boroughs, cities,  
12 and communities and others in the project area. The activities may include provision  
13 of child care for other project participants, community work experience, work-related  
14 training programs, high school completion, GED programs, or culturally relevant  
15 subsistence activities. The department shall penalize the family for failure of a person  
16 to comply with this subsection by disregarding that person as a member of the family  
17 for purposes of determining the amount of AFDC assistance given to the family. The  
18 period of time during which the department shall disregard the noncomplying person  
19 for purposes of determining the amount of the family's AFDC assistance is

20 (1) until the person is in compliance with this subsection if the person  
21 has not previously been disregarded under this subsection;

22 (2) the longer of six months or until the person is in compliance with  
23 this subsection if the person has previously been disregarded under (1) of this  
24 subsection;

25 (3) the longer of 12 months or until the person is in compliance with  
26 this subsection if the person has previously been disregarded under (2) of this  
27 subsection.

28 (b) If organizations exist in the project area that have had successful  
29 experience in conducting employment placement services, community services,  
30 remedial education services, and job training programs, the department may offer  
31 contracts on a competitive basis or grants under the department's grant application

1 process to administer (a) of this section. A contract or grant under this subsection  
2 must provide that the department shall make the determinations required under (c) and  
3 (d) of this section and the contractor or grantee shall perform the duties assigned to  
4 the department under (a) of this section with respect to uncompensated activities,  
5 including assessment of their availability, development of additional activities,  
6 consideration of activities recommended by governmental representatives, and  
7 assignment of persons to specific activities after referral of those persons to the  
8 contractor or grantee by the department. The department may, after consultation with  
9 the appropriate contractor or grantee under this subsection, if any, use AFDC benefits  
10 to subsidize payments or provide services to participants in community work projects  
11 or work training projects; an amount distributed as a subsidy under this subsection is  
12 not considered to be wages.

13 (c) The requirement to participate in an uncompensated activity under (a) of  
14 this section does not apply to a person who

15 (1) has paid employment of at least 20 hours a week; a person who has  
16 paid employment of less than 20 hours a week shall participate in an uncompensated  
17 activity assigned under (a) of this section for the number of hours that, when added  
18 to the hours of paid employment, equals 21;

19 (2) is exempt from participating in an activity under AS 47.25.421 -  
20 47.25.429 (JOBS program);

21 (3) is enrolled as a full-time student in good standing in a career  
22 education program, college, or university, as defined in regulations adopted under  
23 AS 14.43;

24 (4) is the parent or other relative of a child under six years of age  
25 living in the same household who personally provides care for the child;

26 (5) is determined, according to regulations of the department, to be  
27 physically or mentally unable to perform any reasonable activity that may be assigned  
28 under this section; or

29 (6) is a parent who is providing care for a child who is experiencing  
30 a disability.

31 (d) Notwithstanding (a) of this section, the department may not require a

1 person to participate in an uncompensated activity under (a) of this section unless the  
2 department agrees to pay for

3 (1) costs of child care determined by the department to be necessary  
4 for the person's participation; and

5 (2) transportation expenses determined by the department to be  
6 necessary for the person's participation in the activity.

7 (e) In this section, "project area" means the areas chosen by the department  
8 in which to operate the workfare project described in this section.

9 Sec. 47.25.305. COOPERATION. State agencies shall cooperate with the  
10 department to the extent necessary to implement AS 47.25.301 - 47.25.308.

11 Sec. 47.25.306. IMMUNITY FROM LIABILITY. (a) The Department of  
12 Health and Social Services, and its employees, agents, and grantees, are not liable for  
13 civil damages as a result of an act or omission in the implementation, operation, or  
14 administration of an authorized project under AS 47.25.301 - 47.25.308.

15 (b) The provisions of (a) of this section do not preclude liability for civil  
16 damages as a result of recklessness or intentional misconduct.

17 (c) The provisions of (b) of this section do not constitute a waiver or limitation  
18 of sovereign or other immunity.

19 Sec. 47.25.307. REGULATIONS. The Department of Health and Social  
20 Services shall adopt regulations necessary to implement AS 47.25.301 - 47.25.308.  
21 The regulations adopted by the department may include

22 (1) eligibility criteria for the project described in AS 47.25.301 -  
23 47.25.308 that differ from eligibility requirements in AS 47.25.310 - 47.25.429 and the  
24 regulations adopted under those statutes;

25 (2) a maximum number of participants to be included in the project,  
26 if necessary;

27 (3) exemptions from requiring participation in the project because of  
28 exceptional circumstances; and

29 (4) provisions for financial or nonfinancial sanctions for applicants who  
30 fail to cooperate with project requirements.

31 Sec. 47.25.308. DEFINITIONS. In AS 47.25.301 - 47.25.308,

1 (1) "AFDC" means the program of aid to families with dependent  
2 children under AS 47.25.310 - 47.25.420;

3 (2) "department" means the Department of Health and Social Services.

4 ARTICLE 1B. DIVERSION PROGRAM.

5 Sec. 47.25.309. DIVERSION PROGRAM. (a) The Department of Health and  
6 Social Services shall operate a diversion program that is designed to increase family  
7 income through employment and child support payments by offering lump-sum  
8 diversion payments in place of ongoing financial assistance under the AFDC program.  
9 A diversion payment may be offered to an applicant for AFDC who is job-ready and  
10 who needs short-term financial assistance to meet critical needs in order to secure  
11 employment and support for the applicant's family.

12 (b) Diversion program benefits may be paid only to an applicant's family that  
13 appears, based on the information provided to the department on an AFDC application,  
14 to be eligible for AFDC benefits and to include a job-ready individual. The  
15 department may offer, to an AFDC applicant with the potential to participate in the  
16 diversion program, a choice between

17 (1) having the AFDC application processed under AS 47.25.310 -  
18 47.25.429; or

19 (2) having the AFDC application referred to the diversion project under  
20 this section.

21 (c) The amount of the diversion payment must be sufficient to meet the  
22 family's immediate needs as determined by the department and the participant. A  
23 diversion payment may not exceed the amount the family would be eligible to receive  
24 in the first two months of eligibility for assistance under AS 47.25.310 - 47.25.420 if  
25 the family did not elect to receive a diversion payment under this section.

26 (d) As a condition of a family receiving a diversion payment under this  
27 section, the participant must sign a binding contract between the participant and the  
28 department that

29 (1) specifies the amount of the diversion payment and the needs it is  
30 intended to cover;

31 (2) provides that, during the three-month period beginning with the

1 month in which the diversion payment was received, child support collected on behalf  
2 of a child whose needs were considered in determining the diversion payment shall be  
3 paid to the family; and

4 (3) provides that, if the family reapplies for AFDC assistance under  
5 AS 47.25.310 - 47.25.429 during the three months beginning with the month in which  
6 the family received a diversion payment, the diversion payment shall be prorated over  
7 the three-month period and deducted from any AFDC benefit the family may be  
8 eligible for under the new application.

9 (e) A family that receives a diversion payment may not receive another  
10 diversion payment before the 12th month following the month in which it last received  
11 a diversion payment.

12 (f) The department shall implement this section only to the extent that  
13 implementation is not prohibited under federal law. To the extent that this section may  
14 be implemented under federal law or under a waiver approved under federal law, its  
15 provisions supersede inconsistent provisions of AS 47.25.310 - 47.25.429, and (d)(2)  
16 of this section supersedes inconsistent provisions of AS 25.27.120 and 25.27.130.

17 (g) In this section,

18 (1) "AFDC" means the program of aid to families with dependent  
19 children under AS 47.25.310 - 47.25.420;

20 (2) "department" means the Department of Health and Social Services.

21 • Sec. 2. AS 47.25 is amended by adding new sections to read:

22 Sec. 47.25.311. INELIGIBILITY FOR ASSISTANCE. (a) A person is  
23 ineligible for assistance under AS 47.25.310 - 47.25.420 for the following time periods  
24 upon administrative disqualification for an intentional program violation, as defined  
25 under 42 U.S.C. 616:

- 26 (1) six months following the first disqualification;
- 27 (2) 12 months following the second disqualification; and
- 28 (3) permanently following the third disqualification.

29 (b) A family is not eligible for assistance under AS 47.25.310 - 47.25.420 if  
30 the family includes an adult who has intentionally transferred an asset or assets at less  
31 than fair market value for the purpose of establishing eligibility for assistance. The

*led code of reg. (a)*

*new lang (b)*

1 period of ineligibility shall begin on the first day of the month following the transfer  
2 of the asset or assets and shall remain in effect for a number of months equal to the  
3 fair market value of the transferred asset or assets divided by the maximum payment  
4 amount for the family as established under AS 47.25.320(a), or for 12 months,  
5 whichever is less.

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

10 (1) one month for the first refusal or separation without good cause:

11 (2) six months for the second refusal or separation without good cause;

12 and

13 (3) 12 months for the third and subsequent refusal or separation without  
14 good cause.

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

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

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

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

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

31 (B) there is no living parent, legal guardian, or adult relative of

1 the minor parent who will allow the minor to live in the home of the parent,  
2 legal guardian, or adult relative; or

3 (C) the department determines that the physical or emotional  
4 health or safety of the minor parent or the minor's child would be jeopardized  
5 if the minor and the minor's child lived in the same residence with any of the  
6 minor's parents, legal guardian, or other adult relatives.

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

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

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

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

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

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

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

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

28 \* Sec. 3. AS 47.25.320(a) is amended to read:

29 (a) The department shall determine the amount of assistance for a dependent  
30 child, and the relative with whom the dependent child is living, with regard to the  
31 resources and necessary expenditures of the family and the condition existing in each

1 case. Assistance is sufficient if, when added to all other income and support available  
2 to the child, the child and relative have reasonable subsistence compatible with  
3 decency and health. However, to the extent allowed under federal law or under a  
4 waiver approved under federal law, the amount of assistance may not exceed the  
5 following:

6 (1) dependent child living with nonneedy relative: \$451 [FOR A  
7 DEPENDENT CHILD WHO IS LIVING IN THE HOME OF A NONNEEDY  
8 RELATIVE, \$452], plus \$99 [\$102] for each additional child;

9 (2) dependent child living with parent:

10 (A) for a parent and one dependent child, a maximum of \$794  
11 [5821];

12 (B) for each additional dependent child, \$99 [OR FOR A  
13 SECOND PARENT, \$102] a month [PER INDIVIDUAL];

14 (3) pregnant woman who is otherwise eligible for assistance under this  
15 section, \$497 [OR A SINGLE-PERSON HOUSEHOLD THAT DOES NOT CONSIST  
16 OF A DEPENDENT CHILD: \$514] a month.

