

STORAGE NAME: h2113.cfe

DATE: April 25, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
CHILDREN AND FAMILY EMPOWERMENT
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 2113 (PCB CFE 97-04)

RELATING TO: The WAGES Program

SPONSOR(S): Committee on Children and Family Empowerment

STATUTE(S) AFFECTED: Sections 414.0252, 414.026, 414.027, 414.028, 414.029, 414.065, 414.075, 414.085, 414.095, 414.105, 414.115, 414.122, 414.125, 414.15, 414.16, 414.175, 414.20, 414.21, 414.22, 414.23, 414.24, 414.25, 414.27, 414.28, 414.29, 414.32, 414.35, 414.36, 414.38, 414.39, 414.40, 414.41, 414.42, 414.43, 414.44, 414.45, 414.55, 402.302, 402.313, 409.2554, and 409.2572, Florida Statutes.

COMPANION BILL(S): CS/SB 566 & 626 (similar)
HB 953 Dawson-White (similar)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) CHILDREN AND FAMILY EMPOWERMENT YEAS 7 NAYS 0
- (2)
- (3)
- (4)
- (5)

I. SUMMARY:

This bill amends ch. 414, F.S., as amended by 96-175, Laws of Florida, The Work and Gain Economic Self-sufficiency (WAGES) Act. Major changes include:

- Provide that Local WAGES coalitions include consideration of issues related to the responsibilities of non-custodial parents in their program.
- Protecting the WAGES State Board of Directors, local WAGES coalitions, and their agents from liability for actions taken in the course of their duties.
- Deleting a provision for automatic repeal of the time limits on temporary cash assistance;
- Authorizing the Department of Children and Family Services to establish by rule, minimum standards for licensing family day care homes;
- Limit community service work experience to the equivalent hours to earn cash benefits at the minimum wage or at the minimum required for work eligibility in federal law;
- Provide that participant's are subject to the same health, safety, and non-discrimination standards that apply to salaried workers;
- Provide for a study by the Department of Labor and Employment Security of policies needed to protect participants from discrimination, risk and unreasonable expectations related to work experience and community service requirements;
- Provide protections for existing employees from displacement or other adverse impact resulting from the hiring of WAGES employees;
- Amend s. 414.43 to create a special needs allowance for a high cost disability;
- Provide that benefits only be denied to drug felon with an offense of drug trafficking;
- Provide that the Department study costs and benefits related to kinship care;
- Provide cities and counties an exemption from oversight of day care programs by the Department of Children and Families.

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This bill has minimal fiscal impact on the state.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

The Organization of Government Agencies

Chapter 96-403, renamed the Department of Health and Rehabilitative Services the Department of Children and Family Services and transferred, to a newly created Department of Health, matters relating to public and environmental health and children's medical services. The Department of Children and Family Services and the Department of Labor administer the WAGES Program.

Chapter 96-320, Laws of Florida, privatized the Department of Commerce and created the Office of Tourism, Trade and Economic Development, in the Executive Office of the Governor.

The Workforce Florida Act of 1996, ch. 96-404, Laws of Florida, provides that Regional Workforce Development Boards must include:

- At least 51 percent of the members of each board being from the private sector and being chief executives, chief operating officers, owners of business concerns, or other private sector executives with substantial management or policy responsibility;
- Representatives of organized labor and community-based organizations, who shall constitute not less than 15 percent of the board members; and
- Representatives from educational agencies, including
 - presidents of local community colleges,
 - superintendents of local school districts,
 - licensed private post-secondary educational institutions participating in vocational education and job training in the state and conducting programs on Occupational Forecasting Conference list or a list validated by the Regional Workforce Development Board;
 - vocational rehabilitation agencies;
 - economic development agencies;
 - public assistance agencies; and public employment service.

One of the representatives from licensed private post-secondary educational institutions is required to be from a degree-granting institution, and one from an institution offering certificate or diploma programs. One of these members is required to be from a nonprofit, community-based organization which provides direct job training and placement services to hard-to-serve individuals including the target population of people with disabilities.

