

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 750

INTRODUCER: Senators Hutson and Bean

SUBJECT: Temporary Cash Assistance Program

DATE: February 16, 2016

REVISED: _____

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

I. Summary:

SB 750 makes changes to the state's main economic assistance program for families in poverty, Temporary Assistance for Needy Families, administered by the Department of Children and Families. The program supports families in poverty by providing cash assistance. The bill requires clients to apply for three jobs prior to receiving benefits, reduces the length of time one can receive benefits from 48 to 30 months, and changes the way income from noncitizen parents is counted in determining eligibility.

The bill would have a positive fiscal impact to the state and has an effective date of July 1, 2016.

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 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;
- 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

¹ Temporary Assistance for Needy Families, An Overview of Program Requirements. June 2015. Department of Children and Families, see <http://www.dcf.state.fl.us/programs/access/docs/TANF%20101%20final.pdf> (last visited Dec. 18, 2015).

- to promote the formation and maintenance of two-parent families.²

Eligibility

Florida law specifies two major categories of families who are 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.

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

² U.S. Department of Health and Human Services, see <http://www.acf.hhs.gov/programs/ofa/programs/tanf/about> (last visited Dec. 18, 2015).

³ s. 414.045(1), Florida Statutes.

⁴ Temporary Assistance for Needy Families, An Overview of Program Requirements. June 2015. Department of Children and Families. <http://www.dcf.state.fl.us/programs/access/docs/TANF%20101%20final.pdf> (last visited Dec. 18, 2015).

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
- Work experience
- On-the-job training
- Vocational educational training (limited to 12 months for an individual), and

⁵ s. 414.095(3)(d), F.S.

⁶ Id

- 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 of Children and Families (referred to as 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.

III. Effect of Proposed Changes:

Section 1 amends s. 414.095, F.S., to make changes to the eligibility for TANF. The first change is to require the client to provide proof that he or she has applied for employment with three employers prior to receiving TANF. The second change is to delete the requirement that the department pro-rate a share of income provided by a parent that is an illegal or ineligible noncitizen in determining family income eligibility for TANF. This change would allow the department to consider the total family income regardless of whether one parent is a noncitizen.

⁷ Id

⁸ Id

Lastly, this section clarifies the age for children whose income is not included in the family income for eligibility for TANF if they are students under the age of 19. This matches the definition in s. 414.0252(8), F.S.

Section 2 amends s. 414.105, F.S., to limit the number of months that a client can receive TANF in his or her lifetime to 30 months. Currently, federal law allows clients to receive TANF for 60 months and Florida law allows clients to receive TANF for 48 months.

Section 3 amends s. 445.024, F.S., to conform to the requirement that a person apply for employment with three employers to be eligible for TANF in section 1 of the bill.

Section 4 reenacts s. 414.065, F.S., to incorporate the amendments to s. 414.105, F.S., by the bill.

Section 5 reenacts s. 445.051, F.S., to incorporate the amendments to s. 414.105, F.S., by the bill.

Section 6 reenacts s. 445.045, F.S., to incorporate the amendments to ss. 414.095 and 414.105, F.S., by the bill.

Section 7 provides an effective date of July 1, 2016.

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:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill would have a positive fiscal impact on the state due to fewer clients receiving TANF benefits. The department estimates that considering all the income of noncitizen parents in determining TANF eligibility would reduce program costs by \$239,518 each year.⁹

The bill could also have a positive fiscal impact by reducing the lifetime limit on TANF benefits from 48 to 30 months. The department however, expects that such families would seek and receive a hardship exemption. If no exemptions were granted, the bill would impact 755 families and save \$2,530,844 each year.¹⁰

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 414.095, 414.105, and 445.024.

This bill reenacts the following sections of the Florida Statutes: 414.065, 445.051, and 414.045.

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.

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

⁹ Department of Children and Families Bill Analysis for SB 750, dated Nov. 5, 2015. On file with the Senate Committee on Children, Families, and Elder Affairs.

¹⁰ Id.