By the Committee on Commerce and Economic Opportunities; and Senators Lee, Miller, Sebesta and Crist

310-1636-01

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A bill to be entitled An act relating to welfare transition; providing a short title; providing legislative intent; authorizing the Passport to Economic Progress demonstration program in specified areas; requiring Workforce Florida, Inc., and the Department of Children and Family Services to pursue federal-government waivers as necessary; increasing the amount of income that may be disregarded in determining eligibility for temporary cash assistance for families residing in the demonstration areas; authorizing an extended period of time for the receipt of welfare-transition benefits by families residing in the demonstration areas; providing legislative findings; directing Workforce Florida, Inc., to create a transitional wage supplementation program; authorizing wage supplementation payments to certain individuals; requiring an evaluation and reports on the demonstration program; providing for conflicts of laws; providing appropriations; providing an effective date.

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WHEREAS, the state has achieved dramatic success in reforms to the welfare system, with more than 200,000 families leaving the welfare rolls since such reforms were enacted in 1996, and

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WHEREAS, the majority of those who have left the welfare rolls have done so because of employment and have held no more than two different jobs since leaving welfare, and

WHEREAS, however, many of those who have left the welfare rolls are generating incomes below the federal poverty level, leaving them vulnerable to falling back into the welfare system, and

WHEREAS, there also are families that remain within the welfare system who are at risk of exhausting their eligibility for assistance and who would benefit from greater incentives to increase their earnings, and

WHEREAS, a strategy that encourages employment, training, and education represents the best approach for increasing family incomes and promoting economic self-sufficiency, and

WHEREAS, the Workforce Innovation Act of 2000 restructured the state's workforce system to provide individuals with enhanced opportunities to develop skills to secure, maintain, and advance in employment through training and education, and

WHEREAS, the expansion of incentives for employment, the extension of transitional support services, and the provision of wage supplements will further enhance the ability of families who are participants in the welfare system or who are leaving the welfare system to raise their incomes and achieve economic progress, NOW, THEREFORE,

Be It Enacted by the Legislature of the State of Florida:

Section 1. Short title.--This act may be cited as the Passport to Economic Progress Act."

Section 2. <u>Legislative intent.--The purpose of the</u>

Passport to Economic Progress Act is to provide incentives and services designed to assist individuals who are recipients of

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temporary cash assistance or who are former recipients of temporary cash assistance generate family income levels that 2 3 help foster the achievement and maintenance of economic self-sufficiency. It is the intent of the Legislature to create through this act a demonstration program for the provision of such incentives and services, with the goal of developing a model for the continued evolution and enhancement of the welfare-reform efforts of the state.

Section 3. Passport to Economic Progress demonstration program. --

- (1) AUTHORIZATION. -- Notwithstanding any law to the contrary, Workforce Florida, Inc., in conjunction with the Department of Children and Family Services and the Agency for Workforce Innovation, shall implement a Passport to Economic Progress demonstration program by November 1, 2001, consistent with the provisions of this section in Hillsborough, Manatee, and Miami-Dade counties. Workforce Florida, Inc., must consult with the applicable regional workforce boards and the applicable local offices of the department which serve the demonstration areas and must encourage community input into the implementation process.
- (2) WAIVERS.--If Workforce Florida, Inc., in consultation with the Department of Children and Family Services, finds that federal waivers would facilitate implementation of the demonstration program, the department shall immediately request such waivers, and Workforce Florida, Inc., shall report to the Governor, the President of the Senate, and the Speaker of the House of Representatives if any refusal of the federal government to grant such waivers prevents the implementation of the demonstration program. If Workforce Florida, Inc., finds that federal waivers to

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provisions of the Food Stamp Program would facilitate implementation of the demonstration program, the Department of Children and Family Services shall immediately request such waivers in accordance with section 414.175, Florida Statutes.

- INCOME DISREGARD. -- In order to provide an (3) additional incentive for employment, and notwithstanding the amount specified in section 414.095(12), Florida Statutes, for individuals residing in the areas designated for this demonstration program, the first \$300 plus one-half of the remainder of earned income shall be disregarded in determining eligibility for temporary cash assistance. All other conditions and requirements of section 414.095(12), Florida Statutes, shall continue to apply to such individuals.
- (4) TRANSITIONAL BENEFITS AND SERVICES. -- In order to assist them in making the transition to economic self-sufficiency, former recipients of temporary cash assistance residing within the areas designated for this demonstration program shall be eligible for the following benefits and services:
- (a) Notwithstanding the time period specified in section 445.030, Florida Statutes, transitional education and training support services as specified in section 445.030, Florida Statutes, for up to 4 years after the family is no longer receiving temporary cash assistance;
- (b) Notwithstanding the time period specified in section 445.031, Florida Statutes, transitional transportation support services as specified in section 445.031, Florida Statutes, for up to 4 years after the family is no longer receiving temporary cash assistance; and
- (c) Notwithstanding the time period specified in section 445.032, Florida Statutes, transitional child care as 31

specified in section 445.032, Florida Statutes, for up to 4 years after the family is no longer receiving temporary cash assistance.