Welfare Reform

Chapter 96-175, Laws of Florida, eliminated individual entitlement to public assistance and created the Work and Gain Economic Self-sufficiency (WAGES) Program, replacing

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the Aid to Families with Dependent Children and Jobs Opportunities and Basic Skills Training programs. The WAGES Program was designed based on the federal welfare reform bill that was at that time pending.

The Federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (H.R. 3734), requires that no later than one year after the date of enactment of the act, unless the chief executive officer of the state opts out of this provision by notifying the Secretary, a state shall require a parent or caretaker receiving assistance under the program who, after receiving such assistance for two months is not exempt from work requirements and is not engaged in work to participate in community service employment, with minimum hours per week and tasks to be determined by the state.

The current round of federal and state welfare reform was largely based on pilot programs conducted by states under federal waivers. During its 1993 session, the Florida Legislature passed the Family Transition Act, Chapter 93-136, Laws of Florida, (ss. 409.921-409.939, F.S.) that authorized the Department of Health and Rehabilitative Services (HRS) to seek waivers from the U. S. Department of Health and Human Services for the purpose of implementing a welfare-to-work program through two pilot demonstration sites in urban areas. FTP was one of the first efforts to impose a time limit on the receipt of Aid to Families with Dependent Children. Demonstration projects were established in Alachua (voluntary participation) and Escambia (mandatory participation) counties. Since this time, FTP has been expanded to seven additional sites.

A two-phase evaluation of FTP is required by statute. The initial phase of the evaluation was performed by Manpower Demonstration Research Corporation.

For individuals subject to a time limitation under the Family Transition Act of 1993, the WAGES act requires that time limitations will continue to apply. Months in which assistance was received through FTP must count toward the time limitations under the WAGES act.

Supplemental Security Income (SSI) is a federal program which provides living expenses for certain individuals with disabilities. Those families that also have children have also qualified for support for living expenses from AFDC. Under s. 414.43, F.S. the state has exercised an option within PL 104-193, the federal welfare reform act, to include SSI payments as income in the calculation of eligibility for WAGES benefits. The effect is to eliminate most families that receive SSI benefits from eligibility for WAGES benefits. However, the state has also adopted within s. 414.43, F.S., a special needs allowance for families with a disabled family member which is intended to provide funding for disability-related expenses. The department is currently conducting a survey to collect information for use in establishing procedures and award amounts for the special needs allowance.

Day Care Homes

One of the most important components of welfare reform is providing day care to aid in the transition from welfare to work. The Department of Children and Family Services is authorized to license only those family day care homes which are not licensed by the county but operate under contract for the purchase-of-service system in the subsidized child care program. Family day care homes may request to be licensed, but those not

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licensed by the department must register annually with the department. This provision was part of the conference report for the WAGES act but was inadvertently omitted for the final bill.

EFFECT OF PROPOSED CHANGES:

This bill predominately amends ch. 414, F.S., as amended by 96-175, Laws of Florida, The Work and Gain Economic Self-sufficiency (WAGES) Act. Changes not purely technical in nature include:

- Protecting the WAGES State Board of Directors, local WAGES coalitions, and their agents from liability for actions taken in the course of their duties.
- Provide that Local WAGES coalitions include consideration of issues related to the responsibilities of non-custodial parents in their program.
- Deleting a provision for automatic repeal of the time limits on temporary cash assistance, on July 1, 2001;
- Authorizing the Department of Children and Family Services to establish by rule, minimum standards for licensing family day care homes;
- Provide that local WAGES coalitions consider issues related to the non-custodial spouse in local programming;
- Limit community service work experience to the equivalent hours to earn cash benefits at the minimum wage or at the minimum required for work requirement eligibility in federal law;
- Provide that each participant is subject to the same health, safety, and non-discrimination standards that apply to salaried workers;
- Provide for a study by the Department of Labor and Employment Security of policies needed to protect participants from discrimination, risk and unreasonable expectations related to work experience and community service requirements;
- Provide protections for existing employees from displacement or other adverse impact resulting from the hiring of WAGES employees;
- Provide that benefits only be denied to a drug felon with a felony offense of trafficking of drugs;
- Provide that the Department study costs and benefits related to kinship care;
- Extend to cities and counties the exemption from oversight of day care programs by the Department of Children and Families.

