

ALASKA LEGISLATURE

2277

HOUSE and SENATE FINANCE COMMITTEE FILES,

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5. Contractor Performance

5.1 Background/Findings Related to Contactor Performance

Many states including Alaska contract out for the provision of some welfare services. Privatization of government functions makes good sense where contractors are able to provide services more efficiently and effectively than in-house workers. Using such criteria, usually contractors are used for functions for which in-house workers have no particular expertise, such as the provision of job search workshops and other employment activities.

The most successful contracts are outcome based, with contractors required to provide a continuum of services if necessary to produce the required outcome. For example, in the state of Delaware, Job Connection contractors are required to place referred clients into unsubsidized work within 30 days. If the client is unable to find an unsubsidized job, Job Connection places them in work experience until a job becomes available. Contracts are "pay for performance" and payment is strictly based on employment outcomes, with contractors receiving 20% of their payment for initial enrollment (they are not paid this fee until a referred client is actually brought in for services), 40% for job placement for at least 30 days, and another 40% upon job retention for 90 days. No payment is made unless the appropriate payment milestone is achieved.

5.1.1 Current DPA Contracting Practices

Although DPA contracts contain performance expectations, payment is provided whether or not outcomes are achieved. Contracts are awarded for a particular service, such as case management or work-search rather than a continuum of services, so that it is difficult to hold the contractor responsible for meeting client outcomes. We were informed that the performance expectations in case management contracts include the size of the caseload and expected participation rates, while work search contracts have an employment placement goal.

Based on provider proposals we reviewed, performance goals tend to be somewhat general: for example a provider proposal for comprehensive case management for rural southeast Alaska ensures that "at least 60% of all families and 85% of the two-parent families [will] participate in the defined work activities with a primary goal of unsubsidized employment."

Another proposal, to provide post-employment case management services to 257 families, 232 of which still receive ATAP benefits, advises that "the success of the Project will be evaluated based on 70% of the individuals who receive post employment case management services maintaining and/or obtaining unsubsidized employment. Additionally, at least 80% of the families receiving ATAP and 85% of the two parent families will be participating in countable work activities. Post employment case management services are to be provided at a minimum of six weeks to a maximum of six months dependent on the needs of the individual clients." Missing from the proposal is an expectation of the length of time that work retention is expected.

Furthermore, contractors in many areas are not able to provide the expert services that they contract to provide. Several DPA regional directors advised that DPA has had to train contractor case management staff on basic case management functions, developing sufficiently detailed Family Self Sufficiency Plans, and on proper case file documentation. This lack of contractor expertise was echoed by supervisory and line staff.

In Alaska, multiple contracts are deliberately awarded for the same function in many areas. According to interviewees this is done so that there will be some continuity when not all contractors receive renewals during the annual renewal cycle. For example, in the Central Region, there are four case management contractors and three contractors providing work search, and there are also contractors providing specific work services, such as community work experience. This means that DPA staff in each office must work with several contractors for each discrete function, with each having different strengths and weaknesses; and that the contractors are constantly changing. Regional directors advised that the huge number of contractors makes coordination complex. For example it is difficult to assure that a case manager is assigned within ten days. The DPA administrator indicates that involving a large number of community organizations was done consciously to leverage additional resources as well as raise the level of community commitment to serve DPA's clientele. This is a worthy goal, but it needs to be balanced with sound performance.

The achievements of contracted services appear to reflect the lack of specificity in performance requirements. Although administrators advise that whether case management is performed better internally or by

contractors depends on the area, they also advise that performance (measured by work participation rates) for contractors and DPA case managers are comparable, even though DPA staff are generally given the more challenging cases.

DPA administrators indicate that about 40% of case management is provided by DPA staff, most of this in offices with significant caseloads such as Anchorage, Fairbanks, Ketchikan, and Juneau. Contracts for case management exist with community agencies, DOL, and Alaska Native organizations.

5.1.2 Contractor Services to the Villages

In regards to services to the villages, DPA staff questioned the achievements of contractors and admitted that, although contracts/grants exist, DPA lacks the assurance that every client in these areas is currently being served by a case manager. We can verify that clients in the Kotzebue Regional Center and its villages have not been receiving ongoing case management services through the contract with Maniilaq Manpower.

The recently hired case manager working for the contractor advises that she receives no support from Maniilaq and indeed that they try to block proposed case management activities. She has not visited the 14 villages, and advised that, because of high turnover, no one has been in regular contact with clients, and that no case files exist documenting prior case management services for recipients. Because she is not co-located with eligibility staff and does not have access to EIS or JAS (although case managers are supposed to have read-only access), she depends on contacts with eligibility staff to learn about changes in the status of cases. Further, she suggested that the villages don't want to deal with the regional Maniilaq organization (although evidently they also do not want to deal with state staff). Although a plan exists to hire part-time case managers in the villages to supplement the services of the Kotzebue case manager, no steps had been taken to effectuate this plan as of the time of this program review.

Partly because of the lack of case management, we were told that compliance with work participation requirements in the village of Selwick, within the Kotzebue area, was only 10%; no participation rate data are shown for Kotzebue itself on the May 2001 report while the participation rate for Maniilaq Manpower is shown as 27.9%. According

to DPA, Maniilaq Manpower is an unusually low performer, and one of the reasons they sent us out to this area was to show us the particular challenges facing remote rural Alaska. DPA further pointed out that many of the Native Organizations provide exemplary services whether in cities or villages.

5.1.3 Contract Monitoring

Contract monitoring appears to be administered at the regional level. Local DPA managers do not play a formal role in holding contractors accountable and some local DPA managers with whom we met do not even know what are the contract requirements for the contracts serving their offices. For example, we found this to be true in Kenai. In addition, because of regional assignment, the local DPA managers interviewed felt that addressing contractor performance was not part of their role. Furthermore, contractor performance deficiencies where found are not used as a rating factor in deciding whether to award a subsequent contract to the same provider organization.

Contractors are co-located with DPA in many areas, but even where they are co-located, they cannot directly access all necessary information from DPA's automated systems. Without access, communication is more cumbersome and providing case file information to contractors creates an additional work burden for DPA staff.

5.2 Contractor Performance Recommendation: DPA Should Ensure That Case Management and Work Search Contractors Are Accountable for Performance

We agree that services that are not within the normal functions of a TANF agency should be contracted out by DPA, particularly where value-added contractors can be found. Although some state TANF agencies contract out case management, at least as many states perform this function in house; either using generic eligibility technician/case management staff or with the case management functions provided by separate staff. Thus, case management can be considered a legitimate TANF agency function, and if DPA finds that in-house staff achieve higher performance levels, the Division should be able to transfer more case management duties to DPA staff. If DPA continues to contract out some case management services, we recommend that this function be bundled with the additional contracted services, as described below.

In many states, actual work services, such as life skills, work search training, job development, job search, and management of work experience and community service programs, are seen as a less integral part of the TANF agency function and are contracted out. We fully support DPA's decision to contract out these services. However, we believe that four fundamental changes should be considered to ensure that contracts that are awarded for these services (as well as for case management if Alaska decides to continue to contract out case management) are value added.

First, to the extent possible, contracts for work services should be multi-functional. A prime contractor (who can have sub-contractors performing some of the needed services), should bid to provide services that will result in unsubsidized employment for the clients referred to the contractor. The contractor would be responsible to provide case management, if contracted out; work search; remedial basic training like life skills where needed; job search; job development; work experience where needed; and community service functions. It would be up to the contractor to provide all the services needed so that the end product would be an employed individual who was able to retain her/his job. Alaska could satisfy its desire for multiple contractors by awarding these multiple service contracts to several providers.

Second, true performance based contracting should be initiated, with contractors paid for their staged achievements, as is done with the Delaware contracts described above. Payment points could be for achievements such as the initial enrollment, completion of work search, placement in an unsubsidized job, and retention for 30, 90, and 120 days. Since the work participation rate is an important DPA performance goal, work participation achievements could also be rewarded. Contractors could be required to successfully serve a minimum percentage of the clients referred, or, instead, bonuses could be provided to contractors who were successful with a higher percentage of referrals, to prevent "creaming" (where services are only provided to those needing little assistance).

Third, although we agree that DPA should award multi-year contracts, only the first year should be guaranteed. The contracts should provide DPA with the authority to renew the contracts each year, so that high-performing contractors are rewarded and needed continuity would be achieved, while contractors who fail to meet basic performance goals

could be discontinued. Obviously, this means that contractor performance in one year would be used to determine whether to renew the contract for the succeeding year. In other states this has produced competition among the selected providers at the same time as it has caused contractors to reach out to other agencies in the community, to secure needed supplementary services and work experience and community service slots.

Fourth, the local DPA manager should have much greater involvement in overseeing performance. While the more formal monitoring and corrective action processes can be handled effectively at a regional level, day-to-day problem solving would be more effectively handled at the local level. This is particularly critical to creating the interdependency necessary for the recommended performance-based system.

We believe that such a system would, where the service area has a large enough population to capture the interest of provider organizations, achieve a number of Alaska goals. Entered employments would increase, participation rates would at least be comparable, and caseloads would continue to decline. DPA could provide work to as many community organizations as they do currently, but the community agencies would have to coordinate services to provide the multiple functions required.

6. Child Care Services

6.1 Background/Findings Related to the Delivery of Child Care Services

Although Alaska has funded child care generously, to assist low-income workers to obtain and retain employment, the system for providing child care creates delays and funding gaps, and forces individuals to make extraordinary efforts to access child care assistance. In addition, the reimbursement schedule for non-ATAP child care is poorly designed, creating disincentives for individuals to achieve workplace promotions. Our specific findings are contained in the following sub-sections.

6.1.1 Child Care System in Alaska

Three child care programs exist in Alaska. PASS I provides child care without a co-payment requirement to families receiving ATAP who are participating in employment and training services and/or in subsidized or unsubsidized employment. Upon termination from ATAP, families needing child care so they can work become eligible for transitional child care, called PASS II. In addition, low-income working families can access assistance with child care through the PASS III child care program. PASS II and PASS III child care are provided on a co-pay basis, using a schedule that increases the level of co-pay as income increases. TANF funds are utilized to provide PASS I child care, while funds transferred from TANF to the Child Care Development Fund (CCDF) are utilized to provide PASS II and PASS III child care.

Because of difficulties transitioning from PASS I to PASS I child care, TANF funds are also used to pay the first month of PASS II child care, so that working individuals transitioning off ATAP are able to have continuous child care. DPA's JOBS Automated System (JAS) is used to authorize and pay child care providers for PASS I child care, while information about the Department of Education and Early Development (EED)-provided PASS II and PASS III child care, paid to the client, is entered on separate PC-based systems.

DPA authorizes PASS I child care, while EED, through local contractors (known as local administrators), authorizes PASS II and III child care. The local administrators operating PASS II and PASS III child care are not co-located with DPA in regional and local offices.

Workers report that individuals face considerable barriers obtaining child care, using this multi-tier system. First, individuals receiving ATAP must obtain information from the local administrator, which requires making an appointment and traveling to a different location. There is often a wait to obtain a list of child care providers, and the individual's receipt of self-sufficiency services are delayed while they are awaiting the information. For example, we were told that it takes about a week to obtain this information in Anchorage. DPA officials indicate this has been resolved through an internet application.

Workers transitioning from ATAP to self-sufficiency must take time off from their new jobs to arrange to continue receiving child care because they must move from PASS I to PASS II child care. Working individuals using PASS II or III child care must also take time off from work to meet with separate local administrators. Because local providers require frequent renewal of authorizations and renewal authorizations be done in person, workers must frequently miss work to continue receiving assistance with child care.

In addition, appointments with local administrators are not immediately available. Workers report that it can take a month to obtain an appointment with the local provider and two months before child care is authorized. We have been told that these delays cause "entry effects", in that ATAP-eligible individuals who do not want welfare but just assistance with child care must, nevertheless, apply for ATAP so they can obtain immediate assistance with their child care expenses.

Another problem has been the delay caused by processing backlogs. Although the waiting list for PASS III child care has been eliminated by DPA's transfer of additional TANF dollars to EED, the field reports that child care waiting lists have not yet been completely worked. In Anchorage, for example, the waiting list of 600 families was still being cleared at the time we interviewed staff.

6.2 Child Care System Recommendations: Improve the Delivery of Child Care

We recommend that child care be provided through a more user-friendly child care structure that eliminates delays and gaps; that child care assistance be "seamless", so that an individual moves automatically

between child care levels; and that the child care co-pay schedule be revised to eliminate payment cliffs. To accomplish this we recommend the following program changes:

6.2.1 Client-Friendly Child Care

To create a seamless child care system that promotes employment and discourages needless welfare usage, the child care authorization existing as of the termination of ATAP should be used to continue child care funding, so that the movement between PASS I and PASS II does not require an individual to make additional appointments or complete additional forms. In addition, in-person appointments should not be required to continue authorized child care assistance; telephone contacts should be used except in extraordinary circumstances.

