

# House Bill 2180

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Governor Theodore R. Kulongoski for Department of Human Services)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Expands temporary assistance to needy families to include new temporary assistance to needy families SSI program and new post-employment temporary assistance to needy families program for working families. Incorporates provisions establishing two-parent family program into temporary assistance to needy families series.

Renames "programs to develop employment or self-sufficiency skills" as "job opportunity and basic skills program." Requires assessment and case planning. Creates special provisions for participants with disabilities. Extends job opportunity and basic skills program exemption to 12 months for parent of infant. Imposes penalties for failing to comply with case plan in job opportunity and basic skills program.

Changes time limit for receipt of temporary assistance to needy families to 60-month lifetime limit. Specifies exceptions from time limit.

Exempts participants in temporary assistance to needy families SSI program and two-parent family program from requirement to assign child support. Adds recipients of temporary assistance to needy families to list of individuals rebuttably presumed to be unable to pay child support. Authorizes Department of Human Services to recover adult portion of temporary assistance to needy families from retroactive Supplemental Security Income payments.

## A BILL FOR AN ACT

Relating to temporary assistance to needy families; creating new provisions; and amending ORS 25.245, 411.010, 411.070, 411.105, 411.120, 414.025, 418.035, 418.040, 418.042, 418.045, 418.070, 418.075, 418.085, 418.095, 418.131, 418.132, 418.155, 418.160, 418.163 and 418.185 and section 1, chapter 212, Oregon Laws 2003.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 418.035 is amended to read:

418.035. As used in ORS 418.035 to 418.172, unless the context or a specially applicable statutory definition requires otherwise:

(1) "Aid" means money payments with respect to, or on behalf of, a dependent child or children and includes:

(a) Money payments to meet the needs of the relative with whom the child is living and:

(A) The spouse of the relative if the spouse lives with the relative, the relative is the child's parent and the child is a dependent child by reason of the physical or mental incapacity of a parent; or

(B) The spouse of the relative if the spouse lives with the relative, the relative is the child's parent and the child is a dependent child [*as defined in ORS 418.070 (2)(a)*] and is dependent by reason of the unemployment of parents.

(b) Payments made to a representative payee or guardian pursuant to ORS 418.050 or 418.054.

(2)(a) "Dependent child" means a needy child:

(A) Who has been deprived of parental support or care by reason of the **unemployment or underemployment**, death, continued absence from the home or physical or mental incapacity of a

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 parent;

2 (B) Whose relatives are not able to provide adequate care and support for the child without  
3 public assistance, as defined in ORS 411.010;

4 (C) Who is living with the child’s father, mother, grandfather, grandmother, brother, sister,  
5 stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew or niece in a place  
6 of residence maintained by one or more of such relatives as the child’s or their own home; and

7 (D) Who meets the requirements of paragraph (b) of this subsection.

8 (b)(A) Except as provided in subparagraphs (B) and (C) of this paragraph, a “dependent child”  
9 must be under the age of 18 years.

10 (B) A child may qualify as a “dependent child,” subject to the availability of funds, if the child  
11 is 18 or 19 or 20 years of age and a student regularly attending a school in grade 12 or below or  
12 regularly attending a course of professional or technical training designed to fit the child for gainful  
13 employment, other than a course provided by or through a college or university.

14 (C) Students under the age of 21 years and regularly attending a school, college or university  
15 or regularly attending a course of professional or technical training designed to fit the child for  
16 gainful employment may be included in the description in subparagraph (B) of this paragraph at the  
17 option of the Department of Human Services.

18 **(3) “Federally required participation rates” means the requirements imposed upon states**  
19 **by section 407 of the Social Security Act.**

20 [(3)] (4) “Representative payee” means an individual designated by the department to receive  
21 money payments of aid pursuant to ORS 418.050.

22 **SECTION 2.** ORS 418.040 is amended to read:

23 418.040. (1) Aid pursuant to the temporary assistance for needy families program shall be  
24 granted under [ORS 418.035 to 418.125] **this section and ORS 418.185** to any dependent child who  
25 is living in a home meeting the standards of care and health fixed by the rules and regulations of  
26 the Department of Human Services and who is a resident of the State of Oregon, if the parent or  
27 other relative with whom the child is living is a resident of the State of Oregon.