In addition, the bill amend s. 414.43 to create a new category of special needs allowance for families with a member with a "catastrophic" or high cost disability. The effect is to maintain eligibility for WAGES benefits for a large number of families with a disabled member.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. *Does the bill create, increase or reduce, either directly or indirectly:*

i. *Any authority to make rules or adjudicate disputes?*

No.

ii. *Any new responsibilities, obligations or work for other governmental or private organizations or individuals?*

No.

iii. *Any entitlement to a government service or benefit?*

No.

b. *If an agency or program is eliminated or reduced:*

i. *What responsibilities, costs and powers are passed on to another program, agency, level or government, or private entity?*

Not Applicable.

ii. *What is the cost of such responsibility at the new level/agency?*

Not Applicable.

iii. *How is the new agency accountable to the people governed?*

Not Applicable.

2. Lower Taxes:

a. *Does the bill increase anyone's taxes?*

No.

b. *Does the bill require or authorize an increase in any fees?*

No.

c. *Does the bill reduce total taxes, both rates and revenues?*

No.

d. *Does the bill reduce total fees, both rates and revenues?*

No.

- e. *Does the bill authorize any fee or tax increase by any local government?*

No.

3. Personal Responsibility:

- a. *Does the bill reduce or eliminate an entitlement to government services or subsidy?*

The bill eliminates a current exemption to school attendance requirements which allows unexcused school absences by a teen with a child under 6 months of age.

- b. *Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?*

Not applicable.

4. Individual Freedom:

- a. *Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?*

No.

- b. *Does the bill prohibit, or create new government interference with, any presently lawful activity?*

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- i. *Who evaluates the family's needs?*

Not applicable.

- ii. *Who makes the decisions?*

Not applicable.

- iii. *Are private alternatives permitted?*

Not applicable.

- iv. *Are families required to participate in a program?*

No.

v. *Are families penalized for not participating in a program?*

No.

b. *Does the bill directly affect the legal rights and obligations between family members?*

No.

c. *If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:*

i. *Parents and guardians?*

No.

ii. *Services providers?*

No.

iii. *Government employees/agencies?*

The bill eliminates a current exemption to school attendance requirements which allows unexcused school absences by a teen with a child under 6 months of age.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. amends subsections (3), (7), and (8) of section 414.252, F.S., to protect the WAGES State Board of Directors and its agents from liability for actions taken in the course of their duties; to update the name of the department to "Children and Family Services"; to include applicants as well as recipients of services in the definition of "participants"; and to define "temporary cash assistance" as cash assistance provided under Title IV-A of the Social Security Act.

Section 2. amends paragraph (a) of subsection (2) of s. 414.026, F.S., which lists the members of the WAGES Program State Board of Directors, to correct the title of the Secretary to the Secretary of Children and Family Services, add the Secretary of Health, add the director of the Office of Tourism, Trade, and Economic Development, remove the reference to the Secretary of Commerce, and to provide that ex officio members are non-voting. Out-of-date deadlines for the first appointments during 1996 are stricken.

Section 3. amends subsection (1) of s. 414.027, F.S. relating to the WAGES statewide implementation plan is amended to remove an obsolete date and to provide for consultation between the WAGES board and the Enterprise Florida workforce development boards rather than the Jobs and Education Partnership, reflecting a change in the names of these organizations.

Section 4. amends s. 414.028, F.S., to refer to Enterprise Florida workforce development boards rather than the Jobs and Education Partnership, reflecting the change in the names of these organizations. This section also provides that when the local WAGES board and workforce development board combine, a member or member's principal could benefit financially from an issue, the member must recuse themselves from voting. It also provides that the representative of a local governing body on a coalition may be from a municipal as well as county government. This section also updates a reference to the Department of Health and Rehabilitative Services to reflect the new name of the "Department of Children and Family Services." The section adds to the planning, coordination, and oversight functions of the local WAGES coalition specified in the statewide implementation plan, the authority to select a local entity to administer the program and financial plan, and a responsibility to consider issues related to the responsibility of non-custodial parents in developing and coordinating their program and financial plan. Finally, the section protects the local WAGES coalitions and their agents from liability for actions taken in the course of their duties.

