

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8831 SENATE COMMUNITY & REGIONAL AFFAIRS

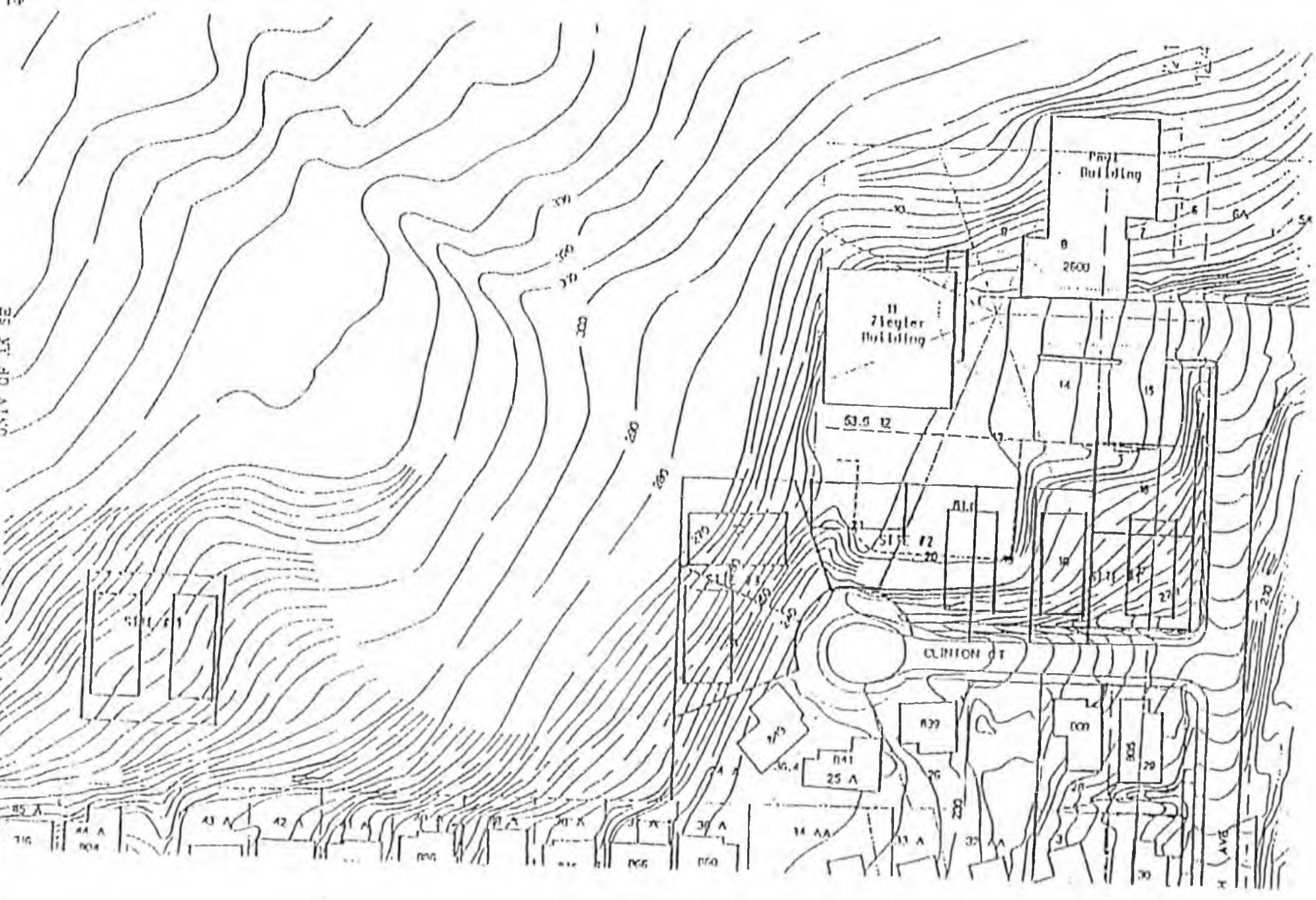
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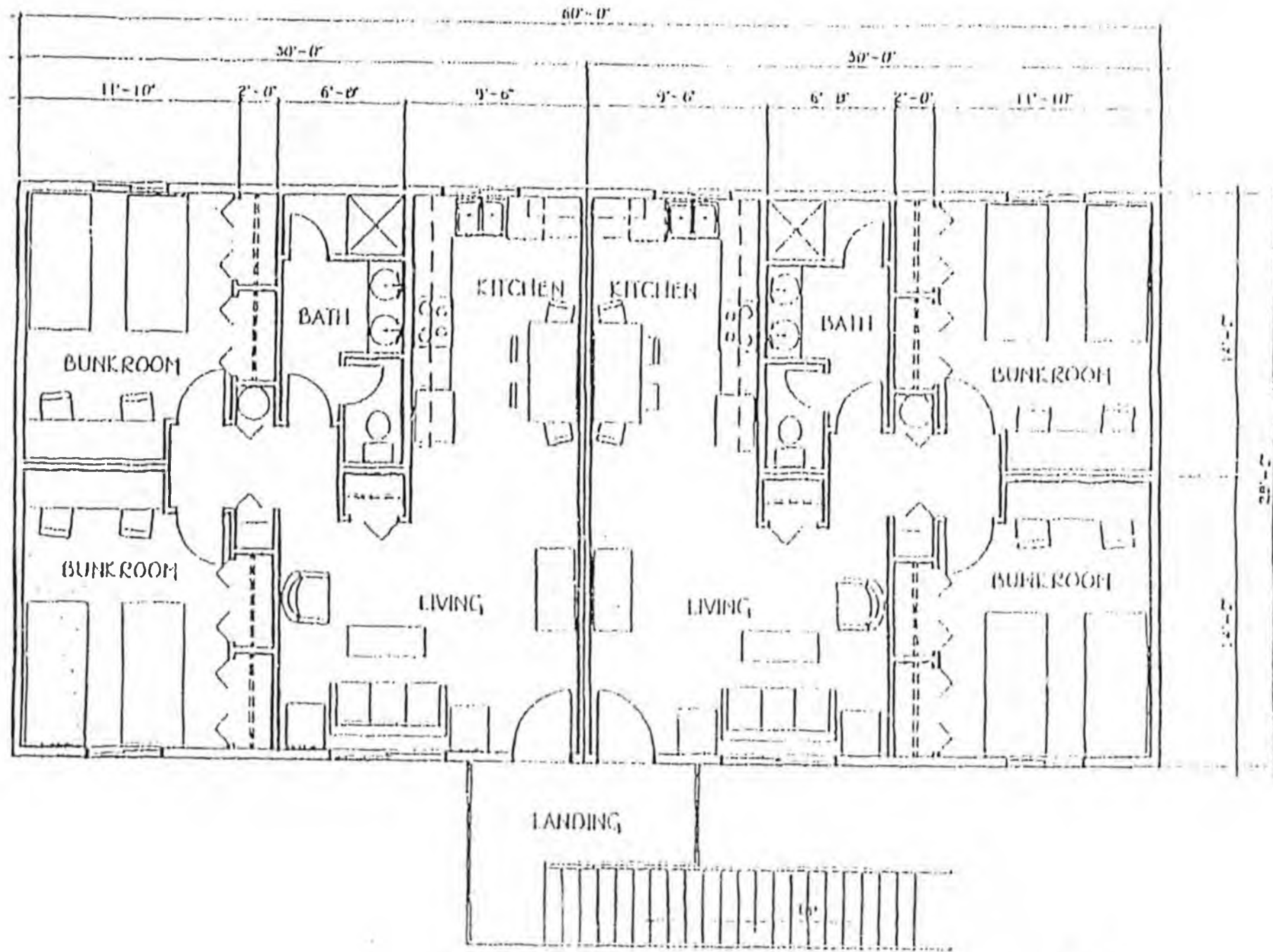
UNIV OF AK SE

99072253824

11-31

04/19/75





**PROPOSED FLOOR PLAN**  
 28' X 60' TWO STORY APARTMENT BUILDING

04/19/73

11:33

99072252821

DATE OF REVISION

5008

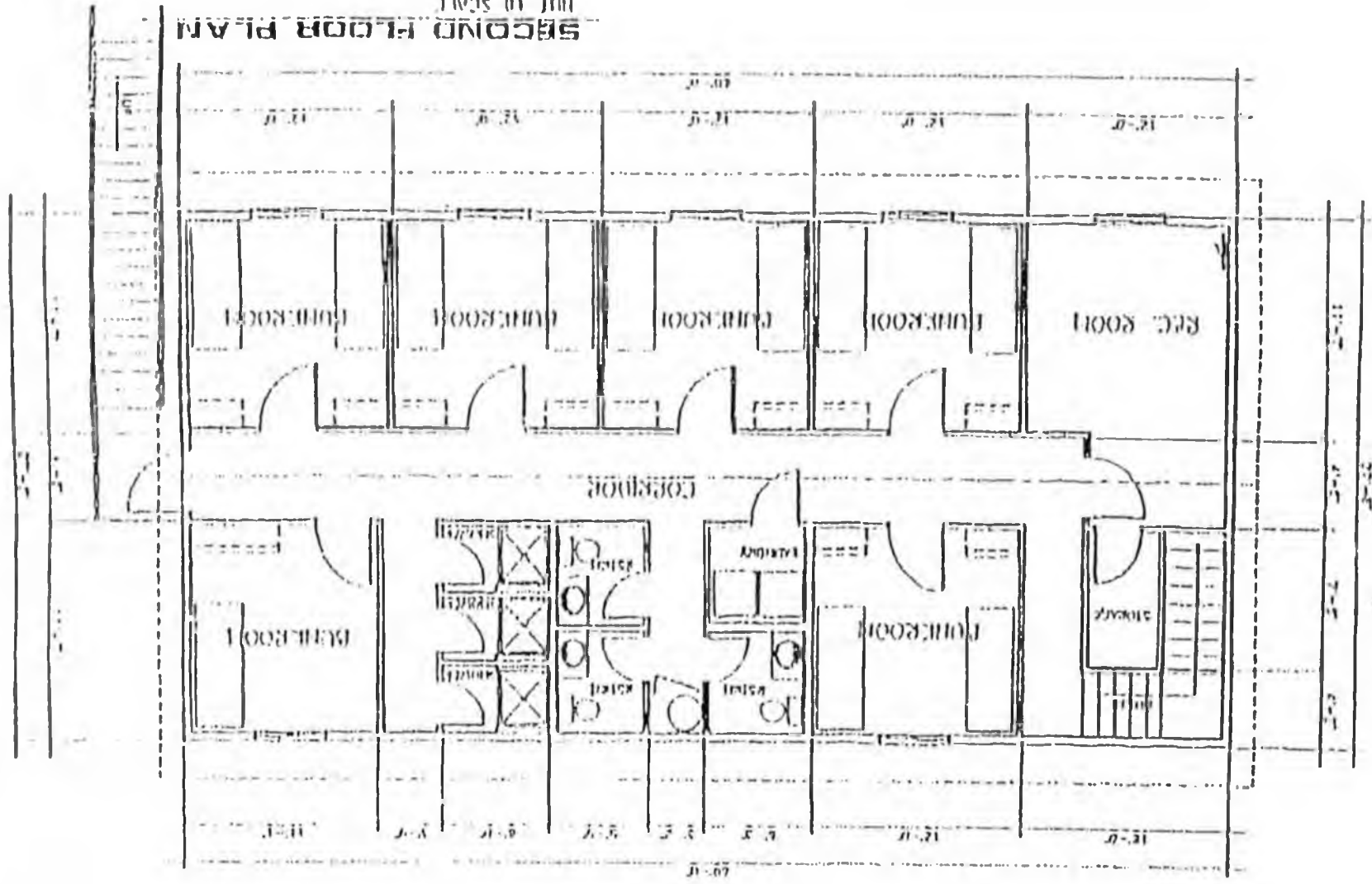
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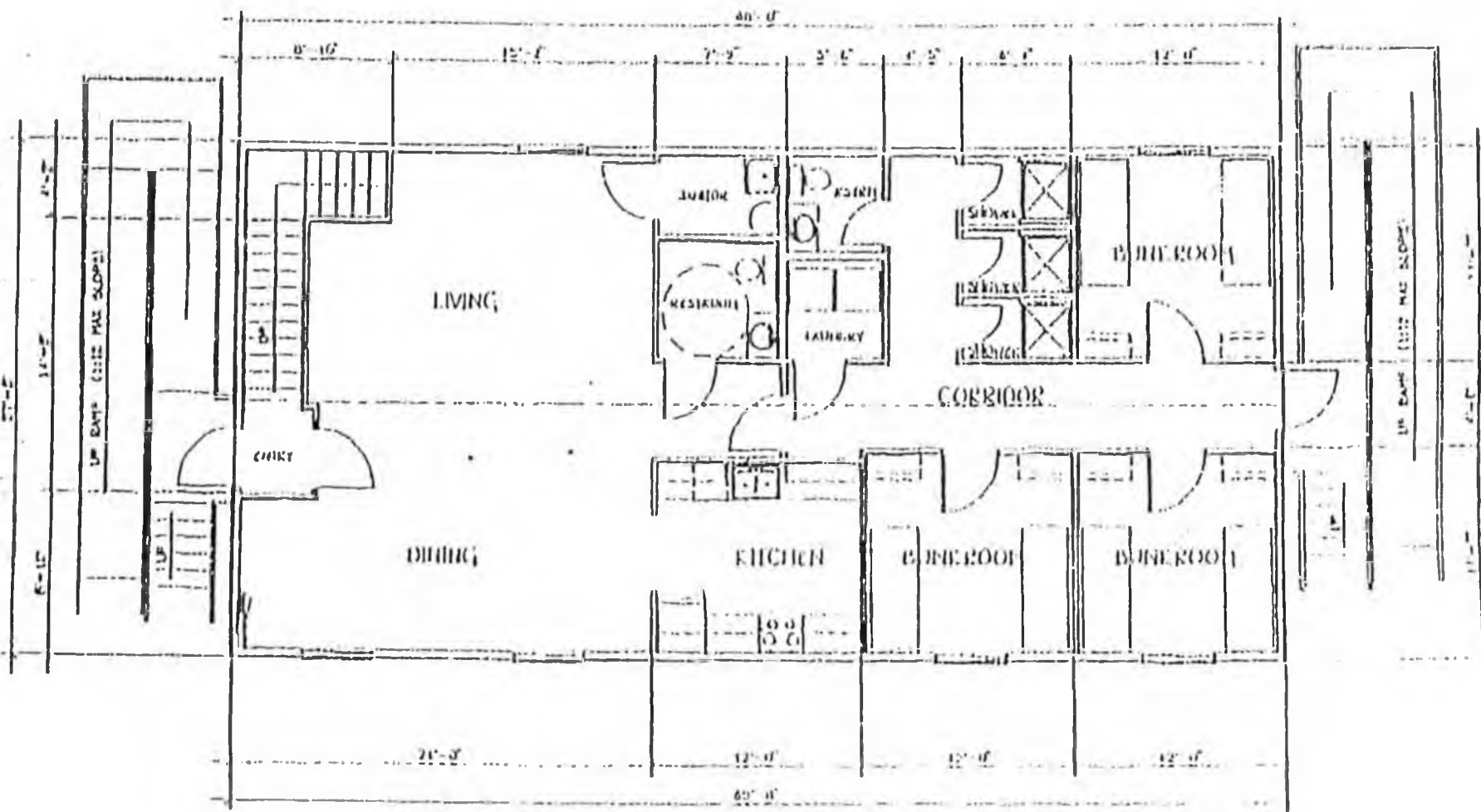
901225382