28 **(2) Needy caretaker relatives described in ORS 418.035 (2)(a)(C) may be required to par-**  
29 **ticipate in the job opportunity and basic skills program described in this section.**

30 **(3) The department shall adopt appropriate screening and assessment procedures to**  
31 **identify the barriers to obtaining or maintaining employment for an individual participating**  
32 **in the job opportunity and basic skills program.**

33 **(4) Based upon the screening and assessment under subsection (3) of this section, the**  
34 **department shall work with the participant to create an individualized case plan that is**  
35 **goal-oriented, identifies mandatory activities that support the case plan goals and provides**  
36 **for needed support payments and services from the department.**

37 **(5) For individuals with disabilities, the goal of the individualized case plan must be to**  
38 **promote greater independence in the individual’s level of functioning and may include phys-**  
39 **ical or mental health evaluation, or treatment required by ORS 418.134.**

40 [(2)] **(6) [No] A** parent of a child receiving aid under ORS 418.035 to [418.125] **418.172 [shall]**  
41 **may not** be exempt from a requirement to participate in [programs to develop employment or self-  
42 *sufficiency skills*] **the job opportunity and basic skills program** due to the age of the child except:

43 (a) During the first two months of the third trimester of pregnancy, the parent shall not be re-  
44 quired to participate more than 10 hours per week and shall be exempt from participation during  
45 the last month of pregnancy; and

1 (b) During the first [90 days] **12 months** after the birth of a child.

2 [(3)] (7) [No] **Except as provided in subsection (6)(a) of this section, an** individual in a  
 3 household receiving aid under [ORS 418.035 to 418.125 shall] **this section and ORS 418.185 may**  
 4 **not** be exempt, due to the pregnancy of the individual, from a requirement to obtain a high school  
 5 diploma or its equivalent or to participate in [programs to develop employment or self-sufficiency  
 6 skills] **the job opportunity and basic skills program.**

7 [(4) No parent shall be eligible to receive aid under ORS 418.035 to 418.125 if the parent fails to  
 8 participate in programs to develop employment or self-sufficiency skills during the period of eligibility  
 9 determination.]

10 **(8) If a caretaker relative required to participate in the job opportunity and basic skills**  
 11 **program refuses, without good cause, to comply with the case plan developed pursuant to**  
 12 **this section, during the period of eligibility determination, the relative shall not be eligible**  
 13 **to receive aid under this section or ORS 418.185.**

14 [(5)] (9) The provisions of subsection [(3)] (7) of this section [shall] **do** not apply to an individual  
 15 experiencing medical complications due to pregnancy, as determined by a person licensed by the  
 16 Board of Medical Examiners or the Oregon State Board of Nursing, that prohibit participation in  
 17 the activities otherwise required.

18 [(6) Notwithstanding section 16, chapter 739, Oregon Laws 1993, and subsection (5) of this section,  
 19 no individual in a household receiving aid under ORS 418.035 to 418.125 shall be exempt from any  
 20 requirement to participate in programs to develop employment or self-sufficiency skills, as defined by  
 21 the department, unless the individual and the individual's department case manager agree in writing  
 22 that the exemption is appropriate under guidelines developed by the department.]

23 [(7) The department by rule shall define programs to develop employment or self-sufficiency skills  
 24 for purposes of this section.]

25 **(10) The department shall adopt rules to implement the provisions of this section.**

26 **SECTION 3.** ORS 418.045 is amended to read:

27 418.045. (1) The need for and amount of aid pursuant to the temporary assistance for needy  
 28 families to be granted for any dependent child or relative pursuant to ORS [418.035 to 418.172]  
 29 **418.040 and 418.185** shall be determined, in accordance with the rules and regulations of the De-  
 30 partment of Human Services, taking into account:

31 (a) The income, resources and maintenance available to such child and relative from whatever  
 32 source derived, allowable deductions and the statewide income and payment standards.

33 (b) The income and financial condition of the stepparent, if any, of the child for whom aid is  
 34 sought.

35 (2) Subsection (1)(b) of this section is not intended to relieve any father of any legal obligation  
 36 in respect of the support of the natural or adopted children of the father.

