

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 Commerce and Tourism

BILL: CS/SB 570

INTRODUCER: Children, Families, and Elder Affairs Committee and Senator Rouson

SUBJECT: Public Assistance

DATE: April 14, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Hendon</u>	<u>Hendon</u>	<u>CF</u>	Fav/CS
2.	<u>Little</u>	<u>McKay</u>	<u>CM</u>	Pre-meeting
3.	_____	_____	<u>AHS</u>	_____
4.	_____	_____	<u>AP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 570 makes changes to the state's temporary cash assistance program to improve recipients' compliance with work requirements. The bill requires agencies assisting recipients of temporary cash assistance to develop a work plan agreement with the recipient to ensure he or she understands the program's work activity requirements. The bill imposes a fee for the replacement of electronic benefit cards under certain circumstances. The bill clarifies state law to prohibit payment of benefits under the Relative Caregiver Program when both the parent and the child live with the caregiver.

The bill requires CareerSource Florida, Inc., to include additional information in its annual report relating to work activity and employment outcomes for recipients of temporary cash assistance. The bill also directs the Office of Program Policy Analysis and Government Accountability to conduct a study of workforce development efforts for recipients of certain public assistance benefits.

II. Present Situation:

Temporary Assistance for Needy Families

The federal Temporary Assistance for Needy Families (TANF) program was created in the 1996 welfare reform law, as part of the Personal Responsibility and Work Opportunity Reconciliation

Act.¹ The TANF program operates as a block grant, which provides federal funding to states for a wide range of benefits and activities to help support indigent families. TANF is a form of public assistance, best known for providing cash assistance to families with children living in poverty. The purpose of TANF is to:

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

Florida's Temporary Cash Assistance Program

The Department of Children and Families (DCF) is the state agency responsible for the administration of federal social service funds, including the block grant under the TANF program. The DCF is the recipient of the TANF block grant and administers the funds through the state's Temporary Cash Assistance (TCA) program.³ The TCA program is a form of public assistance⁴ that provides cash assistance benefits to families with children that meet certain technical, income, and asset requirements.⁵

Eligibility

To be eligible for TCA, the DCF must determine that a family meets both financial and non-financial requirements established in state law.⁶ In general, families must include a child living in the home (or a pregnant woman) and be residents of Florida.⁷ Children under age 5 must be up to date with childhood immunizations and children age 6 to 18 must attend school and parents or caretakers must participate in school conferences. TCA recipients must have a gross family income equal to, or less than, 185 percent of the federal poverty level⁸ and the family may not have more than \$2,000 of liquid and nonliquid resources, excluding licensed vehicles needed for individuals subject to the work requirement that do not exceed a combined value of \$8,500.⁹

Florida law specifies two major categories of families who may be eligible for TCA, those families that are work-eligible, and those child-only cases.¹⁰ While many of the basic eligibility requirements apply to these categories, there are some distinctions between the categories in terms of requirements and restrictions.

¹ Pub. L. No. 104-193.

² U.S. Department of Health and Human Services, see <http://www.acf.hhs.gov/programs/ofa/programs/tanf/about> (last visited April 11, 2017).

³ Department of Children and Families, *Temporary Assistance for Needy Families: An Overview of Program Requirements* (Jan. 2016), available at <http://www.dcf.state.fl.us/programs/access/docs/TANF%20101%20final.pdf> (last visited April 11, 2017).

⁴ "Public assistance" means benefits paid on the basis of the temporary cash assistance, food assistance, Medicaid, or optional state supplementation program. Section 414.0252(10), F.S.

⁵ See s. 414.045, F.S.

⁶ Section 414.095, F.S.

⁷ *Id.*

⁸ Section 414.085, F.S.

⁹ Section 414.075, F.S.

¹⁰ Section 414.045(1), F.S.

Child-Only Cases

There are two types of child-only cases. The first is where the child has not been adjudicated dependent, but is living with a relative or still resides with a custodial parent who is not eligible to receive TCA.¹¹ These child-only cases 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.¹² In the majority of situations, the child is living with a grandparent or other relative.¹³ Grandparents or other relatives receiving child-only payments are not subject to the TCA work requirements or time limits.

The second type of child-only case refers to families in the Relative Caregiver Program, as provided in s. 39.5085, F.S.¹⁴ In these cases, the child has been adjudicated dependent due to the original parents' inability to care for the child and the court has placed the child with a relative or nonrelative caregiver.¹⁵ These caregivers 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 TCA work requirements or time limits.

Work-Eligible Cases

Work-eligible cases are those in which an adult, or teen head of household, is generally subject to the TCA work activity requirements and time limits in addition to the eligibility requirements.¹⁶ Within the 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. Two-parent families are eligible on the same basis as single-parent families, except the work requirement for two-parent families requires a higher number of work participation hours per week.¹⁷

Work Requirements

Adults in work-eligible cases 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 the children.¹⁸ The following work activities, based on federal law,¹⁹ may be used individually or in combination, to satisfy the TCA work requirements:

- Unsubsidized employment;
- Subsidized private sector employment;
- Subsidized public sector employment;
- On-the-job training;
- Community service programs;

¹¹ See s. 445.045(1)(b), F.S.