UNIV OF AL SE

D10E

SECOND FLOOR PLAN  
1/11 TO SCALE





**FIRST FLOOR PLAN**  
 NOT TO SCALE

04/19/95 11:33 ©9072255281 1280561740  
 DRAWN BY: JAC KING  
 2011

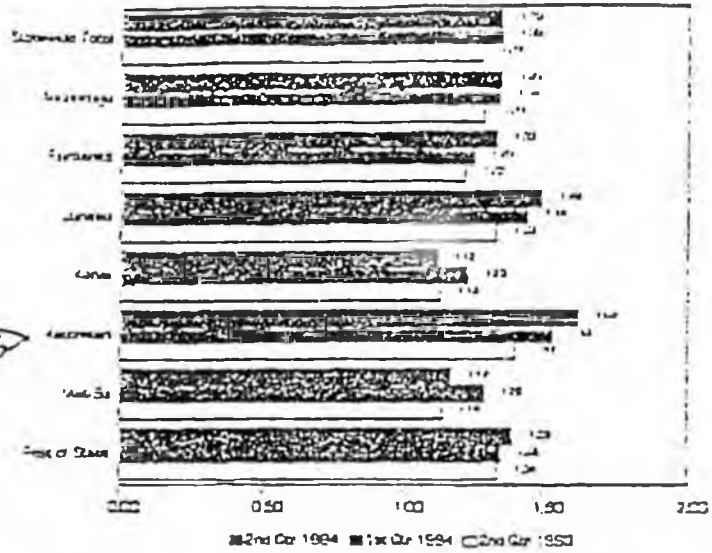
# Affordability Index Single-Family Residences, Private and Public Agency Lenders

Figure 1-4

2nd Qtr 1994 vs Previous Qtr and 1 Year Ago

Note: Index is the number of homes  
needed to equal an SFR mortgage  
The 1st Quarter 1994's index is  
summarized

Source: Alaska Department of Labor  
Research and Analysis Section



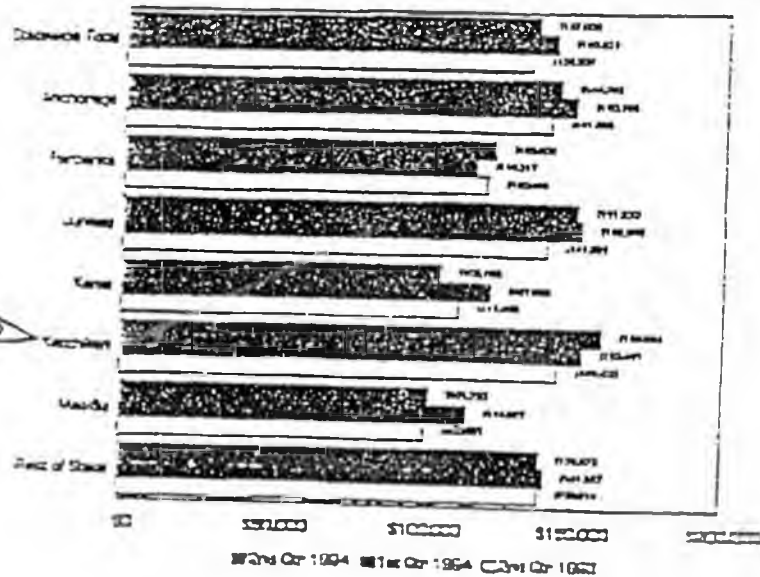
# Average Sales Price Single-Family Homes

Figure 1-1

2nd Qtr 1994 vs Previous Qtr and 1 Year Ago

Note: Based on survey of 10 mortgage  
lenders in 1992 and 14 in 1993 and  
2004

Source: Alaska Department of Labor,  
Research and Analysis Section



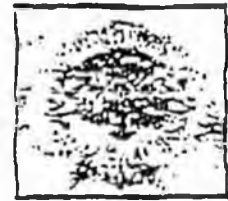
THE FOLLOWING PAGES MAY  
NOT FILM LEGIBLY BECAUSE OF  
THE POOR QUALITY OF THE ORIGINAL



Southeast Island School District

**THORNE BAY SCHOOL**

P.O. Box 5, 1010 Sandy Beach Road Thorne Bay, Alaska 99919  
(907) 829-3921



March 7, 1995

Karen Jones, Counselor  
University of Alaska SE Ketchikan

Dear Ms. Jones:

This is to support the University of Alaska SE Ketchikan in your bid to acquire housing for your out of city students.

Although our annual graduating classes are small, almost every year we have one or more students who would attend at least their first year of college in Ketchikan if reasonably priced student housing was available. As you are likely aware, the cost of living in Ketchikan is one of the highest in the country, a factor that would impact college students less if on-campus housing was provided.

Each year more than half of our graduates pack up and fly off to college, leaving a portion of our graduates who are still in need of additional post-secondary training. Many of these graduates either cannot afford the high cost of education at a major institution or are otherwise tied more closely to their homes than their classmates. Providing on-campus housing in Ketchikan would offer these students a reasonable means of seeking training beyond high school closer to home.

I support the efforts of the University of Alaska SE Ketchikan to acquire housing for your out of city students.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael G. Walker".

Michael G. Walker  
Principal



## ANNETTE ISLANDS SCHOOL DISTRICT

PO Box 7 • Metlakatla, AK 99926

Affiliated with Northwest Association of School Districts

High School Principals Office  
 (907) 836-8000  
 FAX: (907) 836-8120

Superintendent's Office  
 (907) 836-8372  
 FAX: (907) 836-8130

Elementary Principals Office  
 (907) 836-8001

March 7, 1995

Mrs. Karen Jones  
 University of Alaska, S.E./Ketchikan  
 2600 Seventh Av.  
 Ketchikan, Ak.

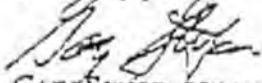
Dear Karen:

Thank you, once again, for taking the time to visit Metlakatla High School and assisting our students with their college planning. Your institution offers a wonderful program for our students and one that I hope they continue to pursue.

As you and I discussed during your visit, the availability of housing is of primary concern. This is the first question asked of me during the college selection process. It is my feeling that providing adequate and reasonably priced housing for students attending your institution would be the most essential improvement that could be made. Those of us on this end of the college admission process would heartily agree that providing appropriate housing in Ketchikan would greatly enhance the desirability of attending the University of Alaska, S.E., Ketchikan Campus. For parents and students alike, this would make your school very appealing. It would enhance, greatly, your competitive position relative to the interest many of our students have in attending school down South.

I realize that this is a large task to undertake, but I think it is one that will provide dividends for your institution in the years ahead and is, certainly, a very worthwhile endeavor. I hope that this will one day become a reality.

Sincerely yours,



Gary Stefan, counselor

**SB**

**2006**

**(File 1)**



RE TCN: 60373 SCHEDULED FOR:02/19/96 13:30 TO 15:30  
 SPONSOR: SENATE COMMUNITY & REGIONAL AFFAIRS PURPOSE: PUBLIC HEARING

MESSAGE TEXT: BACK ON-LINE WAS DEAD WHEN TEST FINISHED

02/19/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
 13:39:16 PARTICIPANT LIST (ALL PARTICIPANTS) BY:ANC  
 TCN:60373 SCHEDULED FOR:02/19/96 13:30 TO 15:30 FOR:ANC  
 PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
 LOCATION:ANCHORAGE  
 SB 206 RANDY BLACK TESTIFY  
 SB 206 GLENDA STRAUBE CHILD SERVICES TESTIFY

02/19/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
 13:37:49 PARTICIPANT LIST (ALL PARTICIPANTS) BY:FBX  
 TCN:60373 SCHEDULED FOR:02/19/96 13:30 TO 15:30 FOR:FBX  
 PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
 LOCATION:FAIRBANKS  
 S3 206 MR. DON SHIRCEL TCC TESTIFY

\*\*\*\* PARTICIPATING SITES \*\*\*\*

|                |                  |                |           |
|----------------|------------------|----------------|-----------|
| ANC ANCHORAGE  | 716 W 4TH, #200  | LOCATION STAFF |           |
| BET BETHEL     | 301 WILLOW ST.   | LOCATION STAFF | SB 206    |
| COR CORDOVA    | 705 2ND STREET   | LOCATION STAFF |           |
| DLJ DILLINGHAM | KANGIQUAQ BLDG   | LOCATION STAFF |           |
| FBX FAIRBANKS  | 119 N CUSHMAN ST | LOCATION STAFF |           |
| GLN GLENNALLEN | COMMUNITY LIB.   | LOCATION STAFF | = On-Line |
| HOM HOMER      | 126 W PIONEER #4 | LOCATION STAFF |           |
| JNU JUNEAU     | CAPITOL          | LOCATION STAFF | CAP205    |
| KEN KENAI LIO  | 145 MAIN ST LOOP | LOCATION STAFF |           |
| KOD KODIAK     | 112 MILL BAY RD. | LOCATION STAFF |           |
| KOT KOTZEBUE   | 333 FRONT STREET | LOCATION STAFF |           |
| KTN KETCHIKAN  | 352 FRONT STREET | LOCATION STAFF |           |
| MAT MATSU      | 600 E RAILROAD   | LOCATION STAFF |           |
| TOK TOK        | MP 1314 AK. HWY  | LOCATION STAFF | 1/31/96   |

\*\*\*\* VOLUNTEER & OFFNET SITES \*\*\*\*

|                    |                 |                 |               |
|--------------------|-----------------|-----------------|---------------|
| BAR WAI WAINWRIGHT | NSB TELE CENTER | VERNA PHILLIPS  | (907)763-2457 |
| ZZZ OF1 OFFNET 1   | CK INLET TRIBAL | CNCL., CAROLINE | (907)265-5903 |
| ZZZ OF2 OFFNET 2   | NOME            | EILEAN NORBERT  | (907)443-5231 |
| ZZZ OF3 OFFNET 3   | UNALASKA        | MONICA RENKE    | (907)581-3844 |

Mr. Myron in Bethel to testify  
 Myron Nameng

**ENATE COMMITTEE REF RT  
First Committee of Referral**

DATE: 1/8/96

FURTHER: HESS  
Judiciary, Finance

Date of 5-Day Notice: 1/25/96  
(in accordance with Uniform Rule 23)

DATE TURNED  
INTO OFFICE: \_\_\_\_\_

The Community & Regional Affairs Committee considered SENATE BILL NO. 206

"An Act relating to welfare reform."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 206 (CRA)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:
- same title
  - new title
- House Bill:
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

| SIGNING <u>DO</u> PASS      | DP | OTHER RECOMMENDATIONS   | NR | DNP | AM |
|-----------------------------|----|-------------------------|----|-----|----|
|                             |    | <i>Roll &amp; Hill</i>  | ✓  |     |    |
|                             |    | <i>Paul &amp; Shedd</i> | ✓  |     |    |
|                             |    | <i>Tom Hoff</i>         | ✓  |     |    |
|                             |    | <i>Tom Kelly</i>        | ✓  |     |    |
| CHAIR: <i>John Ferguson</i> |    |                         | ✓  |     |    |

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
|            |      |      |        |
|            |      |      |        |
|            |      |      |        |
|            |      |      |        |
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**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
|            |      |      |        |
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|            |      |      |        |

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

Fiscal Notes to SB 206

|   | Zero | Fiscal |
|---|------|--------|
| Department of Law, Civil Division             |      |        |
|   | X    |        |
| Department of Health & Social Services        |      |        |
| AFDC  |      | X      |
| PFD Hold Harmless                             |      | X      |
| Public Assistance Administration              |      | X      |
| DFYS Central Office                           |      | X      |
| Medicaid                                      | X    |        |
| Community Health/EMS                          |      | X      |
| Department of Commerce & Economic Development |      |        |
| Banking, Securities & Corporations            |      | X      |
| Insurance                                     |      | X      |
| Occupational Licensing                        |      | X      |
| Department of Administration                  |      |        |
| Personnel                                     | X    |        |
| Department of Fish & Game                     |      |        |
| Administrative Services                       | X    |        |
| Department of Community & Regional Affairs    | X    |        |
| Department of Revenue                         |      |        |
| Child Support Enforcement                     |      | X      |
| Department of Labor                           |      |        |
| Wage & Hour                                   | X    |        |
| Labor Standards & Safety                      |      | X      |
| Occupational Safety & Health                  |      | X      |
| Department of Education                       |      |        |
| Teacher Certification                         |      | X      |
| Department of Environmental Conservation      | X    |        |
| Department of Public Safety                   |      |        |
| Alaska State Troopers                         | X    |        |
| Motor Vehicles                                |      | X      |

## SENATE COMMUNITY & REGIONAL AFFAIRS

### SENATE BILL 206: WELFARE REFORM

#### New Materials for 3/25/96 Meeting

- Committee Substitute for Senate Bill 206 (CRA)

Suggested committee substitute with the following changes:

- (1) defines "qualified entity" under Sec. 47.27.050 as municipalities, other political subdivisions of the state, nonprofit corporations under AS 10.20, or combinations of these
  - (2) Omits Sec. 47.27.070 "Coordination with Alaska Native Organizations with Tribal Family Assistance Programs" (NOTE: the deletion of this section does not prohibit the state from cooperating or coordinating with the organizations or the federal government. Until more information is available about the type of programs considered comparable, how the federal block grants will be administered, and what the funding mechanisms will be, it does not seem prudent to place mandates on the states concerning these matter.
  - (3) On Page 33, line 35, changes "local governments" to "municipalities" for consistency.
- 3/22/96 memorandum from Legal Services describing potential legal problems with and needs for clarification to Senate Bill 206.
  - 2/22/96 memorandum to Department of Health & Social Services requesting clarifications and answers regarding Senate Bill 206
  - 3/12/96 memorandum from Department of Health & Social Services responding to the committee's request for information

9-GS2006C ✓  
Lauterbach  
3/22/96

CS FOR SENATE BILL NO. 206(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:  
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to welfare reform by establishing the Alaska family  
2 independence program; repealing the aid to families with dependent children and  
3 job opportunity and basic skills programs; relating to an exemption to the  
4 Alaska Wage and Hour Act for certain work activities of the Alaska family  
5 independence program; authorizing qualified entities to contract with the state  
6 to administer all or part of the Alaska family independence program; relating  
7 to the duty to support children of minor parents; relating to certain licenses  
8 and applications for a license for persons who are not in substantial compliance  
9 with orders, judgments, or payment schedules for child support; relating to an  
10 exemption to the state procurement code for certain services for the general  
11 relief program and Alaska family independence program; relating to eligibility  
12 for day care benefits administered by the Department of Community and

1 Regional Affairs; authorizing the Department of Health and Social Services to  
2 operate a public assistance program consistent with the Alaska family  
3 independence program under federal waivers and providing certain immunity  
4 from liability for activities of that program; amending Rule 90.3, Alaska Rules  
5 of Civil Procedure; and providing for an effective date."