37 (3) In the determination of eligibility and the amount of need, and in any reconsideration  
 38 thereof, with respect to an applicant or recipient of aid pursuant to ORS 418.035 to 418.172, such  
 39 amounts of income and resources may be disregarded as the department may prescribe by rules and  
 40 regulations promulgated by it. The amounts to be disregarded shall be within the limits required or  
 41 permitted by federal laws and by federal rules and orders thereto applicable.

42 [(4)(a) Notwithstanding section 16 (5)(d), chapter 739, Oregon Laws 1993, an individual who fails  
 43 to cooperate in such education, employment or job training programs as may be required by law shall  
 44 have aid payments reduced by the amount of \$50 for a period of two months.]

45 [(b) Continued failure of an adult aid recipient to cooperate in mandatory education, employment

1 or job training programs for more than two months as described in paragraph (a) of this subsection  
 2 shall result in the removal of the noncooperating adult from the eligibility determination for the corre-  
 3 sponding recipient family for a period of two months in addition to the period required under para-  
 4 graph (a) of this subsection.]

5 [(c) Subsequent and continued failure of an individual to cooperate in mandatory education, em-  
 6 ployment or job training programs beyond the period described in paragraph (b) of this subsection shall  
 7 result in termination of all aid.]

8 [(d) The department shall adopt rules defining standards for cooperation in programs for educa-  
 9 tion, employment or job training as provided in this subsection.]

10 [(5) Aid terminated under subsection (4) of this section shall be restored upon demonstrated coop-  
 11 eration, as defined by the department, in applicable education, employment or job training programs.]

12 **(4)(a) Following notice and an opportunity for a hearing in accordance with ORS chapter**  
 13 **183, the department shall reduce aid payments to any family in which a caretaker relative**  
 14 **required to participate in the job opportunity and basic skills program refuses, without good**  
 15 **cause, to comply with an appropriate case plan developed pursuant to ORS 418.040, by re-**  
 16 **moving the noncomplying individual from the benefit determination for the family for a**  
 17 **minimum of one month.**

18 **(b) If the noncomplying caretaker relative continues to refuse, without good cause, to**  
 19 **comply with a case plan developed pursuant to ORS 418.040 for two months, the department**  
 20 **shall terminate all aid to the family for a minimum of three months.**

21 **(c) The reduction in aid under paragraph (a) or (b) of this subsection shall continue until**  
 22 **the noncomplying individual complies with an appropriate case plan for two consecutive**  
 23 **weeks.**

24 **(d) The penalties in paragraphs (a) and (b) of this subsection do not apply to families**  
 25 **receiving aid pursuant to ORS 418.155 or section 9 of this 2007 Act.**

26 **(e) The penalties under paragraphs (a) and (b) of this subsection shall not be imposed**  
 27 **upon a family in which the caretaker relatives required to participate in the job opportunity**  
 28 **and basic skills program are engaged in work activities for the number of hours required**  
 29 **each month to satisfy federally required participation rates.**

30 **SECTION 4.** ORS 418.070 is amended to read:

31 418.070. [For the purposes of ORS 418.035 to 418.185,] With respect to any period for which fed-  
 32 eral funds are made available to this state [in aid of] for a state-administered program of [aid] as-  
 33 sistance to any child defined in and meeting the requirements of this section, **the Department of**  
 34 **Human Services is authorized to provide assistance. For the purposes of this section:**

35 (1) "Aid" includes foster care in behalf of a child described in subsection [(2)(b)] **(2)** of this  
 36 section in the foster home of any individual or in a licensed nonprofit private child-caring agency.

37 (2) "Dependent child" includes **a child:**

38 [(a) A needy child meeting the requirements of ORS 418.035 (2)(b)(A) or (B) who has been deprived  
 39 of parental support or care by reason of the unemployment of a parent or parents and who is living  
 40 with any of the relatives specified in ORS 418.035 (2) in a place of residence maintained by one or more  
 41 of such relatives as the relative's or relatives' own home.]

