

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Children, Families, and Elder Affairs

BILL: SB 570

INTRODUCER: Senator Rouson

SUBJECT: Public Assistance

DATE: March 31, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hendon	Hendon	CF	Pre-meeting
2.			CM	
3.			AHS	
4.			AP	

I. Summary:

SB 570 increases the penalties for recipients of cash assistance under Temporary Assistance for Needy Families who do not meet program work requirements. The penalties are a temporary termination of benefits. The penalties are assessed on the assistance to the parents rather than any children in the household. Children can continue to receive their portion of the benefits through an alternative payee. The bill requires agencies assisting recipients to develop a work plan agreement with the recipient to ensure he or she understands the work requirements. The bill imposes a fee on the recipient for replacement electronic benefit cards under certain circumstances. The bill clarifies state law to prohibit relative caregiver payments when both the parent and the child lives with a relative.

The bill would result in a savings to the state and has an effective date of July 1, 2017.

II. Present Situation:

The Temporary Assistance for Needy Families (TANF) is a block grant that provides federal funding to states for a wide range of benefits and activities to support indigent families. It is best known for providing cash assistance to needy families with children. The TANF program was created in the 1996 welfare reform law as part of the Personal Responsibility and Work Opportunity Reconciliation Act.¹ In Florida, the 1996 legislature passed the Work and Gain Economic Self-Sufficiency Act in anticipation of passage of federal welfare reform. The Department of Children and Families (DCF) refers to the benefits from TANF as Temporary Cash Assistance.

¹ Temporary Assistance for Needy Families, An Overview of Program Requirements. January 2016. Department of Children and Families. <http://www.dcf.state.fl.us/programs/access/docs/TANF%20101%20final.pdf>.

The purpose of TANF is to:

- To provide assistance to needy families with children so that they can live in their own home or the homes of relatives;
- To end the dependency of needy parents on government benefits through work, job preparation, and marriage;
- To reduce the incidence of out-of-wedlock pregnancies; and
- To promote the formation and maintenance of two-parent families.²

Eligibility

Florida law specifies two major categories of families who may be eligible for TANF cash assistance, those families that are work-eligible, and those child-only cases.³ While many of the basic eligibility requirements apply to all of these categories, there are some distinctions between the categories in terms of requirements and restrictions.

Work-Eligible Cases

Within the TANF work-eligible cases, there are single parent families and two-parent families. Single parent families can receive cash assistance for the parent and the children. The parent is subject to all of the financial and non-financial requirements described below including the work requirements and time limits. Single parents with a child under age six meet the participation rate with 20 hours of work participation per week.

Two-parent families with children are eligible on the same basis as single-parent families except the work requirement for two-parent families includes a higher number of hours of participation per week (35 hours or 55 hours if child care is subsidized) than required for single-parent families (30 hours).

Child-Only Cases

There are two child-only types of TANF cases. The first is where the child is living with a relative or situations where a custodial parent is not eligible to be included in the eligibility group.⁴ In the majority of situations, the child is living with a grandparent or other relative. Child-only families also include situations where a parent is receiving federal Supplemental Security Income (SSI) payments and situations where the parent is not a U.S. citizen and is ineligible due to their immigration status. Grandparents or other relatives receiving child-only payments are not subject to the TANF work requirement or the TANF time limit.

The second type of child-only TANF case is called the Relative Caregiver case where the child has been adjudicated dependent due to the original parents' inability to care for the child and the child has been placed with relatives by the court. These relatives are eligible for a payment that is higher than the typical child-only payment, but less than the payment for licensed foster care. As with other child-only families, grandparents or relatives receiving Relative Caregiver payments are not subject to the TANF work requirements or time limits.

² U.S. Department of Health and Human Services, see <http://www.acf.hhs.gov/programs/ofa/programs/tanf/about> (last visited March 29, 2017).

³ s. 414.045(1), Florida Statutes.

⁴ Temporary Assistance for Needy Families, An Overview of Program Requirements. January 2016. Department of Children and Families. <http://www.dcf.state.fl.us/programs/access/docs/TANF%20101%20final.pdf>.

To be eligible, families must meet both financial and non-financial requirements established in state law. In general, families must include a child (or a pregnant woman) and be residents of Florida. Children under age 5 must be current with childhood immunizations and children age 6 to 18 must attend school and parents or caretakers must participate in school conferences. Countable assets must be \$2,000 or less and licensed vehicles needed for individuals subject to the work requirement may not exceed \$8,500.

Noncitizens

Florida law currently excludes a pro-rata share of the income from a parent who is an illegal noncitizen or ineligible noncitizen.⁵ This means that a portion of the income that an illegal citizen parent contributes to the family is not counted towards in the family's income for TANF eligibility.

Work requirements

Adults in families receiving cash assistance must work or participate in work related activities for a specified number of hours per week depending on the number of work-eligible adults in the family and the age of children.⁶

Type of Family	Work participation Hours Required
Other single parent families or two-parent families where one parent is disabled	30 hours weekly with at least 20 hours in core activities
Married teen or teen head of household under age 20	Maintains satisfactory attendance at secondary school or the equivalent or participates in education related to employment for at least 20 hours weekly
Two-parent families who do not receive subsidized child care	35 hours per week (total among both parents) with at least 30 hours in core activities
Two-parent families who receive subsidized child care	55 hours per week with at least 50 hours in core activities

Federal law includes 12 work activities, including 9 that are “core” activities in that they may be used to satisfy any of the average weekly participation requirements and 3 that are “supplemental” in that they may only be used to satisfy the work activity requirement after the “core” requirement is met.