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

7 \* Section 1. PURPOSE. The purpose of this Act is to

8 (1) establish the Alaska family independence program;

9 (2) encourage the well-being of Alaska's children by maintaining a safety net  
10 for children living in poverty in this state by providing assistance to meet the basic needs of  
11 Alaska's children and their families;

12 (3) set limits on benefits and establish incentives to encourage public assistance  
13 recipients to become self-sufficient;

14 (4) develop job opportunities and promote work as the best means to achieve  
15 family self-sufficiency;

16 (5) prevent dependency by diverting eligible families receiving assistance to  
17 work and self-sufficiency;

18 (6) integrate service delivery by collocating access to job training and  
19 placement services with family assistance offices;

20 (7) increase the effectiveness of the child support collection program to assist  
21 in family self-sufficiency and meet federal program requirements;

22 (8) require coordination between state agencies, local communities, businesses,  
23 and the federal government to develop a program that will move Alaska families to self-  
24 sufficiency; and

25 (9) enable the state to develop and maintain a family independence program  
26 that meets the requirements for federal financing.

27 \* Sec. 2. AS 47 is amended by adding a new chapter to read:

28 CHAPTER 27. ALASKA FAMILY INDEPENDENCE PROGRAM.

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

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

4 (2) establish, by regulation, program standards that will provide  
5 incentives to work, incentives for financial planning, and opportunities to develop self-  
6 sufficiency while providing assistance with basic living expenses;

7 (3) provide education and health related services and referrals to reduce  
8 the number of out-of-wedlock births in the state;

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

14 (5) adopt methods of program administration to assure consistency with  
15 the federal requirements under the federal Temporary Assistance for Needy Families  
16 program or any successor federal law to the aid to families with dependent children  
17 program;

18 (6) make reports to the federal government as required under the  
19 Temporary Assistance for Needy Families program, in the form and containing the  
20 information required, and comply with the provisions that the federal government  
21 determines are necessary to ensure correct and verifiable information on the program;

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

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

26 Sec. 47.27.010. ELIGIBLE FAMILIES. (a) The following families may apply  
27 for assistance under the Alaska family independence program:

28 (1) a single parent who has the physical custody of one or more  
29 dependent children;

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

- 1 (3) a woman in the last trimester of pregnancy; or  
2 (4) a two-parent family with physical custody of one or more dependent  
3 children.

4 (b) The department may limit the eligibility of two-parent families or may  
5 adjust the assistance and service provided to two-parent families, taking into  
6 consideration the seasonal nature of the economy and the availability of work in this  
7 state.

8 Sec. 47.27.015. DISQUALIFYING CONDITIONS. (a) A family is not  
9 eligible for assistance under the Alaska family independence program if the family  
10 includes an adult who

11 (1) has received benefits under the Alaska family independence  
12 program, or a program of another state financed by a federal block grant for the  
13 Temporary Assistance for Needy Families program, for a total of 60 months as the  
14 caretaker or spouse of a caretaker of a dependent child or as a pregnant woman, unless  
15 disqualification would impose an unreasonable hardship on the family as determined  
16 by the department in regulation; or

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

21 (b) A family is not eligible for assistance under this chapter for a period of  
22 up to 120 months if the adult applicant is determined to have fraudulently  
23 misrepresented the applicant's residence in order to receive assistance in more than one  
24 state under a program financed under a federal block grant for the Temporary  
25 Assistance for Needy Families program.

26 (c) The department may determine that a family is ineligible for up to six  
27 months if the family's demonstrated need for assistance is due to a refusal of or  
28 voluntary separation from suitable employment by the adult applicant, or a custodial  
29 parent or caretaker, without good cause.

30 Sec. 47.27.020. APPLICATION AND REQUIREMENTS FOR ASSISTANCE.

31 (a) An applicant for assistance under the Alaska family independence program shall

1 complete an application in writing, or by electronic means, and in a form specified by  
2 the department. The applicant must be a pregnant woman or an individual who has  
3 physical custody of the dependent child or children. The application must be complete  
4 and must provide all of the information about the family and the child or children that  
5 is requested by the department. The applicant shall provide all supporting  
6 documentation for verification that the department determines to be necessary to  
7 establish eligibility.

8 (b) On the application, each applicant shall attest to whether the family, at any  
9 time, has received assistance from another state program that was established under a  
10 federal block grant for Temporary Assistance for Needy Families and whether the  
11 family has ever been disqualified from receiving assistance under a Temporary  
12 Assistance for Needy Families program for the period for which the application has  
13 been submitted.

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

17 (d) An applicant shall acknowledge the assignment of support rights as  
18 required by AS 47.27.040 and shall agree to cooperate with the child support  
19 enforcement agency of the Department of Revenue in establishing paternity or  
20 establishing, modifying, or enforcing a child support order requiring the payment of  
21 support by the noncustodial parent for any dependent child for whom Alaska family  
22 independence program assistance is received. The applicant shall agree to report all  
23 child support payments received directly by the family, during or for a period for  
24 which the family is receiving assistance under this chapter, to the department within  
25 15 days after receipt of those payments.

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

30 Sec. 47.27.025. FAMILY ASSISTANCE. (·) The department shall provide  
31 assistance for basic living expenses to families that establish eligibility based on a

1 determination of need that considers the family's available income, assets, and other  
2 resources, as established by the department in regulation. Each dependent child in the  
3 family is eligible for assistance under this chapter, and assistance received as a  
4 dependent child will not count against eligibility for assistance under this chapter as  
5 a caretaker or spouse of a caretaker of a dependent child or as a pregnant woman.

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

8 (1) for a dependent child living with a nonneedy relative caretaker,  
9 \$452 per month, plus \$102 for each additional child;

10 (2) for a dependent child living with at least one needy parent or  
11 relative caretaker, \$821 per month, plus \$102 for each additional child; or

12 (3) for a family consisting solely of an eligible pregnant woman, \$514  
13 per month.

14 (c) The department shall provide additional assistance as work-related services  
15 or referrals to eligible families. Work-related services and referrals may include one  
16 or more of the following:

17 (1) job readiness assessments;

18 (2) employment testing and counseling;

19 (3) job readiness training;

20 (4) job referral and job search;

21 (5) education and vocational training;

22 (6) community service work assignments;

23 (7) child care assistance;

24 (8) family planning services; and

25 (9) other services to facilitate the transition to work.

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

1 (b) The department may pay diversion benefits to an applicant's family only  
2 if that family appears to be eligible for benefits and to include a job ready individual  
3 based on the information provided to the department in the application completed  
4 under AS 47.27.020. The department may offer to an applicant with the potential to  
5 participate in the diversion program a choice between

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

8 (2) having the Alaska family independence program application denied  
9 and applying for diversion project benefits under this section.

10 (c) The amount of the diversion payment must be sufficient to meet the  
11 family's immediate needs as determined by the department and the participant. A  
12 diversion payment may not exceed the amount the family would be eligible to receive  
13 in the first two months of eligibility under AS 47.27.020 if the family did not elect to  
14 receive a diversion payment.

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

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

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

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

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

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

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

6 (1) live in a home maintained by the applicant's parent, legal guardian,  
7 or other adult relative, unless the applicant establishes that there is good cause, as  
8 established by the department in regulation, to waive this requirement; if the  
9 department waives this requirement, the applicant must live in an adult supervised,  
10 supportive living environment;

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

15 (3) maintain attendance in a secondary school or other equivalent  
16 training program until the applicant achieves a high school diploma or the equivalent.

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

20 (1) the steps the family will take towards the self-sufficiency of the  
21 family;

22 (2) the employment related services the department will provide to  
23 assist the family to attain self-sufficiency;

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

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

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

30 (b) The family self-sufficiency plan will set a time period for the achievement  
31 of self-sufficiency from assistance under the Alaska family independence program.

1 That time period may not provide for any more than a total of 60 months of assistance  
2 under the Alaska family independence program.

3 (c) The department may establish in regulation the circumstances in which a  
4 family may be exempt from the requirement that the family have a self-sufficiency  
5 plan under this section.

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

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

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

18 (1) the parent or caretaker is providing home care for a child with a  
19 developmental disability or a related, disabled person who requires 24-hour care;

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

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

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

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

30 (e) A participant in work activities under this section is not considered an  
31 employee of the state or other public employer for purposes of AS 23.40.070 -

1 23.40.260 (Public Employment Relations Act) nor shall any provision of a collective  
2 bargaining agreement entered into under the Public Employment Relations Act be  
3 construed to interfere with participation in the work activities authorized under this  
4 section.

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

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

21 (c) The department may distribute to an Alaska family independence program  
22 participant up to \$50 per month from a monthly child support payment received by the  
23 child support enforcement agency for the support of a child for whom Alaska family  
24 independence program assistance is paid.

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

28 Sec. 47.27.050. GRANTS AND CONTRACTS FOR SERVICES. (a) The  
29 department may contract with or award grants to qualified entities in the state to  
30 administer an Alaska family independence program or a distinct part of the Alaska  
31 family independence program. The department may establish standards for the

1 administration of services under the grant or contract, including fees to be charged to  
2 applicants for or recipients of those services.

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

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

8 (d) In this section, "qualified entities" means municipalities, other political  
9 subdivisions of the state, nonprofit corporations formed under AS 10.20, or  
10 combinations of these.

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

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

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

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

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

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

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

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

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

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

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

30 Sec. 47.27.075. EMERGENCY ACCOUNT ESTABLISHED. (a) There is  
31 established within the general fund the Alaska family independence program

1 emergency account. The account consists of appropriations from any appropriate  
2 source of money, including lapsing money that was appropriated for the Alaska family  
3 independence program but was not expended or obligated in the fiscal year for which  
4 it was appropriated.

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

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

14 Sec. 47.27.080. APPEALS; DISPUTE RESOLUTION. (a) An applicant or  
15 participant who receives a determination from the department that denies, limits, or  
16 modifies the assistance or services provided under this chapter may request a hearing  
17 before the department or a representative of the department appointed for that purpose.  
18 If a representative is appointed, the representative shall conduct the hearing under the  
19 regulations adopted by the department. The appeal is not subject to AS 44.62.330 -  
20 44.62.630.

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

24 Sec. 47.27.085. SANCTIONS; RECOVERY OF COSTS. (a) An Alaska  
25 family independence program applicant or participant who makes a false statement or  
26 misrepresentation knowing it is false, or who knowingly fails to disclose a material  
27 fact, in order to obtain or increase assistance or services under this chapter is ineligible  
28 to receive assistance under this chapter for a period of not less than one nor more than  
29 12 months, as determined by the department, unless a disqualification set out at  
30 AS 47.27.015(b) applies. An Alaska family independence program applicant or  
31 participant who is determined ineligible for a third or subsequent time under this

1 subsection may be permanently disqualified from receiving assistance or services under  
2 this chapter.

3 (b) An Alaska family independence program applicant or participant who,  
4 without good cause, fails to comply with a condition of the family self-sufficiency plan  
5 or who fails to participate in work activities required as a part of the Alaska family  
6 independence program is subject to a reduction in assistance and services as  
7 determined under regulations adopted by the department.

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

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

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

23 Sec. 47.27.090. DEFINITIONS. In this chapter,

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

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

31 (3) "child support" includes court-ordered or administratively ordered

1 child support, medical support, and spousal support;

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

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

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

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

8 (A) has not attained

9 (i) 18 years of age; or

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

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

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

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

20 \* Sec. 3. AS 15.07.055(a) is amended to read:

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

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

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

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

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

1 \* Sec. 4. AS 23.10.055 is amended by adding a new paragraph to read:

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

7 \* Sec. 5. AS 25.20.050(f) is amended to read:

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

15 \* Sec. 6. AS 25.27.040(a) is amended to read:

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

25 \* Sec. 7. AS 25.27.060 is amended by adding new subsections to read:

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

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

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

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

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

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

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

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

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

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

(g) An order of support against a child's grandparent under (e) of this section and a grandparent's duty to support a child under (f) of this section is terminated, without the need for obtaining a modification of a child support order, when one of the child's parents reaches the age of majority or has the disabilities of minority removed under AS 09.55.590, whichever occurs earlier. However, to the extent that a grandparent may have accrued arrearages, the grandparent remains an obligor subject to this chapter.

\* Sec. 8. AS 25.27.065(b) is amended to read:

(b) When the right to receive child support has been assigned to a governmental entity, an agreement under (a) of this section that has not been adopted

1 as an administrative order of the agency is not effective during a period when the  
2 obligee is receiving assistance under AS 47.07 or AS 47.27 [AS 47.25.310 -  
3 47.25.420].

4 \* Sec. 9. AS 25.27.120(a) is amended to read:

5 (a) An obligor is liable to the state in the amount of assistance granted under  
6 AS 47.07 and AS 47.27 [AS 47.25.310 - 47.25.420] to a child to whom the obligor  
7 owes a duty of support except that, if a support order has been entered, the liability  
8 of the obligor for assistance granted under AS 47.27 [AS 47.25.310 - 47.25.420] may  
9 not exceed the amount of support provided for in the support order, and, if a medical  
10 order of support has been entered, the liability of the obligor for assistance granted  
11 under AS 47.07 may not exceed the amount of support provided for in the medical  
12 order of support.

13 \* Sec. 10. AS 25.27.125(b) is amended to read:

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

18 \* Sec. 11. AS 25.27.130(c) is amended to read:

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

22 \* Sec. 12. AS 25.27.130(d) is amended to read:

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

30 \* Sec. 13. AS 25.27.130(e) is amended to read:

31 (e) After payment to the obligee under (d) of this section, the state may retain

1 an amount not to exceed the total unreimbursed assistance paid on behalf of the  
2 obligee under AS 47.07 or AS 47.27 [AS 47.25.310 - 47.25.420].

3 \* Sec. 14. AS 25.27.130(f) is amended to read:

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

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

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

13 \* Sec. 16. AS 25.27 is amended by adding new sections to read:

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

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

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

1 licensing entity.