42 [(b) a child:]

43 [(A)] **(a)** Who would meet the requirements of ORS 418.035 (2) [or of paragraph (a) of this sub-  
 44 section] except for removal from the home of a relative specified in ORS 418.035 (2) as a result of  
 45 a judicial determination to the effect that continuation therein would be contrary to the welfare of

1 such child;

2 [(B)] (b) Who has been accepted for placement and care by the Department of Human Services;

3 [(C)] (c) Who has been placed in a foster home or licensed nonprofit private child-caring agency  
4 as a result of such determination; and

5 [(D)] (d) Who received aid in or for the month in which court proceedings leading to such de-  
6 termination were initiated, or would have received such aid in or for such month if application had  
7 been made therefor, or in the case of a child who had been living with a relative specified in ORS  
8 418.035 (2) within six months prior to the month in which such proceedings were initiated, would  
9 have received such aid in or for such month if in such month the child had been living with and  
10 removed from the home of such a relative and application had been made therefor.

11 (3) "Foster home" means a foster home [which] **that** is certified by this state or has been ap-  
12 proved, by the agency of this state responsible for the certification of foster homes, as meeting the  
13 standards established for such certification.

14 [(4) "Unemployment of parent" shall be defined by the department and such definition may take into  
15 account definitions used to establish the availability of federal funds for the program of temporary as-  
16 sistance for needy families.]

17 **SECTION 5.** ORS 418.131 is amended to read:

18 418.131. (1) A [person] **needy caretaker relative** shall not receive aid **under ORS 418.040 or**  
19 **418.185** for more than a total of [24 months in any period of 84 consecutive months] **60 months.**

20 [(2) For purposes of determining the 24-month limitation described in subsection (1) of this section,  
21 a month in which one parent of a family receiving aid under ORS 418.035 to 418.125 receives gross  
22 earnings in an amount equal to 173 times the hourly minimum wage as provided in ORS 653.025 but  
23 in an amount that does not exceed the eligibility requirements for aid under ORS 418.035 to 418.125  
24 shall be counted as two-fifths of a month.]

25 [(3)] (2) The [24-month] **60-month** limitation described in subsection (1) of this section shall not  
26 apply to[:] **a month in which a household member:**

27 (a) **Is a victim of domestic violence as defined in ORS 411.117;**

28 (b) **Has a certified learning disability;**

29 (c) **Has a mental health condition or an alcohol or drug abuse problem that prevents the**  
30 **individual from obtaining or maintaining employment;**

31 (d) **Has a disability as defined by the Department of Human Services by rules that are**  
32 **consistent with the definition of disability in the Americans with Disabilities Act;**

33 (e) **Has a child with a disability that prevents the caretaker relative from obtaining or**  
34 **maintaining employment for the number of hours required to satisfy federally required par-**  
35 **ticipation rates;**

36 (f) **Receives aid under ORS 418.185 or section 9 of this 2007 Act unless the aid is funded**  
37 **with grants under Title IV-A of the Social Security Act;**

38 (g) **Is deprived of needed medical care;**

39 (h) **Is subject to battery or extreme cruelty as defined by the department by rule; or**

40 [(a) A month in which a dependent child receiving aid resides with a person other than the child's  
41 natural or adoptive parent;]

42 [(b) Up to three months within a two-year period for the care of any family members who suffer  
43 serious health conditions as defined in ORS 659A.150; or]

44 [(c) A household with only one parent in which the basis of eligibility is the incapacity of that  
45 parent or, in a household with two parents, if both parents are incapacitated or one parent is required

1 *in the home to care for the incapacitated parent.]*

2 [(4) A person whose aid is terminated under subsection (1) of this section may become eligible to  
3 receive aid, as determined by the Department of Human Services, in excess of 24 months if:]

4 [(a) The former recipient is a dependent child in a two-parent household and the primary wage  
5 earner in the household dies;]

6 [(b) The former recipient is a dependent child and the child resides with a person other than the  
7 parent, parents or legal guardian with whom the child lived at the time the child was receiving aid;  
8 or]

9 [(c) The former recipient is a parent of a dependent child receiving aid and the department deter-  
10 mines that the parent is making diligent efforts in good faith to obtain permanent employment. The  
11 number of families receiving aid under this paragraph in any month may not exceed one percent of the  
12 total number of families receiving aid in that month or 400 families, whichever is greater.]