We also recommend that local administrator contracts should require that all child care services be provided in DPA one-stops. And finally, these child care contracts should require that applications for child care are taken and processed quickly, so that individuals are provided needed assistance without delays. Based on their success in providing timely PASS I child care, we believe that seamless child care that is immediately available can be most easily accomplished if authorization of PASS II and PASS III child care is also shifted to DPA. If administration of CCDF funds remains with EED, DPA should become the PASS II/PASS III child care provider under contract to EED.

6.2.2 Enhance Recruitment of Infant and Extended Hours Child Care Providers

Workers report that infant and extended hours (evening/weekend) child care is in short supply or unavailable, particularly in rural areas. Fairbanks is attempting to reduce this problem: they have a new Resource and Referral (R&R) grant to recruit providers and to provide incentives for current providers to expand to these special categories. The need for more infant care slots will become even more apparent if Alaska reduces the period of exemption from work participation from 12 months after birth to 16 weeks as is recommended.

The Department of Education and Early Development should step up contractor efforts to recruit, train, and license child care providers who are willing to provide infant and/or extended hour child care. As a condition of their contracts, contractors must recruit and register new

child care providers. Although the provider in Nome now understands its obligations in this area, we were told that it took a concerted effort by DPA workers before the contractor agreed to register new child care providers.

6.2.3 Change the Child Care Co-pay Schedule to Eliminate Perverse Incentives that Result in Clients Forgoing Pay Raises/Employment Promotions

The child care co-pay levels create funding "cliffs". For example, in Anchorage a three-person family with monthly income up to \$1,423 would be required to pay only 3% of child care costs. Were the same family to have only one dollar more of income, their co-pay obligations would rise to 15%. Income between \$1,779 and \$2,134 obligates them to provide 25% of the cost, and income of \$2,135 and \$2,489 requires a 50% co-pay. Only 25% is reimbursed if earnings are \$2,490 to \$3,694, and no co-pay is available if income exceeds \$3,694. Because of these funding cliffs, individuals with small increases in income face huge increases in child care costs, and the increases are especially steep if there is more than one child needing care. Clearly these cliffs create incentives to forgo pay raises and employment promotions.

There is also a problem in that the daily reimbursement rates in the rate schedule now being implemented provides a much higher reimbursement (an example was provided where the daily rates would yield \$223 more for the month), for a whole month than the monthly rate, creating an incentive for individuals to create irregular work schedules so that they are paid based on a daily (attendance) rather than a monthly (enrollment) authorization. DPA is currently working with EED to modify the schedules.

We recommend that child care funding schedules be redesigned to create narrow changes in payment obligations that match narrow changes in income. If percentage changes are used to determine co-pay amounts, many more percentage levels should be used. We recognize that this will be a delicate operation, since the schedules must ensure that payments provided do not exceed available funding for child care. In designing its new schedule, Alaska may want to obtain payment schedules used by other states.

7. TANF Time Limits

7.1 Background/Findings Related to TANF Statutory Time Limits and Alaska's ATAP Program

Although TANF is a block grant, there are several specific statutory prohibitions that restrict state flexibility. A major restriction is the provision that a state can not use any part of its federal TANF grant to provide assistance to a family that includes an adult who has received assistance under any state program using federal TANF dollars for 60 months (Section 408(a)(7)). States are permitted to exempt families from the 60-month limit for hardship or because of domestic violence, but no more than 20% of the average monthly number of families provided benefits using federal TANF funds can be families headed by an adult who has received benefits more than 60 months. States violating this restriction are subject to a substantial penalty, a reduction of five percent of their TANF grant for the succeeding year (Section 409(a)(9)). Any month of assistance received while an adult was living in certain Alaskan Native villages with at least 50% of adults not employed are excluded in determining whether an individual has received assistance for 60 months.

Section 47.27.015(a)(1) of Alaska statutes repeats this federal requirement by providing that a family is not eligible for ATAP if the family includes an adult who has received benefits under ATAP or an applicable program of another state for 60 months, unless the adult has been a victim of domestic violence, is physically or mentally unable to perform gainful activity, is a parent providing care for a disabled child, or the family is determined to be exempt by reason of hardship. Alaska's statute further limits the number of long-term recipient families by providing that the number exempted "may not exceed 10 percent or the maximum percentage of families allowed an exemption under federal law, whichever is greater."

7.1.1 DPA's Proposed Sixty-Month Policy

Long-term TANF recipients in some states are already beginning to reach their 60-month time limit. In Alaska a number of families currently receiving ATAP will hit the time limit in July 2002, five years after the effective date of TANF in Alaska. DPA has developed draft criteria to use to qualify clients for extensions beyond 60 months. The criteria provide for extensions for certain situations of domestic violence, incapacity of

the adult, caring for a disabled relative, and hardship. To receive a hardship extension, the caretaker must be complying with their FSSP and participating in work activities, but cannot earn enough to leave ATAP because of medical, mental health or functional limitations; or the family is impacted by a catastrophe; or the children are at risk of placement outside the home if assistance is ended. The draft procedures establish a process whereby there is screening and assessment of long-term recipients, collaboration with other agencies involved with the family, a Local Office Review Committee making extension decisions, development and monitoring of plans during the extension period, and periodic review of extensions.

7.1.2 Issues Based on Current Alaska Statute

In our interviews, DPA staff voiced concern that, despite limited extension criteria, there may be a month when some families meeting the extension criteria cannot be paid without violating Alaska's statutory limit that not more than 20% of Alaska families subject to the time limit have received 60 months of benefits. DPA officials also point out that Alaska's statute is more limiting than the federal statute requires. PRWORA merely forbids states from using federal TANF funds to provide benefits for more than 60 months; Section 408(a)(7)(F) specifically permits states to expend state funds (e.g. TANF maintenance of effort (MOE) dollars) to provide benefits to families headed by an adult who has received federally-supported benefits for 60 months.

We concur with DPA's assessment that, if Alaska uses only state MOE dollars to provide benefits to such families, families with over 60 months of receipt will not be counted in determining for federal purposes whether Alaska has exceeded the 20% limitation. In fact, several Administration for Children and Families (ACF) issuances specifically advise states how to use their MOE to create "segregated" or "separate" state programs, to provide benefits to classes of individuals who are prohibited from receiving benefits using federal TANF funds. For example, Temporary Assistance for Needy Families Policy Announcement, TANF-ACF-PA-97-1, January 31, 1997 specifically advises that "[s]tates may expend their MOE funds on a broad range of activities without necessarily triggering Federal TANF requirements (such as time limits)." An ACF chart attached to the Policy Announcement shows that application of the time limit on assistance provision is avoided by creating a segregated or separate state program. TANF-ACR-PA-97-1 may be accessed online at <http://www.acf.dhhs.gov/programs/ofa/pa97-1.htm>.

7.2 TANF Time Limit Recommendations: Alaska Needs to Ensure That Long-Term ATAP Recipients Do Not Trigger Federal Penalties

We believe that states should be making every effort to move ATAP families as quickly as possible off welfare. However, for a number of reasons we support DPA's view that Alaska's more restrictive state time limit requirement should be eliminated. First, the federal requirement that not more than 20% of current recipient families can be headed by an individual who has received assistance for 60 months, is a "Catch 22" in that the more successful Alaska is in reducing its caseload by finding work for employable beneficiaries, the more likely that the families remaining on assistance will be hard-to-serve. Particularly if the application rate for families who have never been on assistance remained low, a state with a hefty caseload reduction might reach the point where more than 20% of its remaining cases needed more than 60 months to achieve full self-sufficiency. Although we do not believe that Alaska has reached this point yet, it is important to make the change so it can be implemented when and if the need arises, to prevent being forced to deny benefits to vulnerable Alaska families who meet statutory criteria for extension.

Second, it makes no sense for Alaska to jeopardize its federal TANF funding, and the Alaska provision could result in the state losing a full five percent of its federal TANF grant because of a miscalculation that paid benefits to a few more long-term recipients than the 20% permitted.

Although we recommend that the Alaska statute be amended to permit DPA to use narrow criteria to extend benefits to some long-term recipients, we believe that, at the same time, DPA needs to make extraordinary efforts to insure that as few families as possible reach the 60-month limit.

More in-depth and intensive services are needed for families in danger of reaching the time limits because of multiple barriers. Although DPA is starting to identify individuals who may need more counseling or referrals because they are approaching the 60-month time limit, there does not appear to be any formal process in place yet to provide such additional assistance. We believe that a process that begins with "staffings" using case managers, supervisors, employment providers, and specialists in such areas as mental health, remedial education, and substance abuse treatment should be initiated for all clients who are within 18 months of reaching their time limits. These specialists would

work with the family to design a plan to move the adult(s) as quickly as possible to an unsubsidized job, and to solve family issues that may have prevented sustained employment in the past. The family should be followed regularly to ensure that the plan is being implemented.

Alaska may also want to consider creating a segregated or separate state program for families where the adult is working full-time but earnings are not high enough to eliminate eligibility for residual ATAP payments. Currently, these families are either refusing the small dollar benefit remaining, in order to protect their lifetime eligibility period, or they are in danger of reaching their 60-month limit. This would also require a state law change.

8. Alaska's Sanction Policy

8.1 Alaska's Sanction Rules and Procedures

TANF receipt for Alaska's TANF beneficiaries is limited to 60 months in their lifetime. Many workers advised that the current sanction policy hinders them from assisting beneficiaries to become self-sufficient within this 60-month time frame.

Current sanction policy removes the benefits of the adult from the assistance unit. This results in a benefit reduction of 40% for average sized families, while larger families lose a smaller percentage of their benefits. A beneficiary can "cure" the first sanction without penalty, but a second sanction lasts for six months even if the individual cures prior to the end of the period, and the minimum period assessed for a third sanction is 12 months. The sanction amount does not increase over time; thus the same reduction is imposed whether a first, second or third sanction is imposed. The family's 60-month time clock continues to tick while a sanction is imposed. Thus, no services will be received before the clock expires for those individuals who suffer a first sanction and never cure. Workers report that there are a significant number of sanctioned clients who choose this option. In addition, they advise that individuals who do cure the first sanction but have a second sanction imposed are reluctant to begin work participation before the six months have run, since their participation will not restore the benefit loss.

Not only does the current sanction policy reduce the services that an individual will receive during the 60 months, but it also lowers Alaska's participation rate. This is because non-complying cases must be included in the denominator for calculating participation, except for the first three months of a sanction. While it was reported that there is a state Attorney General opinion that permits DPA to continue benefits beyond 24 months to non-complying individuals, the continuation of benefits to non-complying families may violate the intention of Section 47.27.030(b) of statute, which provides that: "Unless the members of the family who are not dependent children are all exempt..., the time period for receiving assistance may not exceed a cumulative total of 24 months unless each nonexempt person is in compliance with the work activity assignment made under AS 47.27.035."

Alaska's DPA workers are using a number of strategies to bring non-complying individuals in for work services. Notices are sent, the

clients are telephoned, and, in Anchorage and Fairbanks, workers make home visits. In some cases these efforts are successful. For example, a home visit may identify a barrier to participation that can quickly be overcome, or the individual may better understand the requirements and time limits and begin to participate. Anchorage advises that they have assigned a worker who, through repeated home visits to sanctioned clients, has brought 60% into compliance. However, workers also indicated a reluctance to impose sanctions because they believe that the current system uses up months while not creating sufficient incentives to participate. That at least some workers do not impose sanctions is supported by the data: only a small percentage of cases (four percent according to performance data) are in sanction status, but a much larger percentage of clients fail to participate the number of hours required. For example, in one office only 156 of 223 individuals who were assigned countable activities met the hours of participation requirement in the most recent month for which we were provided data.

8.2 Sanction Policy Recommendation: Make Alaska's Sanction Policy More Family Friendly

We recommend that Alaska develop a progressive sanction system, resulting in an eventual full-family sanction, but that the sanction policy be designed and implemented to protect vulnerable children.

Division of Public Assistance staff suggested and we support a more family-friendly sanction policy where sanctions are progressive as to amount but the individual can cure immediately upon performance. For example, the first sanction would reduce the benefit one-third, the second would cause a two-thirds reduction, and the full benefit would be lost if a third sanction had to be imposed. A minimum period of time, such as a week of actual performance would be required to reinstate the full benefit, to prevent "churning"—where a benefit is restored based on a promise to participate, but the individual does not keep their promise. Sanctions would proceed automatically to the next level after a certain period where the individual had not cured.

We agree with staff that such a policy would be more effective in motivating individuals to participate; it is less likely that an individual can afford to ignore a loss of two-thirds of the benefit than to ignore the current adult portion loss. Families subject to a full family sanction

would be effectively terminated; thus, their family's clock would cease to run and Alaska could remove them from the denominator for calculating the participation rate.

Many states have adopted similar policies. According to a recent report by the U.S. General Accounting Office (GAO/HEHS-00-44, Welfare Reform: State Sanction Policies and Number of Families Affected, March 2000), 37 out of 50 states terminate the family's entire cash benefit if a family member who is required to participate fails repeatedly to comply with work requirements, but the full family sanction is applied the first time that a family does not comply in only 15 of these states. The majority of these states (22) use a progressive sanction sequence before they reach the full-family sanction level.