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

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

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

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

1 send a release to the appropriate licensing entity and the applicant if any of the  
2 following conditions is met:

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

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

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

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

27 (h) An applicant is required to act with diligence in responding to notices from  
28 the licensing entity and the agency with the recognition that the temporary license  
29 granted under (d) of this section will lapse after 150 days and that the agency and,  
30 where appropriate, the court must have time to act within that 150-day period. An  
31 applicant's delay in acting, without good cause, that directly results in the inability of

1 the agency to complete a review of the applicant's request or the court to hear the  
2 request for judicial relief within the required period does not constitute the diligence  
3 required under this section that would justify the issuance of a release.

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

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

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

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

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

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

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

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

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

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

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

30 (q) In this section,

31 (1) "applicant" means a person applying for issuance or renewal of a

1 license;

2 (2) "license"

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

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

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

11 (iii) teacher certificate under AS 14.20;

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

14 (v) asbestos worker certification under AS 18.31;

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

16 (vii) certificate of fitness under AS 18.62;

17 (viii) hazardous painting certification under AS 18.63;

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

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

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

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

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

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

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

31 (B) Does not include

1 (i) a vessel license issued under AS 16.05.490 or  
2 16.05.530;

3 (ii) a commercial fishing license under AS 16.05.480,  
4 including a crew member fishing license;

5 (iii) an entry permit or interim-use permit issued under  
6 AS 16.43;

7 (iv) a license issued under AS 47.35;

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

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

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

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

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

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

27 Sec. 25.27.246. ADVERSE ACTION AGAINST DELINQUENT OBLIGOR'S  
28 DRIVER'S LICENSE. (a) The agency shall compile and maintain a list of obligors  
29 who have a driver's license and are not in substantial compliance with a support order  
30 or payment schedule negotiated under (f)(1) of this section. The list must include the  
31 names, social security numbers, dates of birth, and last known addresses of the

1 obligors. The list shall be updated by the agency on a monthly basis.

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

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

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

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

31 (f) If a licensee wishes to challenge being included on the list, the licensee

1 shall submit to the agency a written request for review within 30 days after the notice  
2 under (b) of this section was personally delivered or postmarked by using the form  
3 developed under (d) of this section. Within 30 days after receiving a written request  
4 for review, the agency shall inform the licensee in writing of the agency's findings.  
5 The agency shall immediately send a release to the department and the licensee if any  
6 of the following conditions is met:

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

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

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

28 (4) the licensee has obtained a judicial finding of substantial  
29 compliance.

30 (g) A licensee is required to act with diligence in responding to notices from  
31 the agency with the recognition that the person's driver's license will be suspended

1 after 150 days or that a subsequent license will not be issued and that the agency and,  
2 where appropriate, the court must have time to act within that 150-day period or before  
3 the subsequent license is needed, as applicable. A licensee's delay in acting, without  
4 good cause, that directly results in the inability of the agency to complete a review of  
5 the licensee's request or the court to hear the request for judicial relief within the  
6 required period does not constitute the diligence required under this section that would  
7 justify the issuance of a release.

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

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

30 (1) whether there is a support order or a payment schedule on  
31 arrearages;

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

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

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

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

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

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

22 (n) In this section,

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

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

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

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

29 (5) "substantial compliance with a support order or payment schedule"  
30 means that, with respect to a support order or a negotiated payment schedule under (f)  
31 of this section, whichever is applicable, the obligor has no more than \$2,500 past due

1 and has cumulatively paid an amount equal to or greater than the amount due for eight  
2 months during the past 12 months; with respect to a support order or payment schedule  
3 that has been in effect for less than one year, "substantial compliance" means that the  
4 obligor has no more than \$2,500 past due and has cumulatively paid an amount equal  
5 to or greater than 67 percent of the amount due during the period the support order or  
6 payment schedule has been in effect.

7 \* Sec. 17. AS 36.30.850(b)(11) is amended to read:

8 (11) agreements with providers of services under AS 44.47.250;  
9 AS 47.07; AS 47.08; AS 47.10; AS 47.17; AS 47.24; AS 47.25.130(b); and AS 47.27  
10 [AS 47.25.195 AND 47.25.310];

11 \* Sec. 18. AS 39.25.110 is amended by adding a new paragraph to read:

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

15 \* Sec. 19. AS 44.19.626(a) is amended to read:

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

21 \* Sec. 20. AS 44.29.020(a) is amended to read:

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

- 24 (1) maternal and child health services;  
25 (2) preventive medical services;  
26 (3) public health nursing services;  
27 (4) nutrition services;  
28 (5) health education;  
29 (6) laboratories;  
30 (7) mental health treatment and diagnosis;  
31 (8) management of state institutions, except for adult penal institutions;

1 (9) medical facilities;

2 (10) adult public assistance;

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

5 (12) child welfare services;

6 (13) general relief; and

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

8 \* Sec. 21. AS 44.47.280 is amended to read:

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

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

14 (2) number of children in the family;

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

17 (4) [REPEALED

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

19 \* Sec. 22. AS 47.05.010(1) is amended to read:

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

23 \* Sec. 23. AS 47.05.010(2) is amended to read:

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

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

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

1 assistance;

2 \* Sec. 25. AS 47.05.030 is amended to read:

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

14 \* Sec. 26. AS 47.05.080(a) is amended to read:

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

21 \* Sec. 27. AS 47.07.020(b)(1) is amended to read:

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

28 \* Sec. 28. AS 47.07.020(b)(7) is amended to read:

29 (7) persons under age 21 who are receiving active treatment in a  
30 psychiatric hospital and who are financially eligible as determined by the standards of  
31 42 U.S.C. 601 - 615 (Title IV-A, Social Security Act, Temporary Assistance for

1 Needy Families) or a federal program designated as the successor to the aid to  
2 families with dependent children program [AID TO FAMILIES WITH  
3 DEPENDENT CHILDREN)];

4 \* Sec. 29. AS 47.07.035(26) is amended to read:

5 (26) individuals under age 21 who are not eligible for benefits under  
6 the federal Temporary Assistance for Needy Families [AID TO FAMILIES WITH  
7 DEPENDENT CHILDREN] program, or a federal program designated as the  
8 successor to the aid to families with dependent children program, because they are  
9 not deprived of one or more of their natural or adoptive parents;

10 \* Sec. 30. AS 47.25.130(b) is amended to read:

11 (b) The department may enter into contracts or [COMPETITIVELY  
12 AWARDED] group service agreements with providers or municipalities, and may  
13 require needy persons under AS 47.25.120 - 47.25.300 to obtain services from these  
14 designated providers. The department may establish by regulation program  
15 standards designed to meet local circumstances for services provided under  
16 contracts or group service agreements entered into under this subsection.

17 \* Sec. 31. AS 47.25.310, 47.25.320, 47.25.330, 47.25.340, 47.25.345, 47.25.350, 47.25.360,  
18 47.25.365, 47.25.370, 47.25.380, 47.25.395, 47.25.400, 47.25.410, 47.25.420, 47.25.421,  
19 47.25.423, 47.25.425, 47.25.427, and 47.25.429 are repealed.

20 \* Sec. 32. COURT RULE CHANGE. (a) AS 25.27.060(e) - (g), added by sec. 7 of this  
21 Act, have the effect of amending Alaska Rule of Civil Procedure 90.3 by requiring  
22 consideration of the income of the grandparents of a child when determining a child support  
23 obligation under certain circumstances and by providing that a child's grandparents are  
24 obligated to support the child under certain circumstances.

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

29 \* Sec. 33. REPORT. (a) In furtherance of the public policy of increasing child support  
30 enforcement and collections, on or before January 1, 1999, the child support enforcement  
31 agency shall make a report to the governor based on data collected by the licensing entities

1 and the agency in a format prescribed by the agency. The report must contain

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

4 (2) the number of delinquent obligors who also were applicants or licensees  
5 subject to AS 25.27.244 - 25.27.246, enacted by sec. 16 of this Act;

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

10 (4) the number of licenses under AS 28.15 that were suspended under  
11 AS 25.27.246 and the number of licenses under AS 28.15 that were reinstated following  
12 receipt by the Department of Public Safety of releases under AS 25.27.246 by July 1, 1998;  
13 and

14 (5) the costs incurred in the implementation and enforcement of AS 25.27.244  
15 - 25.27.246, enacted by sec. 16 of this Act.

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

21 \* **Sec. 34. WAIVER OF AID TO FAMILIES WITH DEPENDENT CHILDREN**  
22 **PROGRAM REQUIREMENTS.** (a) If the federal aid to families with dependent children  
23 program has not been repealed by October 1, 1996, the Department of Health and Social  
24 Services may implement changes to the aid to families with dependent children program,  
25 notwithstanding the provisions of AS 47.25.310 - 47.25.429, that are consistent with the  
26 Alaska family independence program, established in sec. 2 of this Act, by operating waiver  
27 projects with the approval of the federal government. All waiver projects must be within the  
28 scope of the program set out at sec. 2 of this Act and must be designed to promote family  
29 self-sufficiency.

30 (b) If the federal aid to families with dependent children program has not been  
31 repealed by October 1, 1996, the Department of Health and Social Services shall report to the

1 governor its recommendation for changes in its statutory authority that are needed to address  
2 conflicting legal authority to operate the waiver projects.

3 \* Sec. 35. COOPERATION. State agencies designated by the governor shall cooperate  
4 with the Department of Health and Social Services to the extent necessary to implement  
5 waivers under sec. 34 of this Act.

6 \* Sec. 36. IMMUNITY FROM LIABILITY. (a) The Department of Health and Social  
7 Services, and its employees, agents, and grantees, are not liable for civil damages as a result  
8 of an act or omission in the implementation, operation, or administration of an authorized  
9 waiver project under sec. 34 of this Act.

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

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

14 \* Sec. 37. REGULATIONS FOR WAIVER PROGRAMS. The Department of Health and  
15 Social Services may adopt regulations necessary to implement sec. 34 of this Act. The  
16 regulations adopted by the department may include

17 (1) eligibility criteria for waiver projects that differ from eligibility  
18 requirements in AS 47.25.310 - 47.25.429 and the regulations adopted under those statutes;

19 (2) exemptions from requiring participation in the projects because of  
20 exceptional circumstances;

21 (3) provisions for financial or nonfinancial sanctions for applicants who fail  
22 to cooperate with project requirements or a provision of a plan; and

23 (4) additional program standards and procedures to implement or interpret sec.  
24 2 of this Act in order to promote family self-sufficiency.

25 \* Sec. 38. TRANSITION. (a) The Department of Health and Social Services, the  
26 Department of Revenue, child support enforcement agency, and any department that issues a  
27 license affected by sec. 16 of this Act may proceed to adopt regulations necessary to  
28 implement this Act. Regulations to implement a provision of this Act take effect under  
29 AS 44.62 (Administrative Procedure Act), but not before the effective date of the relevant  
30 provision of this Act.

31 (b) Regulations adopted by the Department of Health and Social Services under the

1 authority of AS 47.25.310 - 47.25.420 before the effective date of secs. 2 and 37 of this Act  
2 remain in effect, and may be implemented and enforced to the extent that the regulations are  
3 not inconsistent with AS 47.27, until the department has made regulation changes under  
4 AS 44.62 (Administrative Procedure Act) to conform to this Act.

5 (c) An application for assistance filed under AS 47.25 remains effective as an  
6 application for the Alaska family independence program following the effective dates of  
7 secs. 2 and 37 of this Act and until the Department of Health and Social Services requires a  
8 new application with the development of the family self-sufficiency plan; new applications  
9 shall be required no later than one year following the effective date of sec. 2 of this Act.

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

14 \* Sec. 39. Section 38(a) of this Act takes effect immediately under AS 01.10.070(c).

15 \* Sec. 40. Sections 1 - 6, 8 - 15, and 17 - 31 of this Act take effect October 1, 1996,  
16 except that if the federal law providing for the aid to families with dependent children  
17 program has not been repealed by that date, those sections take effect on the first day after  
18 October 1, 1996, that the repeal of the federal aid to families with dependent children program  
19 is effective. The commissioner of health and social services shall notify the revisor of statutes  
20 and the lieutenant governor of the effective date of the repeal of the federal law providing for  
21 the aid to families with dependent children program.

22 \* Sec. 41. Sections 7, 16, 32 - 37, and 38(b) - (d) of this Act take effect October 1, 1996.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

March 22 1996

**SUBJECT:** Sectional Analysis of CSSB 206(CRA), a bill relating to welfare reform and other matters. (Work Order No. 9-GS2006\C)

**TO:** Senator John Torgerson  
Attn: Deb Davidson

**FROM:** Terri Lauterbach  
Legislative Counsel

Enclosed is the CS you requested for SB 206. You have also requested that I send to you a description of potential legal problems or needs for clarification that remain in the CS. That is the purpose of the rest of this memo.

## DISCUSSION

**Section 1.** The section states the purposes behind the entire bill. I would advise separation (or repetition) of the purposes of the AFIP in a codified section of law because of the use of the phrase "consistent with state objectives" in AS 47.27.005(4) and use of the phrase "purposes of this chapter" in AS 47.27.055(c). The "state objectives" and purposes of the chapter need to be stated in order to guide the state agencies' actions under AS 47.27.005(4) and AS 47.27.055(c). (Alternative: AS 47.27.005(4) and AS 47.27.055(c) could refer to the objectives stated in AS 47.27.005(2) if those are the intended objectives.)

**Section 2.** This section enacts what is called the "Alaska Family Independence Program (AFIP)", which is intended to replace the current AFDC program.

Sec. 47.27.005 sets out the duties of the Department of Health and Social Services. The department is given broad authority to establish program standards to meet state goals and to ensure consistency with federal requirements under any federal program that is a successor to the current AFDC program. A clarification is needed in AS 47.27.005(3) which directs the department to "provide education and health-related services and referrals to reduce the number of out-of-wedlock births in the state." Unless this duty is limited to AFIP applicants and recipients, it could be argued that this duty is beyond the scope of the bill title and beyond the constitutional requirement to limit the bill to a single subject. Also, as mentioned above under the discussion of sec. 1 of the bill, AS 47.27.005(4) should be clarified by adding a reference or description of the "state objectives" that the state plan must

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be "consistent" with. There should also be consistency in the references to whatever federal program succeeds AFDC. For instance AS 47.27.005(3) refers to TANF or any successor federal law, but AS 47.27.005(6) and several other places in the bill refer only to TANF. The TANF does not exist yet, and, by the time the federal government does pass a welfare reform measure, it may very well have a different name. The bill should either be rewritten so that it doesn't refer specifically to TANF or there should be a definition of "TANF" that includes a reference to "any other federal program designated by the federal government as the successor to the aid to families with dependent children program (AFDC)." See secs. 27-29 of this bill for similar phrasing.

Sec. 47.27.010. This section establishes basic statutory eligibility requirements for AFIP assistance. With regard to subsection (a), the eligibility of foster children is unclear. As I understand, AFDC currently does cover at least some foster children. Subsection (a) appears to require only under paragraph (2) that the dependent child be related to an adult in the household, but I'm not sure that was intentional. Paragraphs (1) and (4) may need clarification as to whether the children must be related to the "parents" in the household, or to at least one of the parents, unless, of course, these paragraphs were meant to allow for foster children to be eligible under the AFIP program.