17 \* Sec. 4. AS 47.25.320 is amended by adding new subsections to read:

18 (h) To the extent allowed under federal law or under a waiver approved under  
19 federal law, the department shall reduce the shelter allowance used under AS 47.25.310  
20 - 47.25.420 for a family whose shelter costs are lower than the standard shelter  
21 allowance used by the department for similar families. The shelter allowance for a  
22 family whose costs are below the standard allowance shall be an amount equal to the  
23 family's actual verified shelter costs. In this subsection,

24 (1) "shelter allowance" means the portion of the benefit under  
25 AS 47.25.310 - 47.25.420 that is allocated by the department for shelter costs;

26 (2) "shelter costs" means

27 (A) rental payments or mortgage payments for the family's  
28 housing, including payments made for property or mortgage insurance and  
29 property taxes; and

30 (B) the cost of utilities, including heat, electricity, telephone,  
31 water, sewer, and garbage services incurred for the family's housing; the

1 department may establish different utility cost standards for different areas of  
2 the state and may use an average utility cost per month based on estimated  
3 level payments over a 12-month period.

4 (i) To the extent allowed under federal law or under a waiver approved under  
5 federal law, the department shall, for the months of July, August, and September,  
6 reduce by 50 percent the assistance for which the family is otherwise eligible if the  
7 family's eligibility for assistance is based on the unemployment of the family's  
8 principal wage earner.

9 \* Sec. 5. AS 47.25.360 is amended to read:

10 Sec. 47.25.360. GRANTING OF ASSISTANCE. Upon the completion of the  
11 investigation the department shall decide whether the child is eligible for assistance  
12 under AS 47.25.310 - 47.25.420, the amount of assistance, and the date on which it  
13 starts. The department shall notify the person having custody of the child of its  
14 decision. Except as provided in AS 47.25.315(b), the [THE] assistance shall be paid  
15 monthly to the person having custody of the child upon order of the department.

16 \* Sec. 6. AS 47.25 is amended by adding a new section to read:

17 Sec. 47.25.364. TIME LIMITS ON BENEFITS. (a) Except as provided in  
18 (b) of this section, a family is not eligible for more than 24 months of assistance under  
19 AS 47.25.310 - 47.25.420 during any 60 consecutive months that occur after the  
20 effective date of this section.

21 (b) The eligibility of a family described in (a) of this section shall be extended  
22 beyond 24 months if the family has cooperated with the department and every adult  
23 in the family who has been assigned to an activity under AS 47.25.303 or 47.25.421 -  
24 47.25.429 has substantially complied with the requirements of the program to which  
25 the person was assigned but

26 (1) a temporary and verified physical or mental condition, as supported  
27 by appropriate medical documentation, prevents adults in the family from attaining and  
28 maintaining employment that would provide the family with net income equal to or  
29 greater than what the family would receive from the assistance grant;

30 (2) the department failed to provide services required under  
31 AS 47.25.303(d) or 47.25.427 with respect to the family; or

1 (3) despite all appropriate efforts, the adults in the family have been  
2 unable to find, or have lost without cause, employment that would provide the family  
3 with total net income equal to or greater than what the family would receive from  
4 assistance.

5 (c) Notwithstanding (a) of this section, a family that becomes ineligible for  
6 assistance solely by operation of (a) of this section nevertheless remains eligible for  
7 medical assistance under AS 47.07 for a period of 12 months after losing eligibility  
8 for assistance under (a) of this section.

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

13 \* Sec. 7. AS 47.25 is amended by adding a new section to read:

14 Sec. 47.25.366. SCHOOL ATTENDANCE. (a) The department shall reduce  
15 the assistance for which an assistance unit is otherwise eligible under AS 47.25.310 -  
16 47.25.420 if a minor parent in the assistance unit fails, without good cause, to meet  
17 standards of adequate levels of school attendance, as defined in regulations of the  
18 department. The reduction under this subsection shall be achieved by disregarding the  
19 needs of the person who failed to meet the school attendance standards. The person's  
20 needs shall be disregarded until the minor parent complies.

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

25 \* Sec. 8. AS 47 is amended by adding a new chapter to read:

26 CHAPTER 27. ALASKA FAMILY INDEPENDENCE PROGRAM.

27 Sec. 47.27.005. DUTIES OF THE DEPARTMENT. The department shall

28 (1) administer the Alaska family independence program by providing  
29 assistance with basic living expenses and self-sufficiency services to needy children  
30 and their families under this chapter;

31 (2) establish, by regulation, program standards that will provide

1 incentives to work, incentives for financial planning, and opportunities to develop self-  
2 sufficiency while providing assistance with basic living expenses;

3 (3) prepare, submit to the federal government, and amend, if necessary,  
4 a state plan designed to assure that federal money is available to the state for the  
5 operation of the program set out in this chapter to provide assistance for basic living  
6 expenses and self-sufficiency services to needy children and their families consistent  
7 with the state objectives identified in (2) of this section;

8 (4) adopt methods of program administration to ensure consistency with  
9 the federal requirements under any successor federal program that replaces the aid to  
10 families with dependent children program;

11 (5) make reports to the federal government as required under any  
12 successor federal program that replaces the aid to families with dependent children  
13 program, in the form and containing the information required, and comply with the  
14 provisions that the federal government determines are necessary to ensure correct and  
15 verifiable information on the program;

16 (6) provide to the legislature an annual executive summary of the  
17 information required to be reported to the federal government under (5) of this section;

18 (7) conduct studies and research in order to evaluate and monitor the  
19 effectiveness of the state program; and

20 (8) adopt regulations and take action to implement, interpret, and  
21 administer the provisions of this chapter.

22 Sec. 47.27.010. ELIGIBLE FAMILIES. The following families may apply for  
23 assistance under the Alaska family independence program:

24 (1) a single parent who has the physical custody of one or more related  
25 dependent children;

26 (2) a caretaker of one or more dependent children who is a relative to  
27 at least the fifth degree;

28 (3) a woman in the last trimester of pregnancy; or

29 (4) a two-parent family with physical custody of one or more related  
30 dependent children.

31 Sec. 47.27.015. DISQUALIFYING CONDITIONS. (a) A family is not

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eligible for assistance under the Alaska family independence program if the family includes an adult who

(1) has received benefits under the Alaska family independence program, or a program of another state operated under a federal assistance grant program for needy families, for a total of 60 months as the caretaker or spouse of a caretaker of a dependent child or as a pregnant woman, unless the caretaker or pregnant woman is

(A) determined, under regulations of the department to be physically or mentally unable to perform gainful activity;

(B) a parent who is providing care for a child who is experiencing a disability; or

(C) a family determined by the department to be exempt from this paragraph by reason of hardship; the number of families for which an exemption is in effect under this subparagraph may not exceed 10 percent or the maximum percentage of families allowed an exemption under federal law, whichever is greater; or

(2) is determined to be fleeing to avoid prosecution, custody, or confinement after conviction, in this or another jurisdiction, for a crime that is classified as a felony under AS 11 or the laws of the jurisdiction where the criminal activity was committed.

(b) A family is not eligible for assistance under this chapter for a period of 120 months beginning on the date the adult applicant for the family is convicted of having fraudulently misrepresented the applicant's residence in order to receive assistance in more than one state under a program financed with federal money under any successor federal program that replaces the aid to families with dependent children program.

(c) The department may determine that a family is ineligible for the following time periods if the family's demonstrated need for assistance is due to a refusal of or voluntary separation from suitable employment by the adult applicant, or a custodial parent or caretaker, without good cause:

(1) one month for the first refusal or separation without good cause;

*ret. misdemeanors class A*

1 (2) six months for the second refusal or separation without good cause;  
2 and

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

5 (d) The department may determine that a family is ineligible for assistance for  
6 up to 12 months if the family's demonstrated need is due to an intentional transfer of  
7 an asset or assets at less than fair market value for the purpose of establishing  
8 eligibility for assistance. A period of ineligibility shall begin on the first day of the  
9 month following the transfer of the asset or assets and shall remain in effect for a  
10 number of months equal to the fair market value of the transferred asset or assets  
11 divided by the maximum payment amount for the family as established under  
12 AS 47.27.025, or for 12 months, whichever is less.

13 (e) An Alaska family independence program applicant or participant who  
14 makes a false statement or misrepresentation knowing it is false, or who knowingly  
15 fails to disclose a material fact, in order to obtain or increase assistance or services  
16 under this chapter is ineligible to receive assistance under this chapter for a period of

17 (1) six months following the first disqualification;

18 (2) 12 months following the second disqualification; and

19 (3) permanently following the third disqualification.

20 Sec. 47.27.020. APPLICATION AND REQUIREMENTS FOR ASSISTANCE.

21 (a) An applicant for assistance under the Alaska family independence program shall  
22 complete an application in writing, or by electronic means, and in a form specified by  
23 the department. The applicant must be a pregnant woman or an individual who has  
24 physical custody of the dependent child or children. The application must be complete  
25 and must provide all of the information about the family and the child or children that  
26 is requested by the department. The applicant shall provide all supporting  
27 documentation for verification that the department determines to be necessary to  
28 establish eligibility.

29 (b) On the application, each applicant shall attest to whether the family, at any  
30 time, has received assistance from another state program that was established with  
31 federal money under any successor federal program that replaces the aid to families

1 with dependent children program and whether the family has ever been disqualified  
2 from receiving assistance under a successor federal program that replaces aid to  
3 families with dependent children for the period for which the application has been  
4 submitted.

5 (c) An applicant shall agree to cooperate with the department to establish a  
6 family self-sufficiency plan and to participate in work activities if assigned by the  
7 department.

8 (d) An applicant shall acknowledge the assignment of support rights as  
9 required by AS 47.27.040(a) and shall agree to cooperate with the child support  
10 enforcement agency of the Department of Revenue to the extent required under  
11 AS 47.27.040(b). The applicant shall agree to report all child support payments  
12 received directly by the family, during or for a period for which the family is receiving  
13 assistance under this chapter, to the department within 15 days after receipt of those  
14 payments.

15 (e) An applicant shall update the information requested in the application at  
16 regular intervals as established by the department in regulation. The department may  
17 conduct reviews of an application and audit the information provided as necessary to  
18 determine eligibility.

19 Sec. 47.27.025. FAMILY ASSISTANCE. (a) The department shall provide  
20 assistance for basic living expenses to families that establish eligibility based on a  
21 determination of need that considers the family's available income, assets, and other  
22 resources, as established by the department in regulation. Each dependent child in the  
23 family is eligible for assistance except as otherwise provided in AS 47.27.015 or  
24 47.27.027(b), and assistance received as a dependent child does not count against  
25 eligibility for assistance under this chapter as a caretaker or spouse of a caretaker of  
26 a dependent child or as a pregnant woman.

27 (b) The amounts of assistance for basic living expenses may not exceed the  
28 following:

29 (1) for a dependent child living with a nonneedy relative caretaker,  
30 \$451 per month, plus \$99 for each additional child;

31 (2) for a dependent child living with at least one needy parent or

1 relative caretaker, \$794 per month, plus \$99 for each additional child and \$99 for a  
 2 second needy parent if the second parent is physically or mentally unable to perform  
 3 gainful activity as defined by department regulation; or

4 (3) for a family consisting solely of an eligible pregnant woman, \$497  
 5 per month.

