

State of Alaska FY2002 Governor's Operating Budget

Department of Health and Social Services
Permanent Fund Dividend Hold Harmless
Component

Component: Permanent Fund Dividend Hold Harmless

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Component Mission

The mission of the Division of Public Assistance is to provide basic living expenses and self-sufficiency services to Alaskans in need.

Component Services Provided

PFD Hold Harmless payments replace public assistance program benefits when receiving the Permanent Fund Dividend causes individuals to lose eligibility or to have benefits reduced.

Component Goals and Strategies

PROTECT NEEDY ELDERLY, DISABLED AND LOW-INCOME ALASKAN FAMILIES FROM LOSING PUBLIC ASSISTANCE AND MEDICAL BENEFITS DUE TO RECEIPT OF A PERMANENT FUND DIVIDEND.

- Allow public assistance recipients to receive and utilize their PFD to promote self-sufficiency without risking the loss of assistance with basic living expenses and medical needs.
- Replace the amount of cash and medical benefits Adult Public Assistance, Temporary Assistance, Food Stamp and Medicaid recipients would otherwise lose when their benefits decrease or end because of counting the Permanent Fund Dividend as income.

Key Component Issues for FY2001 – 2002

None

Major Component Accomplishments for FY2000

Over \$1.5 million savings in PFD-HH expenditures due to Temporary Assistance and Food Stamp program caseload reductions.

Statutory and Regulatory Authority

AS 43.23.075 and AS 43.23.085
7 AAC 38

Permanent Fund Dividend Hold Harmless
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	481.7	481.7	481.7
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	16,740.3	17,036.4	15,665.6
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	17,222.0	17,518.1	16,147.3
Funding Sources:			
1050 Permanent Fund Dividend Fund	17,222.0	17,518.1	16,147.3
Funding Totals	17,222.0	17,518.1	16,147.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Permanent Fund Dividend Fund	51160	17,222.0	17,518.1	17,518.1	16,147.3	15,900.0
Restricted Total		17,222.0	17,518.1	17,518.1	16,147.3	15,900.0
Total Estimated Revenues		17,222.0	17,518.1	17,518.1	16,147.3	15,900.0

Permanent Fund Dividend Hold Harmless

Proposed Changes in Levels of Service for FY2002

The PFD Hold Harmless request includes a reduction of \$1.4 million for the projected decrease in public assistance caseloads in FY2002.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	17,518.1	17,518.1
Proposed budget decreases:				
-Caseload Reduction	0.0	0.0	-1,370.8	-1,370.8
FY2002 Governor	0.0	0.0	16,147.3	16,147.3