The GAO and other reports about state sanctions also recommend methods to ensure that sanctions are not taken inappropriately and that vulnerable families are protected. According to the GAO report: 16 states require supervisory or other review of caseworker's sanction decisions; 31 states require caseworkers to attempt to contact family members to try to resolve the non-compliance; and five states require caseworkers to visit the homes of TANF families to discuss how to resolve the noncompliance. Tennessee uses a customer Service Review process to protect families from incorrect case closings; Kentucky provides a special review and services to sanctioned families (Welfare Information Network Issue Notes, The Use of Sanctions Under TANF, April 1999); and Delaware uses performance-based contracts to provide incentives for employment contractors to make home visits to attempt to convince no-shows to accept their services, has a contractor review case closings, and has developed a program of services for families permanently barred from TANF because of repeated non-compliance. (Chassman Barnhart Consulting program review). Because some states that conducted studies of sanctions found that non-complying adults were more likely to be "hard-to-serve" (GAO), some special services are recommended. Although admittedly these actions are labor-intensive, only a few families reach this level of sanction in a progressive system.

9. Providing TANF Services to Native Alaskans

9.1 Native Alaska Family Assistance Programs

Congress gave Native Alaskans the opportunity to operate their own TANF programs. Alaska has gone much further than most other states in making it economically feasible for Native Alaskans to operate TANF programs by providing state matching funds to Tribes that elect to run their programs. Although PRWORA does not require states to provide any funds to supplement federal TANF dollars that are diverted to Native Alaska Family Assistance Programs, the lack of state funds would result in less money per individual served available to Tribal TANF programs than was available under the old AFDC program, and less money per individual than is available to Native Alaskans who are served by the state rather than a Tribal program.

By agreeing to provide an equivalent state match, Alaska is both encouraging capable Native Alaskan groups to operate their own programs and assisting their efforts to run successful programs. The grants also attempt to provide for more accountability on the part of the Native Alaskan Family Assistance Programs and, by providing for equivalent assistance time limits and work participation requirements, help to ensure that self-sufficiency is a major goal of Native Alaska Family Assistance Programs. In addition, the agreements signed between the Native Alaskan groups operating TANF programs and DPA require Native Alaskans who fall within the defined groups being served to seek service from the Native Alaskan program rather than the state's TANF program. This avoids a difficult problem in other states, whereby the Tribes accept TANF dollars to operate programs but Tribal members are permitted (and may be encouraged) to seek TANF from the state instead. Further, the DPA grants avoid the problem of auditing merged state and other funds, discussed below, by providing that the state supplied funds are used only for cash benefits and administrative costs.

During this brief review of Alaska's state TANF program, we did not have the opportunity to observe the operation of the TANF programs operated by Native Alaskans. However, we were impressed by the understanding of the issues evidenced by the program administrators with whom we met and with their commitment to DPA's program goals, such as self-sufficiency.

9.1.1 State Provided Services to Native Alaskans

Where TANF is directly operated by the Native Alaskan organizations, the onus of performance is somewhat shifted from the state to the Native group. For example, Tribal statistics do not have to be included in state statistics. We recognize that the results of failure will nevertheless plague the state down the road, if failure means that the families served remain dependent and economic development is slowed. Further, TANF is being reauthorized in fiscal year 2002, and Congress will utilize data from Tribal programs to determine whether to continue the program operations in its current form.

Failure to serve Native Alaskans adequately who depend on the state for self-sufficiency services may have more serious consequences. Not only will the progress of Tribal members lag because of failure to provide adequate services, but since the relative performance of these Tribal families is merged with performance for other Alaskan families, Alaska's state program will show lower achievements.

In addition, it is extremely difficult to audit funds provided to some Native Alaskan organizations because they are permitted to merge funds from different sources to meet family needs holistically.² For example, funds from several sources can be used to fund TANF case management services, without a rigorous accounting requirement for each funding source. Other non-profits receiving the same amount of funding from the same number of sources would ideally try to make the program delivery appear seamless to the recipient, but would be required to strictly separate funds for accounting purposes. Although the ability to combine funds more easily can assist Tribal program operators to achieve good results, this same ability means that a monitoring agency must concentrate more on outcomes and less on fiscal integrity and process steps in its review of the programs.

DPA administrators indicated that they believe TANF services should be provided by Native Alaskan organizations if at all possible. Thus, where a Native Alaskan group does not choose to operate a Native Alaska

² P.L. 102-477, the Indian Employment, Training, and Related Services Demonstration Act of 1992, allows tribes to consolidate formula-funded employment, training, and supportive services into an integrated set of services. These "477 Programs" can be delivered through a single plan, budget, and reporting system.

Family Assistance Program, providing both TANF cash benefits and self-sufficiency services, DPA takes over the benefit part of the program but attempts to provide grants to the Native organization to provide the self-sufficiency services.

DPA admits that some of the Native Alaskan organizations with whom they contract have not furnished the services promised by the grant provisions to their populations. This problem appears to exist with Maniilaq Manpower, which currently holds the grant to provide case management services to the Kotzebue villages. As we documented above in Section 5, Native Alaskan clients who are supposed to be case managed by Maniilaq receive very few services. It was reported to us that Maniilaq is poorly managed, and because of its animosity to the state, is unwilling to commit resources to this grant. In addition, some of the villages served by Maniilaq (e.g. Selwick) are reported to be uncooperative; therefore, even if a competent grantee was on board, we were told that it would be difficult to achieve results in such villages.

An Alaska Regional official advised that if DPA didn't use Maniilaq the situation would be even worse because Native Alaskans will refuse services offered by non-Natives. However, the DPA Administrator does not concur. It does not appear that all other State Agencies have the same reluctance to provide services using non-Native non-local personnel. While in Kotzebue, we had the opportunity to talk with several non-local non-Native mental health workers who stated that believe that their services are accepted in the community.

However, where DPA uses a non-Native provider, DOL, in five Nome villages because no Native group agreed to accept the grant, the limited performance data we have (May, 2001 Overall Participation Rate by JAS Office) shows that DOL is only just about as successful as Maniilaq Manpower, with the overall participation rate for Nome DOL at 27.1% and for Maniilaq Manpower at 27.9% (however, the Maniilaq data does not appear to include the 16 mandatory Kotzebue families). Our limited time in these Coastal areas did not permit us to determine why DOL was unsuccessful.

In some Native Alaskan villages, there is not even an agreement to provide case management services. DOL only contracts for five of the 15 villages in the Nome area. In the other villages state eligibility staff, without case management training or officially assigned duties in this specialty area, work with clients to develop Family Self Sufficiency Plans,

and then provide only limited monitoring of compliance. The Nome eligibility staff with whom we met indicated that they are not able to provide the services needed to assist these clients adequately.

9.2 Recommendations Related to TANF Services for Native Alaskans

It may be that Alaska is between the proverbial rock and hard place in regard to providing TANF services to Native Alaskans, but we believe that DPA needs to do more both to identify and evaluate the issues and to experiment with solutions. Although we cannot provide ideas for a sure-fire cure to the problems Alaska faces operating successful programs in Native Alaskan villages, we are making some recommendations that may move the state forward.

First, if DPA will continue to award grants for case management and other TANF services to Native Alaskan grantees, a substantial amount of technical assistance should be provided to the grantees. Federally approved Tribal TANF grantees have the opportunity to attend federal Administration for Children and Families (ACF)-sponsored Tribal TANF workshops, like the April 17, 2001 workshop on Substance Abuse, but funding is not provided in DPA case management and other service grants for attendance at federal technical assistance meetings, and we agree that paying for every village program to attend would be too costly. However, if DPA holds workshops for Native Alaskan grantees, they should feature successful practices from high performing Native Alaska grantees. In addition, DPA should ask ACF to participate in state-sponsored workshops and should work with ACF to secure technology transfer funding to invite representatives of successful Tribal programs in other states to present at Native Alaskan workshops.

Where it is determined that Native Alaskan providers are unable and/or unwilling to provide adequate services, DPA should attempt to secure the services of the best available other contractor or should attempt to provide these services using state workers. DPA should meet with other agencies (e.g. mental health) which have hired non-Native, non-local service providers and discuss what methods these providers have used to overcome cultural and other barriers to serving clients in Native Alaskan villages. To make it more feasible that non-Native contractors or state workers are able to succeed, we recommend that DPA ask its training staff to attempt to develop a training module on cultural diversity, that uses successful practices in other Alaskan programs and/or in other states. For example, although Oregon uses state TANF case managers to

work with Native American recipients, the state case managers are out-stationed on reservations and receive special training on developing case plans that take into account the particular needs and circumstances of their Native American clients (Welfare Information Network, Welfare Reform in Indian Country: Current Trends and Future Directions, June 2001).

10. Food Stamp Program

10.1 Background/Findings Related to the Food Stamp Program/TANF Program Coordination

A common complaint nationwide among public assistance administrators and analysts is the misalignment of many aspects of the Food Stamp Program to TANF. While the federal government has granted states a great deal of flexibility in designing their TANF programs, until recently very little flexibility has been granted with regard to the Food Stamp Program. This has resulted in conflicts in both eligibility standards and the underlying philosophies of the two programs.

While the primary focus of TANF is assisting people to become self-sufficient through employment, the Food Stamp Program does not view supporting employment as a primary role. Rather, its primary goal is to provide a nutritional safety net to those eligible. As a result the eligibility process in TANF has become much more streamlined and consistent with ways to motivate people to work. On the other hand, the Food Stamp Program has become increasingly complex to administer and often undermines the work goals of TANF.

For example, the Food Stamp Program reporting requirements actually increase for working clients versus non-working clients. This is because working clients must report even very small changes in income on a monthly basis. It is entirely possible that many working clients opt out of the Food Stamp Program because of the complexity of eligibility rules and/or interruption to their work schedule required in order to comply with mandated food stamp administrative office visits. Yet failure to access Food Stamps could put the stability of an entry-level employment situation at risk.

While encouraging employment is not the primary goal of Food Stamps, there is a relatively small Employment and Training (E&T) component in the program. However, the requirements and the activities are quite different from TANF. The experience derived in TANF with regard to work preparation and ways in which to motivate clients could be very advantageous to the populations served by the Food Stamp E&T component.

While we believe a major overhaul of the Food Stamp Program is in order at the federal level, there has been some positive movement in allowing more state flexibility. Our recommendations below are in line with those opportunities.

10.1.1 Alaska's Organizational Structure Is Not Optimal for Food Stamp/TANF Coordination

An additional issue in Alaska which further exacerbates the disconnect between TANF and Food Stamps is a structural one. Within DPA there is a policy unit that oversees all the DPA programs except Food Stamps. Food Stamps is housed in a separate unit under a different manager. Managers of both units reported that communication and coordination are often issues. Additionally, it appeared from our interviews that there are actual philosophical differences between the managers that accentuate the programmatic differences between the TANF and Food Stamp programs.

For example, the manager of the Food Stamp Program has chosen to de-emphasize the E&T component. In fact, field staff reported that it is virtually non-existent. The other policy manager believes work should be a much more central activity for this population. Furthermore, the Food Stamp manager has not pursued the options available to better align TANF and Food Stamps, while the other policy manager believes better alignment is critical. Many of the interviewees in the field offices expressed frustration with this philosophical disconnect between the two programs.

10.2 Food Stamp Program Recommendations: Take Steps to Align Food Stamp and TANF Policies

We recommend that DPA review what other states have done either through state plan amendments or waivers to better align the Food Stamp Program and TANF. For example, through a waiver, Oregon was able to create a more integrated and comprehensive Employment and Training program for both TANF and Food Stamp clients.

Another example worth pursuing is the use of the concept of categorical eligibility to align the eligibility rules for TANF and Food Stamps. For any population reached by a TANF funded service, the state is allowed to use less restrictive TANF eligibility rules in areas such as resources and vehicle exemptions. The state of Delaware has been particularly creative

and expansive in its use of categorical eligibility to eliminate Food Stamp resource requirements for all residents with incomes under 250% of the Federal Poverty Level. This permits residents (with incomes low enough to qualify) to receive Food Stamps even though they have resources such as automobiles needed for employment, that might otherwise make them ineligible.

A third example is the ability for states to provide a transitional Food Stamp benefit for clients moving from TANF to work. This greatly reduces the reporting requirements for the working client and ensures a stable benefit amount for a set period of time. It has the additional side benefit of potentially significantly reducing a state's quality control errors and thereby reducing the chances for a federal monetary penalty.

The final recommendation is to merge the Food Stamp Program into the policy unit at DPA. This will better ensure a common philosophical approach across all programs. Short of restructuring, we recommend that the Director and/or the Deputy Director play a much stronger role in ensuring appropriate communication and coordination is taking place and to resolve philosophical differences. We recommend that, in concert with the work-first approach of the TANF program, the E&T component of Food Stamps be emphasized and utilized.