6 (c) The department shall, for the months of July, August, and September,  
 7 reduce by 50 percent the assistance for which the family is otherwise eligible if the  
 8 family's eligibility for assistance is based on the unemployment of the family's  
 9 principal wage earner.

10 (d) The department shall reduce assistance under this section to the extent that  
 11 the family's shelter costs are lower than the standard shelter allowance used by the  
 12 department for similar families. The shelter allowance for a family whose costs are  
 13 below the standard allowance shall be an amount equal to the family's actual verified  
 14 shelter costs. In this subsection,

15 (1) "shelter allowance" means the portion of the assistance provided  
 16 under this section that is allocated by the department for shelter costs;

17 (2) "shelter costs" means

18 (A) rental payments or mortgage payments for the family's  
 19 housing, including payments made for property or mortgage insurance and  
 20 property taxes; and

21 (B) the cost of utilities, including heat, electricity, telephone,  
 22 water, sewer, and garbage services incurred for the family's housing; the  
 23 department may establish different utility cost standards for different areas of  
 24 the state and may use an average utility cost per month based on estimated  
 25 level payments over a 12-month period.

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26 (e) The department shall provide additional assistance as self-sufficiency  
 27 services or referrals to eligible families. Self-sufficiency services and referrals may  
 28 include one or more of the following:

29 (1) job readiness assessments;

30 (2) employment testing and counseling;

31 (3) job readiness training;

- 1 (4) job referral and job search;
- 2 (5) education and vocational training;
- 3 (6) community service work assignments;
- 4 (7) child care assistance;
- 5 (8) family planning services; and
- 6 (9) other services to facilitate the transition of a member of the family
- 7 to paid employment.

8 (f) The department may, instead of paying all of the cash assistance to a  
9 family under this section, use all or part of the cash assistance as a wage subsidy paid  
10 to an employer who employs a person in the family at a wage that is higher than the  
11 wage subsidy. A subsidy under this subsection may not exceed one year in duration.

12 Sec. 47.27.026. DIVERSION PAYMENTS. (a) The department may offer  
13 a lump-sum diversion payment in place of ongoing assistance and services to an adult  
14 applicant who applies for assistance under AS 47.27.020 if the adult applicant is job  
15 ready and is determined to need only short-term financial assistance to meet critical  
16 needs in order to secure employment and support for the adult applicant's family. The  
17 department shall set standards and conditions for diversion payments by regulation.

18 (b) The department may pay diversion benefits to an applicant's family only  
19 if that family appears to be eligible for benefits under AS 47.27.020 and to include a  
20 job-ready individual based on the information provided to the department in the  
21 application completed under AS 47.27.020. The department may offer to an applicant  
22 with the potential to participate in the diversion project a choice between

23 (1) having the Alaska family independence program application  
24 processed under AS 47.27.020 and the regulations adopted by the department; or

25 (2) having the application referred to the diversion project of the Alaska  
26 family independence program for a determination of project benefits under this section.

27 (c) The amount of the diversion payment must be sufficient to meet the  
28 family's immediate needs as determined by the department and the participant. A  
29 diversion payment may not exceed the amount the family would be eligible to receive  
30 as cash assistance for the first two months of eligibility under AS 47.27.025 if the  
31 family did not elect to receive a diversion payment.

1 (d) As a condition of a family receiving a diversion payment under this  
2 section, the participant must sign an agreement that

3 (1) specifies the amount of the diversion payment and the needs it is  
4 intended to cover;

5 (2) provides that, during the three-month period beginning with the  
6 month in which the diversion payment was received, child support collected on behalf  
7 of a child whose needs were considered in determining the diversion payment shall be  
8 paid to the family; and

9 (3) provides that if the family reapplies for Alaska family independence  
10 program assistance under AS 47.27.020 during the three months beginning with the  
11 month in which the family received a diversion payment, the diversion payment shall  
12 be treated as unearned income, prorated over the three-month period, and deducted  
13 from any Alaska family independence program benefit the family may be eligible for  
14 under the new application.

15 (e) A family that receives a diversion payment may not receive another  
16 diversion payment before the 12th month following the month in which it last received  
17 a diversion payment.

18 (f) To the extent that (d)(2) of this section is inconsistent with AS 25.27.120  
19 or 25.27.130, or with another provision of this chapter, (d)(2) of this section governs.

20 Sec. 47.27.027. ASSISTANCE TO MINORS. (a) If an applicant under  
21 AS 47.27.020 is not married, is under the age of 18, and has not been previously  
22 emancipated under AS 09.55.590, the applicant must

23 (1) live in a home maintained by the applicant's parent, legal guardian,  
24 or other adult relative, unless the applicant establishes that there is good cause, as  
25 established by the department in regulation, to waive this requirement; if the  
26 department waives this requirement, the applicant must live in an approved, adult-  
27 supervised, supportive living environment;

28 (2) agree that assistance for basic living expenses on behalf of the  
29 applicant's family may be paid to the applicant's parent, legal guardian, or other adult  
30 relative, or, if applicable, to the adult head of the adult-supervised, supportive living  
31 environment in which the applicant resides; and

1 (3) maintain attendance in a secondary school or other appropriate  
2 training program unless the applicant has a high school diploma or general equivalent  
3 diploma.

4 (b) The department shall reduce the assistance for which an assistance unit is  
5 otherwise eligible under this chapter if a minor parent in the assistance unit fails,  
6 without good cause, to meet standards of adequate levels of school attendance, as  
7 defined in regulations of the department. The reduction under this subsection shall be  
8 achieved by disregarding the needs of the person who failed to meet the school  
9 attendance standards. The person's needs shall be disregarded until the minor parent  
10 complies.

11 Sec. 47.27.030. FAMILY SELF-SUFFICIENCY PLAN. (a) A participant in  
12 the Alaska family independence program shall cooperate with the department, or its  
13 designee, to develop and sign a family self-sufficiency plan that includes

14 (1) the steps the family will take towards the self-sufficiency of the  
15 family;

16 (2) the self-sufficiency services the department will provide to assist  
17 the family to attain self-sufficiency;

18 (3) specific benchmarks to indicate the steps toward successful  
19 completion of the family plan;

20 (4) a statement that the family may be subject to benefit reductions or  
21 other sanctions if the family fails to comply with the family plan; and

22 (5) a statement that describes the necessary conditions and the steps  
23 that must be taken to renegotiate the terms of the family plan.

24 (b) The family self-sufficiency plan must set a time period for the achievement  
25 of self-sufficiency from assistance under the Alaska family independence program.  
26 That time period may not provide for any more than a total of 60 months of assistance  
27 under the Alaska family independence program.

28 (c) A family is exempt from the requirement that the family have a self-  
29 sufficiency plan under this section if the family

30 (1) does not include a needy adult;

31 (2) does not include an adult physically or mentally able to perform

1 gainful activity; or

2 (3) is receiving a diversion payment under AS 47.27.026.

3 Sec. 47.27.035. PARTICIPATION IN WORK ACTIVITIES. (a) An Alaska  
4 family independence program participant who is an adult shall participate in work  
5 activities upon assignment by the department or its designee in order for the family to  
6 continue to receive assistance or services from the department under the Alaska family  
7 independence program, unless the participant is exempt from the work participation  
8 requirements under one or more of the exemptions set out in (b) or (c) of this section.

9 (b) A parent or caretaker with a dependent child of up to 12 months of age  
10 may be exempt from work participation requirements for up to 12 months, as  
11 established in the family self-sufficiency plan.

12 (c) A parent or caretaker may be exempt from work participation requirements  
13 in the family self-sufficiency plan if

14 (1) the parent or caretaker is providing home care for a child who is  
15 experiencing a disability or a related, disabled person who requires 24-hour care;

16 (2) the parent or caretaker establishes an inability to participate for  
17 medical reasons supported by documentation from a physician or other licensed  
18 medical professional;

19 (3) the participation would impose an unreasonable hardship on the  
20 family; or

21 (4) there is a dependent child in the home that has not yet attained six  
22 years of age and the parent or caretaker demonstrates an inability to obtain needed  
23 child care because appropriate child care is not available.

24 (d) A participant in work activities under this section is not a state employee  
25 for purposes of AS 39.25 (State Personnel Act).

26 (e) A participant in work activities under this section is not considered an  
27 employee of the state or other public employer for purposes of AS 23.40.070 -  
28 23.40.260 (Public Employment Relations Act) nor shall any provision of a collective  
29 bargaining agreement entered into under AS 23.40.070 - 23.40.260 be construed to  
30 interfere with the department's authority to assign participants to work activities as  
31 authorized under this section.

1           Sec. 47.27.040. ASSIGNMENT OF SUPPORT RIGHTS; COOPERATION  
2 WITH CHILD SUPPORT ENFORCEMENT AGENCY. (a) An Alaska family  
3 independence program applicant is considered to have assigned to the state, through  
4 the child support enforcement agency of the Department of Revenue, all rights to  
5 accrued and continuing child support, from all sources, that is due for the support of  
6 any individuals in the family for whom support is sought. The assignment takes effect  
7 upon a determination that the applicant's family is eligible for assistance under this  
8 chapter. Except with respect to the amount of any unpaid support obligation accrued  
9 under the assignment, the assignment terminates when the family ceases to be a  
10 participant in the Alaska family independence program.

11           (b) An Alaska family independence program participant shall cooperate with  
12 the child support enforcement agency of the Department of Revenue in establishing  
13 paternity or establishing, modifying, or enforcing a child support order requiring the  
14 payment of support by the noncustodial parent for a dependent child for whom Alaska  
15 family independence program assistance is received unless the participant establishes  
16 good cause for refusing to cooperate.

17           (c) The department may distribute to an Alaska family independence program  
18 participant \$50 per month from a monthly child support payment, or the amount of the  
19 child support payment if it is less than \$50, received by the child support enforcement  
20 agency for the support of a child for whom Alaska family independence program  
21 assistance is paid.

22           Sec. 47.27.045. ALIENATION AND ATTACHMENT. Assistance granted  
23 under this chapter is inalienable by assignment or transfer and is exempt from  
24 garnishment, levy or execution as is provided in AS 09.38.

25           Sec. 47.27.050. GRANTS AND CONTRACTS FOR SERVICES. (a) The  
26 department may contract with or award grants to qualified entities in the state to  
27 administer an Alaska family independence program or a distinct part of the Alaska  
28 family independence program. The department may establish standards for the  
29 administration of services under the grant or contract, including fees to be charged to  
30 applicants for or recipients of those services.

31           (b) Contracts authorized under this section are to be administered in

1 accordance with AS 47.05.015. Grants authorized under this section are to be awarded  
2 using requirements, established in regulation, that are substantially similar to those set  
3 out in AS 47.05.015 for contracts.

4 (c) This section may not be construed to expand the powers of a municipality.