13 [(5)(a) The time limitations described in subsection (1) of this section do not apply to any person  
14 who is:]

15 [(A) Required to participate in the JOBS Program unless the person has been offered the oppor-  
16 tunity to participate in an education, employment or job training program including teen parent pro-  
17 grams as defined by the department.]

18 [(B) Participating in an employment and training program including any employment search ac-  
19 tivities required by the program.]

20 [(C) (i) **Was** enrolled at an educational institution under section 1, chapter 212, Oregon Laws  
21 2003.

22 [(b) (3) The Department of **Human Resources** shall report to each session of the Legislative  
23 Assembly the number of families whose period of time receiving aid has exceeded the time [*limita-*  
24 *tions of*] **limitation under** subsection (1) of this section because of the exceptions provided under  
25 [*paragraph (a) of this subsection*] **subsection (2) of this section**. The report shall include informa-  
26 tion sufficient to permit the Legislative Assembly to determine if the exceptions make a significant  
27 contribution to increased self-sufficiency of persons granted an [*exemption*] **exception**.

28 [(6)(a) (4)(a) The Department of Human Services shall monitor the average period of time a  
29 person receives aid and shall record such information by family size. The department shall monitor  
30 the wages and benefits received by an individual who becomes employed while receiving aid, in-  
31 cluding medical and child care benefits. The department shall monitor and record the rate at which  
32 persons who cease receiving aid for employment subsequently apply for and receive aid.

33 (b) The department shall report the results of the monitoring required under paragraph (a) of  
34 this subsection to the Legislative Assembly not later than the 15th day of each legislative session.

35 **SECTION 6.** ORS 418.155 is amended to read:

36 418.155. [*As used in ORS 418.150 to 418.172, unless the context or a specially applicable statutory*  
37 *definition requires otherwise:]*

38 [(1) “Employment and training program” means a program for placing as many individuals as is  
39 possible in employment.]

40 [(2) “JOBS Plus Program and work experience program” and “on the job training” mean work site  
41 programs for those individuals for whom such training is likely to lead to regular employment.]

42 [(3) “JOBS program” means programs established by the Department of Human Services, pursuant  
43 to the temporary assistance for needy families program and rules adopted thereunder.]

44 (1) **The Department of Human Services shall provide aid to families, residing in Oregon,**  
45 **who become ineligible for temporary assistance to needy families under ORS 418.040 or**

1 418.185 due to employment or increased hours of work.

2 (2) If the caretaker relatives are employed for the number of hours required each month  
 3 to satisfy federally required participation rates, families may continue to receive aid under  
 4 this section for 12 consecutive months or until the household's income exceeds 250 percent  
 5 of the federal poverty guidelines, whichever comes first.

6 (3) If a caretaker relative ceases to work a sufficient number of hours to satisfy federally  
 7 required participation rates, the family may continue to receive aid under ORS 418.040 or  
 8 418.185.

9 (4) The department shall by rule establish standards for payments provided under this  
 10 section.

11 (5) In addition to money payments, the department shall provide necessary support pay-  
 12 ments and services to assist the family in achieving long-term financial stability.

13 **SECTION 7.** ORS 418.185 is amended to read:

14 418.185. (1) Within the limits of funds expressly appropriated [*and specifically available*] for a  
 15 temporary assistance for needy families program **for two-parent families**, such assistance shall be  
 16 available for aid to dependent children of unemployed parents.

17 (2) As a condition of receiving aid under this section, parents must comply with an ap-  
 18 propriate case plan developed pursuant to ORS 418.040.

19 **SECTION 8.** (1) ORS 418.180 and 418.185 are added to and made a part of ORS 418.035 to  
 20 418.172.

21 (2) Section 9 of this 2007 Act is added to and made a part of ORS 418.035 to 418.172.

22 **SECTION 9.** (1) There is created in the Department of Human Services the temporary  
 23 assistance to needy families SSI program. The department shall provide aid under this sec-  
 24 tion to families who are eligible for temporary assistance to needy families under ORS 418.040  
 25 and who include a caretaker relative who is unable to maintain substantial gainful activity  
 26 due to a disability or combination of disabilities meeting the criteria of section 216 of the  
 27 Social Security Act.

28 (2) The department shall assist families receiving aid under this section in qualifying for  
 29 federal Supplemental Security Income and shall assist with an administrative appeal, if nec-  
 30 essary.