¹² *Id.*

¹³ Department of Children and Families, *supra* note 3.

¹⁴ See s. 445.045(1)(b), F.S.

¹⁵ Section 39.5085(2)(a), F.S.

¹⁶ Section 414.045, F.S.

¹⁷ Department of Children and Families, *supra* note 3.

¹⁸ See ss. 414.095 and 445.024, F.S.

¹⁹ Federal law includes “core activities” that may be used to satisfy any of the weekly participation requirements and “supplemental” activities that must be combined with a “core” activity to satisfy the work activity requirement.

- Work experience;
- Job search and job readiness assistance;
- Vocational educational training;
- Job skills training directly related to employment;
- Education directly related to employment;
- Satisfactory attendance at a secondary school or a course of study leading to a high school equivalency diploma; and
- Providing child care services.²⁰

The following chart represents the number of hours work-eligible TCA recipients are required to participate in work or work-related activities:

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 ²¹

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 TCA benefits to not more than 48 cumulative months of assistance, unless a participant qualifies for a hardship exemption to the time limit.²² Hardship exemptions are determined by the DCF in cooperation with CareerSource Florida, Inc. (CareerSource Florida).

Individuals determined to qualify for a hardship exemption may fall within a range of hardship criteria listed under s. 414.405, F.S., and may receive TCA for a duration of time longer than the 48 cumulative months. Extra time may be considered for individuals with significant barriers to employment, individuals with diligent participation and an inability to become employed, or individuals caring for a disabled family member.²³

²⁰ Section 445.024(1), F.S.

²¹ Department of Children and Families, *supra* note 3.

²² Section 414.105, F.S.

²³ *Id.*

Payment of Temporary Cash Assistance

The DCF provides TCA to eligible families by means of electronic benefits transfer (EBT).²⁴ Each eligible family is given an account under the Florida EBT Automated Community Connection to Economic Self Sufficiency (ACCESS) where monthly TCA benefits are deposited. First-time participants are mailed an EBT card and a brochure containing instructions for using the card. If an EBT card is lost or expired, the participant is required to contact EBT Customer Service and request a replacement card.²⁵

The amount of TCA received by a family depends on the family size and whether the family must pay for housing. Florida law establishes a standard for TCA amounts based on whether a family has no obligation to pay for shelter, has a shelter obligation less than or equal to \$50, or has a shelter obligation greater than \$50.²⁶ The following maximum 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 \$50²⁷
1	\$95	\$153	\$180
2	\$158	\$205	\$241
3	\$198	\$258	\$303
4	\$254	\$309	\$364
5	\$289	\$362	\$426 ²⁸

Relative Caregiver Program

Under current law, after a child has been adjudicated dependent and placed with a caregiver, both relative and nonrelative caregivers may be eligible to receive TCA benefits under the Relative Caregiver Program.²⁹ Generally, these caregivers are eligible for a payment that is higher than the typical child-only payment, but less than the payment for licensed foster care. Only the child's countable income and age are used to determine TCA eligibility and benefit amounts.³⁰ The maximum monthly payments for children with no countable income are based on the age of the child as follows:

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

²⁴ Section 402.82, F.S.

²⁵ Department of Children and Families, *EBT Card Issuance*, available at <http://www.myflfamilies.com/service-programs/access-florida-food-medical-assistance-cash/ebt-card-issuance> (last visited April 12, 2017).

²⁶ Section 414.095(10), F.S.

²⁷ A homeless family qualifies for the same level of assistance as a family with a shelter obligation great than \$50. *Id.*

²⁸ Florida law calculates the amounts for each assistance level for family sizes up to 10 persons. See s. 414.095(10), F.S.

²⁹ Section 39.5085, F.S.

³⁰ Rule 65C-28.008(2)(g), F.A.C.

Florida's Workforce Development System

The Department of Economic Opportunity (DEO), CareerSource Florida, and 24 local workforce development boards (LWDBs) act as partners in administering Florida's comprehensive system for the delivery of workforce strategies, services, and programs.

The DEO serves as Florida's lead workforce agency³¹ and is responsible for the fiscal and administrative affairs of the workforce development system.³² The DEO is also responsible for financial and performance reports, which are provided to the U.S. Department of Labor and other federal organizations.³³ The DEO provides one-stop program support to the LWDBs through guidance, training, and technical assistance.³⁴

CareerSource Florida is a not-for-profit corporation that assists the DEO with state-level policy, planning, performance evaluation, and oversight of the delivery of workforce services.³⁵ CareerSource Florida is responsible for developing and implementing a 5-year state plan for the delivery of workforce services and is required to provide an annual report containing information regarding its operations, accomplishments, and audits.³⁶

The DEO and CareerSource Florida delivers Florida's workforce development services through the LWDBs and nearly 100 one-stop career centers.³⁷ One-stop career service centers provide Floridians local access to available workforce services, including job placement, career counseling, and skills training.³⁸

Workforce Development System and TCA Work Requirements

The DCF collaborates with CareerSource Florida to assist TCA recipients in complying with the work requirements under the TCA program.³⁹ The local workforce development boards assist TCA participants by providing employment training, assistance in securing employment, and determine whether an applicant family has significant barriers to employment that may be corrected. The local workforce development boards also document the TCA recipient's work activity and report such information to DCF.⁴⁰ If a TCA participant does not meet his or her work requirements, the DCF may sanction the participant by reducing or eliminating cash assistance.⁴¹

³¹ Primarily through its Division of Workforce Services. *See* s. 20.60, F.S.