5 (d) In this section, "qualified entities" include municipalities, other political  
6 subdivisions of the state, nonprofit corporations formed under AS 10.20, churches and  
7 religious organizations, and incorporated and unincorporated businesses operating  
8 within the state that meet the requirements established by the department in regulation.

9 Sec. 47.27.055. AGENCY COLLABORATION. (a) The department shall  
10 coordinate with other state agencies that provide assistance, benefits, or services to  
11 applicants that are eligible for and to participants in the Alaska family independence  
12 program in order to facilitate the application for and delivery of assistance, benefits,  
13 or services to promote family self-sufficiency. Subject to appropriations, state agencies  
14 may locate their facilities and operations near each other in order to improve service  
15 delivery.

16 (b) The department may provide information received under this chapter to  
17 other state agencies in order to facilitate the delivery of services. Information received  
18 from an applicant for or participant in the Alaska family independence program shall  
19 be treated as confidential by all state agencies that share the information under this  
20 section and is not open to public inspection or copying under AS 09.25.110 -  
21 09.25.125. Misuse of public assistance lists or information is punishable as a violation  
22 of AS 47.05.030.

23 (c) Departments in the executive branch shall cooperate in fulfilling the  
24 purposes of this chapter, including, subject to appropriations, the establishment of  
25 temporary positions that will provide job opportunities for families participating in the  
26 Alaska family independence program. Temporary positions established for this  
27 purpose are in the exempt service under AS 39.25.110 but are not subject to  
28 AS 39.25.125. An individual participating in the Alaska family independence program  
29 who holds a temporary position established for purposes of this subsection is not a  
30 public employee for purposes of AS 23.40.070 - 23.40.260.

31 Sec. 47.27.060. JOB DEVELOPMENT. The department may establish

1 cooperative agreements with the Department of Labor, Department of Community and  
 2 Regional Affairs, Department of Education, and Department of Commerce and  
 3 Economic Development, and with other public or private sector organizations for the  
 4 purpose of developing job, training, and educational opportunities for families eligible  
 5 for assistance under this chapter.

6 Sec. 47.27.065. FEDERAL-STATE COOPERATION. (a) In the  
 7 administration of this chapter, the department shall cooperate with the Secretary of the  
 8 United States Department of Health and Human Services and shall take actions  
 9 necessary to comply with the requirements of federal law to obtain public assistance  
 10 block grants or other federal assistance available for the purposes of this chapter. The  
 11 department shall make reports in the form and containing the information required to  
 12 the Secretary of the United States Department of Health and Human Services. The  
 13 department may cooperate with federal agencies charged with the administration of the  
 14 federal public assistance block grants and other financial assistance.

15 (b) Notwithstanding any other provisions of this chapter, and if the conditions  
 16 in this subsection are met, the department may implement modifications to the Alaska  
 17 family independence program that are not directly authorized in this chapter, or that  
 18 may be contrary to a provision of this chapter, by providing notification to the  
 19 legislature and by adopting regulations. A program modification implemented under  
 20 this subsection is repealed two years after the date on which the modification took  
 21 effect unless its implementation is achieved by statutory changes. A program  
 22 modification under this subsection may be implemented only if

23 (1) states are authorized by the Secretary of the United States  
 24 Department of Health and Human Services to undertake the program;

25 (2) the governor approves the implementation in writing;

26 (3) the commissioner determines that the implementation of the  
 27 program modification will result in the receipt of additional federal money to carry out  
 28 the purposes of this chapter and will produce a net monetary gain to the state; and

29 (4) the program modification will not require general fund expenditures,  
 30 other than the outlay of money received from the federal government for the program.

31 Sec. 47.27.070. ALASKA NATIVE ORGANIZATIONS' FAMILY

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ASSISTANCE PROGRAMS. (a) The department may coordinate only with the following Alaska Native organizations, as designated under federal law, in the development of family assistance programs:

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

(b) The department may cooperate with the Alaska Native organizations named in (a) of this section to propose program criteria to the Secretary of the United States Department of Health and Human Services in order to promote programs comparable to the state program for Alaska Native families living within the Alaska Native organizations' family assistance areas.

(c) Notwithstanding other provisions of this section, the department may cooperate with an Alaska Native organization listed in (a) of this section only if the organization waives any claim to sovereign immunity with respect to matters involved with the family assistance program.

Sec. 47.27.075. EMERGENCY ACCOUNT ESTABLISHED. (a) There is established within the general fund the Alaska family independence program emergency account. The account consists of appropriations from any appropriate source of money, including lapsing money that was appropriated for the Alaska family independence program but was not expended or obligated in the fiscal year for which it was appropriated.

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1 (b) The account shall be administered by the commissioner, and shall be used  
2 to provide assistance authorized under this chapter upon a determination by the  
3 commissioner that the current year's appropriation is not sufficient to pay for the  
4 Alaska family independence program due to an unanticipated increase in the number  
5 of eligible families. Money appropriated to the account does not lapse under  
6 AS 37.25.010.

7 (c) By December 15 of each year, the commissioner shall report to the  
8 governor and the legislature on the use of money from the Alaska family independence  
9 program emergency account during the preceding fiscal year.

10 Sec. 47.27.080. APPEALS; DISPUTE RESOLUTION. (a) An applicant or  
11 participant who receives a determination from the department that denies, limits, or  
12 modifies the assistance or services provided under this chapter may request a hearing  
13 before the department or a representative of the department appointed for that purpose.  
14 If a representative is appointed, the representative shall conduct the hearing under the  
15 regulations adopted by the department. The appeal is not subject to AS 44.62.330 -  
16 44.62.630.

17 (b) The department may require an applicant or participant to participate in an  
18 informal dispute resolution process before a formal hearing. The department may  
19 adopt regulations establishing the informal dispute resolution process.

20 Sec. 47.27.085. SANCTIONS; RECOVERY OF COSTS. (a) An Alaska  
21 family independence program applicant or participant who, without good cause, fails  
22 to comply with a condition of the family self-sufficiency plan or who fails to  
23 participate in work activities required as a part of the Alaska family independence  
24 program is subject to a reduction in assistance and services as determined under  
25 regulations adopted by the department.

26 (b) An Alaska family independence program applicant or participant who,  
27 without good cause, fails to cooperate with establishment of paternity or the  
28 establishment, modification, or enforcement of a support order for a child for whom  
29 assistance is received is subject to a reduction or limitation in assistance or services  
30 for the term of noncooperation as required by federal law and as specified in  
31 regulations adopted by the department.

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(c) An Alaska family independence program applicant or participant who receives assistance or services when not entitled to them under this chapter because the information provided by the applicant or participant was inaccurate or incomplete is liable to the department for the value of the assistance and services improperly provided to the applicant or participant.

(d) In a civil action brought by the state to recover the value of assistance or services improperly provided under this chapter, the state may recover costs of investigation and prosecution of the civil action, including attorney fees as determined under court rules.

Sec. 47.27.900. DEFINITIONS. In this chapter,

(1) "assistance for basic living expenses" means assistance provided under the Alaska family independence program that may include cash, vouchers, or third-party vendor payments;

(2) "child care assistance" means payments made by the Department of Health and Social Services or the Department of Community and Regional Affairs to Alaska family independence program participant families or to providers for the care of children of the participant families;

(3) "child support" includes court-ordered or administratively ordered child support, medical support, and spousal support;

(4) "child support enforcement agency" means the child support enforcement agency in the Department of Revenue;

(5) "commissioner" means the commissioner of health and social services;

(6) "department" means the Department of Health and Social Services;

(7) "dependent child" means an unemancipated individual who

(A) has not attained

(i) 18 years of age; or

(ii) 19 years of age and is a full-time student in a secondary school or in the equivalent level of vocational or technical training; and

(B) is not an applicant under AS 47.27.020;

*Amend to take care out 4-13-90*

1 (8) "self-sufficiency services" means work-related services, community  
2 service work referrals, child care assistance, and other services determined by the  
3 department in regulation to promote family self-sufficiency;

4 (9) "work activities" includes job readiness assessments, on-the-job  
5 training, education and vocational training, job sampling, job search requirements,  
6 subsidized and unsubsidized work, and community work service.

7 Sec. 47.27.990. SHORT TITLE. This chapter may be cited as the Alaska  
8 family independence program.

9 \* Sec. 9. AS 15.07.055(a) is amended to read:

10 (a) The following agencies are designated voter registration agencies:

11 (1) the Department of Public Safety, division of motor vehicles;

12 (2) divisions of the Department of Health and Social Services that  
13 provide public assistance through the food stamp program, Medicaid program, Special  
14 Supplemental Food Program for Women, Infants, and Children (WIC), and Alaska  
15 family independence program [AID TO FAMILIES WITH DEPENDENT  
16 CHILDREN (AFDC) PROGRAM];

17 (3) the division of the Department of Community and Regional Affairs  
18 that is responsible for municipal and regional assistance programs; and

19 (4) all recruitment offices of the armed forces of the United States  
20 located in Alaska.

21 \* Sec. 10. AS 23.10.055 is amended by adding a new paragraph to read:

22 (14) an individual engaged in activities for a nonprofit religious,  
23 charitable, civic, cemetery, recreational, or educational organization where the  
24 employer-employee relationship does not, in fact, exist, and where services are  
25 rendered to the organization under a work activity requirement of AS 47.27 (Alaska  
26 family independence program).

27 \* Sec. 11. AS 23.40.075 is amended to read:

28 Sec. 23.40.075. ITEMS NOT SUBJECT TO BARGAINING. The parties may  
29 not negotiate terms contrary to the

30 (1) [THE] reemployment rights for injured state employees under  
31 AS 39.25.158; [OR]

1 (2) [THE] reemployment rights of the organized militia under  
2 AS 26.05.075;

3 (3) authority of the Department of Health and Social Services  
4 under AS 47.27.035 to assign Alaska family independence program participants  
5 to a work activity considered appropriate by the Department of Health and Social  
6 Services; or

7 (4) authority for agencies to create temporary positions under  
8 AS 47.27.055(c).

9 \* Sec. 12. AS 25.20.050(f) is amended to read:

10 (f) If the child support enforcement agency is a party in an action in which  
11 paternity is contested, the agency shall request the court to order the tests and  
12 procedures described in (e) of this section. The agency may recover the costs of tests  
13 as a cost of the action, except that costs may not be recovered from a person who is  
14 a recipient of assistance [AID] under AS 47.27 (Alaska family independence  
15 program) [AS 47.25.310 - 47.25.420 (AID TO FAMILIES WITH DEPENDENT  
16 CHILDREN)].

17 \* Sec. 13. AS 25.27.025 is amended to read:

18 Sec. 25.27.025. RATE OF INTEREST. The rate of interest imposed under  
19 AS 25.27.020(a)(2)(C) shall be six percent a year [EQUAL THE RATE IMPOSED  
20 UNDER AS 43.05.225] or a lesser rate that is the maximum rate of interest permitted  
21 to be imposed under federal law.

