

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 563 Temporary Cash Assistance Program
SPONSOR(S): Children, Families & Seniors Subcommittee, Gaetz
TIED BILLS: **IDEN./SIM. BILLS:** SB 750

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Children, Families & Seniors Subcommittee	8 Y, 4 N, As CS	Langston	Brazzell
2) Health Care Appropriations Subcommittee	9 Y, 2 N	Pridgeon	Pridgeon
3) Health & Human Services Committee			

SUMMARY ANALYSIS

Florida's Temporary Cash Assistance (TCA) Program provides cash assistance to needy families with children that meet the technical, income, and asset eligibility requirements. The purpose of the TCA Program is to help families become self-supporting while allowing children to remain in their own homes.

The Department of Children and Families makes the eligibility determination for TCA. To be eligible for the TCA Program, among other things, applicants must be U.S. citizens or qualified non-citizens, reside in Florida, and have a gross income of less than 185% of the Federal Poverty Level. When calculating eligibility, the earned income of a child who attends high school or the equivalent, and is 19 years of age and younger, is disregarded. When determining eligibility for the family members who meet citizenship requirements in a family that also has illegal or ineligible noncitizen members, only a pro-rata share of the illegal or ineligible noncitizen family member's income is counted.

CS/HB 563 amends s. 414.095(3)(d), F.S., to count all of a noncitizen's income when determining a household's income eligibility. The bill treats the income of U.S. citizens and noncitizens (legal, ineligible, or illegal) who are mandatory family members the same for TCA eligibility.

The bill also amends s. 414.095(11)(b), F.S., to clarify that the earned income of a child who attends high school or the equivalent is disregarded only if that child is under the age of 19, rather than 19 years old or younger. This change aligns the definition of a "child" with the definition of a "minor child" in s. 414.0252(8), F.S.

The bill is estimated to have a positive fiscal impact on the TCA program of \$239,518 within the Department of Children and Families and no fiscal impact on local governments.

The bill provides an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Temporary Assistance for Needy Families (TANF)

Under the federal welfare reform legislation of 1996, the Temporary Assistance for Needy Families (TANF) program replaced the welfare programs known as Aid to Families with Dependent Children, the Job Opportunities and Basic Skills Training program, and the Emergency Assistance program. The law ended federal entitlement to assistance and instead created TANF as a block grant that provides states, territories, and tribes federal funds each year. These funds cover benefits, administrative expenses, and services targeted to needy families. TANF became effective July 1, 1997, and was reauthorized in 2006 by the Deficit Reduction Act of 2005. States receive block grants to operate their individual programs and to accomplish the goals of the TANF program.

Florida's Temporary Cash Assistance Program

The Temporary Cash Assistance (TCA) Program provides cash assistance to families with children under the age of 18 or under age 19¹ if full time high school students, that meet the technical, income, and asset requirements. The purpose of the TCA Program is to help families become self-supporting while allowing children to remain in their own homes.

Cash assistance is available to two categories of families: work-eligible (full-family cases) and child-only. The TCA Program also 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 through the relative caregiver program. The majority of cash assistance benefits are provided to child-only and relative caregiver cases.

Administration

Various state agencies and entities work together through a series of contracts or memorandums of understanding to administer the TCA Program.

- The Department of Children and Families (DCF) is the recipient of the federal TANF block grant. DCF monitors eligibility and disperses benefits.
- CareerSource Florida, formerly Workforce Florida, Inc.,² is the state's workforce policy and investment board. CareerSource Florida has planning and oversight responsibilities for all workforce-related programs.
- The Department of Economic Opportunity (DEO) is the designated agency for workforce programs, funding and personnel, and implements the policy created by CareerSource.³ DEO is responsible for financial and performance reports ensuring compliance with federal and state measures and also provides training and technical assistance to Regional Workforce Boards.
- Regional Workforce Boards (RWBs) provide a coordinated and comprehensive delivery of local workforce services. There are 24 RWBs in service delivery areas that are closely aligned with the community college system. The RWBs focus on strategic planning, policy development and

¹ Parents, children and minor siblings who live together must apply together. Additionally, pregnant women may also receive TCA, either in the third trimester of pregnancy if unable to work, or in the 9th month of pregnancy.

² On May 22, 2013, the WFI Board of Directors unanimously approved the brand charter, name, and logo establishing "CareerSource Florida" as the single, statewide unified brand for Florida's workforce system. This universal brand will apply directly to WFI, RWBs and One-Stop Career Centers, creating aligned brand names and logos system-wide (i.e. Workforce Florida Inc. is now CareerSource Florida and Gulf Coast Workforce Development Board is now CareerSource Gulf Coast).

³ S. 445.007(13), F.S.

oversight of the local workforce investment system within their respective areas and contract with one-stop career centers. The contracts with the RWBs are performance- and incentive-based.

