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Governor Michael J. Dunleavy
STATE OF ALASKA

February 12, 2019

The Honorable Cathy Giessel
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear Senate President Giessel:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the Senior Benefits Payment Program.

This bill would repeal the Senior Benefits Payment Program. The program provides three payment levels based on the senior's gross annual income and income limits are tied to the Federal Poverty Guidelines for Alaska and change each year and eligibility and enrollment increases each year as the guidelines change. There is no asset test to determine eligibility. Currently, the program is set to expire on June 30, 2024. This bill sets the repeal date to June 30, 2019.

I urge your favorable action on this measure.

Sincerely,

Michael J. Dunleavy
Governor

Enclosure

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

"An Act repealing the senior benefits payment program; and providing for an effective date."

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

*** Section 1.** Section 4, ch. 1, FSSLA 2007, as amended by sec. 5, ch. 6, SLA 2011, sec. 1, ch. 113, SLA 2014, and sec. 1, ch. 8, SLA 2018, is amended to read:

Sec. 4. AS 09.38.015(a)(11); AS 47.45.301, 47.45.302, 47.45.304, 47.45.306, 47.45.308, and 47.45.309 are repealed June 30, **2019** [2024].

*** Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version: GB 29
Fiscal Note Number:
() Publish Date:

Identifier: LL0090-DHSS-PAFS-2-11-2019
Title: Senior Benefits; Repeal
Sponsor: Rules by Request of the Governor
Requester: Governor

Department: Department of Health and Social Services
Appropriation: Public Assistance
Allocation: Public Assistance Field Services
OMB Component Number: 236

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2020**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Personal Services	(258.7)		(258.7)	(258.7)	(258.7)	(258.7)	(258.7)
Travel							
Services	(5.0)		(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	**(263.7)**	**0.0**	**(263.7)**	**(263.7)**	**(263.7)**	**(263.7)**	**(263.7)**

Fund Source (Operating Only)

1004 Gen Fund (UGF)	(263.7)		(263.7)	(263.7)	(263.7)	(263.7)	(263.7)
Total	**(263.7)**	**0.0**	**(263.7)**	**(263.7)**	**(263.7)**	**(263.7)**	**(263.7)**

Positions

Full-time	(3.0)		(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
Part-time							
Temporary							

Change in Revenues

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2020) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No

(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on the Governor's February 13, 2019 FY2020 request.

Prepared By: Shawnda O'Brien, Director — Phone: (907)465-5847
Division: Divison of Public Assistance — Date: 02/11/2019 04:43 PM
Approved By: Sana Efird, Administrative Services Director — Date: 02/11/19
Agency: Office of Management and Budget

STATE OF ALASKA
2019 LEGISLATIVE SESSION

BILL NO. LL0090

Analysis

The estimated savings to eligibility and warrant generation resulting from the repeal of this program will result in deleting 3 full time Eligibility Technician II positions and reducing the contract for costs related to warrant generation and electronic benefit transfers for this program. Administrative costs for the Senior Benefits program have already been streamlined and incorporated into the work processes for all public assistance programs, so there would be no other administrative costs savings.

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version: GB 30
Fiscal Note Number:
() Publish Date:

Identifier: LL0090-DHSS-SBPP-2-11-2019
Title: Senior Benefits; Repeal
Sponsor: Rules by Request of the Governor
Requester: Governor

Department: Department of Health and Social Services
Appropriation: Senior Benefits Payment Program
Allocation: Senior Benefits Payment Program
OMB Component Number: 2897

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2020**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	(19,986.1)		(24,044.0)	(24,044.0)	(24,044.0)	(24,044.0)	(24,044.0)
Miscellaneous							
Total Operating	**(19,986.1)**	**0.0**	**(24,044.0)**	**(24,044.0)**	**(24,044.0)**	**(24,044.0)**	**(24,044.0)**

Fund Source (Operating Only)

1004 Gen Fund (UGF)	(19,986.1)		(24,044.0)	(24,044.0)	(24,044.0)	(24,044.0)	(24,044.0)
Total	**(19,986.1)**	**0.0**	**(24,044.0)**	**(24,044.0)**	**(24,044.0)**	**(24,044.0)**	**(24,044.0)**

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2020) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No

(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on the Governor's February 13, 2019 FY2020 request.

Prepared By: Shawnda O'Brien, Director — Phone: (907)465-5847
Division: Division of Public Assistance — Date: 02/12/2019 09:52 AM
Approved By: Sana Efird, Administrative Services Director — Date: 02/11/19
Agency: Office of Management and Budget

STATE OF ALASKA
2019 LEGISLATIVE SESSION

BILL NO. LL0090

Analysis

The Senior Benefits program provides a monthly income supplement to low-income Alaska-resident seniors. The program was due to sunset in FY2019 but was extended through legislation (HB 236, SLA 2018). That legislation also provided increased funding, effective FY2020, to the program's original authorization of $19,986.1 to allow benefts for seniors in the highest-income tier to return to a previously higher level. This brought the final authorization for the program in the out years to $24,044.0 .

This bill repeals the Senior Benefits program effective June 30, 2019.