**AMERICAN INSTITUTE FOR FULL EMPLOYMENT
ASSESSMENT OF ALASKA'S WELFARE REFORM PROGRAM**

SUMMARY OF RECOMMENDATIONS

Introduction

The American Institute for Full Employment (AIFE), is a non-profit research and education institute located in Klamath Falls, Oregon, whose mission is to promote full employment—universal access to jobs with career potential for all who can work—especially those who are receiving public assistance as a substitute for the opportunities and rewards of paid work. Over the summer, at the request of Senator Green and Representative Dyson, AIFE prepared an assessment of Alaska's Welfare Reform Program. Completed in September 2001, the assessment identified recommendations in each of ten specific program areas.

Below is a summary of recommendations in which the recommendations have been organized in priority order within 3 categories. The categories—Legislative Priorities, Policy Priorities, and Management Priorities—denote the type of recommendations and which entities should be responsible for implementing them. Page references (in parenthesis) refer to the original report "Assessment of Alaska's Welfare Reform Program." The assessment includes more detailed explanation of each of the recommendations.

I. Legislative Priorities

<i>Rec.#</i>	<i>Page</i>	<i>Task</i>
✓ 7.2	(34)	Amend the state statute to allow Alaska to use full flexibility allowed under federal law to expend benefits to some long-term recipients.
✓ 8.2	(37)	Develop a progressive sanction system which results in full-family sanction.
✓ 7.2	(35)	Consider using state MOE funding to create a separate state program for full-time working clients who remain eligible for ATAP benefits.
✓ 2.2	(10)	Strengthen the diversion program.

**American Institute for Full Employment
Summary of Recommendations**

**Assessment of Alaska's
Welfare Reform Program**

- 1.2 (8) Authorize a more complete wage subsidy program.

II. Policy Priorities (Does not require legislative action)

Rec.#	Page	Task
6.2.3	(31)	Change the child care co-pay schedule to eliminate "cliffs".
1.2	(8)	Revise policy and practices for treating individuals limited by incapacity from full participation in work activities and require mental health/substance abuse treatment when needed.
1.2	(8)	Require ATAP clients claiming a disability to file for federal disability benefits.
1.2	(8)	Reduce the 12-month exemption period for parents of infants to 16 weeks.

III. Management Priorities (Does not require legislative action)

Rec.#	Page	Task
7.2	(34)	Develop and implement in-depth and intensive services for families reaching the time limits.
3.2	(15)	Develop and implement clear outcome based performance standards for DPA staff and contractors.
5.2	(26)	Initiate true performance based contracting.
4.2	(20)	Strengthen the case management system.
5.2	(26)	Develop contracts that are multi-functional.
5.2	(26)	Award multi-year contracts with only the first year guaranteed.
5.2	(27)	Charge local DPA managers with greater responsibility for overseeing contract performance.

*American Institute for Full Employment
Summary of Recommendations*

*Assessment of Alaska's
Welfare Reform Program*

- 1.2 (7) Strengthen the "up front" process by engaging clients in employment activities as close to the first day of contact as possible.
- 1.2 (7) Develop a standardized strength based assessment approach.
- 1.2 (8) Increase utilization of work site training, e.g. subsidized work and community service.
- 6.2.1 (30) Streamline movement between PASS I, II and III child care.
- 6.2.2 (30) Increase efforts by EED to expand availability of providers for infant and extended hour child care.
- 10.1.1 (45) Merge the Food Stamp Program into DPA's Policy Unit.
- 9.2 (42) Increase accountability of some Native Alaskan grantees.

HB

402

SFIN

FILE

REPORTED OUT
 APR 24 2002
 SENATE FINANCE
 COMMITTEE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/11/02

FURTHER:

DATE TURNED
 IN TO OFFICE: 25 April 2002

Finance Committee considered **CS FOR HOUSE BILL NO. 402(FIN)**
HB 402 ALASKA TEMPORARY ASSISTANCE PROGRAM

"An Act relating to diversion payments, wage subsidies, cash assistance, and self-sufficiency services provided under the Alaska temporary assistance program; relating to the food stamp program; relating to child support cases that include persons who receive cash assistance or self-sufficiency services under the Alaska temporary assistance program; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous 5 CS CS HB 402 (HES)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

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

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
HHS	3/14/02		✓	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

FISCAL NOTE

REPORTED OUT

APR 24 2002

SENATE FINANCE
COMMITTEE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

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

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

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: _____

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Although this proposed legislation may allow more than 20% of the eligible ATAP caseload to receive benefits beyond 60 months, there are no projected financial impacts. The ATAP program is funded in part by the federal TANF block grant which does not vary regardless of the number of families served. Also, federal law requires the State to contribute a fixed amount of state funds toward the program, called maintenance of effort (MOE). Additionally, the provision that will allow the Department to offer transitional supportive services to clients no longer receiving a cash benefit will result in more families remaining off the program, thus reducing costs in the Temporary Assistance benefits component.

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

For distribution information, call the Governor's Legislative Office



Health, Education, and Social Services Committee
Alaska State Legislature
House of Representatives

HB 402 "AN ACT RELATING TO WELFARE REFORM"
SPONSOR STATEMENT

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

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

HB 402 has made changes that in general terms:

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



Health, Education, and Social Services Committee
Alaska State Legislature
House of Representatives

HB 402
ALASKA TEMPORARY ASSISTANCE PROGRAM

For five years, the Alaska Temporary Assistance Program has assisted families in transitioning to work and self-sufficiency. Many of the changes in HB 402 were initiated as responses to the research of the *American Institute for Full Employment*. The *Division of Public Assistance* has incorporated that research, in addition to proposals by the bill's sponsors, to improve program policy with the goal of successful outcomes for families. This resulting legislation contains these major points:

- Conversion of Food Stamp allotments for use as a wage subsidy provides an incentive to employers to hire or create new jobs for applicants otherwise less job-ready.
- Increases in the amount of diversion payments from an amount equal to two months to three months of benefits will provide an incentive to families to use diversion, rather than entering the program.
- Progressive sanctions promote adherence to program rules and ultimately, encourage self-sufficiency.
- Clarification of the distinction between cash assistance and self-sufficiency services allows the Department to provide work-related supports and services, such as transportation and clothing, to families whose cash benefit has ended.

The following is an analysis, in very general terms, of HB 402.

Section 1

Clarifies the distinction between cash assistance, diversion payments, and self-sufficiency services regarding the child support enforcement agency's right to recover the costs of paternity tests from the father.

Section 2

Distinguishes between cash assistance, diversion payments, and self-sufficiency services regarding genetic tests from the putative father.

Section 3

"Assistance..." is renamed "cash assistance."

Section 4

Allotments under the Food Stamp Program of the U.S. Code Collection may not be subject to borough levies and sales taxes. Food stamp allotments paid as a wage subsidy are not considered an allotment under the U.S. Code Collection.

Section 5

Allotments under the Food Stamp Program of the U.S. Code Collection may not be subject to city levies and sales taxes.

Section 6

Distinguishes between adult public assistance, temporary cash assistance, diversion payments, and self-sufficiency services regarding the department's responsibility to create regulations necessary to provide these benefits.

Section 7

Distinguishes between cash assistance, diversion payments, and self-sufficiency services regarding legislators' requests for financial information concerning the department's eligibility determination of a person applying for these benefits.

Section 8

Distinguishes between cash assistance, diversion payments, and self-sufficiency services regarding legislators' use of financial information concerning the department's eligibility determination of a person applying for these benefits.

Section 9

"Food coupons" is changed to "food stamp allotments," and recipients may receive all or part of these as a wage subsidy if (1) the householder's family is eligible for A.T.A.P., and (2) the department determines that this wage subsidy conversion helps the householder to complete their family self-sufficiency plan.

Section 10

"Food coupons" is changed to "food stamp allotments" regarding their use to purchase food or certain items for procuring food. This does not apply to food stamp allotments converted to a wage subsidy.

Section 11

Updates the name of the federal food stamp program.

Section 12

Regarding violations and penalties, the misuse of food stamp allotments, including wage subsidies, is a misdemeanor.

Section 13

Defines food stamp allotments (formerly "food coupons") as any coupon, stamp, electronic benefit, or allotment under the current federal program.

Section 14

Updates the name of the federal food stamp program.

Section 15

Distinguishes between cash assistance, diversion payments, and self-sufficiency services regarding the department's duty to provide these benefits under A.T.A.P.

Section 16

Deletes redundancy and names the subsection.

Section 17

Clarifies "benefits" as "cash assistance" in terms of the 60-month limit for receiving these benefits. Distinguishes between cash assistance and self-sufficiency services regarding a family's 120-month ineligibility after being convicted of fraudulently receiving these benefits. Specifies a family's ineligibility for cash assistance due to refusal of or voluntary separation from suitable employment. Distinguishes between cash assistance and self-sufficiency services regarding a family's ineligibility for both due to intentional transfer of assets at less than fair-market value for the purpose of receiving these benefits. Concerning the administrative disqualifications for eligibility, this section distinguishes between cash assistance and self-sufficiency services. Changes the cap from 20% to 25% of families receiving cash assistance that may receive exemptions to the 60-month limit. "Assistance" is to be regarded as "cash assistance" regarding alien qualifications for receiving services.

Section 18

Deletes redundancy within the section.

Section 19

Differentiates between cash assistance and self-sufficiency services. Applicants must report prior involvement in these programs in other states.

Section 20

Specifies "assistance" as "cash assistance" regarding this chapter's direction for compliance with the child support enforcement agency.

Section 21

Specifies "assistance" as "cash assistance" regarding family eligibility.

Section 22

Specifies "assistance" as "cash assistance" regarding the amounts of monthly cash assistance available.

Section 23

Specifies "assistance" as "cash assistance" regarding the 50% reduction during July, August, and September.

Section 24

Specifies "assistance" as "cash assistance" regarding the department's reduction for substandard shelter costs.

Section 25

All or part of a family's cash assistance and food stamp allotments may be converted to wage subsidies paid to the employer who employs a person in the family at a wage higher than the total of the wage subsidy.

Section 26

Explains the department's ability to offer a lump-sum diversion payment replacing cash assistance if the applicant is job-ready and in need of short-term financial assistance and self-sufficiency services. This section also names self-sufficiency services as within the department's regulation.

Section 27

Deletes redundancy in the subsection and allows for the department to pay a diversion payment to a family eligible for cash assistance and containing a job-ready individual.

Section 28

Includes self-sufficiency services with diversion payments in determining a family's immediate needs. A diversion payment cannot be more than what would have been the family's first three (previously two) months of cash assistance.

Section 29

Adds specification (of the self-sufficiency services appropriate to a family's needs) to the family's diversion payment agreement.

Section 30

Adds limit of four diversion payments that a family may receive, which are paid once per 12 months.

Section 31

Specifies "assistance" as "cash assistance" regarding assistance to minors.

Section 32

Specifies reductions in "benefits" as "cash assistance" or "self-sufficiency services" regarding sanctions for families not cooperating with their respective self-sufficiency plan.

Section 33

Specifies the 60-month limit as pertaining to cash assistance. Exemptions are still possible.

Section 34

Adds provision that the department may waive self-sufficiency plan requirements and provide only self-sufficiency services according to the need of certain families who no longer qualify for cash assistance due to employment, reaching the 60-month limit, refusal or voluntary separation from suitable employment, unqualified alien status, or a request for only self-sufficiency services.

Section 35

Clarifies that, after a family receives 24 months of cash assistance, they must begin their work activity assignment to continue receiving cash assistance or self-sufficiency services.

Section 36

Specifies "assistance" as "cash assistance" regarding a participant's cooperation with the child support enforcement agency.

Section 37

Specifies "assistance" as "cash assistance" regarding alienation and attachment.

Section 38

Differentiates between cash assistance and self-sufficiency services regarding the department's cooperative agreements with other departments and organizations in developing job, training, or educational programs for families eligible for these benefits.

Section 39

Differentiates between cash assistance, diversion payments, and self-sufficiency services regarding resources for the A.T.A.P. Emergency Account in the general fund.

Section 40

Differentiates between cash assistance, diversion payments, and self-sufficiency services regarding appeal hearings that consider the department's determination of these benefits to that family.

Section 41

These amendments initiate a graduated sanction system for families who do not comply with their self-sufficiency plan, who fail to participate in required work activities, or who fail to comply with the child support enforcement agency. (The following graduated reductions are not based on a family's maximum cash assistance; the percentage reductions are based on the maximum cash assistance available to the same size family that has no countable income.) (1) On the date that the department finds noncompliance, a 40% reduction in cash assistance will be imposed. Compliance would re-initiate full payment of benefits. (2) Five months after the date that the department finds noncompliance, a 75% reduction will be imposed. Again, compliance would re-initiate full payment of benefits. (3) Nine months after the date that the department finds noncompliance, a 100% reduction will be imposed. The family would be required to reapply for benefits, if so desired.

Section 42

The department may not impose sanctions (2) and (3) from Section 41 above until there is (a) documented evidence of an attempt to visit the family's home after sanction (1) is imposed; and (b) a written report summarizing the results of that home visit and as well as other opportunities for the family to acquire needed resources in the community. If the department does not impose sanctions under this subsection, then they can manage the family's cash assistance as they regular e.

Section 43

Names "assistance" or "services" as "cash assistance, diversion payments, or self-sufficiency services" regarding an individual's liability to the department for the value of these benefits if improperly obtained.