Section 5. amends s. 414.029, F.S., related to the WAGES Program business registry, to clarify the provision of tax credits to refer to s. 212.08(5)(b) or s. 212.08(7)(ii), F.S.

Section 6 amends s. 414.065, F.S., the WAGES work requirements section to:

- clarify responsibilities of the Department of Labor and Employment Security in work activity program administration;
- insert the standard terminology "temporary cash assistance" and then maintain existing meaning by stating that participants performing community service will receive assistance in the form of temporary cash assistance and the value of food stamps which is proportionate to the amount of time worked;
- require vocational training providers to use funds other than those provided by the Department of Labor and Employment Security to the maximum extent possible;
- require the Department of Children and Family Services to coordinate education services with school-to-work activities;
- clarify that children under 16, exempt from work activity requirements must attend school;
- provide that community service work experience must be the greater of number of hours required to earn cash assistance at the minimum wage or the minimum required to meet federal participation guidelines;
- clarify that individuals who receive benefits under either the Supplemental Security Income or the Social Security Disability Insurance programs are exempt from work activity requirements;
- require the Department of Labor and Employment Security to establish procedures for administering work non-participation penalties;
- clarify that food stamps will also be reinstated upon compliance of work requirements or to children under the age of 12 to protective payees;
- clarify *assistance* as temporary cash assistance and food stamps;
- provide that the protective payee designated by the department shall also be the authorized representative for purposes of receiving food stamps on behalf of a child or children under age 12 and that such payee must agree in writing to use the food stamps in the best interest of the child or children;
- allow food stamps to be included in a pay-after-performance arrangement if permitted under federal law;

- include the Department of Labor and Employment Security in the process relating to noncompliance;
- clarify that the “department” referred to in s. 414.065 (7), (9) and (10), F.S., is the Department of Labor and Employment Security;
- authorize the Department of Labor and Employment Security to develop screening and prioritization procedures;
- include the Department of Labor and Employment Security in the use of contract procedures;
- provide that each participant is subject to the same health, safety, and non-discrimination standards that apply to salaried workers;
- provide for a study by the Department of Labor and Employment Security of policies needed to protect participants from discrimination, risk and unreasonable expectations related to work experience and community service requirements;
- remove obsolete reference for implementing WAGES if the federal government failed to pass welfare reform;
- provide protections for existing employees from displacement or other adverse impact resulting from the hiring of WAGES employees.

Section 7 amends s. 414.075, F.S., related to resource eligibility standards to change the word “adults” to “individuals” and to require the WAGES Program income definitions to be consistent with those found in the Medicaid program. Adds language related to penalties for transferring assets for the purpose of becoming qualified for temporary cash assistance. This language describes current policy which has in the past been implemented based on federal law.

Section 8 amends s. 414.085, F.S., to require the WAGES Program income definitions to be consistent with those found in the Medicaid program and to change a technical error which allowed child support paid to a *noncustodial* parent to be disregarded in calculating the amount of temporary cash assistance.

Section 9 amends s. 414.095, F.S., eligibility determination for the WAGES Program to:

- provide that WAGES applicants may be required to participate in work activity requirements with the ability to receive associated support services or child care assistance;
- provide that benefits may not be denied to a drug felon based on the drug felony, unless the offense was felony trafficking of drugs
- clarify that the department will monitor continued eligibility through *periodic reviews consistent* with the food stamp eligibility process;
- specify eligibility requirements for Medicaid under the WAGES Program;
- qualify the work activity requirement for a non-citizen parent who may legally work in this country to the extent permitted under federal law;
- include the Department of Labor and Employment Security as a department which may have authorization to obtain eligibility determination documents from others and a department which a WAGES participant must keep informed of any changes that could affect eligibility;
- provide notice to the participant prior to termination of benefits;
- include food stamps as part of the participant’s opportunities and obligations;
- include the Department of Labor and Employment Security and the Department of Health as agencies which may specify curriculum for parenting and family classes and agencies in which teen parents must cooperate to receive assistance; and

- repeat a good cause exemption for non-compliance with child support enforcement that already exists in Chapter 409.