31 (3) The department shall adopt rules for determining the amount of aid granted under  
 32 this section, which shall be no less than the combined total of 50 percent of the Supplemental  
 33 Security Income payment in effect at that time and the temporary assistance to needy  
 34 families grant amount for a family of that size without an adult receiving aid.

35 (4) Participation in the temporary assistance to needy families SSI program must be  
 36 voluntary. For recipients of aid under this section, cooperation with the department to es-  
 37 tablish eligibility for Supplemental Security Income shall satisfy the requirement to partic-  
 38 ipate in the job opportunity and basic skills program under ORS 418.040.

39 (5) The department may by rule establish methods to encourage participants' full coop-  
 40 eration in the application process for Supplemental Security Income. Methods may include  
 41 penalties for those who refuse, without good cause, to comply with a case plan developed  
 42 pursuant to ORS 418.040.

43 **SECTION 10.** ORS 411.105 is amended to read:

44 411.105. (1) A person seeking public assistance shall file an application for public assistance with  
 45 the Department of Human Services. At the time of application, the applicant shall declare to the

1 department any circumstance that directly affects the applicant's eligibility to receive assistance or  
2 the amount of assistance available to the applicant. Upon the receipt of property or income or upon  
3 any other change in circumstances that directly affects the eligibility of the recipient to receive  
4 assistance or the amount of assistance available to the recipient, the applicant, recipient or other  
5 person in the assistance household shall immediately notify the department of the receipt or pos-  
6 session of such property or income, or other change in circumstances. The department shall recover  
7 from the recipient the amount of assistance improperly disbursed by reason of failure to comply with  
8 the provision of this section.

9 (2) The department may recover any cash assistance granted for general assistance under ORS  
10 411.710 to 411.730 **or for the adult portion of the temporary assistance to needy families**  
11 **granted under ORS 418.035 to 418.172** that has been paid to any recipient when that recipient is  
12 presently receiving or subsequently receives Supplemental Security Income. The amount of recovery  
13 shall be limited to the total amount of Supplemental Security Income that was received for the same  
14 time period that the general assistance was being paid.

15 (3) Nothing in subsection (1) or (2) of this section shall be construed as to prevent the depart-  
16 ment from entering into a compromise agreement for recovery of assistance improperly disbursed,  
17 if the department determines that the administration and collection costs involved would exceed the  
18 amount that can reasonably be expected to be recovered.

19 **SECTION 11.** ORS 25.245 is amended to read:

20 25.245. (1) Notwithstanding any other provision of Oregon law, a parent who is eligible for and  
21 receiving cash payments [*under Title IV-A of the Social Security Act*] **under the temporary as-**  
22 **sistance to needy families program under ORS 418.035 to 418.172**, the general assistance pro-  
23 gram as provided in ORS chapter 411 or a general assistance program of another state or tribe, the  
24 Oregon Supplemental Income Program or the federal Supplemental Security Income Program shall  
25 be rebuttably presumed unable to pay child support and a child support obligation does not accrue  
26 unless the presumption is rebutted.

27 (2) Each month, the Department of Human Services shall identify those persons receiving cash  
28 payments under the programs listed in subsection (1) of this section that are administered by the  
29 State of Oregon and provide that information to the administrator. If benefits are received from  
30 programs listed in subsection (1) of this section that are administered by other states, tribes or  
31 federal agencies, the obligor shall provide the administrator with written documentation of the  
32 benefits. The Department of Human Services shall adopt rules to implement this subsection.

33 (3) The administrator shall refer to the information provided in subsection (2) of this section  
34 prior to establishing any child support obligation. Within 30 days following identification of persons  
35 under subsection (2) of this section, the entity responsible for support enforcement services under  
36 ORS 25.080 shall provide notice of the presumption to the obligee and obligor and shall inform all  
37 parties to the support order that, unless a party objects as provided in subsection (4) of this section,  
38 child support shall cease accruing beginning with the support payment due on or after the date the  
39 obligor first begins receiving the cash payments and continuing through the support payment due  
40 in the last month in which the obligor received the cash payments. The entity responsible for sup-  
41 port enforcement services shall serve the notice on the obligee in the manner provided for the ser-  
42 vice of summons in a civil action or by certified mail, return receipt requested, and shall serve the  
43 notice on the obligor by first class mail to the obligor's last-known address. The notice shall specify  
44 the month in which cash payments are first made and shall contain a statement that the adminis-  
45 trator represents the state and that low cost legal counsel may be available.