Section 44

Names "benefits" and "services" as "cash assistance, diversion payments, or self-sufficiency services" regarding the state's right to recover costs of investigation and prosecution of the civil action for the improper acquisition of these benefits.

Section 45

Adds departmental responsibility of regulating sanctions and recovery of costs.

Section 46

Amends the definition of self-sufficiency services to be: work-related services, community service work referrals, child care assistance, emergency assistance, service vouchers, equipment vouchers, work stipends, transportation assistance, wage subsidies, and other work supports and services that promote family self-sufficiency.

Section 47

Adds definition of cash assistance: assistance for basic living expenses provided under A.T.A.P. including cash, vouchers, and third-party vendor payments. This does not include diversion payments or self-sufficiency services. A diversion payment is defined in AS 47.27.026.

Section 48

Repeals what was the definition of "assistance for basic living expenses." It is now called "assistance" per Section 47 (above).

Section 49

State agencies affected by this legislation may adopt regulations necessary to implement these changes.

Section 50

Adds changes in catchlines.

Section 51

Effective date.

Section 52

Effective date.



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OPINION

Welfare reform II

*Big battles are over;
fine-tuning is under way*

Five years have passed since Alaska adopted welfare reform. The changes put a five-year lifetime limit on welfare for most cases. With the first clients now approaching the limit, welfare rules are back on the agenda for the Legislature and the Knowles administration. A pending bill (HB 402) would give the state more flexibility to deal with the neediest clients, more clout to enforce the rules and more room to help employers who might hire welfare clients.

Overall, the changes are reasonably balanced. The biggest one would lift the cap that says no more than 20 percent of welfare recipients can exceed the five-year lifetime limit. States can use their own money to go beyond the cap, which is set in federal law, but the feds won't increase funding for the extra cases.

Lifting the limit — either to 30 percent as Rep. Fred Dyson wants, or removing it altogether as the Knowles administration prefers — would give the state more flexibility to ensure children are protected as welfare rolls shrink. In the early years of reform, the easiest cases made the transition from welfare to work. Caseloads have dropped by 40 percent, according to state public assistance director Jim Nordlund.

With more and more people moving to work, though, those still stuck on welfare are the most difficult cases. Alaska extends the five-year limit for disabled clients, those caring for disabled children, or cases where domestic violence is an issue. As more and more of those Alaskans approach the five-year lifetime limit, it's important to make sure the safety net can handle those who have good reasons to need further assistance.

On a different front, Rep. Dyson wants to stiffen sanctions for slackers. Those who don't follow their plans for achieving self-sufficiency, or who quit jobs without good cause, or who skate on child support would lose a bigger share of their benefits. The longer they take to get with the program, the more aid they would lose. Eventually all benefits could be cut off.

Public assistance director Nordlund doesn't object to this change because the bill has safeguards. It requires a review to protect against errors and to make sure children aren't endangered by the sanctions. Benefits would be restored as soon as the client comes into compliance.

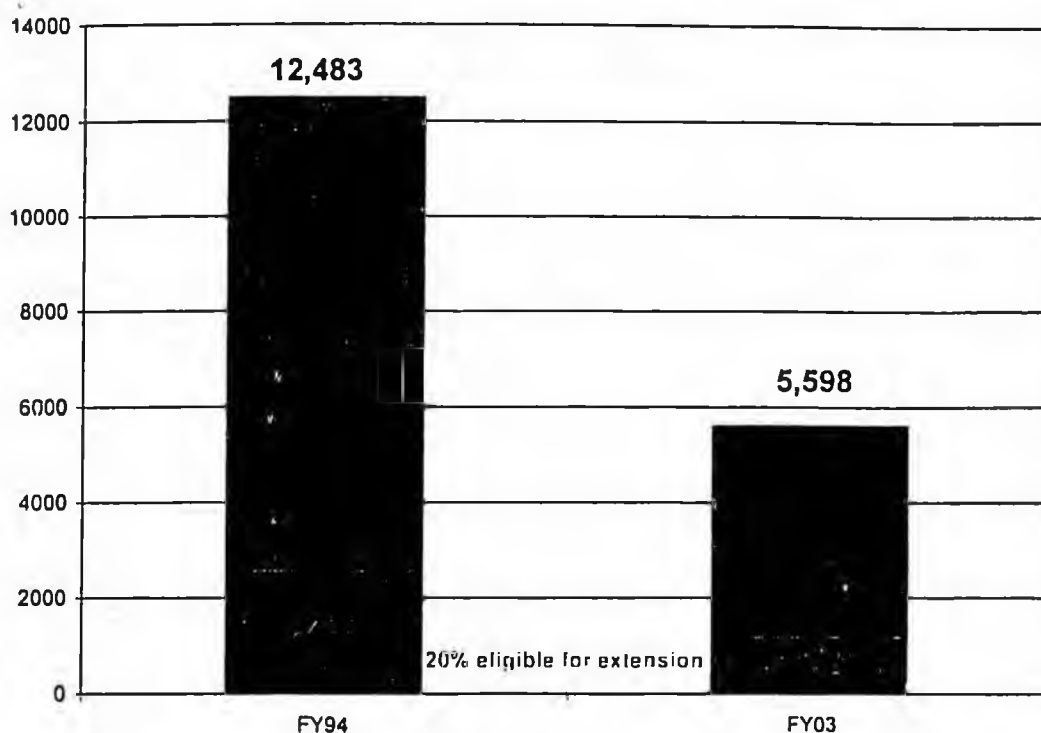
Rep. Dyson also wants to make it easier for employers to get wage subsidies if they hire welfare clients. Existing law allows the state to assign a client's cash benefits to the client's employer, as an incentive to hire someone transitioning off welfare. Rep. Dyson's change would allow food stamps to be converted into wage subsidies.

Welfare reform triggered a bitter political fight the first time around. The Republican Legislature in 1995 passed a punitive bill slashing benefits. Gov. Knowles sought a more humane version of reform and vetoed the bill. Along the way, the two sides traded pointed words.

Tempers cooled during the off-season. When the 1996 session ended, the governor and Legislature had crafted a pragmatic reform package aimed at moving welfare clients to work. It set a five-year lifetime limit for most families, while supplying more aid for child care and transportation.

This year's update of welfare laws is a compromise that steers clear of partisan posturing. Alaska's welfare reform system doesn't need a full-blown overhaul. It simply needs a few well-considered adjustments, and that's what these changes do.

**Comparison of Number of Families
Eligible for 60-month Exemption, FY94 and FY03**



In FY94 the average monthly ATAP caseload was 12,483. By FY 2003, we expect the caseload will be 5,598. 20% of the FY94 caseload is 2,497, and 20% of the FY03 average caseload is 1,120. This is a 55% decline in the number of families eligible for an exemption to the 60-month limit.

**Projected Number of Temporary Assistance Families
Exceeding the 60-Month Time Limit**

Fiscal Year	A Average Monthly Caseload	B Change From Previous Year	C Exemptions Allowed under 20% Cap (A X 20%)	D Projected Average Families Over 60 mo.	E Hardship Families Projected Eligible for Extension	F Non-Hardship Families Cut-Off (D - E)	G Hardship Families Cut-Off (E - C)
FY94	12483		2497				
FY97	12096	0.6%	2419				
FY98	10514	-13.1%	2103				
FY99	8890*	-15.4%	1778				
FY00	7596*	-14.6%	1519				
FY01	6091**	-19.8%	1240				
FY02	5888	-3.3%	1178				
FY03	5598	-4.9%	1120	587	473	114	0
FY04	5262	-5.0%	1052	1053	774	279	0
FY05	4900	-6.9%	980	1473	1000	473	20
FY06				1893	1195		
FY07				2313	1362		
FY08				2733	1507		
FY09				3153	1631		
FY10				3573	1738		

Note: All Figures FY01 and later are estimates

* TCC excluded

** TCC, T&H, AVCP excluded FY01 forward

Exemption Criteria for Families Reaching the Temporary Assistance 60-Month Time Limit

State law provides that recipients of Temporary Assistance are eligible for an exemption from the 60-month time limit if they meet certain criteria. The Department has developed these criteria for adoption in regulation. Exemptions are limited to families in the following circumstances:

- **Victim of domestic violence**
A family would receive an exemption if an individual were unable to accept or keep employment, participate in work activities or achieve self-sufficiency as a result of the effects of domestic violence.
- **Adult who is physically or mentally unable to perform gainful activity**
An exemption would be allowed for families with an adult who has a diagnosed physical condition or mental disorder severe enough to limit their ability to secure or retain full-time employment.
- **Parent who is providing care for a child who is experiencing a disability**
A parent would be exempted if he or she is not able to work because they are needed to care for a disabled child with a diagnosed severe emotional, mental or physical condition. A licensed medical professional must verify the need for care.
- **Hardship**
Hardship means that a family is experiencing circumstances outside their control that prevent the family from reaching self-sufficiency AND the loss of Temporary Assistance benefits would result in conditions that threaten the health or safety of the family.

Circumstances Outside of the Family's Control include:

- A specific catastrophic event that meets the criteria for a formal disaster declaration under state or federal laws impacts the family in a way that reasonably prevents self-sufficiency;
- An adult in the family has a documented functional impairment that interferes with their ability to earn a wage sufficient to support the family;
- An adult in the family is not able to work because they are needed to care for a disabled adult relative with a diagnosed severe emotional, mental or physical condition. A licensed medical professional must verify the need for care.

Conditions that Threaten the Health or Safety of the Family include:

- The family will not have sufficient income or resources to provide for housing, food, transportation, or other essential needs;
- The family does not have access to support from any other source to meet those needs;
- The family does not have access to appropriate child care or other employment supports needed to maintain employment;
- The family will be unable to stay together if benefits are ended; and
- The family is pursuing plans with Division of Family and Youth Services for the safe return of a child temporarily removed from the home or to prevent removal of a child from the home, and the plans would be disrupted if ATAP benefits ended, resulting in the child being at risk of placement in emergency shelter or foster care.

FAMILIES FACING THE ALASKA TEMPORARY ASSISTANCE PROGRAM 60-MONTH TIME LIMIT

The Alaska Temporary Assistance Program (ATAP) provides assistance with basic needs and employment services to needy Alaskan families. Eligibility for the program is time-limited – state and federal law limits most families to a lifetime maximum of 60-months of assistance.

July 2002 marks the first month that some families in Alaska will reach the 60-month time limit for receiving Temporary Assistance. Although the time limit on Temporary Assistance is a key element of welfare reform, there are truly needy families who, despite their best efforts, will need continued support beyond 60 months. These families experience serious personal and social problems that interfere with their ability to find and keep work.

A survey of case managers who work with long-term recipients (those who have had 40 or more months of assistance) completed by the Division of Public Assistance reveals that the challenges faced by these families mirror national data on welfare recipients and include:

- **Physical health problems** - 49% suffer with moderate to severe health problems that make it difficult or impossible to work.
- **Disabled children in the home** – 21% care for children with severe medical or emotional problems.
- **Disabled relative in the home** – 11% care for another adult with a severe medical problem.
- **Domestic violence** - 23% reported family violence that impacted their ability to find or keep work.
- **Mental health disorders** - 33% experienced mental health problems that interfere with employment.
- **Substance abuse** - 16% have problems with alcohol or other drugs.
- **Learning disabilities** – 12% experience a learning disability, which makes it difficult to read, write or handle mathematic calculations.
- **Literacy** – 18% have low literacy rates.
- **Multiple challenges** – 56% experienced two or more challenges, 28% faced three or more challenges.



Real Families With Real Needs

Examples of Families who are Helped by HB 402

Frank* is a 48-year-old father of two children whose wife, Marianne, has significant medical problems requiring him to care for her. Marianne is permanently disabled and receives Social Security. Frank and their two children receive Temporary Assistance. One of the children is blind, requiring extra care. Frank participates in a home-based training program while he cares for his family, and plans to begin his own computer repair business, but it could be awhile before he works his way off assistance. The family has only 6 months before reaching the time limit.

Diane is a 40-year-old single mother with two children, one with severe medical problems. The child is in special education classes, but is ill often, which requires Diane to be available for care. She has not found an employer who is able to accommodate her need for frequent sick leave. The family has only 5 months left before reaching the time limit.

Theresa is a 36-year-old mother battling depression while raising three children. In addition to Theresa's medical condition, she had serious challenges with a teenage son. Theresa and her son are both doing better and she hopes her medical condition is stabilized. Theresa has been working part-time this last year and is attempting to get a full-time job. The family has 8 months before reaching the time limit.

Deborah is a 46-year-old mother supporting her husband Charlie, who is incapacitated, and their five children. Deborah dropped out of high school and has minimal job skills. The family does not own a car and must use public transportation. Charlie is applying for Social Security disability benefits, and Deborah works full-time, resulting in a very low monthly benefit payment – but the family's assistance is still counting towards the 60-month time limit. They have four kids, one with a serious medical problem, plus they took in a nephew who might otherwise have gone into the child welfare system. The family has 8 months before reaching the time limit.