Section 10 amends s. 414.105, F.S., time limits for temporary cash assistance to:

- clarify that assistance received in any other state under a grant block program, that provided temporary assistance for needy families, counts toward the cumulative 48-month benefit limit under the WAGES Program;
- clarify that individuals who receive benefits under the Supplemental Security Income or the Social Security Disability Insurance programs are not subject to time limitations;
- delete a provision for automatic repeal of this section on July 1, 2001.

Section 11 amends s. 414.115, F.S. related to limiting children born to families receiving temporary cash assistance to clarify that temporary assistance means temporary cash assistance and to clarify the statute by replace the term “the implementation date of this act” with “August 1, 1996.”

Section 12 amends s. 414.122, F.S., to remove the clause which states a recipient will be notified of fraud in the recipient’s next financial assistance payment.

Section 13 amends s. 414.125, F.S., the Learnfare Program to:

- remove from this section good cause exemptions for unexcused school absences a teen with a child under 6 months of age (s. 414.125 F.S. was not included in the WAGES bill and this provision is currently inconsistent with provisions in Chapter 414.065(3)(d) which was established by WAGES);
- change the time limit for an appeal of a sanction under the Learnfare program from “fifteen days after” to “*within 10 days after*” sanction notification;
- change the term “recipient” to “participant”;
- clarify that a recipient who fails to attend a conference with a school official is subject to temporary cash assistance sanction unless the failure was for good cause.

Section 14 amends s. 414.15, F.S., to modify diversion eligibility from the requirement that applicant families must meet all requirements of eligibility to the requirement that the department must determine that all requirements of eligibility *would likely* be met, before finding an applicant family eligible for diversion (diversion serves to keep people off the temporary cash assistance program by providing a one-time diversion payment).

Section 15 amends s. 414.16, F.S., to correct a cross reference.

Section 16 amends ss. 414.175 (1), F.S., to update a reference to the Department of Health and Rehabilitative Services to reflect the new name of the “Department of Children and Family Services.”

Section 17 amends s. 414.20, F.S., related to support services, to

- authorize the Department of Labor and Employment Security to prioritize or otherwise limit support services,
- to include the Department of Labor and Employment Security in the requirement to use services that are available in the community at no additional cost, and
- if the services are not available, to use support services funds.

Section 18 amends s. 414.21, F.S., to replace the name “temporary family assistance” with “temporary cash assistance” and to eliminate an unnecessary eligibility determination.

Section 19 amends s. 414.22, F.S., to clarify the “Department” as the Department of Labor and Employment Security.

Section 20 amends s. 414.23, F.S., to include the Department of Labor and Employment Security as an entity responsible for arranging and participating in program evaluation.

Section 21 amends s. 414.24, F.S., related to integrated welfare reform and child welfare services, to include the Department of Labor and Employment Security as an entity that shall provide funds to one or more service districts to promote development of integrated, non-duplicative case management within the department, the Department of Labor and Employment Security, other participating government agencies, and community partners.

Section 22 amends s. 414.25, F.S., to update a reference to the Department of Health and Rehabilitative Services to reflect the new name of the “Department of Children and Family Services.”

Section 23 amends s. 414.27, F.S., related to payment of temporary cash assistance upon death, to replace the name “public assistance” with “temporary cash assistance,” make grammatical corrections, and update a reference to the Department of Health and Rehabilitative Services to reflect the new name of the “Department of Children and Family Services.”

Section 24 amends s. 414.28, F.S., related to public assistance payments constituting a debt of the recipient, to clarify that the term “public assistance” includes “temporary cash assistance ,” and to update references to the Department of Health and Rehabilitative Services to reflect the new name of the “Department of Children and Family Services.”

Section 25 amends s. 414.29, F.S., related to temporary cash assistance rolls being public records, to replace the name “public assistance” with “temporary cash assistance.”

Section 26 amends s. 414.32, F.S., related to food stamp requirements, to replace the name “assistance” with “temporary cash assistance.”

Section 27 amends s. 414.35, F.S., to clarify assistance programs as *other emergency* assistance programs.

Section 28 amends s. 414.36, F.S., to clarify that include “temporary assistance” means “temporary cash assistance” in the overpayment recovery program.

Section 29 amends s. 414.38, F.S., to delete obsolete program implementation language.