Core Activities include:

- • Unsubsidized employment
- • Subsidized private sector employment
- • Subsidized public sector employment
- • Job search and job readiness (limited to not more than 6 weeks in a federal fiscal year with not more than 4 weeks consecutive).
- • Community service

⁵ s. 414.095(3)(d), F.S.

⁶ *Id*

- • Work experience
- • On-the-job training
- • Vocational educational training (limited to 12 months for an individual), and
- • Caring for a child of a recipient in community service.⁷

Supplemental Activities include:

- • Job skills training directly related to employment
- • Education directly related to employment (for those without a high school or equivalent degree), and
- • Completion of a secondary school program.⁸

The department works with CareerSource Florida, Inc., known locally as the regional workforce boards to serve the families defined as work-eligible. Workforce boards assist the client in employment training and securing employment. The boards also document whether the client meets the work requirements under TANF and reports this information to the department. If a client does not meet his or her work requirements, the department will sanction the client by reducing or eliminating cash assistance.

Amount of Assistance

The amount of temporary cash assistance received by a family depends on family size and whether the family must pay for housing. The following monthly amounts are specified in s. 414.095(10), F.S.

Family Size	No Obligation To Pay for Shelter	Shelter Costs Less than \$50	Shelter Costs Greater than \$50
1	\$95	\$153	\$180
2	\$158	\$205	\$241
3	\$198	\$258	\$303
4	\$254	\$309	\$364
5	\$289	\$362	\$426

Time Limits

Federal law restricts receipt of federal TANF benefits to not more than 60 months of assistance. States may exempt up to 20 percent of the caseload from the time limit due to state-defined hardship. Florida law limits receipt of assistance to not more than 48 cumulative months of assistance with exemptions to the time limit provided for hardship. Examples of hardship would include individuals receiving Social Security disability benefits (which are different than SSI benefits) or individuals caring for a disabled family member when the disability and the need for care have been medically verified.

⁷ *Id*

⁸ *Id*

Relative Caregiver Program

This program provides monthly cash assistance to relatives who meet eligibility rules and have custody of a child under age 18 who has been court ordered dependent by a Florida court and placed in their home by DCF or the community based care child welfare agencies.⁹ The monthly cash assistance amount is higher than the Temporary Cash Assistance for one child, but less than the amount paid for a child in the foster care program.

Only the child's income and assets are counted when determining eligibility and payment amounts. Payments are based on the child's age and any countable income. Monthly payments for children with no countable income are as follows:

Age 0 through 5 - \$242 per child
Age 6 through 12 - \$249 per child
Age 13 through 17 - \$298 per child

III. Effect of Proposed Changes:

Section 1 amends s. 414.065, F.S., specifying sanctions for noncompliance with TANF work requirements. the penalty for not completing the work requirements is the termination of benefits for 1 month rather than the current law of 10 days. Once the recipient complies with the work requirements assistance begins again the first day of the month following the penalty time period. Sanctions for non-compliance are on the parent only, children under age 16 continue to receive assistance through an alternative payee.¹⁰ In the case of a second instance of not complying with work requirements, the bill increases the sanction of terminating benefits to the parent from one month to three. For the third time of noncompliance, the penalty is increased from 3 to 6 months of no assistance for the parent. The bill adds a penalty of termination of benefits for 12 months for the fourth instance of noncompliance.

Section 2 amends s. 445.024, F.S., relating to work requirements for TANF participants. The bill requires a work plan agreement with the individual developed by the Department of Economic Opportunity, CareerSource Florida, and DCF. The plan must be in plain language, state what is expected of the participant, when and how they would be sanctioned, and contain strategies to help them overcome barriers to complete the work requirements.

Section 3 amends s. 402.82, F.S., requiring the payment of cash assistance through electronic benefit transfer (EBT) cards. The bill imposes a fee on the TANF participant if the EBT card is lost or stolen 5 times in one year. The cost of the replacement card will be deducted from the amount of the cash assistance. DCF may waive the replacement fee for participants with extreme financial hardships.

Section 4 amends s. 39.5085, F.S., relating to the Relative Caregiver Program. Consistent with federal law, the bill prohibits payments when both the parent and the child live with the relative

⁹ Department of Children and Families website. <http://www.myflfamilies.com/service-programs/access-florida-food-medical-assistance-cash/temporary-cash-assistance-tca>. (last visited March 29, 2017).

¹⁰ Department of Children and Families bill analysis for SB 570. Feb. 21, 2017. On file with the Senate Committee on Children, Families, and Elder Affairs.

caregiver. Payments can however be made in cases where both the parent and child are adjudicated dependent. This could happen when the parent is under 18 years of age.

Section 5 appropriates an unnamed amount of funding to DCF for fiscal year 2017-2018 from the Federal Grants Trust Fund to modify information technology systems to implement the requirements of the bill.

Section 6 provides an effective date of July 1, 2017.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill imposes a fee on TANF participants when their EBT card is lost or stolen five times in one year. The cost of the replacement card will be deducted from the amount of the cash assistance.

B. Private Sector Impact:

Participants in the TANF program who do not meet work requirements would see their cash assistance terminated for longer periods under the bill.

C. Government Sector Impact:

DCF would incur costs under the bill to modify the FLORIDA system, the information technology system that determines eligibility for economic assistance programs. These costs are estimated by DCF to total \$952,360.

The bill will reduce the costs to the state's TANF program by reducing cash benefits. DCF estimates that the annual savings would total \$2,758,265.

Based on these estimates, the bill would result in a savings to the state of over \$1.8 million in the first year. Because the savings would occur each year and the costs of the bill are limited to the first year, savings would be greater in future years.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 414.065, 445.024, 402.82, and 39.5085.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.