Helen is a 27-year-old single mother with 3 children. She has a learning disability and a low reading level and has received some remedial help in literacy. She is now employed and has a supportive boss who helps her work through the learning difficulties she encounters on the job. With further assistance, Helen may attain full-time employment at a higher wage, but it could take some time. The family has 13 months before reaching the time limit.

**all names have been changed to protect confidentiality*

SENATE COMMITTEE REPORT

DATE: 4/3/02

FURTHER: Finance

DATE TURNED IN TO OFFICE: 4/10/02

Health, Education and Social Services Committee considered CS FOR HOUSE BILL NO. 402(FIN)
HB 402 ALASKA TEMPORARY ASSISTANCE PROGRAM

"An Act relating to diversion payments, wage subsidies, cash assistance, and self-sufficiency services provided under the Alaska temporary assistance program; relating to the food stamp program; relating to child support cases that include persons who receive cash assistance or self-sufficiency services under the Alaska temporary assistance program; and providing for an effective date."

and recommends:

- be replaced with S CS CSHB 402 (HES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

- Senate Bill:**
 same title
 new title
- House Bill:**
 same title
 technical title
 new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DHSS	2/14/02		0	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Tom Wells</i>	✓			
<i>Betty Davis</i>				✓
<i>Angie Ward</i>	✓			
CHAIR: <i>Loren J. Jensen</i>	✓			

Subject: SFIN

Date: Wed, 24 Apr 2002 10:37:26 -0800

From: Alyson Stogsdill <Alyson_Stogsdill@legis.state.ak.us>

To: Mindy_Rowland@legis.state.ak.us

Hi Mindy. I see SFIN adjourned before public comment on HB402. Will it be up this afternoon or only the budget bills? I have a lady who would like to testify and doesn't have transportation to the LIO. I'd like to see her get on as an offnet if possible the next time the bill comes up. Her name is Lucinda Knopp at 283-4752.
Thanks for the help.

-Alyson
Kenai LIO

SITE: JUNEAU LIO
OFFNETS
COMMITTEE: Senate Finance
DATE: April 24, 2002

SUBJECT OF MEETING:
HB 403
SB 289
HB 404
SB 288
HB 402

UPDATE #: 1



PLEASE SIGN IN

DO YOU WANT

P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**TO TESTIFY?
Y or N**

Bob Loeffler		DNR	Answer
Email address:			questions
LUCINDA KNOPP		HERSELF	Y HB 402
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			

HB

403/404

(File 1)

HFIN

FILE

adopted 3/11/02

22-LS1295VP
Utermohle
3/11/02

CS FOR HOUSE BILL NO. 403(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for the operating and loan program expenses of state
2 government, for certain programs, and to capitalize funds; making appropriations
3 under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional
4 budge. reserve fund; and providing for an effective date."

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

6 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Finance	6,106,500		
4	Personnel	2,515,600		
5	Labor Relations	1,003,100		
6	Purchasing	1,020,000		
7	Property Management	828,000		
8	Central Mail	1,139,500		
9	Retirement and Benefits	11,263,800		
10	Group Health Insurance	14,371,600		
11	Labor Agreements	50,000		
12	Miscellaneous Items			
13	Leases		33,455,000	20,620,600
14	Leases	33,013,200		12,834,400
15	Lease Administration	441,800		
16	DMV Leases- Dowling Road/ Benson Avenue		1,044,900	1,044,900
17				
18	DMV Leases- Dowling Road/ Benson Avenue	1,044,900		
19				
20	DMV Leases- Fairbanks Street		64,400	64,400
21	DMV Leases- Fairbanks Street	64,400		
22	DMV Leases- Downtown Core Area		28,500	28,500
23	DMV Leases- Downtown Core Area	28,500		
24				
25	DMV Leases- Eagle River Office		26,600	26,600
26	DMV Leases- Eagle River Office	26,600		
27				
28	State Owned Facilities		7,187,300	1,033,900
29	Facilities	5,808,100		6,153,400
30	Facilities Administration	296,400		
31	Non-Public Building Fund Facilities	1,082,800		
32				
33	Administration State		464,300	464,300

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Facilities Rent			
4	Administration State	464,300		
5	Facilities Rent			
6	Special Systems	1,168,900	1,168,900	
7	Unlicensed Vessel	75,000		
8	Participant Annuity			
9	Retirement Plan			
10	Elected Public Officers	1,093,900		
11	Retirement System Benefits			
12	Information Technology Group	33,896,900		33,896,900
13	Information Technology Group	33,896,900		
14	Information Services Fund	380,000	325,000	55,000
15	Information Services Fund	380,000		
16	This appropriation to the Information Services Fund capitalizes a fund and does not lapse.			
17	Public Communications Services	5,884,400	4,660,700	1,223,700
18	Public Broadcasting	54,200		
19	Commission			
20	Public Broadcasting - Radio	2,469,900		
21	Public Broadcasting - T.V.	754,300		
22	Satellite Infrastructure	2,606,000		
23	AIRRES Grant	76,000	76,000	
24	AIRRES Grant	76,000		
25	Risk Management	24,427,200		24,427,200
26	Risk Management	24,427,200		
27	Longevity Bonus Grants	48,051,000	48,051,000	
28	Longevity Bonus Grants	48,051,000		
29	Alaska Longevity Programs	25,781,600	12,873,700	12,907,900
30	Management			
31	Pioneers Homes	24,413,400		
32	Alaska Longevity Programs	1,368,200		
33	Management			

		Appropriation	General	Other
		Items	Funds	Funds
	Allocations			
1				
2				
3	Senior Services	19,669,200	9,150,000	10,519,200
4	Protection, Community	7,249,300		
5	Services, and Administration			
6	Nutrition, Transportation	6,703,600		
7	and Support Services			
8	Senior Employment Services	1,857,600		
9	Home and Community Based	1,101,400		
10	Care			
11	Senior Residential Services	1,015,000		
12	Home Health Services	1,742,300		
13	Alaska Oil and Gas	4,151,200		4,151,200
14	Conservation Commission			
15	Alaska Oil and Gas	4,151,200		
16	Conservation Commission			
17	The amount appropriated by this appropriation includes the unexpended and unobligated			
18	balance on June 30, 2002, of the receipts of the Department of Administration, Alaska Oil and			
19	Gas Conservation Commission receipts account for regulatory cost charges under AS			
20	31.05.093 and permit fees under AS 31.05.090.			
21	Legal and Advocacy Services	19,276,100	18,056,200	1,219,900
22	Office of Public Advocacy	8,598,800		
23	Public Defender Agency	10,677,300		
24	Alaska Public Offices	770,600	770,600	
25	Commission			
26	Alaska Public Offices	770,600		
27	Commission			
28	Motor Vehicles	9,661,800	9,224,700	437,100
29	Motor Vehicles	9,661,800		
30	Pioneers' Homes Facilities	2,125,000		2,125,000
31	Maintenance			
32	Pioneers' Homes Facilities	2,125,000		
33	Maintenance			

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	General Services Facilities	39,700		39,700
4	Maintenance			
5	General Services Facilities	39,700		
6	Maintenance			
7	ITG Facilities Maintenance	23,000		23,000
8	ITG Facilities Maintenance	23,000		
9	*****		*****	
10	***** Department of Community and Economic Development *****			
11	*****		*****	
12	Commissioner's Office	362,200	-68,900	431,100
13	Commissioner's Office	575,900		
14	Agency-wide Unallocated	-213,700		
15	Reduction			
16	Executive Administration and	2,382,700	1,311,300	1,071,400
17	Development			
18	Administrative Services	2,382,700		
19	Community Assistance &	10,822,800	5,979,100	4,843,700
20	Economic Development			
21	Community and Business	8,815,600		
22	Development			
23	International Trade and	2,007,200		
24	Market Development			
25	State Revenue Sharing	16,980,000		16,980,000
26	National Program Receipts	15,830,000		
27	Fisheries Business Tax	1,150,000		
28	Qualified Trade Association	3,505,100	3,505,100	
29	Contract			
30	Qualified Trade Association	3,505,100		
31	Contract			
32	Investments	3,482,000		3,482,000
33	Investments	3,482,000		

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Alaska Aerospace Development	5,612,500		5,612,500
4	Corporation			
5	Alaska Aerospace	1,348,400		
6	Development Corporation			
7	The amount appropriated by this appropriation includes the unexpended and unobligated			
8	balance on June 30, 2002, of corporate receipts of the Department of Community and			
9	Economic Development, Alaska Aerospace Development Corporation.			
10	Alaska Aerospace	4,264,100		
11	Development Corporation			
12	Facilities Maintenance			
13	Alaska Industrial Development	7,606,600		7,606,600
14	and Export Authority			
15	Alaska Industrial	6,362,500		
16	Development and Export			
17	Authority			
18	Alaska Industrial	177,000		
19	Development Corporation			
20	Facilities Maintenance			
21	Alaska Energy Authority	1,067,100		
22	Statewide Operations and			
23	Maintenance			
24	Rural Energy Programs	18,764,100	495,600	18,268,500
25	Energy Operations	2,764,100		
26	Circuit Rider	300,000		
27	Power Cost Equalization	15,700,000		
28	Alaska Science and Technology	10,608,600		10,608,600
29	Foundation			
30	Alaska Science and	10,608,600		
31	Technology Foundation			
32	Alaska Seafood Marketing	10,581,800		10,581,800
33	Institute			

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Alaska Seafood Marketing	10,581,800		
4	Institute			
5	The amount appropriated by this appropriation includes the unexpended and unobligated			
6	balance on June 30, 2002, of the receipts from the salmon marketing tax (AS 43.76.110), from			
7	the seafood marketing assessment (AS 16.51.120), and from program receipts of the Alaska			
8	Seafood Marketing Institute.			
9	Banking, Securities and	2,209,800		2,209,800
10	Corporations			
11	Banking, Securities and	2,209,800		
12	Corporations			
13	Insurance Operations	4,812,700		4,812,700
14	Insurance Operations	4,812,700		
15	The amount appropriated by this appropriation includes the unexpended and unobligated			
16	balance on June 30, 2002, of the Department of Community and Economic Development,			
17	division of insurance, program receipts from license fees and service fees.			
18	Occupational Licensing	7,605,400	546,900	7,058,500
19	Occupational Licensing	7,605,400		
20	The amount appropriated by this appropriation includes the unexpended and unobligated			
21	balance on June 30, 2002, of the Department of Community and Economic Development,			
22	division of occupational licensing, receipts from occupational licensing fees under AS			
23	08.01.065(a), (c), and (f).			
24	Regulatory Commission of	6,003,100		6,003,100
25	Alaska			
26	Regulatory Commission of	6,003,100		
27	Alaska			
28	The amount appropriated by this appropriation includes the unexpended and unobligated			
29	balance on June 30, 2002, of the Department of Community and Economic Development,			
30	Regulatory Commission of Alaska receipts account for regulatory cost charges under AS			
31	42.05.254 and AS 42.06.286.			
32	DCED State Facilities Rent	792,000	571,100	220,900
33	DCED State Facilities Rent	792,000		

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
	***** Department of Corrections *****		
	*****	*****	
6	Administration & Operations	162,942,200	25,507,400
7	Office of the Commissioner	1,000,100	
8	Agency-wide Unallocated	-7,151,700	
9	Reduction		
10	Correctional Academy	746,200	
11	Administrative Services	2,562,300	
12	Data and Word Processing	2,012,300	
13	Facility-Capital	217,100	
14	Improvement Unit		
15	Inmate Health Care	11,352,300	
16	Inmate Programs	2,847,900	
17	Correctional Industries	1,202,200	
18	Administration		
19	Correctional Industries	4,150,600	
20	Product Cost		
21	Institution Director's	1,743,800	
22	Office		
23	Anchorage Jail	10,058,500	
24	Anvil Mountain Correctional	4,117,700	
25	Center		
26	Combined Hiland Mountain	7,658,800	
27	Correctional Center		
28	Cook Inlet Correctional	9,728,100	
29	Center		
30	Fairbanks Correctional	6,967,800	
31	Center		
32	Ketchikan Correctional	2,763,700	
33	Center		

		Appropriation		General	Other
		Allocations	Items	Funds	Funds
1					
2					
3	Lemon Creek Correctional	6,214,100			
4	Center				
5	Matanuska-Susitna	2,769,700			
6	Correctional Center				
7	Palmer Correctional Center	8,484,200			
8	Spring Creek Correctional	14,090,400			
9	Center				
10	Wildwood Correctional Center	8,265,500			
11	Yukon-Kuskokwim	4,218,000			
12	Correctional Center				
13	Point MacKenzie	2,184,100			
14	Rehabilitation Program				
15	Community Corrections	942,800			
16	Director's Office				
17	Northern Region Probation	2,557,000			
18	Southcentral Region	5,019,500			
19	Probation				
20	Southeast Region Probation	1,002,100			
21	Transportation and	1,633,900			
22	Classification				
23	Electronic Monitoring	827,600			
24	Facility Maintenance	7,780,500			
25	DOC State Facilities Rent	91,300			
26	White Bison Project	50,000			
27	Parole Board	481,200			
28	Existing Community	14,664,500			
29	Residential Centers				
30	Nome Culturally Relevant CRC	1,016,500			
31	Bethel Culturally Relevant	144,800			
32	CRC				
33	Community Residential	756,000			