Section 30 amends s. 414.39, F.S., related to fraud, to:

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- change the terms “aid or benefits,” “program aid or benefits,” “assistance program” and “benefits” to “public assistance”;
- change the term “is guilty of” to “commits”;and
- clarify that public assistance includes temporary cash assistance under the WAGES Program.

Section 31 amends s. 414.40, F.S. to update a reference to update references to the Department of Health and Rehabilitative Services to reflect the new name of the “Department of Children and Family Services.”

Section 32 amends s. 414.41, F.S., related to the recovery of payments, to require the Agency for Health Care Administration to make probable cause determinations for overpayments to Medicaid providers and providing the agency with authorization to recover such overpayments as well as withhold payments.

Section 33 amends s. 414.42, F.S., related to cause for employee dismissal, to update references to the Department of Health and Rehabilitative Services to reflect the new name of the “Department of Children and Family Services.”

Section 34 amends s. 414.43, Special needs allowance for families with a disabled family member, to establish a catastrophic special needs allowance for families with unusually large disability-related expenses.

Section 35 amends s. 414.44, F.S., related to data collection and reporting, to require the Department of Labor and Employment Security to also collect data necessary to administer the WAGES Program.

Section 36 amends s. 414.45, F.S., related to rule making, to clarify that the Department of Children and Family Services may also repeal rules to implement, enforce, or interpret the WAGES Program and provide rule making authority to the Department of Labor and Employment Security for the implementation, enforcement or interpretation of the WAGES Program.

Section 37 amends s. 414.55, F.S., relating to the implementation of the WAGES act, to require the Governor to opt out of the special provision related to community work, as described in s. 401(a)(1)(B)(iv) of the Social Security Act, as amended by P.L. 104-193, and to require the Department of Labor and Employment Security to implement the community work program in accordance with ss. 414.015-414.55, F.S. (Note: the opt-out is for the purpose of avoiding possible federal penalty)

Section 38 continues the ongoing welfare reform evaluation in Escambia County for current participants in the evaluation. The conditions of the evaluation are subject to the agreement between the Department of Children and Family Services and the US Department of Health and Human Services and the evaluation agreement may continue regardless of the status of federal waivers. The terms and the conditions of the evaluation may be modified by the Department of Children and Family Services.

Section 39 amends s. 402.302, F.S. to extend to cities and counties the exemption from oversight of day care programs by the Department of Children and Families.

Section 40 amends s. 402.313, F.S., related to family day care homes, authorizing the Department of Children and Family Services to establish by rule, minimum standards for those family day care homes that are licensed. These standards must include at a minimum, requirements for personnel qualifications and training, the physical facility, admissions, record keeping, the enforcement of standards, nutrition, discipline, and child care for children during evening hours. This provision was included in the conference report on the WAGES bill but was inadvertently left out in bill drafting.

Section 41 amends s. 409.2554, F.S. to provide technical changes to the definition of public assistance.

Section 42 amends s. 409.2572, F.S. to remove language that conflicts with penalty language related to child support in Chapter 414.

Section 43 provide that the Department of Children and Family Services conduct a study of the issues related to kinship care and submit recommendations to the Speaker of the House of Representatives, the President of the Senate and the Chairs of the relevant substantive committees by January 1, 1998.

Section 44 provides that the bill will take effect upon becoming a law.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

See fiscal comments.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. **DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. **FISCAL COMMENTS:**

Currently the budget for WAGES assumes a savings of \$30 million due to counting SSI payments for the disabled as income in the determination of eligibility for WAGES benefits. This is partially offset by a special needs allowance intended to compensate for the actual disability-related expenses.

The bill amends this special needs allowance to provide a category of benefits for those with very high out of pocket expenses. Based on preliminary results from the survey, the Department believes that it will be able to construct a benefit schedule for the special needs allowance which includes a new, catastrophic benefit category for those with high cost disabilities and which still exceeds the original budgeted savings. This is because the preliminary results from the survey indicate a large number of SSI recipients with minimal disability-related expenses.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. **APPLICABILITY OF THE MANDATES PROVISION:**

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

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B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VII. SIGNATURES:

COMMITTEE ON CHILDREN AND FAMILY EMPOWERMENT:

Prepared by:

Legislative Research Director:

Bob Cox

Bob Barrios