Eligibility Determination

A person must pass all eligibility rules to receive TCA benefits. The initial application for TANF is processed by DCF. The application may be submitted in person, online or through the mail. DCF determines eligibility for the TCA program. To be eligible for the TCA Program, among other things, applicants must:

- Be U.S. citizens or qualified non-citizens;
- Reside in Florida;
- Have a gross income of less than 185% of the Federal Poverty Level (FPL);⁴ and
- Have a countable income that is not higher than the payment standard for the family size.

The earned income of a child who attends high school or the equivalent, and is 19 years of age and younger, is disregarded. The total income of U.S. citizens is counted in determining a family's eligibility. Ineligible noncitizens may not receive benefits, however, their family members who meet the citizenship requirement may be eligible. When determining eligibility for those family members who meet citizenship requirements, only a pro-rata share of the illegal or ineligible noncitizen family member's income is counted.⁵

Additionally, some applicants must participate in work activities unless they qualify for an exemption. Exemptions from the work requirement are available for:

- An individual who receives benefits under the Supplemental Security Income program or the Social Security Disability Insurance program.
- An adult who is not defined as a work-eligible individual under federal law.
- A single parent of a child under 3 months of age, except that the parent may be required to attend parenting classes or other activities to better prepare for raising a child.
- An individual who is exempt from the time period pursuant to s. 414.105, F.S.

If no exemptions from work requirements apply, DCF refers the applicant to DEO.⁶ Upon referral the participant must complete an in-take application and undergo assessment by RWB staff which includes:

- Identifying barriers to employment.
- Identifying the participant's skills that will translate into employment and training opportunities.
- Reviewing participant's work history.
- Identifying whether a participant needs alternative requirements due to domestic violence, substance abuse, medical problems, mental health issues, hidden disabilities, learning disabilities or other problems which prevent the participant from engaging in full-time employment or activities.

⁴ For 2015, 185% of the FPL for a family of two is \$ 29,470.50 (or \$ 2,455.88 per month); for a family four it is \$ 44,862.50 (or \$ 3,738.54 per month).

⁵ S. 414.095(3)(d), F.S.

⁶ This is an electronic referral through a system interface between DCF's computer system and DEO's computer system. Once the referral has been entered into the DEO system the information may be accessed by any of the RWBs or One-Stop Career Centers.

Once the assessment is complete, the staff member and participant create the Individual Responsibility Plan (IRP). The IRP includes:

- The participant's employment goal;
- The participant's assigned activities;
- Services provided through program partners, community agencies and the workforce system;
- The weekly number of hours the participant is expected to complete; and
- Completion dates and deadlines for particular activities.

DCF does not disperse any benefits to the participant until it receives confirmation from DEO or the RWB that the participant has registered and attended orientation.

Effect of the Bill

Counting Income for TCA Eligibility

Noncitizens' Income

The bill amends s. 414.095(3)(d), F.S., to count all of a noncitizen's income, not only a pro-rata share. The income of U.S. citizens and noncitizens (legal, ineligible, or illegal) who are mandatory family members would be treated equally and this would increase families' countable income. Families where the increase in considered income places them above the threshold for receiving benefits would no longer be eligible and would stop receiving TCA benefits. This change will affect an estimated 149 households per month.⁷

Earned Income by a Child

The bill amends s. 414.095(11)(b), F.S., to clarify that the earned income of a child who attends high school or the equivalent is disregarded only if that child is under the age of 19, rather than 19 years old or younger. This change aligns the definition of a "child" with the definition of a "minor child" in s. 414.0252(8), F.S.

The bill provides an effective date of July 1, 2016.

B. SECTION DIRECTORY:

Section 1: Amends s. 414.095, F.S., relating to determining eligibility for temporary cash assistance.

Section 2: Reenacts s. 414.045, F.S., relating to cash assistance program.

Section 3: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

⁷ Id.

2. Expenditures:

The bill will reduce annual TCA expenditures through reduced payments to households that contain an illegal or ineligible noncitizen with income. 149 households per month would be impacted by this change. The estimated savings from this change is \$239,518 annually⁸.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Approximately 149 households, monthly, will no longer be eligible to receive TCA as a result of the changes to the non-citizen income calculations.

D. FISCAL COMMENTS:

The Social Service Estimating conference pursuant to s. 216.136, F.S determines the annual need and forecasted expenditures for the TCA program.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 20, 2016, the Children, Families, and Seniors Subcommittee adopted an amendment that narrowed the scope of the bill to focus solely on the eligibility determination, and what income is counted, for TCA. The bill was reported favorably as a committee substitute. The analysis is drafted to the committee substitute.

⁸ Department of Children and Families, 2016 Agency Legislative Bill Analysis-CS/HB 563, January 28, 2016 (on file with Health Care Appropriations Subcommittee staff).