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	Center Offender Supervision		
4	Out-of-State Contractual	17,603,400	
5	Alternative Institutional	167,400	
6	Housing		
7	*****	*****	
8	***** Department of Education and Early Development *****		
9	*****	*****	
10	Executive Administration	-914,700	-1,369,600 454,900
11	State Board of Education	146,300	
12	Commissioner's Office	405,100	
13	Agency-wide Unallocated	-1,466,100	
14	Reduction		
15	K-12 Support	686,145,600	652,876,100 33,269,500
16	Foundation Program	677,819,400	
17	Tuition Students	2,225,000	
18	Boarding Home Grants	185,900	
19	Youth in Detention	1,100,000	
20	Schools for the Handicapped	4,315,300	
21	Community Schools	500,000	
22	Pupil Transportation	53,933,800	53,933,800
23	Pupil Transportation	53,933,800	
24	Teaching and Learning Support	116,054,700	5,019,100 111,035,600
25	Special and Supplemental	75,351,900	
26	Services		
27	Quality Schools	39,335,300	
28	Education Special Projects	672,300	
29	Teacher Certification	695,200	
30	The amount appropriated by this appropriation includes the unexpended and unobligated		
31	balance on June 30, 2002, of the Department of Education and Early Development receipts		
32	from teacher certification fees under AS 14.20.020(c).		
33	Early Development	77,390,600	8,555,100 68,835,500

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Child Nutrition	28,047,200		
4	Child Care Assistance &	39,726,700		
5	Licensing			
6	Head Start Grants	9,616,700		
7	Alaska State Community	2,959,800	63,900	2,895,900
8	Service Commission			
9	Alaska State Community	2,959,800		
10	Service Commission			
11	Education Support Services	3,703,400	2,118,800	1,584,600
12	Administrative Services	1,309,600		
13	Information Services	660,300		
14	District Support Services	1,038,200		
15	Educational Facilities	695,300		
16	Support			
17	Alyeska Central School	5,100,500	91,200	5,009,300
18	Alyeska Central School	5,100,500		
19	Commissions and Boards	1,401,600	465,300	936,300
20	Professional Teaching	213,600		
21	Practices Commission			
22	Alaska State Council on the	1,188,000		
23	Arts			
24	Kotzebue Technical Center	1,100,900	130,000	970,900
25	Operations Grant			
26	Kotzebue Technical Center	1,100,900		
27	Operations Grant			
28	Alaska Vocational Technical	7,372,300	3,447,600	3,924,700
29	Center Operations			
30	Alaska Vocational Technical	7,372,300		
31	Center Operations			
32	Mt. Edgecumbe Boarding School	4,613,200	2,580,700	2,032,500
33	Mt. Edgecumbe Boarding	4,613,200		

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	School			
4	State Facilities Maintenance	2,048,600	253,900	1,794,700
5	State Facilities Maintenance	1,736,700		
6	EED State Facilities Rent	311,900		
7	Alaska Library and Museums	8,109,000	5,965,400	2,143,600
8	Library Operations	5,859,800		
9	Archives	747,300		
10	Museum Operations	1,501,900		
11	Alaska Postsecondary	10,306,100	1,444,200	8,861,900
12	Education Commission			
13	Program Administration	1,444,700		
14	Student Loan Operations	7,251,100		
15	Western Interstate	103,000		
16	Commission for Higher			
17	Education-Student Exchange			
18	Program			
19	WWAMI Medical Education	1,507,300		
20	*****		*****	
21	***** Department of Environmental Conservation *****			
22	*****		*****	
23	Commissioner's Office	415,300	307,800	107,500
24	Office of the Commissioner	415,300		
25	Administration	3,112,100	823,800	2,288,300
26	Administrative Services	3,112,100		
27	Environmental Health	12,036,200	6,019,300	6,016,900
28	Environmental Health	272,800		
29	Director			
30	Food Safety & Sanitation	2,116,200		
31	Laboratory Services	2,178,600		
32	Drinking Water	4,174,000		
33	Solid Waste Management	1,198,500		

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Statewide Public Services	2,096,100		
4	Air and Water Quality		11,648,100	4,059,900
5	Air and Water Director	238,200		
6	Air Quality	5,987,000		
7	Water Quality	4,719,200		
8	Commercial Passenger Vessel	703,700		
9	Environmental Compliance			
10	Program			
11	Non-Point Source Pollution		1,715,400	1,715,400
12	Control			
13	Non-Point Source Pollution	1,715,400		
14	Control			
15	Spill Prevention and Response		15,958,900	15,958,900
16	Spill Prevention and	202,400		
17	Response Director			
18	Contaminated Sites Program	7,305,100		
19	Industry Preparedness and	3,471,600		
20	Pipeline Operations			
21	Prevention and Emergency	3,187,400		
22	Response			
23	Response Fund Administration	1,792,400		
24	Local Emergency Planning		326,100	326,100
25	Committees			
26	Local Emergency Planning	326,100		
27	Committees			
28	Facility Construction and		5,850,700	1,042,700
29	Operations			4,808,000
30	Facility Construction and	5,850,700		
31	Operations			

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
	*****	*****	
	***** Department of Fish and Game *****		
	*****	*****	
6	Commissioner's Office	317,800	1,100 316,700
7	Commissioner's Office	879,100	
8	Agency-wide Unallocated	-561,300	
9	Reduction		
10	Commercial Fisheries	49,313,400	25,039,400 24,274,000
11	Southeast Region Fisheries	5,516,500	
12	Management		
13	The amount appropriated by this appropriation includes the unexpended and unobligated		
14	balance on June 30, 2002, of the Department of Fish and Game receipts from commercial		
15	fisheries test fishing operations receipts under AS 16.05.050(a)(15).		
16	Central Region Fisheries	6,265,800	
17	Management		
18	AYK Region Fisheries	4,281,600	
19	Management		
20	Westward Region Fisheries	7,922,400	
21	Management		
22	Headquarters Fisheries	4,067,400	
23	Management		
24	Fisheries Development	2,296,500	
25	Commercial Fisheries	16,818,200	
26	Special Projects		
27	Commercial Fish Capital	1,898,000	
28	Improvement Position Costs		
29	Commercial Fish EVOS	247,000	
30	Restoration Projects		
31	Sport Fisheries	28,576,900	20,000 28,556,900
32	Sport Fisheries	24,039,100	
33	Sport Fisheries Special	4,537,800	

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Projects			
4	Crystal Lake Hatchery			192,700
5	Crystal Lake Hatchery	192,700		
6	Wildlife Conservation		27,944,700	27,688,700
7	Wildlife Conservation	17,300,000		
8	Wildlife Conservation	5,260,000		
9	Restoration Program			
10	Wildlife Conservation	4,467,600		
11	Special Projects			
12	Wildlife Conservation	159,000		
13	Capital Improvement			
14	Position Costs			
15	Wildlife Conservation EVOS	547,500		
16	Restoration Projects			
17	Assist/Protect State's	210,600		
18	Rights			
19	Administration and Support		10,497,100	8,366,600
20	Public Communications	136,900		
21	Administrative Services	5,305,400		
22	Boards of Fisheries and Game	1,266,600		
23	Advisory Committees	557,300		
24	State Subsistence	3,230,900		
25	State Facilities Maintenance		1,272,200	1,090,400
26	State Facilities Maintenance	1,008,800		
27	Fish and Game State	263,400		
28	Facilities Rent			
29	Habitat		12,342,800	10,267,000
30	Habitat	5,409,600		
31	Habitat Special Projects	3,315,000		
32	Exxon Valdez Restoration	3,620,200		
33	Commercial Fisheries Entry		3,018,500	3,018,500

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Commission			
4	Commercial Fisheries Entry	3,018,500		
5	Commission			
6	*****	*****		
7	***** Office of the Governor *****			
8	*****	*****		
9	Commissions/Special Offices	1,494,000	1,365,300	128,700
10	Human Rights Commission	1,494,000		
11	Executive Operations	8,632,000	8,617,400	14,600
12	Executive Office	6,693,000		
13	Governor's House	348,500		
14	Contingency Fund	410,000		
15	Lieutenant Governor	893,900		
16	Equal Employment Opportunity	286,600		
17	Office of the Governor State	453,900	453,900	
18	Facilities Rent			
19	Governor's Office State	453,900		
20	Facilities Rent			
21	Office of Management and	1,649,000	1,649,000	
22	Budget			
23	Office of Management and	1,649,000		
24	Budget			
25	Governmental Coordination	4,738,200	1,509,100	3,229,100
26	Governmental Coordination	4,738,200		
27	Elections	2,100,100	2,100,100	
28	Elections	2,100,100		
29	Agencywide Reductions	-724,600	-724,600	
30	Agency-wide Unallocated	-724,600		
31	Reduction			

1	Appropriation	General	Other
2	Allocations	Items	Funds

3	* * * * *	* * * * *	
4	* * * * * Department of Health and Social Services * * * * *		
5	* * * * *	* * * * *	

6	Commissioner's Office	-5,569,700	-6,207,000	637,300
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7 It is the intent of the legislature that no money appropriated in this appropriation may be
 8 expended for an abortion that is not a mandatory service required under AS 47.07.030(a). This
 9 statement is a statement of the purpose of this appropriation and is neither merely descriptive
 10 language nor a statement of legislative intent.

11	Commissioner's Office	859,300		
12	Agency-wide Unallocated	-6,429,000		
13	Reduction			

14	Medical and Public Assistance	1,070,936,800	281,114,300	789,822,500
15	Services			

16 It is the intent of the legislature that the amount appropriated in this appropriation is the full
 17 amount that will be appropriated for Medical Assistance for the fiscal year ending June 30,
 18 2003. If the amount appropriated in this appropriation is not sufficient to cover the costs of
 19 Medical Assistance for all eligible persons, the department shall eliminate coverage for
 20 optional medical services that have a federal match and optionally eligible groups of
 21 individuals in accordance with AS 47.07.035. It is the intent of the Legislature that requests
 22 for supplemental appropriations for Medical Assistance for the fiscal year ending June 30,
 23 2003 will not be approved. This intent covers the budgeted reductions to Medicaid, but does
 24 not apply to any loss of funds that may occur if the department's "Fair Share" funding
 25 mechanism is not approved by the federal government.

26 It is the intent of the legislature that no money appropriated in this appropriation may be
 27 expended for an abortion that is not a mandatory service required under AS 47.07.030(a).

28 The money appropriated for Medical Assistance may be expended only for mandatory
 29 services required under Title XIX of the Social Security Act and for optional services offered
 30 by the state under the state plan for medical assistance that has been approved by the United
 31 States Department of Health and Human Services. This statement is a statement of the
 32 purpose of the appropriation for Medical Assistance and is neither merely descriptive
 33 language nor a statement of legislative intent.

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
1			
2			
3	Alaska Temporary Assistance	46,142,000	
4	Program		
5	Adult Public Assistance	56,107,500	
6	General Relief Assistance	780,000	
7	Old Age Assistance-Alaska	1,527,900	
8	Longevity Bonus (ALB) Hold		
9	Harmless		
10	Permanent Fund Dividend	13,007,900	
11	Hold Harmless		
12	Energy Assistance Program	12,011,400	
13	Tribal Assistance Programs	7,352,800	
14	Public Assistance	6,469,100	
15	Administration		
16	Quality Control	1,001,200	
17	Public Assistance Field	25,581,000	
18	Services		
19	Public Assistance Data	4,755,100	
20	Processing		
21	Work Services	15,353,700	
22	Child Care Benefits	33,002,000	
23	Fraud Investigation	1,222,200	
24	Children's Health	2,587,700	
25	Eligibility		
26	Medicaid Services	801,008,300	
27	Catastrophic and Chronic	3,800,000	
28	Illness Assistance (AS		
29	47.08)		
30	Medical Assistance	2,150,600	
31	Administration		
32	Medicaid State Programs	19,167,500	
33	Health Purchasing Group	16,419,300	

		Appropriation		General	Other
		Allocations	Items	Funds	Funds
1					
2					
3	Certification and Licensing	1,121,900			
4	Hearings and Appeals	367,700			
5	Family and Youth Services		83,761,600	41,358,800	42,402,800
6	Family Preservation	9,429,200			
7	Foster Care Base Rate	9,984,600			
8	Foster Care Augmented Rate	3,099,600			
9	Foster Care Special Need	2,856,300			
10	Foster Care Alaska Youth	142,000			
11	Initiative				
12	Subsidized Adoptions &	13,158,900			
13	Guardianship				
14	Residential Child Care	14,737,800			
15	Court Orders and	475,000			
16	Reunification Efforts				
17	Front Line Social Workers	21,577,100			
18	Family and Youth Services	4,819,200			
19	Management				
20	Family and Youth Services	1,211,000			
21	Training				
22	Children's Trust Programs	574,900			
23	Human Services Community	1,696,000			
24	Matching Grant				
25	Juvenile Justice		33,595,300	28,751,600	4,843,700
26	McLaughlin Youth Center	11,265,000			
27	Fairbanks Youth Facility	2,672,500			
28	Nome Youth Facility	650,000			
29	Johnson Youth Center	2,300,300			
30	Bethel Youth Facility	2,100,700			
31	Mat-Su Youth Facility	1,360,000			
32	Ketchikan Regional Youth	1,110,000			
33	Facility				