- All other provisions of sections 445.030, 445.031, and 445.032, Florida Statutes, shall apply to such individuals, as appropriate. This subsection does not constitute an entitlement to transitional benefits and services. If funds are insufficient to provide benefits and services under this subsection, the board of directors of Workforce Florida, Inc., may limit such benefits and services or otherwise establish priorities for the provisions of such benefits and services.
 - (5) WAGE SUPPLEMENTATION. --
 - (a) The Legislature finds that:
- 1. There are former recipients of temporary cash assistance who are working full time but whose incomes are below the federal poverty level.
- 2. Having incomes below the federal poverty level makes such individuals particularly vulnerable to reliance on public assistance despite their best efforts to achieve or maintain economic independence through employment.
- 3. It is necessary to supplement the wages of such individuals for a limited period of time in order to assist them in fulfilling the transition to economic self-sufficiency.
- (b) Workforce Florida, Inc., in cooperation with the
 Department of Children and Family Services and the Agency for
 Workforce Innovation, shall create a transitional wage
 supplementation program by November 1, 2001, as a component of
 the Passport to Economic Progress demonstration program in the
 areas designated for the demonstration program. This wage

supplementation program does not constitute an entitlement to
wage supplementation. If funds appropriated are insufficient
to provide wage supplementation, the board of directors of
Workforce Florida, Inc., may limit wage supplementation or
otherwise establish priorities for wage supplementation.

- (c) To be eligible for wage supplementation under this subsection, an individual must:
- 1. Be a former recipient of temporary cash assistance who last received such assistance on or after January 1, 2000;
- 2. Be employed full time, which for the purposes of this subsection means employment averaging at least 32 hours per week; and
- 3. Have an average family income for the 6 months preceding the date of application for wage supplementation which is less than 100 percent of the federal poverty level.
- (d) Workforce Florida, Inc., shall determine the schedule for the payment of wage supplementation under this subsection. An individual eligible for wage supplementation under this subsection may receive a payment that equals the amount necessary to bring the individual's total family income for the period covered by the payment to 100 percent of the federal poverty level. An individual may not receive wage supplementation payments for more than a total of 12 months.
- (e) The wage supplementation program authorized by this subsection shall be administered through the regional workforce boards and the one-stop delivery system, under policy guidelines, criteria, and applications developed by Workforce Florida, Inc., in cooperation with the Department of Children and Family Services and the Agency for Workforce Innovation. To the maximum extent possible, the regional

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workforce boards shall use electronic debit card technologies
to provide wage supplementation payments under this program.

(6) EVALUATIONS AND RECOMMENDATIONS.--Workforce

- Florida, Inc., in conjunction with the Department of Children and Family Services, the Agency for Workforce Innovation, and the regional workforce boards in the areas designated for this demonstration program, shall conduct a comprehensive evaluation of the effectiveness of the demonstration program operated under this section. By January 1, 2003, Workforce Florida, Inc., shall submit a report on such evaluation to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must include recommendations as to whether the demonstration program should be expanded to other service areas or statewide and whether the program should be revised to enhance its administration or effectiveness.
- (7) CONFLICTS.--If there is a conflict between the implementation procedures described in this section and federal requirements and regulations, federal requirements and regulations shall control.

Section 4. There is appropriated from the Federal Grants Trust Fund to the Department of Children and Family Services \$310,000 to provide funds for 9 months to implement the additional income disregard for fiscal year 2001-2002. There is appropriated from the Employment Security

- 26 Administration Trust Fund to the Agency for Workforce
- 27 Innovation \$3,222,500 to provide funds for 9 months to extend
- 28 transitional benefits and services and to implement the wage
- 29 supplementation program for fiscal year 2001-2001. The source
- 30 of these funds is the Temporary Assistance for Needy Families
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                                    Section 5. This act shall take effect July 1, 2001.
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                                       STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR
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                                                                                                      SB 1672
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           The committee substitute expands the demonstration program to include Miami-Dade County. The committee substitute requires Workforce Florida, Inc., in consultation with the Department of Children and Family Services, to determine whether waivers are needed from the Federal Government to facilitate implementation of the demonstration program. The department must request the necessary federal waivers. The committee substitute requires Workforce Florida, Inc., to report to the Governor and the Legislature if the Federal Government prevents implementation of the demonstration program by refusing to grant a necessary waiver.
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             refusing to grant a necessary waiver.
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