Subsection (b) has potential legal problems that may be solvable through clarifying amendments. It allows the department to "limit the eligibility of two-parent families" and "adjust the assistance and service provided to two-parent families." The "limits" and "adjustments" are supposed to take into consideration "the seasonal nature of the economy and the availability of work in this state." According to the DHSS Fiscal Note Summary and Explanation (1/5/96), (hereinafter referred to as the "DHSS fiscal note") the Administration "plans to use this authority to reduce payments to families that include two able-bodied parents by 50 percent during the months of July, August, and September when work is available." This proposed plan of the Administration does not require inclusion of the phrase "limit the eligibility of two-parent families." The plan only proposes that there be an adjustment of the assistance levels. Deletion of the phrase "limit the eligibility of two-parent families" would help avoid the potential legal problem posed by giving the department this authority without sufficient legislative guidelines. At the very least, it should be clarified in statute what kinds of findings must be made by the department before it may "limit" the eligibility of two-parent families. Limiting the eligibility of the family could be construed by this Administration or future Administrations to allow total withdrawal of benefits without any consideration of whether seasonal jobs are available to particular recipients and whether particular participants are qualified for them. The phrase "adjust the assistance and service" also needs clarifying. While the Administration plans to adjust downward, the statute would also allow upward "adjustments." As in connection with the phrase "limit the eligibility," there should also be a statutory clarification of the findings that must be made by the department before the assistance to two-parent families can be "adjusted." It should also be clarified whether this "adjustment" is intended by the legislature to be for the whole category of two-parent families or only when the department determines for a particular family that work is available and an adult in the family is

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qualified to perform it. Without these clarifications, there is a high potential for litigation challenging the department's authority.

Even with the clarifications suggested above, there will remain a potential legal problem with this subsection - denial of equal protection. The department will need to be able to justify applying these limits and adjustments only to two-parent families. Presumably, extra work is also available to one-parent families during certain seasons of the year. Evidence as to the availability or unavailability of child care may bear on this issue. Perhaps the differential treatment can be justified. This memo merely points out that some justification must be made.

Sec. 47.27.015. This section sets out conditions under which a family will be disqualified from receiving AFIP assistance. They include a 60-month cumulative time limit for adults, with an exception for situations where disqualification "would impose an unreasonable hardship on the family" as determined by the department. Other disqualifying factors are fleeing to avoid prosecution or custody for a felony, up to 10 years of disqualification for misrepresentation of residence in order to receive benefits from more than one state, and up to six months of disqualification if the family's need is due to refusal of an adult in the family to work at suitable employment without good cause. In order to avoid a potential legal challenge to possibly unequal application of these provisions, subsections (b) and (c) should be clarified as to the factors that should be used by the department in deciding how much of a penalty to impose within the 10-year and six-month maximums allowed.

Sec. 47.27.020. Subsection (d) pertains to child support and paternity establishment. The first sentence is redundant with AS 47.27.040 except that it fails to repeat the "good cause" exception found in AS 47.27.040(b). Clarification is needed here. Either the redundancy should be eliminated or the "good cause" exception should be added to AS 47.27.020(d).

Sec. 47.27.025. Subsection (a) provides that "assistance for basic living expenses" will be provided to eligible families. Under the definition in AS 47.27.090, the department is allowed to give this assistance in the form of cash, vouchers, or vendor payments. The statute is not clear on the circumstances under which the different forms of assistance will be granted. This should be clarified with some legislative direction. This section also states that "each dependent child in the family is eligible for assistance." However, AS 47.27.015(a)(1), discussed above, disqualifies families that contain an adult who has received 60 months of assistance, so I'm not sure what this phrase in AS 47.27.025(a) is intended to mean. Dependent children in a family that includes an adult who received 60 months of assistance will not receive assistance even if the adult's period of assistance involved different children, unless the department applies the "hardship" exception in AS 47.27.015(a)(1).

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Subsection (c) provides that the department may provide additional assistance as work-related services or referrals to eligible families. While the term "self-sufficiency services" is a term defined in AS 47.27.090, that is not the term used here. The list of work-related services in this subsection appears to be a combination of the defined terms "self-sufficiency services" and "work activities." If the term "self-sufficiency services" is not used, its definition should be eliminated in AS 47.27.090.

This section takes effect October 1, 1996, according to sec. 40 of the bill. However, the DHSS fiscal note states that the revised standards for determining eligibility and setting a new earned income disregard will be implemented beginning January 1, 1997. The bill or the fiscal note should be amended so that the dates are the same.

Sec. 47.27.026. This section provides the option of "diversion payments" as one-time cash outlays to help families stay off of continuing assistance by meeting some specific short-term needs. In subsection (c), there is a reference to "AS 47.27.020" which I am not sure is correct. I think a more accurate reference would be "AS 47.27.025" where the assistance amounts are set out. This subsection should also be clarified as to whether the maximum diversion payment is related only to what the family would have received for "basic living expenses" or if it also includes the value of assistance the family would have received in work-related services under AS 47.27.025(c), such as child care assistance.

Subsection (f) needs clarification. It says that AS 47.27.026 supersedes AS 25.27.120 and 25.27.130 if there's inconsistency. My guess is that this is merely supposed to implement subsection (d)(2) under which the family gets to keep child support payments. However, litigation might be required before you could be sure whether it might also be construed to mean that a child support obligor is not liable to the state for the value of a diversion payment made to his or her impoverished family because it was not "regular" AFIP assistance. It would be wise to ward off that litigation by clarifying this subsection. Distinguishing between the aspects of AS 25.27.120 and 25.27.130 that relate to the state's right of subrogation and the state's right to sue a child support obligee for the assistance would probably do the trick.

Sec. 47.27.027 requires minors to live with adults and attend secondary school in order to receive assistance under AS 47.27.020. There is no reference to assistance under AS 47.27.026 (diversion payments). It is not clear whether the lack of a reference to AS 47.27.026 means that a minor can receive a diversion payment without living with an adult or going to secondary school or if the intent is that minors are not eligible for diversion payments. If the latter is the case, then AS 47.27.026 should say so. The secondary school requirement applies regardless of whether the minor is mentally capable of secondary school or not. You might wish to review whether this is appropriate.

Sec. 47.27.030 requires "AFIP participants" to cooperate in developing a family self-sufficiency plan. It is not clear whether this requirement applies to families that receive a diversion payment under AS 47.27.026, and, because of the use of the term "family," it is also not clear whether this requirement applies to assistance to minors under AS 47.27.027

or to pregnant women who do not have other dependent children. Subsection (a)(2) refers to "employment-related services." This term is not defined. Does it mean "self-sufficiency services?" It should be clarified.

Subsection (c) allows the department to exempt families from the plan requirement, but it does not give any legislative guidelines for this exemption power. To avoid potential legal challenges concerning whether this is excessive delegation of legislative power, some statutory guidelines should be added here.

Sec. 47.27.035. This section allows the department to assign "AFIP participants" to work activities. The section is not restricted to adults. If it is meant to be restricted to adults, it should say so. Subsections (b) and (c) contain statutory exemptions from this work requirement. Subsection (a) also seems to allow the department to adopt other exemptions under regulations. This is another place where there may be insufficient statutory guidance for the department's regulations, opening the department to potential litigation of that issue.

Subsection (c) provides that AFIP recipients assigned to work activities are not public employees for purposes of AS 23.40.070 - 23.40.260 (Public Employment Relations Act) and stipulates that collective bargaining contracts under the PERA may not be construed to interfere with participation in work activities under this section. This looks like an attempt to make issues relating to "workfare" participation nonnegotiable under PERA. If that is correct, an appropriate reference needs to be added at AS 23.40.075. In addition, the wording of this subsection and the reference added at AS 23.40.075 should be clarified. Is a bargaining unit only prohibited from trying to bargain over whether any "workfare" participants can be assigned to perform duties in any particular agency or in any particular job classes? Or is a bargaining unit also prohibited from trying to contract to avoid losing state positions because some duties are taken over by "workfare" participants? The ambiguous phrase in this subsection is "interfere with participation in the work activities authorized under this section."

Sec. 47.27.040. Subsection (b) contains a "good cause" exception relating to cooperation in establishing paternity and collecting child support. As noted above, AS 47.27.020(d) also contains a cooperation requirement but lacks this "good cause" exception. One of these provisions needs to be amended so that there is no conflict between the two provisions.

Subsection (c) allow DHSS to distribute up to \$50 of child support to the AFIP family. However, there are no legislative guidelines for the department's discretion. To ensure fair implementation and give policy guidance, there should be some indication of the circumstances under which DHSS is required to distribute child support to the family and under what circumstances the distribution will be \$10 or \$30 or the full \$50. Otherwise, this subsection is a likely candidate for clarification through litigation.

Sec. 47.27.050. This section should be clarified as to whether the grants and contracts it authorizes are exempt from the competitive bid requirements of the AS 36.30 (state procurement code). The references to AS 47.05.015, which is a section that does

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exempt contracts authorized under AS 47.05.015 from the competitive bid requirements of the state procurement code, may not be sufficient to expand the procurement code exemption to cover grants and contracts authorized under AS 47.27.050 (because they are not authorized under AS 47.05.015). For clarity and to avoid future litigation, AS 47.27.050 should have its own procurement code exemption rather than relying on the one in AS 47.05.015 and it should be mentioned in AS 36.30.850(b).

Sec. 47.27.055. Subsection (b) should include a reference to AS 09.25.110 - 09.25.125 because that is the usual practice in provisions limiting public inspection of records.

Sec. 47.27.065. Subsection (a) should be amended so that it is not limited to obtaining "block grants." We do not, at this time, know if block grants will be what the federal government offers. Even if block grants are eventually available, the department should probably have the flexibility to seek other money or resources, too. A better phrase would be "money or other resources available from the federal government for implementation of this chapter."

Subsection (b) would allow amendment of the AFIP program by adoption of regulations contrary to the law governing the program. While there are some stipulations attached, I'm not sure they are sufficient to make this provision constitutional. The power to enact laws is the prerogative of the legislature. While the legislature may enact a law that allows a department to adopt regulations that further define or make more specific that law, it is highly questionable whether the legislature may give up its constitutional power to enact laws by allowing regulations to be contrary to the laws it enacts.

Sec. 47.27.075. This section points out a terminology conflict relating to the use of the "AFIP" acronym throughout the bill. While I am fairly sure that money in the emergency account established under this section is intended to include use for diversion payments under Sec. 47.27.026, the provisions of Sec. 47.27.026 itself refer to diversion payments as if they are separate from AFIP assistance. See, for instance, Sec. 47.27.026(b) which says the family can either have an AFIP application processed or it can apply for a diversion payment after its AFIP application is denied.

Assuming passage of this legislation, my guess is that AS 47.27 will consistently be thought of as the AFIP. So, the best course of action for clarifying the relationship between the AFIP and diversion payments would probably be to clarify the use of terms in AS 47.27.026, so that diversion payments are part of the AFIP program, just a different form of assistance.

It is important that some clarification be made, not only because of the emergency account language, but because of other sections of Alaska Statutes that will have references to the AFIP. It needs to be clear, for instance, whether diversion payments are recoverable from a person who is delinquent in child support payments or if the child support obligor is only responsible for the value of ongoing AFIP assistance.

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Sec. 47.27.085. This is another situation where it needs to be clear whether a person who receives a diversion payment under AS 47.27.026 is an "AFIP applicant or participant" or whether diversion payments are separate from the AFIP program.

This is also another section that gives the department flexibility without legislative guidance. Subsection (a) allows the department to impose from one to 12 months of ineligibility without stating the factors the department should use in determining the extent of a sanction in any particular case. Subsection (b) allows a "reduction" in assistance and services for failure to comply with a self-sufficiency plan without limiting the amount of potential reduction or describing the factors the department must consider when determining the amount of the reduction in any particular case. Subsection (c) allows a "reduction or limitation" in assistance for failure to cooperate in paternity and child support procedures without placing a limit on the amount of reduction or limitation (is a limitation different from a reduction?) and without describing the factors that must be considered by the department when determining the amount of the reduction or limitation that will be imposed in any particular case.

Sec. 47.27.090. Paragraph (1) defines "assistance for basic living expenses" as assistance provided "under the AFIP." This is another place where it needs to be clear whether diversion payments under AS 47.27.026 are a form of assistance "under the AFIP" or something else.

Paragraph (7) defines "dependent child." It does not limit the definition to unemancipated children. Is this intentional? Can an AFIP include a child whose disabilities of minority have been removed under AS 09.55.590 but who later moves back into the family home?

Paragraph (8) defines the term "self-sufficiency services." As noted in other parts of this memo, this term is not consistently used in the AFIP program. Other terms used are "work-related services" in Sec. 47.27.020(c) and "employment-related services" in Sec. 47.27.030(a)(2). At best, these inconsistencies are confusing. At worst, they imply a difference that will have to be litigated to clarify. It would probably be better to clarify the bill itself so that the policy choices are clearly established as to what services the department is authorized or directed to offer.

Section 17. This section may make the bill unconstitutional because of a violation of the single subject rule by including a provision relating to the general relief program. In order to satisfy the single-subject requirement, it is the opinion of this office that the bill must be restricted either to (A) statutes relating to children (AFIP, child support, day care) or (B) public assistance (in which case the general relief provision of sec. 17 could be included but the child support provisions in secs. 7 and 16 and the day care change in sec. 21 would have to be excluded because they affect people who are not receiving public assistance).

Sections 27 - 29. These sections make conforming amendments to Medicaid laws to add references to the new AFIP program and to whatever federal program succeeds AFDC on the federal level. These conforming amendments are made in paragraphs (1), (7), and (26)

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of AS 47.07.020(b). It appears to me that paragraphs (5), (8), and (9) of AS 47.07.020(b) should have the same types of amendments made to them, and it is probably a drafting oversight that they are not included in the bill.

**Section 30.** This is another section related to the general relief program. Its inclusion probably makes the bill violate the single-subject rule. Please see discussion under **Section 17** above.

**Section 34.** This section is the "fall-back" plan if AFDC is still the applicable federal law on October 1, 1996. It allows (but does not direct) DHSS to pursue waivers to operate welfare reform "within the scope" of the AFIP provisions in sec. 2 of the bill. The legislature may wish to clarify what "within the scope" means and whether the waivers sought must be for statewide programs or can be limited geographically. (It is my understanding of current waiver procedures that even a "statewide" waiver program must have control groups of AFDC recipients to which the new provisions would not apply so that the effect of the changes can be assessed. Whether the federal implementation of the waiver process will change to allow truly "statewide" programs under a waiver remains to be seen.)