22 \* Sec. 14. AS 25.27.040(a) is amended to read:

23 (a) The agency may appear on behalf of minor children or their mother or  
24 legal custodian or the state and initiate efforts to have the paternity of children born  
25 out of wedlock determined by the court. When the agency is a party to a court action  
26 in which paternity is contested, it shall request and pay for genetic testing and  
27 procedures under AS 25.20.050(f). The agency may recover the costs of the tests as  
28 a cost of the court action, except that costs may not be recovered from a person who  
29 is a recipient of assistance [AID] under AS 47.27 (Alaska family independence  
30 program) [AS 47.25.310 - 47.25.420 (AID TO FAMILIES WITH DEPENDENT  
31 CHILDREN)].

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\* Sec. 15. AS 25.27.060 is amended by adding new subsections to read:

(e) If the child's parents are both unmarried minors who have not had the disabilities of minority removed under AS 09.55.590, an order of child support issued by a court or agency shall be based on the

(1) percentages of physical custody exercised by the child's parents; a minor parent's custody of the child shall be imputed to the parents of the minor parent, regardless of where the minor parent lives, except that

(A) if the minor parent and child live with a parent of the noncustodial minor parent, the minor parent's custody of the child shall be imputed to the parent of the noncustodial minor parent; and

(B) a minor parent's custody of a child may not be imputed to the parents of the minor parent if the minor parent and child do not live with a parent of the minor parent because

(i) neither parent will allow the minor and child to live in the residence of the minor's parent; or

(ii) the physical or emotional health or safety of the minor parent or the minor's child would be jeopardized if the minor and the minor's child lived in the same residence with the minor's parent; and

(2) incomes of the child's grandparents and parents.

(f) To the extent that (e) of this section applies,

(1) the child's grandparents are considered to have a duty to support the child and are subject to statutes, regulations, and court rules relating to support of the child; and

(2) a grandparent who is determined under applicable agency regulations and court rules to be the obligor for purposes of paying child support on behalf of a grandchild is subject to all statutes, regulations, and court rules applicable to child support obligors.

(g) An order of support against a child's grandparent under (e) of this section and a grandparent's duty to support a child under (f) of this section is terminated, without the need for obtaining a modification of a child support order, when one of

*Play grandparent responsibility*

1 the child's parents reaches the age of majority or has the disabilities of minority  
2 removed under AS 09.55.590, whichever occurs earlier. However, to the extent that  
3 a grandparent may have accrued arrearages, the grandparent remains an obligor subject  
4 to this chapter.

5 \* Sec. 16. AS 25.27.065(b) is amended to read:

6 (b) When the right to receive child support has been assigned to a  
7 governmental entity, an agreement under (a) of this section that has not been adopted  
8 as an administrative order of the agency is not effective during a period when the  
9 obligee is receiving assistance under AS 47.07 or AS 47.27 [AS 47.25.310 -  
10 47.25.420].

11 \* Sec. 17. AS 25.27.120(a) is amended to read:

12 (a) An obligor is liable to the state in the amount of assistance granted under  
13 AS 47.07 and AS 47.27 [AS 47.25.310 - 47.25.420] to a child to whom the obligor  
14 owes a duty of support except that, if a support order has been entered, the liability  
15 of the obligor for assistance granted under AS 47.27 [AS 47.25.310 - 47.25.420] may  
16 not exceed the amount of support provided for in the support order, and, if a medical  
17 order of support has been entered, the liability of the obligor for assistance granted  
18 under AS 47.07 may not exceed the amount of support provided for in the medical  
19 order of support.

20 \* Sec. 18. AS 25.27.125(b) is amended to read:

21 (b) The annual estimated balance in the account maintained by the  
22 commissioner of administration under AS 37.05.142 may be used by the legislature to  
23 make appropriations to the Department of Health and Social Services to carry out the  
24 purposes of AS 47.10.230 - 47.10.260 and AS 47.27 [AS 47.25.310 - 47.25.420].

25 \* Sec. 19. AS 25.27.130(c) is amended to read:

26 (c) The recovery of any amount for which the obligor is liable that exceeds the  
27 total assistance granted under AS 47.07 and AS 47.27 [AS 47.25.310 - 47.25.420] shall  
28 be paid to the obligee.

29 \* Sec. 20. AS 25.27.130(d) is amended to read:

30 (d) Except as provided in (f) of this section, if the obligee is not receiving  
31 assistance under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420] at the time the

1 state recovers money in an action under this section, the recovery of any amount for  
2 which the obligor is liable shall be distributed to the obligee for support payments,  
3 including medical support payments, that have become due and unpaid since the  
4 termination of assistance under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420]  
5 under a support order in favor of the obligee.

6 \* Sec. 21. AS 25.27.130(e) is amended to read:

7 (e) After payment to the obligee under (d) of this section, the state may retain  
8 an amount not to exceed the total unreimbursed assistance paid on behalf of the  
9 obligee under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420].

10 \* Sec. 22. AS 25.27.130(f) is amended to read:

11 (f) Notwithstanding (d) of this section, the state shall, if required under federal  
12 law or regulations, distribute amounts recovered through offset of the obligor's federal  
13 tax refund as past due support with first distribution to the state for unpaid support  
14 assigned to the state under AS 47.07.025 and AS 47.27.040 [AS 47.25.345].

15 \* Sec. 23. AS 25.27.165(i) is amended to read:

16 (i) The agency may recover any costs it pays for genetic tests required by this  
17 section, except that costs may not be recovered from a person who is a recipient of  
18 assistance [AID] under AS 47.27 (Alaska family independence program)  
19 [AS 47.25.310 - 47.25.420 (AID TO FAMILIES WITH DEPENDENT CHILDREN)].

20 \* Sec. 24. AS 25.27 is amended by adding a new section to read:

21 Sec. 25.27.195. RELIEF FROM ADMINISTRATIVE ORDER. (a) A clerical  
22 mistake in an administrative order issued by the agency or an error arising from an  
23 oversight or omission by the agency may be corrected by the agency at any time on  
24 its own initiative or on the motion of an obligor or a custodian.

25 (b) Upon the motion of an obligor or a custodian or on the agency's own  
26 initiative, the agency may, at any time, vacate an administrative support order issued  
27 by the agency under AS 25.27.160 that was based on a default amount rather than on  
28 the obligor's actual ability to pay.

29 (c) Before an order may be vacated under (a) or (b) of this section, the agency  
30 must send notice of the intended action to the obligor and the custodian and provide  
31 an adequate opportunity for the obligor and the custodian to be heard on the issue.

1 (d) If an order is vacated under (b) of this section, the agency may at the same  
2 time issue a new order establishing a support amount, based on information about the  
3 obligor's income or on the Alaska average wage standard, for periods of time covered  
4 by the previous order. Upon issuance of the new order, the agency may adjust the  
5 obligor's account to reflect the support amounts established in the new order. In no  
6 case may the agency adjust the obligor's account below zero.

7 \* Sec. 25. AS 25.27 is amended by adding new sections to read:

8 Sec. 25.27.244. ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S  
9 OCCUPATIONAL LICENSE. (a) The agency shall compile and maintain a list of  
10 obligors who are not in substantial compliance with a support order or payment  
11 schedule negotiated under (g)(1) of this section. The list must include the names,  
12 social security numbers, dates of birth, and last known addresses of the obligors. The  
13 list shall be updated by the agency on a monthly basis.

14 (b) The agency shall, on a monthly basis, provide a copy of the list to each  
15 licensing entity through a computer readable magnetic medium. A licensing entity  
16 subject to this section shall implement procedures to accept and process the list.  
17 Notwithstanding any other law to the contrary, a licensing entity may not issue or  
18 renew a license for a person on the list except as provided in this section.

19 (c) Promptly after receiving an application from an applicant and before  
20 issuing or renewing a license, a licensing entity shall determine whether the applicant  
21 is on the most recent list provided by the agency. If the applicant is on the list, the  
22 licensing entity shall immediately serve notice under (e) of this section of the licensing  
23 entity's intent to withhold issuance or renewal of the license. The notice shall be  
24 considered given when delivered personally to the applicant or deposited in the United  
25 States mail addressed to the applicant's last known mailing address on file with the  
26 licensing entity.

27 (d) A licensing entity shall issue a temporary license valid for a period of 150  
28 days to an applicant whose name is on the list if the applicant is otherwise eligible for  
29 a license. The temporary license may not be extended. Only one temporary license  
30 may be issued during a regular license term and its validity shall coincide with the first  
31 150 days of that license term. A license for the full or remainder of the license term

1 may be issued or renewed only upon compliance with section. If a license or  
2 application is denied under this section, money paid by the applicant or licensee shall  
3 be refunded by the licensing entity after retention of the temporary license fee, if any.

4 (e) Notices for use under (c) of this section shall be developed by each  
5 licensing entity under guidelines provided by the agency and are subject to approval  
6 by the agency. The notice must include the address and telephone number of the  
7 agency and shall emphasize the necessity of obtaining a release from the agency as a  
8 condition for the issuance or renewal of a license. The notice must inform an  
9 applicant whose license is governed by (d) of this section that the licensing entity shall  
10 issue a temporary license for 150 calendar days under (d) of this section if the  
11 applicant is otherwise eligible and that, upon expiration of that time period, the license  
12 will be denied unless the licensing entity has received a release from the agency. The  
13 agency shall also develop a form that the applicant may use to request a review by the  
14 agency. A copy of this form shall be included with each notice sent under (c) of this  
15 section.

16 (f) The agency shall establish review procedures consistent with this section  
17 to allow an applicant to have the underlying arrearages and relevant defenses  
18 investigated, to provide an applicant information on the process of obtaining a  
19 modification of a support order, or to provide an applicant assistance in the  
20 establishment of a payment schedule on arrearages if the circumstances warrant.

21 (g) If the applicant wishes to challenge being included on the list, the applicant  
22 shall submit to the agency a written request for review within 30 days after receiving  
23 the notice under (c) of this section by using the form developed under (e) of this  
24 section. Within 30 days after receiving a written request for review, the agency shall  
25 inform the applicant in writing of the agency's findings. The agency shall immediately  
26 send a release to the appropriate licensing entity and the applicant if any of the  
27 following conditions is met:

28 (1) the applicant is found to be in substantial compliance with each  
29 support order applicable to the applicant or has negotiated an agreement with the  
30 agency for a payment schedule on arrearages and is in substantial compliance with the  
31 negotiated agreement; if the applicant fails to be in substantial compliance with an

1 agreement negotiated under this paragraph, the agency shall send to the appropriate  
2 licensing entity a revocation of any release previously sent to the entity for that  
3 applicant:

4 (2) the applicant has submitted a timely request for review to the  
5 agency, but the agency will be unable to complete the review and send notice of  
6 findings to the applicant in sufficient time for the applicant to file a timely request for  
7 judicial relief within the 150-day period during which the applicant's temporary license  
8 is valid under (d) of this section; this paragraph applies only if the delay in completing  
9 the review process is not the result of the applicant's failure to act in a reasonable,  
10 timely, and diligent manner upon receiving notice from the licensing entity that the  
11 applicant's name is on the list;

12 (3) the applicant has, within 30 days after receiving the agency's  
13 findings following a request for review under (2) of this subsection, filed and served  
14 a request for judicial relief under this section, but a resolution of that relief will not  
15 be made within the 150-day period of the temporary license under (d) of this section;  
16 this paragraph applies only if the delay in completing the judicial relief process is not  
17 the result of the applicant's failure to act in a reasonable, timely, and diligent manner  
18 upon receiving the agency's notice of findings; or

19 (4) the applicant has obtained a judicial finding of substantial  
20 compliance.