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
1			
2			
3	Delinquency Prevention		
4	Probation Services		
5	Unallocated Reduction/ Addition		
6			
7	State Health Services	110,126,800	25,938,600 84,188,200
8	Nursing	18,574,800	
9	Women, Infants and Children	21,820,600	
10	Maternal, Child, and Family	15,313,200	
11	Health		
12	Healthy Families	1,240,600	
13	Public Health	1,679,300	
14	Administrative Services		
15	Epidemiology	11,277,000	
16	Bureau of Vital Statistics	1,917,500	
17	Health Information & System	692,500	
18	Support		
19	Community Health/Emergency	17,788,200	
20	Medical Services		
21	Community Health Grants	4,682,700	
22	Emergency Medical Services	1,990,100	
23	Grants		
24	State Medical Examiner	1,172,000	
25	Infant Learning Program	1,199,300	
26	Grants		
27	Public Health Laboratories	4,143,000	
28	Tobacco Prevention and	6,636,000	
29	Control		
30	Substance Abuse and Mental	48,370,500	10,031,100 38,339,400
31	Health and Developmental		
32	Disabilities Services		
33	Alcohol and Drug Abuse	1,114,400	

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Administration			
4	Alcohol Safety Action	1,450,000		
5	Program (ASAP)			
6	Alcohol and Drug Abuse	12,701,600		
7	Treatment Grants			
8	AK Fetal Alconol Syndrome	6,432,400		
9	Program			
10	Community Action Prevention	4,811,700		
11	& Intervention Grants			
12	Rural Services and Suicide	308,000		
13	Prevention			
14	General Community Mental	64,000		
15	Health Grants			
16	Psychiatric Emergency	1,343,000		
17	Services			
18	Services to the Chronically	2,110,600		
19	Mentally Ill			
20	Designated Evaluation and	724,900		
21	Treatment			
22	Services for Seriously	1,194,700		
23	Emotionally Disturbed Youth			
24	Community Developmental	885,300		
25	Disabilities Grants			
26	Mental Health/Developmental	4,974,900		
27	Disabilities Administration			
28	Alaska Psychiatric Institute	10,255,000		
29	Administration Operations		11,744,100	3,340,200
30	Personnel and Payroll	1,596,000		
31	Administrative Support	3,658,900		
32	Services			
33	Health Planning &	995,000		

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Facilities Management			
4	Audit	276,100		
5	Facilities Maintenance	2,584,900		
6	HSS State Facilities Rent	743,100		
7	Alaska Mental Health Board	21,300		
8	Governor's Council on	1,868,800		
9	Disabilities and Special			
10	Education			
11	*****		*****	
12	***** Department of Labor and Workforce Development *****			
13	*****		*****	
14	Employment Security	82,916,600	3,136,700	79,779,900
15	Employment Services	18,306,200		
16	Unemployment Insurance	17,988,500		
17	Job Training Programs	30,098,800		
18	Adult Basic Education	2,711,000		
19	DOL State Facilities Rent	246,500		
20	Data Processing	6,452,400		
21	Management Services	3,084,900		
22	Labor Market Information	4,028,300		
23	Office of the Commissioner	15,063,900	3,495,400	11,567,600
24	Commissioner's Office	680,600		
25	Alaska Human Resources	749,500		
26	Investment Council			
27	Alaska Labor Relations	338,300		
28	Agency			
29	Fishermens Fund	1,312,200		
30	Workers' Compensation	2,609,800		
31	Second Injury Fund	3,182,500		
32	Wage and Hour Administration	1,377,400		
33	Mechanical Inspection	1,408,500		

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Occupational Safety and	3,404,200		
4	Health			
5	Vocational Rehabilitation		4,143,200	18,930,300
6	Client Services	12,296,300		
7	Federal Training Grant	56,300		
8	Vocational Rehabilitation	1,471,600		
9	Administration			
10	Independent Living	1,592,800		
11	Rehabilitation			
12	Disability Determination	5,127,600		
13	Special Projects	1,766,500		
14	Assistive Technology	567,700		
15	Americans With Disabilities	194,700		
16	Act (ADA)			
17		*****	*****	
18		***** Department of Law *****		
19		*****	*****	
20	Office of the Attorney General		-119,400	-119,400
21	Office of the Attorney	344,800		
22	General			
23	Agency-wide Unallocated	-464,200		
24	Reduction			
25	Criminal Division		13,558,800	2,155,600
26	First Judicial District	1,261,800		
27	Second Judicial District	882,400		
28	Third Judicial District:	3,650,000		
29	Anchorage			
30	Third Judicial District:	2,467,000		
31	Outside Anchorage			
32	Fourth Judicial District	3,145,000		
33	Criminal Justice Litigation	1,727,000		

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	Criminal Appeals/Special		
4	Litigation Component		
5	Unallocated Reduction		
6	The unallocated reduction in this appropriation is not a department-wide, agency-wide, or		
7	branch-wide unallocated reduction and may not be allocated to other appropriations made in		
8	this section.		
9	Civil Division	24,402,800	17,158,200
10	Deputy Attorney General's		
11	Office	200,200	
12	Collections and Support	1,902,900	
13	Commercial Section	2,000,900	
14	Environmental Law	1,241,300	
15	Fair Business Practices	1,712,900	
16	The amount appropriated by this appropriation includes the unexpended and unobligated		
17	balance on June 30, 2002, of designated program receipts and general fund program receipts		
18	of the Department of Law, fair business practices section.		
19	Governmental Affairs Section	3,551,800	
20	Human Services Section	3,964,900	
21	Legislation/Regulations	513,100	
22	Natural Resources	1,311,500	
23	Oil, Gas and Mining	2,919,100	
24	Special Litigation	2,421,200	
25	Transportation Section	2,143,800	
26	Timekeeping and Support	769,200	
27	Unallocated Reduction	-250,000	
28	The unallocated reduction in this appropriation is not a department-wide, agency-wide, or		
29	branch-wide unallocated reduction and may not be allocated to other appropriations made in		
30	this section.		
31	Statehood Defense	1,114,500	1,114,500
32	Statehood Defense	1,114,500	
33	Oil and Gas Litigation and	4,198,300	1,477,000

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
3	Legal Services		
4	Oil & Gas Litigation	4,345,100	
5	Oil & Gas Legal Services	295,700	
6	Unallocated Reduction	-442,500	
7	The unallocated reduction in this appropriation is not a department-wide, agency-wide, or		
8	branch-wide unallocated reduction and may not be allocated to other appropriations made in		
9	this section.		
10	Administration and Support	1,281,700	691,700
11	Administrative Services	1,281,700	
12	*****	*****	
13	***** Department of Military and Veterans Affairs *****		
14	*****	*****	
15	Commissioner's Office	1,469,100	676,900
16	Office of the Commissioner	1,721,100	
17	Agency-wide Unallocated	-252,000	
18	Reduction		
19	Disaster Planning and Control	4,584,200	3,889,900
20	Disaster Planning & Control	4,584,200	
21	Local Emergency Planning	493,200	473,400
22	Committee Grants		
23	Local Emergency Planning	493,200	
24	Committee		
25	Alaska National Guard	23,611,600	18,190,500
26	National Guard Military	544,000	
27	Headquarters		
28	Army Guard Facilities	11,860,600	
29	Maintenance		
30	Air Guard Facilities	5,850,600	
31	Maintenance		
32	State Active Duty	320,000	
33	Alaska Military Youth	4,777,700	

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Academy			
4	Starbase	258,700		
5	Alaska National Guard Benefits		1,351,000	250,000
6	Educational Benefits	278,500		
7	Retirement Benefits	1,322,500		
8	Veterans' Affairs		646,000	
9	Veterans' Services	646,000		
10		*****	*****	
11		***** Department of Natural Resources *****		
12		*****	*****	
13	Commissioner's Office		167,200	55,800
14	Commissioner's Office	561,100		
15	Agency-wide Unallocated	-338,100		
16	Reduction			
17	Management and Administration		1,601,800	2,270,700
18	Administrative Services	2,257,300		
19	Public Services Office	388,900		
20	Trustee Council Projects	1,226,300		
21	Information/Data Management		2,238,800	4,167,400
22	Recorder's Office/Uniform	3,045,800		
23	Commercial Code			
24	Information Resource	2,527,700		
25	Management			
26	Interdepartmental Data	832,700		
27	Processing Chargeback			
28	Resource Development		750,000	750,000
29	Development - Special	500,000		
30	Projects			
31	Emergency Firefighters	250,000		
32	Non-Emergency Projects			
33	Forestry Management and		6,398,700	2,479,000

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Development			
4	Forest Management and	8,877,700		
5	Development			
6	The amount appropriated by this appropriation includes the unexpended and unobligated			
7	balance on June 30, 2002, of the timber receipts account (AS 38.05.110).			
8	It is the intent of the legislature that the general fund reduction in Forestry Management and			
9	Development is not to be used for reductions in the Forest Practices or the Fire Preparedness			
10	activities.			
11	Oil and Gas Development	12,055,400	4,316,300	7,739,100
12	Oil & Gas Development	5,878,500		
13	It is the intent of the legislature that the division allocate the general fund incremental funding			
14	between the requesting components to maximize the State's revenue enhancement.			
15	Pipeline Coordinator	3,934,400		
16	Gas Pipeline Office	2,242,500		
17	Minerals, Land, and Water	17,530,600	9,958,300	7,572,300
18	Development			
19	Geological Development	4,138,600		
20	Water Development	1,368,100		
21	Claims, Permits & Leases	7,395,300		
22	Land Sales & Municipal	3,047,000		
23	Entitlements			
24	Title Acquisition & Defense	1,097,700		
25	Director's Office/Mining,	483,900		
26	Land, & Water			
27	Parks and Recreation	8,352,000	4,840,300	3,511,700
28	Management			
29	State Historic Preservation	1,349,600		
30	Program			
31	Parks Management	4,966,700		
32	Parks & Recreation Access	2,035,700		
33	Agricultural Development	3,812,100	16,000	3,796,100

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Agricultural Development	1,284,900		
4	North Latitude Plant	2,527,200		
5	Material Center			
6	Agricultural Revolving Loan		743,900	743,900
7	Program Administration			
8	Agriculture Revolving Loan	743,900		
9	Program Administration			
10	Facilities Maintenance		2,577,000	1,372,200
11	Facilities Maintenance	1,100,000		
12	Fairbanks Office Building	103,600		
13	Chargeback			
14	DNR State Facilities Rent	1,373,400		
15	Fire Suppression		8,551,400	3,229,600
16	Fire Suppression	8,551,400		5,321,800
17	*****		*****	
18	***** Department of Public Safety *****			
19	*****		*****	
20	Office of the Commissioner		-1,310,400	-1,310,400
21	Commissioner's Office	364,500		
22	Agency-wide Unallocated	-1,674,900		
23	Reduction			
24	Fish and Wildlife Protection		17,894,800	16,083,500
25	Enforcement and	11,841,000		1,811,300
26	Investigative Services Unit			
27	Director's Office	267,200		
28	Aircraft Section	2,603,800		
29	Marine Enforcement	3,182,800		
30	Fire Prevention		3,278,800	1,353,600
31	Fire Prevention Operations	2,220,100		1,925,200
32	Fire Service Training	1,058,700		
33	Alaska Fire Standards Council		223,500	223,500

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Alaska Fire Standards	223,500		
4	Council			
5	The amount appropriated by this appropriation includes the unexpended and unobligated			
6	balance on June 30, 2002, of the receipts collected under AS 18.70.350(4) and AS 18.70.360.			
7	Alaska State Troopers	15,361,300	8,302,800	7,058,500
8	Special Projects	3,670,200		
9	Criminal Investigations	3,136,100		
10	Bureau			
11	Director's Office	687,500		
12	Judicial Services-Anchorage	2,088,500		
13	Prisoner Transportation	1,476,700		
14	Search and Rescue	333,100		
15	Rural Trooper Housing	712,900		
16	Narcotics Task Force	3,256,300		
17	Alaska State Trooper	35,756,600	34,590,800	1,165,800
18	Detachments			
19	Alaska State Trooper	35,756,600		
20	Detachments			
21	Village Public Safety Officer	7,641,500	7,641,500	
22	Program			
23	Contracts	6,398,400		
24	Support	1,090,300		
25	Administration	152,800		
26	Alaska Police Standards	967,000		967,000
27	Council			
28	Alaska Police Standards	967,000		
29	Council			
30	The amount appropriated by this appropriation includes the unexpended and unobligated			
31	balance on June 30, 2002, of the receipts collected under AS 12.25.195(c), AS 12.55.039, AS			
32	28.05.151, and AS 29.25.074 and receipts collected under AS 18.65.220(7).			
33	Violent Crimes Compensation	1,584,300		1,584,300