

Joint Committee on Ways and Means

Carrier – House: Rep. Kotek
Carrier – Senate: Sen. Morrisette

Revenue: No revenue impact

Fiscal: Fiscal statement issued

Action: Do Pass as Amended and Be Printed B-Engrossed

Vote: 18 – 0 – 4

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Nathanson, Nolan, Shields
– Nays:

– Exc: Jenson, Morgan

Senate – Yeas: Bates, Brown, Courtney, Devlin, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett

– Nays:

– Exc: Gordly, Winters

Prepared By: Sheila Baker, Legislative Fiscal Office

Meeting Date: 6/23/07

WHAT THE MEASURE DOES: Modifies Temporary Assistance for Needy Families Program (TANF) to meet federal requirements under Deficit Reduction Act of 2005. Describes work activities for job opportunity and basic skills program. Strengthens screening, assessment and case planning, and defines suitable work activities. Creates special provisions for participants with disabilities. Modifies sanctions for failing to comply with case plan in program. Changes time limit for receipt of temporary assistance for needy families to 60-month lifetime limit. Clarifies hardships that exempt participants from time limits. Changes time absent parent is allowed to spend in the home of a child from 12 hours to 30 hours per week. Exempts one parent per family from participation for the first six months after the birth of a child, up to 12 months per family, but allows DHS to require new parents to participate in parenting class and young parents to participate in activities such as education activities 16 weeks after the birth of a child. Creates Post-TANF program for clients that enter and maintain employment or work participation activities at combined level to meet federal participation requirements; establishes process for terminating aid to recipients who cease to comply with participation. Creates State Family Pre-SSI/SSDI program; adds recipients to list of individuals rebuttably presumed to be unable to pay child support; clarifies that DHS may recover adult portion of grant under the new program from SSI/SSDI benefits. Establishes that DHS shall disregard child-support payment of \$50 per child up to \$200 per family when determining income. Expands client eligibility for extended medical assistance after increase in income.

ISSUES DISCUSSED:

- Requirements of Federal Deficit Reduction Act of 2005 and TANF oversight committee work
- Current program structure and changes as proposed with TANF redesign
- Added resources in budget for JOBS, JOBS Plus, day care and TANF leavers
- Income limit for program eligibility relative to federal poverty level
- Access to JOBS Plus and post-secondary education programs
- Fiscal impact of child support pass-through, sanction policy, and Transitional Medical Assistance eligibility changes

EFFECT OF COMMITTEE AMENDMENT: Makes changes in Transitional Medical Assistance eligibility effective October 1, 2008.

BACKGROUND: The TANF program provides cash and other assistance to low-income families with children while they strive to become self-sufficient. The goal of the program is to reduce the number of families living in poverty through employment and community resources. To qualify for TANF, families must have very few assets and little or no income. The current maximum monthly cash benefit for a family of three is \$514. Many families in the TANF program must participate in the JOBS employment and training program, which helps them prepare for and find work. They may also receive help with housing, child care, alcohol or drug abuse, domestic violence and other factors that

affect family stability. The Department of Human Services (DHS) and the Department of Justice work with TANF clients to collect child support owed. The TANF program is administered by the Children, Adults and Families Division within DHS. Services to clients are provided through local DHS offices across the state. Changes to the current program are needed to enable DHS to meet work participation and other requirements of the federal TANF program as reauthorized in the Deficit Reduction Action of 2005, and effective October 1, 2006.