21 (h) An applicant is required to act with diligence in responding to notices from  
22 the licensing entity and the agency with the recognition that the temporary license  
23 granted under (d) of this section will lapse after 150 days and that the agency and,  
24 where appropriate, the court must have time to act within that 150-day period. An  
25 applicant's delay in acting, without good cause, that directly results in the inability of  
26 the agency to complete a review of the applicant's request or the court to hear the  
27 request for judicial relief within the required period does not constitute the diligence  
28 required under this section that would justify the issuance of a release.

29 (i) Except as otherwise provided in this section, the agency may not issue a  
30 release if the applicant is not in substantial compliance with the order for support or  
31 is not in substantial compliance with an agreement negotiated under (g)(1) of this

1 section. The agency shall notify the applicant in writing that the applicant may request  
2 any or all of the following: (1) judicial relief from the agency's decision not to issue  
3 a release or the agency's decision to revoke a release under (g)(1) of this section; (2)  
4 a judicial determination of substantial compliance; (3) a modification of the support  
5 order. The notice must also contain the name and address of the court in which the  
6 applicant may file the request for relief and inform the applicant that the applicant's  
7 name shall remain on the list if the applicant does not request judicial relief within 30  
8 days after receiving the notice. The applicant shall comply with all statutes and rules  
9 of court implementing this section. This section does not limit an applicant's authority  
10 under other law to request an order to show cause or notice of motion to modify a  
11 support order or to fix a payment schedule on arrearages accruing under a support  
12 order or to obtain a court finding of substantial compliance with a support order.

13 (j) A request for judicial relief from the agency's decision must state the  
14 grounds on which relief is requested and the judicial action shall be limited to those  
15 stated grounds. Judicial relief under this subsection is not an appeal, and shall be  
16 governed by court rules adopted to implement this section. Unless otherwise provided  
17 by court rule, the court shall hold an ex parte hearing within 20 calendar days after  
18 the filing of service on the opposing party. The court's decision shall be limited to a  
19 determination of each of the following issues:

20 (1) whether there is a support order or a payment schedule on  
21 arrearages;

22 (2) whether the petitioner is the obligor covered by the support order,  
23 and

24 (3) whether the obligor is in substantial compliance with the support  
25 order or payment schedule.

26 (k) If the court finds that the obligor is in substantial compliance with the  
27 support order or payment schedule, the agency shall immediately send a release under  
28 (g) of this section to the appropriate licensing entity and the applicant.

29 (l) When the obligor is in substantial compliance with a support order or  
30 payment schedule, the agency shall mail to the applicant and the appropriate licensing  
31 entity a release stating that the applicant is in substantial compliance. The receipt of

1 a release shall serve to notify the applicant and the licensing entity that, for the  
2 purposes of this section, the applicant is in substantial compliance with the support  
3 order or payment schedule unless the agency, under (a) of this section, certifies  
4 subsequent to the issuance of a release that the applicant is once again not in  
5 substantial compliance with a support order or payment schedule.

6 (m) The agency may enter into interagency agreements with the state agencies  
7 that have responsibility for the administration of licensing entities as necessary to  
8 implement this section to the extent that it is cost effective to implement the  
9 interagency agreements. The agreements shall provide for the receipt by the other  
10 state agencies and licensing entities of federal money to cover that portion of costs  
11 allowable in federal law and regulation and incurred by the state agencies and licensing  
12 entities in implementing this section.

13 (n) Notwithstanding any other provision of law, the licensing entities subject  
14 to this section shall assess a fee for issuance of a temporary license under this section.  
15 The licensing entity shall set the amount of the fee so that the fees collected under this  
16 section, to the extent reasonable, cover the costs of implementing and administering  
17 this section.

18 (o) The process described in (g) of this section is the sole administrative  
19 remedy for contesting the issuance to the applicant of a temporary license or the denial  
20 of a license under this section. The procedures specified in AS 44.62.330 - 44.62.630  
21 do not apply to the denial or failure to issue or renew a license under this section.

22 (p) The agency and licensing entities, as appropriate, shall adopt regulations  
23 necessary to implement this section.

24 (q) In this section,

25 (1) "applicant" means a person applying for issuance or renewal of a  
26 license;

27 (2) "license"

28 (A) means, except as provided in (B) of this paragraph, a  
29 license, certificate, permit, registration, or other authorization that, at the time  
30 of issuance, will be valid for more than 150 days and that may be acquired  
31 from a state agency to perform an occupation, including the following:

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- (i) license relating to boxing or wrestling under AS 05.10;
  - (ii) authorization to perform an occupation regulated under AS 08;
  - (iii) teacher certificate under AS 14.20;
  - (iv) authorization under AS 18.08 to perform emergency medical services;
  - (v) asbestos worker certification under AS 18.31;
  - (vi) boiler operator's license under AS 18.60.395;
  - (vii) certificate of fitness under AS 18.62;
  - (viii) hazardous painting certification under AS 18.63;
  - (ix) security guard license under AS 18.65.400 - 18.65.490;
  - (x) license relating to insurance under AS 21.27;
  - (xi) employment agency permit under AS 23.15.330 - 23.15.520;
  - (xii) registration as a broker-dealer, agent, or investment adviser under AS 45.55.030;
  - (xiii) certification as a pesticide applicator under AS 46.03.320;
  - (xiv) certification as a storage tank worker or contractor under AS 46.03.375; and
  - (xv) certification as a water and wastewater works operator under AS 46.30;
- (B) does not include
- (i) a vessel license issued under AS 16.05.490 or 16.05.530;
  - (ii) a commercial fishing license under AS 16.05.480, including a crew member fishing license;
  - (iii) an entry permit or interim-use permit issued under AS 16.43.

1 (iv) a license issued under AS 47.35;

2 (v) a business license issued under AS 43.70; or

3 (vi) a driver's license issued under AS 28.15;

4 (3) "licensee" means a person holding a license or applying to renew  
5 a license;

6 (4) "licensing entity" means the state agency that issues or renews a  
7 license; in the case of a license issued or renewed by the Department of Commerce  
8 and Economic Development after an applicant's qualifications are determined by  
9 another agency, "licensing entity" means the department;

10 (5) "list" means the list of obligors compiled and maintained under (a)  
11 of this section;

12 (6) "substantial compliance with a support order or payment schedule"  
13 means that, with respect to a support order or a negotiated payment schedule under (g)  
14 of this section, whichever is applicable, the obligor has no more than \$2,500 past due  
15 and has cumulatively paid an amount equal to or greater than the amount due for eight  
16 months during the past 12 months; with respect to a support order or payment schedule  
17 that has been in effect for less than one year, "substantial compliance" means that the  
18 obligor has no more than \$2,500 past due and has cumulatively paid an amount equal  
19 to or greater than 67 percent of the amount due during the period the support order or  
20 payment schedule has been in effect.

21 **Sec. 25.27.246. ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S**  
22 **DRIVER'S LICENSE.** (a) The agency shall compile and maintain a list of obligors  
23 who have a driver's license and are not in substantial compliance with a support order  
24 or payment schedule negotiated under (f)(1) of this section. The list must include the  
25 names, social security numbers, dates of birth, and last known addresses of the  
26 obligors. The list shall be updated by the agency on a monthly basis.

27 (b) The agency shall serve notice under (d) of this section to each person on  
28 the list that the person's driver's license will be suspended in 150 days, and will not  
29 be reissued or renewed the next time it is applied for if the person's name is on the list  
30 at the time of the subsequent application, unless the licensee receives a release from  
31 the agency. The notice shall be considered given when delivered personally to the

1 obligor or deposited in the United States mail addressed to the obligor's last known  
2 mailing address on file with the agency.

3 (c) If the licensee fails to obtain a release during the 150-day period following  
4 notice under (b) and (d) of this section, the agency shall notify the department that the  
5 licensee's driver's license should be suspended and further renewals or applications  
6 should be denied until the agency sends the department a release for the licensee.  
7 Upon receiving the agency's notice under this subsection, the department shall suspend  
8 the licensee's driver's license and may not issue or renew a driver's license for the  
9 licensee until the department receives a release to do so from the agency. If a license  
10 is suspended or an application is denied under this section, money paid by the  
11 applicant or licensee may not be refunded by the department.

12 (d) The notice under (b) of this section must include the address and telephone  
13 number of the agency and shall emphasize the necessity of obtaining a release from  
14 the agency as a condition for avoiding suspension or denial of the person's driver's  
15 license. The notice must also inform the licensee that, if a license is suspended or an  
16 application is denied under this section, money paid by the licensee will not be  
17 refunded by the department. The agency shall also develop a form that the licensee  
18 may use to request a review by the agency. A copy of this form shall be included  
19 with each notice sent under (b) of this section.

20 (e) The agency shall establish review procedures consistent with this section  
21 to allow a licensee to have the underlying arrearages and relevant defenses  
22 investigated, to provide a licensee with information on the process of obtaining a  
23 modification of a support order, or to provide a licensee with assistance in the  
24 establishment of a payment schedule on arrearages if the circumstances warrant.

25 (f) If a licensee wishes to challenge being included on the list, the licensee  
26 shall submit to the agency a written request for review within 30 days after the notice  
27 under (b) of this section was personally delivered or postmarked by using the form  
28 developed under (d) of this section. Within 30 days after receiving a written request  
29 for review, the agency shall inform the licensee in writing of the agency's findings.  
30 The agency shall immediately send a release to the department and the licensee if any  
31 of the following conditions is met:

1 (1) the licensee is found to be in substantial compliance with each  
2 support order applicable to the licensee or has negotiated an agreement with the agency  
3 for a payment schedule on arrearages and is in substantial compliance with the  
4 negotiated agreement; if the licensee fails to be in substantial compliance with an  
5 agreement negotiated under this paragraph, the agency shall send to the department a  
6 revocation of any release previously sent to the entity for that licensee;

7 (2) the licensee has submitted a timely request for review to the  
8 agency, but the agency will be unable to complete the review and send notice of  
9 findings to the licensee in sufficient time for the licensee to file a timely request for  
10 judicial relief within the 150-day period before the licensee's license will be suspended  
11 under (c) of this section; this paragraph applies only if the delay in completing the  
12 review process is not the result of the licensee's failure to act in a reasonable, timely,  
13 and diligent manner upon receiving notice from the agency that the licensee's driver's  
14 license will be suspended in 150 days;

15 (3) the licensee has, within 30 days after receiving the agency's findings  
16 following a request for review under (2) of this subsection, filed and served a request  
17 for judicial relief under this section, but a resolution of that relief will not be made  
18 within the 150-day period before license suspension under (c) of this section; this  
19 paragraph applies only if the delay in completing the judicial relief process is not the  
20 result of the licensee's failure to act in a reasonable, timely, and diligent manner upon  
21 receiving the agency's notice of findings; or

22 (4) the licensee has obtained a judicial finding of substantial  
23 compliance.