**Sections 35 - 41.** No comments at this time, except to repeat that the October 1, 1996, effective date in sec. 40 does not match all of the implementation dates in the DHSS fiscal note.

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Please let me know if this memo prompts additional questions on which I can be of assistance.

TML:klb:lmb:pl  
96-216.klb

Enclosure

# Alaska State Legislature

Committee Chair  
Community & Regional Affairs

Committee Vice-Chair  
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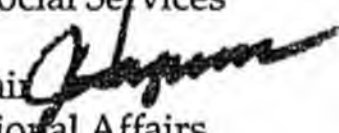
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*Senator John Torgerson*

## MEMORANDUM

February 22, 1996

**TO:** Elmer Lindstrom, Special Assistant  
Department of Health and Social Services

**FROM:** Senator John Torgerson, Chair   
Senate Community and Regional Affairs

**RE:** Senate Bill 206, Welfare Reform: Points for Clarification

There have been several issues and questions raised regarding Senate Bill 206 and what it actually does. Listed below are the general concerns expressed, followed by specific issues. Please provide information on the department's perception of how these issues are addressed by the bill.

The Alaska Family Independence Program will replace AFDC and the current JOBS program. SB 206 allows the state to contract with or award grants to municipalities or other entities to administer the program or part of the program. It also has provisions for contracting with Native organizations.

The bill is based on the assumption that there will be a change in federal law. This change presumably would provide block grants to states to use for their individual programs. If this change is made, no waiver application will be needed to institute the AFIP. If there is no federal change, then the AFIP will be a demonstration program providing a federal waiver is obtained.

One of the main concerns of this legislation is the possibility of 13 separate programs being administered throughout the state. This would seem to invite a large duplication of services with an unnecessarily high

administrative cost. Additionally, there is no explanation of how local governments or other entities would administer or participate in the program, or how the "information sharing" provisions of the bill would be implemented.

One of the problems identified with the current program is that the current program doesn't benefit rural areas. If this is true, wouldn't non-Natives living in rural Alaska benefit better from the Native program and wouldn't Natives living in urban areas benefit better from the state program? Is there a way that this could be accomplished without implementing yet another program?

The bill lists criteria for eligibility of parents and guidelines for disqualification. How will children whose parents are disqualified be dealt with?

### Local Governments

How will this bill affect local nonprofits and local governments? The bill seems to list the following as possible components that local governments could administer:

- provide assistance with basic living expenses (approving client purchases and paying the vendor)
- determine eligibility following state guidelines
- establish, with client, a family self-sufficiency plan (work plan, education plan, child care, etc.)
- assign work activities as part of a self-sufficiency plan
- provide work-related services or referrals such as community service work assignments, employment testing/counseling, job readiness assessments and training, job referral and search, educational/vocational training, child care assistance, family planning services, other services facilitating the return to work.

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- determine eligibility for lump-sum diversion payment (for those who are ready for work and just need help until they've been on the job a while)

Assuming that Title 29 is amended to give municipalities this power, realistically, can they administer the program and how can they do it? The department said that the purpose of the bill is to allow the flexibility for involvement by local governments. They assume there would have to be local interest first in administering the program before it was contracted out. Understanding that, it is still uncertain how the local governments could actually participate. Would the amendment to Title 29 be broad enough to cover the authorization for contracting with local governments for General Relief Assistance, which SB 206 authorizes?

What type of assurances will the local government receive that if they take over the program, the funding will be consistent and not decreased down the road with the expectation that the local governments will pick up the slack? How will "community" be defined under this bill? What is the definition of "qualified entities" found on page 10, line 19 of the bill?

### Contracting Procedures

Will there be competition in the contracting procedures between local governments, Native organizations and nonprofits to administer the state's portion of the program? In those instances, who will decide the recipient of the contract, and on what basis?

What will the length of the contracts be (is there a chance that administrators will change each year, causing additional costs for set-up, dissolution, etc. of agencies)?

### Native Organizations

Under the federal program changes, it is our understanding that the state would receive a block grant. Would the state then be required to funnel

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part of it through to the 12 native corporations for administration of their programs?

Would the state portion of federal funds be reduced by the portion that goes to Natives? Section 412(a)(1)(A) "In General," seems to indicate that the federal funds would be reduced. If this is true, why would the state then grant part of its share to promote comparable programs especially when this grant would not be subject to state AFIP regulations?

The 12 Native corporations are authorized by federal law to apply for programs. If they choose to apply there will be an agreement between the state/feds/Natives on a "comparable program." Will the state actually have a say in what constitutes a comparable program? Can the state at least require the Native Corporations to operate their program along the same guidelines as the state's? What does the state envision as a comparable program?

Will the Native organizations be able to set up 12 different programs or will there be one program that the feds will approve and the 12 corps can administer that program if they choose?

How many Native organizations within each of the 12 corporations would be eligible to contract the administration of the program with either the state, or the Native corporation receiving the federal block grant?

Who would administer the program to Natives in large communities, or non-Natives in the small communities--would there be 2 programs everywhere?

If the state contracts with the Natives to provide services to non-Natives, will the Natives administer two different programs, or will the non-Natives be served by the Native program and the State match forwarded to the corporation? Will tribal corporations have the same powers/authorities as nonprofits or other contracted entities who might wish to administer the state's portion of the program?

Will Natives in urban areas be able to choose between the state program and the Native program? Who would cover a two-parent family where

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one parent is Native and non-Native? Would the "head of household" or "primary wage earner" rule apply?

What are the numbers of individuals/families served, dollars spent and percentage of state coverage that goes to Natives versus non-Natives?

### **JOBS Program**

Under the current JOBS program, there are apparently three basic components (these seem similar to the "basic living expenses" and part of the "self-sufficiency" plan).

- **Supportive Services:** The client presents a list of what they need (for example, gloves) and a list of where the items can be obtained for what price. The department pays the vendor directly for these services.
- **Tuition Assistance:** The client identifies specific educational needs, and where the classes or education can be obtained. The department pays the educational entity directly.
- **Adult Basic Education:** Provides reading and math skills to at least the 8th grade level. Prefer to bring it up to high school (GED). Also provides "basic life skills", such as the responsibility of a job, coping in the workforce, dealing with the community, etc. This is the program that is contracted out to educational complexes (9th Star Enterprises in Anchorage is an example)

Considering the questions listed under the Local Government category, could all three components be contracted to local governments? That is could local governments be the ones to approve and pay the vendors for the supportive services and/or tuition assistance, or contract with an educational entity to provide Adult Basic Education?

Currently, all 12 Native corporations are providing these services to Natives through 11 programs. Does SB 206 continue in this manner?

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### Revocation of Licenses

Regarding revocation of drivers licenses: How many states are currently doing this? Are there any statistics on its effectiveness?

Regarding revocation of occupational licenses: How many states are currently doing this? Are there any statistics on its effectiveness?

Considering the current Alaska caseload, how many cases would be affected by the revocation of drivers licenses? How many would be affected by the revocation of occupational licenses?

### Administration Costs

The Native organizations testifying at the meeting of February 19 listed various administration costs used by them for on-site, off-site, and flow-through programs. Please provide the administrative costs for each of the 12 organizations. Will the 12 organizations have the ability to pass the administration of their program on to the individual nonprofit village corporations, thereby possibly increasing administrative costs and allowing increased variations of the programs?

For comparison purposes, please estimate what the department envisions as the state's administrative costs.

For the state, as well as entities that may contract to administer parts of the program, what can be done to minimize administrative costs associated with databases, monitoring, reporting requirements, etc.?

Please contact Deb Davidson of my staff with any questions or additional direction you may need regarding your response.

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPT. OF HEALTH AND SOCIAL SERVICES

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DIVISION OF PUBLIC ASSISTANCE  
March 12, 1996

The Honorable John Torgerson  
Senator  
State Capitol  
Rm 427  
Juneau, AK 99811

Dear Senator Torgerson,

In your memorandum dated February 22, 1996, you asked for clarification on a number of points about Senate Bill 206, Governor Knowles' welfare reform legislation. I appreciate the attention you have given this essential legislation.

As you pointed out in your memorandum, the bill is designed to position Alaska to effect the comprehensive program redesign that will be necessary when the Congress and the Clinton Administration act to change the current AFDC and JOBS programs to a federal block grant program and makes the states responsible for designing their own family assistance programs.

At this time, there continue to be strong indications that compromise federal block grant legislation will be enacted before the November elections. Senate Bill 206 and its companion measure House Bill 400 are the only bills before the Legislature that authorize the sweeping changes that will be needed under federal block grants.

Your memorandum broke out several areas of general concern, and the organization of this response generally corresponds to the organization of your query.

### **Local Governments**

As you point out, SB 206 includes language that authorizes DHSS to contract with or award grants to municipalities to administer AFIP (the Alaska Family Independence Program, which replaces the existing AFDC and JOBS programs). This language authorizes grants or contracts to administer a comprehensive AFIP program or a distinct part of the program.

Much of the impetus for including this provision was a near-universal expression of interest in local administration by participants in the community forums we conducted across Alaska last summer and fall. Many of the participants in the community forums told us that they believed that local governments and community non-profit organizations

could do a better job, more effectively and less expensively than the state, of helping welfare families achieve economic self-sufficiency. We recently sent you a copy of our Report on the Welfare Reform Community Meetings.

In Alaska, the AFDC and JOBS programs have historically been exclusively state-administered, with the exception of the Native-operated JOBS programs that started-up in 1989. Current federal law allows city/county administration of AFDC and JOBS but Alaska, lacking a statewide city/county system, has never entertained such an approach. Thirty-two states currently run city- or county-administered systems.

The impending block grant legislation would eliminate the current federal restrictions on locally administered systems. One intention of the Governor's legislation is to allow interested communities to assume some of the responsibility for working with these low-income families, particularly in the area of individual case management.

At this time, the principal activities we foresee local governments undertaking are the provision of work-related services and referrals (in compliance with the self-sufficiency plan that would be developed with the local case manager), and assignment and monitoring of compliance with work activities. For example, last week I met with administrators from the Homer Alternative School. They were very interested in providing case management services for teen parents on AFDC that attended their school. This idea makes great sense. Since the school is more closely involved in the teen's life, a larger role for the school system would be advantageous for us, for the school and most importantly for the teen.

We do not envision local governments taking over responsibility for eligibility determination or the issuance of assistance for basic living expenses, at least in the near future; DHSS handles these functions very efficiently now. Nor do we envision local governments providing the diversion payments, since these payments are inextricably tied to the eligibility determination process. Nonetheless, we wish to leave open the possibility of local governments taking over the entire program in their community if at some future point they present a viable proposal to do so.

Whether local governments could realistically assume administration of AFIP activities depends on many factors, not least of which will be their ability to create efficient operating plans. As you know, the fiscal notes attached to the bill, and the Governor's budget as a whole, hold spending for these programs close to current year levels. Given level funding and the Department's responsibility to assure equitable efforts throughout the state, we will be disinclined to entertain any proposal for local administration that does not provide a set of services that are on par with what DHSS would provide if we retained administrative responsibility.

As you noted, nothing in this legislation or in the Administration's plans would impose any mandate on any municipality to take over any responsibility for the AFIP program.

Numerous administrative details will have to be sorted out between DHSS and any municipality that wishes to enter into an agreement to administer AFIP activities. We need legislation that authorizes us to consider any local approach that promises to help these families integrate into the economic mainstream in their communities.

It will be difficult for DHSS to assure long-term, level funding to local governments. We certainly plan to assure funding in proportion to the work taken over by the local government. Ultimately, budget stability will be required to assure level funding, and re-approval of grants and contracts will be tied to successful performance.

You asked how "community" would be defined under this bill. Please note that the term is used substantively only in the context of "community service work assignments." We do not wish to precisely define the term in this context, since we want a broad range of activities that might benefit "communities" under numerous definitions of the term.

You also asked for a definition of "qualified entities" that could be awarded grants or contracts to administer AFIP activities. We have not yet established a formal definition; we intend to set the basic qualifications by regulation, as authorized in this bill section. We certainly welcome the committee's advice as to appropriate qualifying standards.

### **Contracting Procedures**

We currently procure work-related services under the existing JOBS program authority to award grants and enter into contracts (see AS 47.25.421(c)- copy attached).

Section 17 of SB 206 adds contracts for AFIP services to the list of contract social services that are exempt from competitive bidding requirements. DHSS normally makes the decision on contracts awarded under this provision after surveying several vendors. The exemption under section 17 does not preclude competitive bidding in circumstances where competitive bidding for services is in the state's best interest.

In some instances it will be appropriate to award grants to service providers. We anticipate no significant change in our granting procedures under SB 206. We would continue to award grants under the DHSS grant procedures encoded at 7 AAC Chapter 78. Competition for grants is allowed, though we do not anticipate much competition in Alaska's smaller communities for the kinds of services that will be granted out under Senate Bill 206.

We would most likely follow a general procedure regarding the length of grant awards that sets a two-year standard duration, with a possible one-year extension, subject to sufficient appropriations.

### Native Organizations

Under the federal block grant proposal, specified Alaska Native organizations that submitted and secured federal approval of a plan to administer the AFDC replacement program would receive a proportionate share of federal funds directly from the federal government; these funds would not be passed through the State. The amount of funds paid to the Native organizations would be deducted by the federal government from the amount of the block grant paid to the State. The allocation of amounts paid to each qualified Native organization would be based on the number of Native recipients living each region as a proportion of Alaska's historic AFDC population as a whole.

The State does not propose to grant any of its share of the federal block grant to the Native organizations. Rather, the administration believes that in order to assure comparable programs, appropriations of state AFIP funds must be proportionately shared among the state and Native AFIP programs.

You asked whether the federal law would give the State a say in decisions about the comparability of Native-operated programs and the state program. We would have a say: the federal language requires the federal DHHS to establish program comparability criteria "... in consultation with the State of Alaska and such Indian tribes."

With regard to your question about whether the Native organizations could set up 12 separate programs (actually 13 programs, one for each of the 12 ANCSA regions and one for the Metlakatla Indian Community), the federal language would allow separate programs, but would not preclude proposals that created consortia or common program designs. These decisions would be left to the discretion of the Native organizations and the federal government, with the State in a consulting role.

You raised a number of additional questions about the potential complexities of having both state-operated and Native-operated programs. The answers to many of those questions simply do not exist at this time because the federal government has not taken final action.

The authority for Native-operated programs is in the federal proposal largely because Alaska's congressional delegation supported its inclusion. The Knowles Administration worked on the development of the federal language, as did many of Alaska's Native leaders. We stand ready to work with the Native organizations, the federal government, and the congressional delegation to resolve the many details that will have to be sorted out when Native-operated programs are authorized in federal law. Many of the details cannot be addressed until the federal law changes are in place and the federal Department of Health and Human Services issues the enabling regulations. Others cannot be addressed until the various Native organizations come forward with their proposals. The State has neither the authority nor the ability to predict all of the choices that the Native organizations will make in designing their programs.