³² Section 445.009(3)(c), F.S.

³³ *See* s. 20.60, F.S.

³⁴ Section 20.60(4)(c), F.S.

³⁵ *See* s. 445.004, F.S.

³⁶ The report must be submitted to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Senate Minority Leader, and the House Minority Leader by December 1 each year. *See* s. 445.004, F.S.

³⁷ Florida Department of Economic Opportunity, *CareerSource Florida Center Directory*, <http://www.floridajobs.org/onestop/onestopdir/> (last visited April 11, 2017).

³⁸ *See* s. 445.009, F.S.

³⁹ Section 445.024, F.S.

⁴⁰ *See* ss. 445.007, 445.017, and 445.018, F.S.

⁴¹ Section 414.065, F.S.

III. Effect of Proposed Changes:

Section 1 amends s. 445.004, F.S., to require CareerSource Florida to include additional information in its annual report. The bill requires the annual report to include information regarding participant statistics and employment outcomes, by program, for individuals subject to mandatory work requirements due to TCA or food assistance benefits provided under ch. 414, F.S.

For each local workforce development board, the annual report must include the number of individuals served, services received, activities in which individuals participated, and the types of employment secured. For individuals securing employment, the annual report must also include information as to how many individuals remained in an assistance program and how many individuals exited a program due to employment. The bill also requires CareerSource Florida, Inc., to include in the annual report the participant's employment status at 3 months, 6 months, and 12 months after exiting the program, for the past 3 years.

Section 2 amends s. 445.024, F.S., relating to work requirements for TCA participants. The bill requires the Department of Economic Opportunity, CareerSource Florida, Inc., and the DCF to develop a work plan agreement that requires a TCA participant to assent in writing that he or she has been informed in plain language what is expected of the participant, under what circumstances the participant could be sanctioned for noncompliance, and what potential penalties could be imposed for noncompliance with work requirements. Under the work plan agreement, the agencies must work with the participant to develop strategies to overcome obstacles limiting the participants' ability to comply with the work requirements.

Section 3 amends s. 402.82, F.S., relating to the payment of cash assistance through EBT cards. The bill requires the DCF to impose a fee prior to replacing an EBT card if a participant requests a replacement EBT card for the fifth time within a 12-month period. Any subsequent requests for EBT card replacement within a 12-month period are also subject to the fee. The bill provides the EBT card replacement fee must be equal to the cost of replacing the EBT card, and the bill allows the fee to be deducted from the participant's public assistance benefits. The bill allows the DCF to waive the replacement fee upon a showing of good cause, such as a card malfunction or extreme financial hardship.

Section 4 amends s. 39.5085, F.S., relating to the Relative Caregiver Program. The bill requires the DCF to implement the Relative Caregiver Program. The bill also prohibits financial assistance to be provided under the program if the parent of the child lives with the relative caregiver, unless the parent is a minor and the both the minor parent and the child have been adjudicated dependent and are living with the caregiver. The bill directs payments under the program to be terminated no later than the first day of the following month after the parent moves into the caregiver's home.

Section 5 directs the Legislature's Office of Program Policy Analysis and Government Accountability to conduct a study of local workforce development boards to determine what barriers prevent participants from complying with mandatory work requirements under the Supplemental Nutrition Assistance Program and the Temporary Assistance for Needy Families cash assistance program. The study must include data on the reasons applicants provide for being

noncompliant, the assistance offered to participants, and the number of sanctions applied. The bill requires OPPAGA to submit a report with its findings and recommendations to the Governor and the Legislature by November 1, 2017.

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 TCA participants when their EBT card is replaced five or more times in one year. The cost of the replacement card will be deducted from the participant's cash assistance benefits.

B. Private Sector Impact:

Participants in the TCA program who lose or have their EBT cards stolen five or more times in one year will have to pay for the replacement card.

C. Government Sector Impact:

The DCF may incur costs associated with system programming to implement the bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 445.004, 445.024, 402.82, and 39.5085.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Children, Families, and Elder Affairs Committee on April 3, 2017:

- Removes the increase in penalties for participants in the TANF program who do not meet work requirements;
- Amends s. 445.04, F.S., to add to the requirements of the CareerSource Florida annual report; and
- Requires the Office of Program Policy Analysis and Government Accountability to conduct a study of workforce development efforts for TANF recipients.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