24 (g) A licensee is required to act with diligence in responding to notices from  
25 the agency with the recognition that the person's driver's license will be suspended  
26 after 150 days or that a subsequent license will not be issued and that the agency and,  
27 where appropriate, the court must have time to act within that 150-day period or before  
28 the subsequent license is needed, as applicable. A licensee's delay in acting, without  
29 good cause, that directly results in the inability of the agency to complete a review of  
30 the licensee's request or the court to hear the request for judicial relief within the  
31 required period does not constitute the diligence required under this section that would

1 justify the issuance of a release.

2 (h) Except as otherwise provided in this section, the agency may not issue a  
3 release if the applicant is not in substantial compliance with the order for support or  
4 is not in substantial compliance with an agreement negotiated under (f)(1) of this  
5 section. The agency shall notify the licensee in writing that the licensee may request  
6 any or all of the following: (1) judicial relief from the agency's decision not to issue  
7 a release or the agency's decision to revoke a release under (f)(1) of this section; (2)  
8 a judicial determination of substantial compliance; (3) a modification of the support  
9 order. The notice must also contain the name and address of the court in which the  
10 licensee may file the request for relief and inform the licensee that the licensee's name  
11 shall remain on the list if the licensee does not request judicial relief within 30 days  
12 after receiving the notice. The licensee shall comply with all statutes and rules of  
13 court implementing this section. This section does not limit a licensee's authority  
14 under other law to request an order to show cause or notice of motion to modify a  
15 support order or to fix a payment schedule on arrearages accruing under a support  
16 order or to obtain a court finding of substantial compliance with a support order.

17 (i) A request for judicial relief from the agency's decision must state the  
18 grounds on which relief is requested and the judicial action shall be limited to those  
19 stated grounds. Judicial relief under this subsection is not an appeal and shall be  
20 governed by court rules adopted to implement this section. Unless otherwise provided  
21 by court rule, the court shall hold an evidentiary hearing within 20 calendar days after  
22 the filing of service on the opposing party. The court's decision shall be limited to a  
23 determination of each of the following issues:

24 (1) whether there is a support order or a payment schedule on  
25 arrearages;

26 (2) whether the petitioner is the obligor covered by the support order;  
27 and

28 (3) whether the obligor is in substantial compliance with the support  
29 order or payment schedule.

30 (j) If the court finds that the obligor is in substantial compliance with the  
31 support order or payment schedule, the agency shall immediately send a release under

1 (f) of this section to the department and the licensee.

2 (k) When the obligor is in substantial compliance with a support order or  
3 payment schedule, the agency shall mail to the applicant and the department a release  
4 stating that the licensee is in substantial compliance. The receipt of a release shall  
5 serve to notify the licensee and the department that, for the purposes of this section,  
6 the applicant is in substantial compliance with the support order or payment schedule  
7 unless the agency, under (a) of this section, certifies subsequent to the issuance of a  
8 release that the licensee is once again not in substantial compliance with a support  
9 order or payment schedule.

10 (l) The process described in (f) of this section is the sole administrative  
11 remedy for contesting the suspension or the denial of a driver's license under this  
12 section. The procedures specified in AS 28 or AS 44.62.330 - 44.62.630 do not apply  
13 to the suspension or failure to issue or renew a license under this section.

14 (m) The agency and department, as appropriate, shall adopt regulations  
15 necessary to implement this section.

16 (n) In this section,

17 (1) "department" means the Department of Public Safety;

18 (2) "driver's license" or "license" means a driver's license, as defined  
19 in AS 28.40.100;

20 (3) "licensee" means a person holding or requesting a driver's license;

21 (4) "list" means the list of obligors compiled and maintained under (a)  
22 of this section;

23 (5) "substantial compliance with a support order or payment schedule"  
24 means that, with respect to a support order or a negotiated payment schedule under (f)  
25 of this section, whichever is applicable, the obligor has no more than \$2,500 past due  
26 and has cumulatively paid an amount equal to or greater than the amount due for eight  
27 months during the past 12 months; with respect to a support order or payment schedule  
28 that has been in effect for less than one year, "substantial compliance" means that the  
29 obligor has no more than \$2,500 past due and has cumulatively paid an amount equal  
30 to or greater than 67 percent of the amount due during the period the support order or  
31 payment schedule has been in effect.

1 \* Sec. 26. AS 36.30.850(b)(11) is amended to read:

2 (11) agreements with providers of services under AS 44.47.250;  
3 AS 47.07; AS 47.08; AS 47.10; AS 47.17; AS 47.24; and AS 47.27, including  
4 contractors under AS 47.27.050 [AS 47.25.195 AND 47.25.310];

5 \* Sec. 27. AS 39.25.110 is amended by adding a new paragraph to read:

6 (31) a participant in the Alaska family independence program under  
7 AS 47.27 who holds a temporary position with the state in order to obtain job training  
8 or experience.

9 \* Sec. 28. AS 44.19.626(a) is amended to read:

10 (a) As the lead state planning and coordinating entity, the Alaska Human  
11 Resource Investment Council has responsibility, to the extent authorized by federal and  
12 state law, for planning and coordinating federal, state, and local efforts in human  
13 resource programs in this state related to employment training, including the work  
14 activities of the Alaska family independence program under AS 47.27.

15 \* Sec. 29. AS ~~44.29.020~~(a) is amended to read:

16 (a) The Department of Health and Social Services shall administer the state  
17 programs of public health and social services, including

18 (1) maternal and child health services;

19 (2) preventive medical services;

20 (3) public health nursing services;

21 (4) nutrition services;

22 (5) health education;

23 (6) laboratories;

24 (7) mental health treatment and diagnosis;

25 (8) management of state institutions, except for adult penal institutions;

26 (9) medical facilities;

27 (10) adult public assistance;

28 (11) Alaska family independence program [AID TO FAMILIES  
29 WITH DEPENDENT CHILDREN];

30 (12) child welfare services;

31 (13) general relief; and

1 (14) licensing and supervision of child care facilities.

2 \* Sec. 30. AS 44.47.280 is amended to read:

3 Sec. 44.47.280. ELIGIBILITY OF FAMILIES FOR BENEFITS. The  
4 department shall determine the eligibility of families for day care benefits on the basis  
5 of the following factors:

6 (1) [NET] income of the family, including salary, alimony, child  
7 support, retirement benefits, social security, and any other source of income;

8 (2) number of children in the family;

9 (3) whether there is one parent or guardian solely responsible for the  
10 care of the family;

11 (4) [REPEALED

12 (5)] other factors found relevant by the department.

13 \* Sec. 31. AS 47.05.010(1) is amended to read:

14 (1) administer adult public assistance, the Alaska family independence  
15 program [AID TO FAMILIES WITH DEPENDENT CHILDREN], and all other  
16 assistance programs, and receive and spend money [FUNDS] made available to it;

17 \* Sec. 32. AS 47.05.010(2) is amended to read:

18 (2) adopt regulations necessary for the conduct of its business and for  
19 carrying out federal and state laws granting adult public assistance, temporary  
20 assistance for needy families under the Alaska family independence program [AID  
21 TO FAMILIES WITH DEPENDENT CHILDREN], and other assistance;

22 \* Sec. 33. AS 47.05.010(5) is amended to read:

23 (5) cooperate with the federal government in matters of mutual concern  
24 pertaining to adult public assistance, the Alaska family independence program [AID  
25 TO FAMILIES WITH DEPENDENT CHILDREN], and other forms of public  
26 assistance;

27 \* Sec. 34. AS 47.05.010 is amended by adding a new paragraph to read:

28 (14) provide education and health-related services and referrals  
29 designed to reduce the number of out-of-wedlock pregnancies and the number of  
30 induced pregnancy terminations in the state.

31 \* Sec. 35. AS 47.05.030 is amended to read:

1           Sec. 47.05.030. MISUSE OF PUBLIC ASSISTANCE LISTS AND  
2 RECORDS. Except for purposes directly connected with the administration of general  
3 assistance, adult public assistance, the day care assistance program authorized under  
4 AS 44.47.250 - 44.47.310, or the Alaska family independence program [AID TO  
5 FAMILIES WITH DEPENDENT CHILDREN], and in accordance with the regulations  
6 of the department, a person may not solicit, disclose, receive, make use of, or  
7 authorize, knowingly permit, participate in, or acquiesce in the use of, a list of or  
8 names of, or information concerning, persons applying for or receiving the assistance  
9 directly or indirectly derived from the records, papers, files, or communications of the  
10 department or subdivisions or agencies of the department, or acquired in the course of  
11 the performance of official duties.

12 \* Sec. 36. AS 47.05.080(a) is amended to read:

13           (a) Benefit overpayments collected by the department in administering  
14 programs under AS 47.25.120 - 47.25.300 (general relief), [AS 47.25.310 - 47.25.420  
15 (AID TO FAMILIES WITH DEPENDENT CHILDREN),] AS 47.25.430 - 47.25.615  
16 (adult public assistance), [AND] AS 47.25.975 - 47.25.990 (food stamps), and  
17 AS 47.27 (Alaska family independence program) shall be remitted to the Department  
18 of Revenue under AS 37.10.050(a).