It is important to note that the provisions in SB 206 regarding Native- programs are specifically tied to the enactment of federal legislation to authorize Native-operated family assistance. Without enabling federal legislation, these provisions would not be applicable.

You requested information about the proportion of program benefits that go to Alaska Natives. We have enclosed materials that show a detailed breakout of benefits by ethnic categories.

### **JOBS Program**

Senate Bill 206 draws a clear distinction between "basic living expenses" and "work-related services or referrals" under AFIP on page 6, lines 1 - 27 of the bill. In general, the work-related services and referrals correspond to the kinds of services provided under the current JOBS program.

JOBS program components are listed in current law at AS 47.25.425(a). A copy of this statute is enclosed. These components include the components you listed in your query as well as some additional activities.

The current JOBS statutes at AS 47.25.421(c) (copy enclosed) include the authority to contract for the provision of JOBS services to several types of entities, including "other public agencies." Thus, under both current law and the language of SB 206, local governments could approve and pay for work-related services. Nothing in either statutory framework precludes such entities from subcontracting for some services, such as contracting with the local school district to provide Adult Basic Education services.

Currently, federal law has established the authority for Native organizations to operate JOBS in each of the 12 ANCSA regions, plus Metlakatla. These JOBS plans are approved by the federal government, which provides federal funding directly to the Native organizations. The State has no authority over the Native JOBS programs, and SB 206 has no impact on the Native JOBS programs.

### **Revocation of Licenses**

Thirty states currently have laws that revoke drivers licenses for failure to pay child support. Twenty-six states have occupational license revocation laws.

Most of these laws are relatively new and do not have a long track record. Maine reports that it collected over \$32 million in child support in just over two years as a result of its occupational/drivers license law. New York collected over \$2 million in the first six months after implementation.

The Child Support Enforcement Division estimates that the drivers license provisions in SB 206 would affect about 3,500 child support cases and the occupational licensing provisions would affect about 5,000 cases. CSED expects that most effected child support obligors would come into compliance with the law during the 150-day "grace period" before they actually lose their occupational and driving privileges.

### **Administration Costs**

We are unable to respond to your question regarding the administrative costs for the Native organizations since none of them have offered a program proposal. Neither the fiscal notes attached to SB 206 nor the FY 97 Governor's budget break out funds for Native-operated programs. Based on our discussions to date with leaders of the native organizations, we have no reason to believe that any of them would propose to implement a Native-operated program in FY 97. The federal government has not yet issued the rules that will be necessary to define administrative costs for purposes of the block grant program. To attempt to estimate or compare their administrative costs at this point would be speculative and premature.

Federal block grant payments would include both benefit costs and administrative costs based on historical levels. Native organizations would continue to receive the federal JOBS program funds they now receive. A Native organization that was federally approved to operate a family assistance program in its region would be eligible for a prorata share of federal funds and benefit funds, but no distinction is made between these two types of funding in the federal law. We would expect the federal DHHS to regulate in this area to establish an equitable allocation of the block grant monies among state and Native-operated programs.

We are committed to keeping administrative costs as low as possible. The ability to handle efficiently large volumes of data for purposes of program operation, planning, monitoring and evaluation, compliance with federal reporting requirements, and exchange of information among state agencies, local organizations, and Native organizations will be essential. We have developed plans to modify our statewide data processing system to meet the many new demands imposed by welfare reform and increase the efficiency and flexibility of our Eligibility Information System.

### **Conclusion**

I want to thank you and the committee for the interest you have shown in this important legislation. You have raised many good questions about Senate Bill 206 and Alaska's welfare reform planning, most of them at the heart of the committee's responsibility for legislative issues that affect local jurisdictions. Some of the answers simply cannot be known until federal reform is enacted and we engage with the communities and the Native organizations to implement the provisions of this bill.

Senator John Torgerson  
March 12, 1996  
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The Knowles Administration's philosophy on community involvement in welfare reform is embodied in SB 206. The grants to local government and other community organizations are voluntary; we seek the authority for more local control over welfare programs in the communities that want to take on that responsibility. We plan to work with interested communities to develop strategies that will work for all of us and provide a clear track for families to move from welfare dependency to economic self-sufficiency.

We support the Alaska-specific Native set-aside provisions that were included in the federal legislation as a result of the efforts of Congressman Young and Senators Stevens and Murkowski. We look forward to coordinating with interested Native organizations to assure that both state-operated and Native-operated programs operate effectively and efficiently.

Again, thank you for the consideration you have already allowed this legislation. Please contact me at 465-2680 if I can provide any additional information that will help the committee with its deliberations on Senate Bill 206.

Sincerely,



Jim Nordlund  
Director of Public Assistance

Enclosures: Native caseload/cost information  
AS 47.25.425(a)  
AS 47.25.421(c)

cc: Members: Senate Community and Regional Affairs Committee

**Article 3. Job Opportunity and Basic Skills Program (JOBS).**

|  |  |
|--|--|
| <p>Section<br/>421. Authorization to implement program<br/>423. Program participants</p> | <p>Section<br/>425. Program components<br/>427. Program operation<br/>429. Definitions</p> |
|--|--|

**Cross references.** — For legislative findings in connection with the enactment of AS 47.25.421 — 47.25.429, see § 1(b), ch. 128, SLA 1990 in the Temporary and Special Acts.

**Legislative history reports.** — For legislative letter of intent on ch. 128, SLA

1990 (SCS CSHB 171 (HESS)), which enacted AS 47.25.421 — 47.25.429, see 1990 House Journal 2706.

**Collateral references.** — 79 Am. Jur. 2d, Welfare Laws, § 10.

81 C.J.S., Social Security and Public Welfare, §§ 116, 119.

**Sec. 47.25.421. Authorization to implement program.** (a) In order to provide persons receiving aid under AS 47.25.310 — 47.25.420 (Aid to Families with Dependent Children) with incentives, opportunities, and necessary services for employment, training, and participation in the nation's economy and to relieve their dependence on the federal and state social services and welfare system, the department shall administer a program of education, training, and job placement entitled JOBS, Job Opportunity and Basic Skills.

(b) In implementing the program, the department shall

(1) execute on behalf of the state the agreements or contracts with appropriate state and federal agencies that are necessary to enable the state to meet the requirements of federal law;

(2) receive and expend money made available for the program by the state or federal government;

(3) supervise the expenditure of the money and the conduct of the program, ensuring that it complies with state and federal law;

(4) make reports and supply certifications that are required in relation to the program; and

(5) otherwise cooperate with the federal government and its departments and agencies in the administration of the program.

(c) The department may carry out the program directly or through arrangements or under contracts with administrative entities involved with the Job Training Partnership Act (P.L. 97-300), as amended, with state and local education agencies, and with other public agencies or private organizations, including community-based organizations acceptable under federal regulations. The department shall contract for services under the program when feasible and in the state's interest. The department may adopt regulations to govern the operation of the program components that are operated under contract by other entities. Whether the department operates the program di-

rectly or through contract, the department shall coordinate the program with programs operated in the state under the Job Training Partnership Act and with other relevant employment, training, and education programs available in the state, including programs operated by Indian or Native organizations that receive grants from the federal government to operate their programs under 42 U.S.C. 682(i) and programs operated or funded by the State Job Training Coordinating Council in the Department of Community and Regional Affairs through a grant from the Department of Labor. The department shall consult with the Department of Education, the Department of Labor, and the Department of Community and Regional Affairs to promote coordination of the planning and delivery of services under the program with programs operated by those departments.

(d) The department shall adopt regulations setting criteria for determining whether a person is in noncompliance with participation requirements of the program for the purpose of imposing sanctions under the program for nonparticipation and for noncompliance with a participation agreement. The department shall consult with Native organizations that are operating similar programs when developing regulations under this subsection. (§ 6 ch 128 SLA 1990)

**Sec. 47.25.423. Program participants.** (a) The department shall require participation in the program by persons required to participate under federal law. Except as provided in AS 47.25.425(f), the department may not require participation in the program by the parent or other relative of a child under three years of age if the person personally provides care for the child.

(b) The department may allow applicants for and recipients of aid under AS 47.25.310 — 47.25.420 to volunteer to participate in the program whether or not they are required to participate under (a) of this section.

(c) The department may give priority in the program to the following target populations in the order listed, with further priority in each group being given to persons in families where the dependent child's custodial parent is under the age of 20:

(1) custodial parents under the age of 24 who have not completed high school or its equivalent and are not enrolled in a course of study;

(2) custodial parents under the age of 24 with little or no paid work experience in the 12 months preceding their application under the program;

(3) members of families in which the youngest child who is receiving assistance under AS 47.25.310 — 47.25.420 is within two years of becoming ineligible for assistance because of age;

(4) members of families who received aid to families with dependent children in at least 36 of the 60 months preceding application

under the program established in AS 47.25.421 — 47.25.429. (§ 6 ch 128 SLA 1990)

**Sec. 47.25.425. Program components.** (a) The department may offer to a participant in the program the following types of services and activities to the extent indicated as appropriate by the initial assessment under AS 47.25.427(a):

(1) educational activities, including high school or equivalent education combined with job training as needed, basic and remedial education to achieve a basic literacy level, education for individuals with limited English proficiency, and career training through post-secondary education;

(2) job skills training;

(3) job readiness activities to help prepare participants for work;

(4) job development and job placement;

(5) job search requirements;

(6) on-the-job training;

(7) a work supplementation program;

(8) work experience; and

(9) other educational, training, or work-related services and activities, including reasonable activities designed to promote and develop entrepreneurial ability and success.

(b) The program components described under (a) of this section must conform to the requirements of federal law so as to ensure the maximum federal financial participation in the costs of the program.

(c) In consultation with the Department of Community and Regional Affairs and the Department of Labor, the department may initiate development of innovative public work programs designed to meet federal requirements related to work activity for a person in a family that receives assistance on behalf of a dependent child who is dependent because of the unemployment of the primary wage earner in a two-parent family.

(d) To further the purposes of the work supplementation program, the department may use the options allowed under federal law to

(1) adjust the levels of the standards of need set by the department under AS 47.25.320(a) to the extent the department considers it to be appropriate: the need standards in effect in areas of the state in which the work supplementation program is in operation may differ from the need standards in effect in other areas: the need standards for categories of recipients may vary among the categories to the extent appropriate on the basis of ability to participate in the work supplementation program;

(2) adjust retrospective budgeting requirements and the amount of earned income to be disregarded to the extent allowed by federal law so as to encourage participation in the work supplementation program and to decrease disincentives for retaining employment; and

(3) supplement jobs in the public and private sectors, as appropriate.

(e) In implementing the program component under which a person may pursue career training through post-secondary education, the department shall

(1) give priority to participation by persons without a post-secondary degree, persons who were in a post-secondary program of training or education but whose participation was interrupted because of family circumstances, persons who have graduated from high school or hold an equivalent diploma, and persons who need retraining because of changes in the labor market;

(2) establish guidelines under which

(A) other sources of educational assistance must be exhausted before program money is used;

(B) the education must be consistent with the person's employment goal, and the employment goal must be consistent with the job market of the state;

(C) the education must take place in the state unless a particular type of training is not available in the state: if out-of-state education is approved, the department shall contract for supportive services for the participant at the location of the education, when feasible;

(D) the maximum annual or total training cost for books, tuition, and associated education fees reimbursable under the program shall be set under regulations of the department;

(3) require full-time student status after the initial six months for each participant and maintenance of a "C" average in graded programs or "passing" grades in pass/fail programs.

(f) In the case of a person who is a custodial parent under the age of 20, has not successfully completed a high school education or its equivalent, and is receiving aid under AS 47.25.310 — 47.25.420, the department may require the person to participate in educational activities directed toward the attainment of a high school diploma or its equivalent to the extent required by federal law. This requirement is applicable to a person who might otherwise be exempt from full-time participation under regulations of the department because the person personally provides care for a child under the age of six. Notwithstanding AS 47.25.423, this requirement is also applicable to a person who might otherwise be exempt from participation because the person personally provides care for a child under the age of three.

(g) In the case of a person who is a custodial parent at least 20 years old but less than 25 years old, has not successfully completed a high school education or its equivalent, is receiving aid under AS 47.25.310 — 47.25.420, had little or no paid work experience in the 12 months preceding the person's application for aid under AS 47.25.310 — 47.25.420, and is not otherwise exempt, the department may require the person to participate in either

## COMPARISON OF PUBLIC ASSISTANCE PROGRAMS

|  | AFDC   | Adult Public Assistance   | General Relief  | Food Stamps  |
|--|--|---|---|--|
| FY95 Cases average monthly             | 12,850   | 10,236  | 230   | 15,860   |
| Number of clients avg. monthly         | 38,100   | 10,236  | 310   | 47,738   |
| Race Distribution                      | 51% White<br>35% Alaska Native<br>8% African-American<br>3% Hispanic                                     | 47% White<br>36% Alaska Native<br>8% Asian<br>4% African-American                                       | 68% White<br>19% Alaska Native<br>8% African-American             | 51% White<br>35% Alaska Native<br>7% African-American<br>3% Hispanic                     |
| Recipients by Location (District area) | 40% Anchorage<br>13% Northern<br>11% Mat-Su<br>10% Southeast<br>9% Southwest<br>8% Kenai<br>4% Northwest | 39% Anchorage<br>14% Northern<br>10% Southeast<br>9% Southwest<br>7% Mat-Su<br>7% Kenai<br>5% Northwest | 51% Anchorage<br>26% Northern<br>11% Southcentral<br>9% Southeast | 37% Anchorage<br>14% Northern<br>11% Southeast<br>11% Mat-Su<br>9% Southwest<br>8% Kenai |
| Expenditure By Category of Service     | 75 % single parent<br>17 % two parent<br>8% adult not included   | 54% Disabled<br>38% Aged<br>7% Interim Assistance<br>1% Blind   | 56% burial/ service<br>40% rent assistance<br>4% other            | 55% FS and AFDC<br>31% FS only<br>11% FS and APA<br>3% FS and Med only                   |
| Persons by age group                   |  |   |   |  |
| Children 0 - 18 yrs                    | 24,540   | 0   | 65  | 26,250   |
| Adults 19 - 59 yrs                     | 13,560   | 5,520   | 226   | 20,280   |
| Adults 60 - older                      |  | 4,716   | 19  | 1,208  |
| Total Expenditures                     | \$120,987,000  | \$39,253,200  | \$798,300   | \$50,585,000   |
| Federal                                | \$54,530,600   | \$631,600   |   | \$50,585,000   |
| GF                                     | \$54,530,600   | \$36,281,600  | \$798,300   |  |
| Other                                  | \$11,925,800   | \$2,340,000   |   |  |

Note: Percentages do not necessarily add to 100%. Only major representative groups, locations or categories of service are listed.

## COMPARISON OF PUBLIC ASSISTANCE PROGRAMS

|  | OAA-ALBHH   | Energy Assistance  | Child Care Assistance  | PFD Hold Harmless   |
|--|-------------|--|--|---|
| FY95 Cases average monthly             | 1,519       | 12,229 per year  |  | 35,182 per year   |
| Number of clients avg. monthly         | 1,519       | 33,018 per year  | 1,715  | (AP, FSAI, ASSI, MED program cases)   |
| Race Distribution                      | N/A         | 60% White<br>22% Alaska Native<br>6% African-American<br>4% Asian                      | N/A  | N/A   |
| Recipients by Location (District area) | N/A         | 31% Anchorage<br>18% Rural<br>16% Fairbanks<br>13% Mat-Su<br>12% Kenai<br>8% Southeast | N/A  | N/A   |
| Expenditure By Category of Service     | 100% aged   | 42% employed, or temp unemployed<br>36% receiving AFDC<br>22% receiving APA            | 57% JOBS Child Care<br>25% At-Risk Child Care<br>18% Transitional Child Care | 60% PFDHH for AFDC<br>15% for Food Stamps<br>12% for APA<br>8% for SSI<br>3% for medicaid |
| Total Expenditures                     | \$2,264,800 | \$5,403,200  | \$6,497,800  | \$20,009,518  |
| Federal                                |             | \$5,403,200  | \$3,248,900  |   |
| GF                                     | \$2,264,800 |  | \$3,248,900  |   |
| Other                                  |             |  |  | \$20,009,518  |

Note: Percentages do not necessarily add to 100%. Only major representative groups, locations or categories of service are listed.  
 Several areas of Alaska receive Energy Assistance through tribal organizations funded directly by the federal government.

**Public Assistance Program Caseload Summary  
Month July 1995**

| <b>AFDC Program Caseload</b> | <b>AFDC-Basic<br/>(Adult-Included)</b> | <b>AFDC-Basic<br/>(Adult-Not Inclu)</b> | <b>AFDC-UP</b> | <b>AFDC<br/>Total</b> |
|------------------------------|--|---|----------------|-----------------------|
| AFDC Native cases            | 2,873                                  | 376                                     | 938            | 4,187                 |
| AFDC Non-Native cases        | 6,588                                  | 598                                     | 816            | 8,002                 |
| Total AFDC cases             | 9,461                                  | 974                                     | 1,754          | 12,189                |
| Percent Native AFDC cases    | 30.4%                                  | 38.6%                                   | 53.5%          | 34.4%                 |

**AFDC Program Expenditure**

|                                 |              |            |              |              |
|---------------------------------|--------------|------------|--------------|--------------|
| AFDC Native expenditure         | \$ 2,374,640 | \$ 191,955 | \$ 789,702   | \$ 3,336,297 |
| AFDC Non-Native expenditure     | \$ 5,371,038 | \$ 286,324 | \$ 594,257   | \$ 6,251,619 |
| Total AFDC expenditure          | \$ 7,745,678 | \$ 478,279 | \$ 1,363,959 | \$ 9,587,916 |
| Percent Native AFDC expenditure | 30.7%        | 40.1%      | 56.4%        | 34.8%        |

**Public Assistance Program Caseload Summary**  
**AFDC Program Caseload and expenditure by DPA District office**  
**Month July 1995**

| DPA Region          | AFDC Cases<br>Non-Native | AFDC Cases<br>Native | AFDC<br>Total | Region's % of<br>Total AFDC | % Native of the<br>Region's AFDC | % Native of the<br>State Total |
|---------------------|--------------------------|----------------------|---------------|-----------------------------|----------------------------------|--------------------------------|
| Anchorage District  | 3,944                    | 1,071                | 5,015         | 41.1%                       | 21.4%                            | 8.8%                           |
| Northern Region     | 1,092                    | 452                  | 1,544         | 12.7%                       | 29.3%                            | 3.7%                           |
| Mat-Su District     | 1,248                    | 113                  | 1,361         | 11.2%                       | 8.3%                             | 0.9%                           |
| Kenai District      | 797                      | 99                   | 896           | 7.4%                        | 11.0%                            | 0.8%                           |
| SouthEast Region    | 624                      | 514                  | 1,138         | 9.3%                        | 45.2%                            | 4.2%                           |
| SouthWest Region    | 14                       | 1,028                | 1,042         | 8.5%                        | 98.7%                            | 8.4%                           |
| SouthCentral Region | 272                      | 374                  | 646           | 5.3%                        | 57.9%                            | 3.1%                           |
| Nome District       | 5                        | 294                  | 299           | 2.5%                        | 98.3%                            | 2.4%                           |
|                     | 6                        | 242                  | 248           | 2.0%                        | 97.6%                            | 2.0%                           |
| <b>AFDC Total</b>   | <b>8,002</b>             | <b>4,187</b>         | <b>12,189</b> | <b>100%</b>                 | <b>34.4%</b>                     | <b>34.4%</b>                   |

**Public Assistance Program Caseload Summary**  
**AFDC Program Caseload and expenditure by DPA District office**

|                                 | AFDC-Basic   | AFDC-UP    | AFDC<br>Total |
|---------------------------------|--------------|------------|---------------|
| <b>Anchorage</b>                |              |            |               |
| AFDC Native cases               | 934          | 137        | 1,071         |
| AFDC Non-Native cases           | 3,636        | 308        | 3,944         |
| Total AFDC cases                | 4,570        | 445        | 5,015         |
| Percent Native AFDC cases       | 20.4%        | 30.8%      | 21.4%         |
| AFDC Native expenditure         | \$ 783,770   | \$ 121,314 | \$ 905,084    |
| AFDC Non-Native expenditure     | \$ 2,913,405 | \$ 250,623 | \$ 3,164,028  |
| Total AFDC expenditure          | \$ 3,697,175 | \$ 371,937 | \$ 4,069,112  |
| Percent Native AFDC expenditure | 21.2%        | 32.6%      | 22.2%         |

**Northern Region(Fbxs office)**

|                                 |              |            |              |
|---------------------------------|--------------|------------|--------------|
| AFDC Native cases               | 376          | 76         | 452          |
| AFDC Non-Native cases           | 977          | 115        | 1,092        |
| Total AFDC cases                | 1,353        | 191        | 1,544        |
| Percent Native AFDC cases       | 27.8%        | 39.8%      | 29.3%        |
| AFDC Native expenditure         | \$ 304,174   | \$ 61,792  | \$ 365,966   |
| AFDC Non-Native expenditure     | \$ 760,997   | \$ 84,291  | \$ 845,288   |
| Total AFDC expenditure          | \$ 1,065,171 | \$ 146,083 | \$ 1,211,254 |
| Percent Native AFDC expenditure | 28.6%        | 42.3%      | 30.2%        |

**Public Assistance Program Caseload Summary**  
**AFDC Program Caseload and expenditure by DPA District office**

|                                 | AFDC-Basic | AFDC-UP    | AFDC Total   |
|---------------------------------|------------|------------|--------------|
| <b>Mat-Su district</b>          |            |            |              |
| AFDC Native cases               | 90         | 23         | 113          |
| AFDC Non-Native cases           | 1,068      | 180        | 1,248        |
| Total AFDC cases                | 1,158      | 203        | 1,361        |
| Percent Native AFDC cases       | 7.8%       | 11.3%      | 8.3%         |
| AFDC Native expenditure         | \$ 70,665  | \$ 18,872  | \$ 89,537    |
| AFDC Non-Native expenditure     | \$ 845,509 | \$ 144,032 | \$ 989,541   |
| Total AFDC expenditure          | \$ 916,174 | \$ 162,904 | \$ 1,079,078 |
| Percent Native AFDC expenditure | 7.7%       | 11.6%      | 8.3%         |
| <b>Kenai district</b>           |            |            |              |
| AFDC Native cases               | 82         | 17         | 99           |
| AFDC Non-Native cases           | 694        | 103        | 797          |
| Total AFDC cases                | 776        | 120        | 896          |
| Percent Native AFDC cases       | 10.6%      | 14.2%      | 11.0%        |
| AFDC Native expenditure         | \$ 64,625  | \$ 13,670  | \$ 78,295    |
| AFDC Non-Native expenditure     | \$ 525,491 | \$ 83,076  | \$ 608,567   |
| Total AFDC expenditure          | \$ 590,116 | \$ 96,746  | \$ 686,862   |
| Percent Native AFDC expenditure | 11.0%      | 14.1%      | 11.4%        |

**Public Assistance Program Caseload Summary**  
**AFDC Program Caseload and expenditure by DPA District office**

|                                 | AFDC-Basic | AFDC-UP    | AFDC<br>Total |
|---------------------------------|------------|------------|---------------|
| <b>SouthEast Region</b>         |            |            |               |
| AFDC Native cases               | 452        | 62         | 514           |
| AFDC Non-Native cases           | 550        | 74         | 624           |
| Total AFDC cases                | 1,002      | 136        | 1,138         |
| Percent Native AFDC cases       | 45.1%      | 45.6%      | 45.2%         |
| AFDC Native expenditure         | \$ 339,411 | \$ 52,433  | \$ 391,844    |
| AFDC Non-Native expenditure     | \$ 416,600 | \$ 56,070  | \$ 472,670    |
| Total AFDC expenditure          | \$ 756,011 | \$ 108,503 | \$ 864,514    |
| Percent Native AFDC expenditure | 44.9%      | 48.3%      | 45.3%         |

**SouthWest Region**

|                                 |            |            |            |
|---------------------------------|------------|------------|------------|
| AFDC Native cases               | 635        | 393        | 1,028      |
| AFDC Non-Native cases           | 11         | 3          | 14         |
| Total AFDC cases                | 646        | 396        | 1,042      |
| Percent Native AFDC cases       | 98.3%      | 99.2%      | 98.7%      |
| AFDC Native expenditure         | \$ 483,753 | \$ 320,814 | \$ 804,567 |
| AFDC Non-Native expenditure     | \$ 9,837   | \$ 3,038   | \$ 12,875  |
| Total AFDC expenditure          | \$ 493,590 | \$ 323,852 | \$ 817,442 |
| Percent Native AFDC expenditure | 98.0%      | 99.1%      | 98.4%      |

**Public Assistance Program Caseload Summary**  
**AFDC Program Caseload and expenditure by DPA District office**

|                                 | AFDC-Basic | AFDC-UP   | AFDC Total |
|---------------------------------|------------|-----------|------------|
| <b>SouthCentral Region</b>      |            |           |            |
| AFDC Native cases               | 302        | 72        | 374        |
| AFDC Non-Native cases           | 242        | 30        | 272        |
| Total AFDC cases                | 544        | 102       | 646        |
| Percent Native AFDC cases       | 55.5%      | 70.6%     | 57.9%      |
| AFDC Native expenditure         | \$ 225,261 | \$ 59,837 | \$ 285,098 |
| AFDC Non-Native expenditure     | \$ 177,684 | \$ 22,237 | \$ 199,921 |
| Total AFDC expenditure          | \$ 402,945 | \$ 82,074 | \$ 485,019 |
| Percent Native AFDC expenditure | 55.9%      | 72.9%     | 58.8%      |
| <b>Nome District</b>            |            |           |            |
| AFDC Native cases               | 207        | 87        | 294        |
| AFDC Non-Native cases           | 4          | 1         | 5          |
| Total AFDC cases                | 211        | 88        | 299        |
| Percent Native AFDC cases       | 98.1%      | 98.9%     | 98.3%      |
| AFDC Native expenditure         | \$ 160,903 | \$ 70,863 | \$ 231,766 |
| AFDC Non-Native expenditure     | \$ 659     | \$ 965    | \$ 1,624   |
| Total AFDC expenditure          | \$ 161,562 | \$ 71,828 | \$ 233,390 |
| Percent Native AFDC expenditure | 99.6%      | 98.7%     | 99.3%      |

**Public Assistance Program Caseload Summary**  
**AFDC Program Caseload and expenditure by DPA District office**

|                                 | AFDC-Basic | AFDC-UP   | AFDC<br>Total |
|---------------------------------|------------|-----------|---------------|
| <b>Kotzebue District</b>        |            |           |               |
| AFDC Native cases               | 170        | 72        | 242           |
| AFDC Non-Native cases           | 5          | 1         | 6             |
| Total AFDC cases                | 175        | 73        | 248           |
| Percent Native AFDC cases       | 97.1%      | 98.6%     | 97.6%         |
| AFDC Native expenditure         | \$ 132,311 | \$ 50,244 | \$ 182,555    |
| AFDC Non-Native expenditure     | \$ 2,627   | \$ 1,331  | \$ 3,958      |
| Total AFDC expenditure          | \$ 134,938 | \$ 51,575 | \$ 186,513    |
| Percent Native AFDC expenditure | 98.1%      | 97.4%     | 97.9%         |

Questions asked at the January 31, 1996 SCR&A meeting re: SB 206

- What sections of the bill can be enacted this year, regardless of federal reform
- What sections of the bill require a waiver that can be "fast-tracked" and what is the estimated time frame for getting the waivers
- What sections of the bill require a waiver that goes through the normal process and what is the estimated time frame for getting those waivers
- How many food banks are there in Alaska and where are they
- How many programs similar to Beans Cafe are there and where are they
- Provide suggested amendment to Title 29 to allow all municipalities to contract to provide services under this program should they choose to do so.
- Provide a more detailed explanation of how the department thinks the tribal organizations can provide comparable programs with 1/2 the money unless the State gives them some.
- Provide a more detailed explanation of the department's views on how the employment and training programs will work, with special emphasis of their perspective of how local governments and tribal organizations can participate in this.

Brief answers to all but the last questions are contained in the attached response from DH&SS. Personnel from various departments as well as representatives from a few Native organizations will be available at the committee meeting to expand upon these answers

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

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February 16, 1996

The Honorable John Torgerson  
Alaska State Senate  
State Capitol, Room 427  
Juneau, AK 99801-1182

Dear Senator Torgerson:

This is our response to the following questions your staff conveyed to us yesterday regarding Senate Bill 206, the Knowles Administration welfare reform legislation.

1. *What program changes authorized in SB 206 can be made with neither federal welfare reform legislation nor resort to the federal waiver/demonstration project process?*

Please refer to the enclosed chart, Implementation Requirements in the Absence of Federal Welfare Reform. The chart lists the significant policy provisions of the legislation and the fiscal notes, and indicates which provisions require either federal law changes or federal waiver/demonstration project authority.

2. *Which provisions could be implemented under the Clinton Administration "fast-track" approval process as opposed the normal, more lengthy waiver application process? What are implementation timelines for the various provisions?*

Please refer again to the enclosed chart. Implementation dates that presume federal welfare reform legislation are listed for each provision.

We estimate that a comprehensive implementation of the bill provisions under the normal federal waiver/demonstration project process would add approximately 12 months to the implementation time shown on the chart. A demonstration project involving a shorter list of waiver provisions might require less implementation time.