19 \* Sec. 37. AS 47.07.020(b)(1) is amended to read:

20           (1) persons eligible for but not receiving assistance under any plan of  
21 the state approved under [42 U.S.C. 601 - 615 (TITLE IV-A, SOCIAL SECURITY  
22 ACT, AID TO FAMILIES WITH DEPENDENT CHILDREN) OR] 42 U.S.C. 1381  
23 - 1383c (Title XVI, Social Security Act, Supplemental Security Income) or a federal  
24 program designated as the successor to the aid to families with dependent  
25 children program;

26 \* Sec. 38. AS 47.07.020(b)(5) is amended to read:

27           (5) persons under age 21 who are in an institution designated as an  
28 intermediate care facility for the mentally retarded and who are financially eligible as  
29 determined by the standards of the federal program designated as the successor to  
30 the aid to families with dependent children program;

31 \* Sec. 39. AS 47.07.020(b)(7) is amended to read:

1 (7) persons under age 21 who are receiving active treatment in a  
2 psychiatric hospital and who are financially eligible as determined by the standards of  
3 the federal program designated as the successor to the [42 U.S.C. 601 - 615  
4 (TITLE IV-A, SOCIAL SECURITY ACT.) aid to families with dependent children  
5 program (]);

6 \* Sec. 40. AS 47.07.020(b)(8) is amended to read:

7 (8) persons under age 21 and not covered under (a) of this section, who  
8 would be eligible for benefits under the federal program designated as the successor  
9 to the aid to families with dependent children program, except that they have the care  
10 and support of both their natural and adoptive parents;

11 \* Sec. 41. AS 47.07.020(b)(9) is amended to read:

12 (9) pregnant women not covered under (a) of this section and who meet  
13 the income and resource requirements of the federal program designated as the  
14 successor to the aid to families with dependent children program;

15 \* Sec. 42. AS 47.07.035(26) is amended to read:

16 (26) individuals under age 21 who are not eligible for benefits under  
17 the federal program designated as the successor to the aid to families with  
18 dependent children program because they are not deprived of one or more of their  
19 natural or adoptive parents;

20 \* Sec. 43. AS 43.05.225(2)(B) is repealed.

21 \* Sec. 44. AS 47.25.310(c) is repealed.

22 \* Sec. 45. AS 47.25.301, 47.25.302, 47.25.303, 47.25.305, 47.25.306, 47.25.307, 47.25.308,  
23 and 47.25.309 are repealed on the date established under sec. 57 of this Act.

24 \* Sec. 46. AS 47.25.310, 47.25.311, 47.25.315, 47.25.320, 47.25.330, 47.25.340, 47.25.345,  
25 47.25.350, 47.25.360, 47.25.364, 47.25.365, 47.25.366, 47.25.370, 47.25.380, 47.25.395,  
26 47.25.400, 47.25.410, 47.25.420, 47.25.421, 47.25.423, 47.25.425, 47.25.427, and 47.25.429  
27 are repealed on the date established under sec. 54 of this Act.

28 \* Sec. 47. WAIVER APPLICATIONS. The Department of Health and Social Services shall  
29 promptly apply to the federal government for waivers if the department determines that waivers  
30 are necessary to implement AS 47.25.309, added by sec. 1 of this Act, or any part of secs. 2 -  
31 7 or 44 of this Act. If waivers are not necessary for any particular provision, the department  
32 shall promptly submit a state plan amendment to the federal government to implement the

1 change made by the provision.

2 \* Sec. 48. COURT RULE CHANGE. (a) AS 25.27.060(e) - (g), added by sec. 15 of this  
3 Act, have the effect of amending Rule 90.3, Alaska Rules of Civil Procedure, by requiring  
4 consideration of the income of the grandparents of a child when determining a child support  
5 obligation under certain circumstances and by providing that a child's grandparents are  
6 obligated to support the child under certain circumstances.

7 (b) Under art. IV, sec. 15, Constitution of the State of Alaska, AS 25.27.060(e) - (g),  
8 added by sec. 15 of this Act, and this section may become law with the affirmative vote of  
9 a majority of the membership of each house because the court rule being amended is not a  
10 rule governing practice or procedure.

11 \* Sec. 49. REPORT. (a) In furtherance of the public policy of increasing child support  
12 enforcement and collections, on or before January 1, 1999, the child support enforcement  
13 agency shall make a report to the governor <sup>and legis.</sup> based on data collected by the licensing entities  
14 and the agency in a format prescribed by the agency. The report must contain

15 (1) the number of delinquent obligors on the lists maintained by the agency  
16 under AS 25.27.244 - 25.27.246, enacted by sec. 25 of this Act;

17 (2) the number of delinquent obligors who also were applicants or licensees  
18 subject to AS 25.27.244 - 25.27.246, enacted by sec. 25 of this Act;

19 (3) the number of new licenses and renewals that were delayed or denied and  
20 temporary licenses issued subject to AS 25.27.244 and the number of new licenses and  
21 renewals granted following receipt by licensing entities of releases under AS 25.27.244 by  
22 July 1, 1998;

23 (4) the number of licenses under AS 28.15 that were suspended under  
24 AS 25.27.246 and the number of licenses under AS 28.15 that were reinstated following  
25 receipt by the Department of Public Safety of releases under AS 25.27.246 by July 1, 1998;  
26 and

27 (5) the costs incurred in the implementation and enforcement of AS 25.27.244  
28 - 25.27.246, enacted by sec. 25 of this Act.

29 (b) A licensing entity receiving an inquiry from the agency under (a) of this section  
30 shall cooperate with the agency. When queried as to the licensed status of an applicant who  
31 has had a license denied or suspended under AS 25.27.244 or 25.27.246 or has been granted

1 a temporary license under AS 25.27.244, the licensing entity shall respond only that the  
2 license was denied or suspended or that the temporary license was issued.

3 \* Sec. 50. TRANSITION. (a) The Department of Health and Social Services, the  
4 Department of Revenue, child support enforcement agency, and any department that issues a  
5 license affected by sec. 25 of this Act may proceed to adopt regulations necessary to  
6 implement this Act. Regulations to implement a provision of this Act take effect under  
7 AS 44.62 (Administrative Procedure Act), but not before the effective date of the relevant  
8 provision of this Act.

9 (b) Regulations adopted by the Department of Health and Social Services under the  
10 authority of AS 47.25.310 - 47.25.420 before the effective dates of secs. 1 - 8 of this Act  
11 remain in effect, and may be implemented and enforced to the extent that the regulations are  
12 not inconsistent with the corresponding provisions of secs. 1 - 8 of this Act, until the  
13 department has made regulation changes under AS 44.62 (Administrative Procedure Act) to  
14 implement this Act.

15 (c) Notwithstanding sec. 46 of this Act, an application for assistance filed under  
16 AS 47.25.310 - 47.25.420 remains effective as an application for the Alaska family  
17 independence program following the effective date of sec. 8 of this Act until the Department  
18 of Health and Social Services requires a new application with the development of a family  
19 self-sufficiency plan: new applications shall be required no later than one year following the  
20 effective date of sec. 8 of this Act.

21 (d) Litigation, hearings, investigations, collection actions, and other proceedings  
22 pending under a law amended or repealed by this Act continue in effect and may be  
23 completed by the Department of Health and Social Services notwithstanding the repeal or  
24 amendment under the Act.

25 \* Sec. 51. APPLICABILITY. (a) AS 47.25.311(a), added by sec. 2 of this Act, and  
26 AS 47.27.015(e), added by sec. 8 of this Act, apply to disqualifications imposed on or after the  
27 effective dates of AS 47.25.311(a) and AS 47.27.015(e), respectively.

28 (b) AS 47.25.311(c), added by sec. 2 of this Act, and AS 47.27.015(c), added by sec.  
29 8 of this Act, apply to refusals to accept, and separations from, suitable employment without  
30 good cause that occur on or after the effective dates of AS 47.25.311(c) and AS 47.27.015(c),  
31 respectively.

32 (c) AS 47.25.315, added by sec. 2 of this Act, and AS 47.27.027, added by sec. 8 of

1 this Act, apply to minors who apply or reapply for assistance under AS 47.25.310 - 47.25.420  
2 or AS 47.27.020, respectively, on or after the effective dates of AS 47.25.315 and AS 47.27.027,  
3 respectively.

4 \* Sec. 52. AS 47.25.301, added by sec. 1 of this Act, and secs. 47, 50(a) - (b), and 51 of this  
5 Act take effect immediately under AS 01.10.070(c).

6 \* Sec. 53. Sections 13, 15, 24, 25, 43, 48, 49, and 50(c) - (d) of this Act take effect  
7 October 1, 1996.

8 \* Sec. 54. Sections 8 - 12, 14, 16 - 23, 26 - 42, and 46 of this Act take effect October 1,  
9 1996, except that if the federal law providing for the aid to families with dependent children  
10 program has not been repealed by that date, those sections take effect on the first day after  
11 October 1, 1996, that the repeal of the federal aid to families with dependent children program  
12 is effective. The commissioner of health and social services shall notify the revisor of statutes  
13 and the lieutenant governor of the effective date of the repeal of the federal law providing for  
14 the aid to families with dependent children program.

15 \* Sec. 55. AS 47.25.302 - 47.25.309, enacted by sec. 1 of this Act, secs. 2 - 7 of this Act,  
16 and sec. 44 of this Act take effect on the earlier of the following dates:

17 (1) the effective date for which the federal government approves and authorizes  
18 implementation of a state plan amendment effecting the change; or

19 (2) the effective date of a waiver received from the federal government that  
20 authorizes implementation of the provision.

21 \* Sec. 56. The commissioner of health and social services shall notify the revisor of  
22 statutes and the lieutenant governor of the effective date of the sections and parts of sections  
23 governed by sec. 55 of this Act and of whether the effective date was determined by a waiver  
24 approval or a determination that a waiver is not necessary.

25 \* Sec. 57. Section 45 of this Act takes effect on the earlier of July 1, 2003, or the effective  
26 date established in sec. 54 of this Act.

AMENDMENT

*Puts  
rateable  
reduction  
back in bill*

OFFERED IN THE SENATE

BY

TO: CSSB98 ( ), "B" 4/17/96

Page 10, line 24

Insert new section 3

Sec. 3 AS 47.25.320 (a) is amended to read:

(a) The Department shall determine the amount of assistance for a dependent child, and the relative with whom the dependent child is living, with regard to resources and necessary expenditures of the family and the condition existing in each case. Assistance is sufficient if, when added to all other income and support available to the child, the child and relative have reasonable subsistence compatible with decency and health. However, to the extent allowed under federal law or under a waiver approved under federal law, the amount of assistance may not exceed the following:

(1) dependent child living with nonneedy relative: \$451 [FOR A DEPENDENT CHILD WHO IS LIVING IN THE HOME OF A NONNEEDY RELATIVE, \$452], plus \$99 [\$102] for each additional child;

(2) dependent child living with parent:

(A) for a parent and one dependent child, a maximum of \$794 [\$821];

(B) for each additional dependent child \$99 [OR FOR A SECOND PARENT, \$102] a month [PER INDIVIDUAL];

(3) pregnant woman who is otherwise eligible for assistance under this section, \$197 [OR A SINGLE-PERSON HOUSEHOLD THAT DOES NOT CONSIST OF A DEPENDENT CHILD: \$514] a month.

Renumber following bill sections accordingly

Adjust internal references to bill sections accordingly

Page 17, line 16

Delete "\$452" and insert "\$451"

Delete "\$102" and insert "\$99"

Page 17, line 18

Delete "\$821" and insert "\$794"

Delete "\$102" and insert "\$99" in both places

Page 17, line 21

Delete "\$514" and insert "\$197"

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR HALFORD

TO: CSSB 98(FIN), draft version "B"

- 1 Page 50, line 31:
- 2 Delete "sec. 57"
- 3 Insert "sec. 53"