1 (4) A party may object to the presumption by sending an objection to the entity responsible for  
 2 support enforcement services under ORS 25.080 within 20 days after the date of service of the no-  
 3 tice. The objection must describe the resources of the obligor or other evidence that might rebut the  
 4 presumption of inability to pay child support. The entity receiving the objection shall cause the case  
 5 to be set for a hearing before a court or an administrative law judge. The court or administrative  
 6 law judge may consider only whether the presumption has been rebutted.

7 (5) If no objection is made, or if the court or administrative law judge finds that the presumption  
 8 has not been rebutted, the Department of Justice shall discontinue billing the obligor for the period  
 9 of time described in subsection (3) of this section and no arrearage shall accrue for the period dur-  
 10 ing which the obligor is not billed. In addition, the entity providing support enforcement services  
 11 shall file with the circuit court in which the support order or judgment has been entered a copy of  
 12 the notice described in subsection (3) of this section or, if an objection is made and the presumption  
 13 is not rebutted, a copy of the administrative law judge's order.

14 (6)(a) Within 30 days after the date the obligor ceases receiving cash payments under a program  
 15 listed in subsection (1) of this section, the Department of Justice shall provide notice to all parties  
 16 to the support order:

17 (A) Specifying the last month in which a cash payment was made;

18 (B) Stating that the payment of those benefits has terminated and that by operation of law bill-  
 19 ing and accrual of support resumes; and

20 (C) Informing the parties of their rights to request a review and modification of the support  
 21 order based on a substantial change in circumstance or pursuant to ORS 25.287 or any other pro-  
 22 vision of law.

23 (b) The notice shall include a statement that the administrator represents the state and that low  
 24 cost legal counsel may be available.

25 (c) The entity providing enforcement services shall file a copy of the notice required by para-  
 26 graph (a) of this subsection with the circuit court in which the support order or judgment has been  
 27 entered.

28 (7) Receipt by a child support obligor of cash payments under any of the programs listed in  
 29 subsection (1) of this section shall be sufficient cause for a court or administrative law judge to al-  
 30 low a credit and satisfaction against child support arrearage for months that the obligor received  
 31 the cash payments.

32 (8) The notice and finding of financial responsibility required by ORS 416.415 shall include no-  
 33 tice of the presumption, nonaccrual and arrearage credit rights provided for in this section.

34 (9) The presumption, nonaccrual and arrearage credit rights created by this section shall apply  
 35 whether or not child support enforcement services are being provided under Title IV-D of the Social  
 36 Security Act.

37 (10) Application of the presumption, nonaccrual and arrearage credit rights created by this  
 38 section does not constitute a modification but does not limit the right of any party to seek a mod-  
 39 ification of a support order based upon a change of circumstances or pursuant to ORS 25.287 or any  
 40 other provision of law. In determining whether a change in circumstances has occurred or whether  
 41 two years have elapsed since entry of a support order, the court or administrative law judge may  
 42 not consider any action taken under this section as entry of a support order. The presumption stated  
 43 in subsection (1) of this section applies in any modification proceeding.

44 **SECTION 12.** ORS 418.042 is amended to read:

45 418.042. (1) Aid, as defined in ORS 418.035, may not be granted to, or on behalf of, any applicant

1 or recipient and for as long as the applicant or recipient refuses to assign to the state any rights  
 2 to support from any other person such applicant may have personally or in behalf of any other  
 3 family member for whom the applicant is applying for or receiving aid, and that have accrued at any  
 4 time such assignment is executed. If aid is paid and received for the support of a child, the rights  
 5 to child support that any person may have for the child are deemed to have been assigned by op-  
 6 eration of law to the state. Notice of the assignment by operation of law shall be given to the ap-  
 7 plicant at the time of application for public assistance, and shall be given to any obligee who may  
 8 hold some interest in such support rights by depositing a notice in the United States mail, postage  
 9 prepaid, addressed to the last-known address of such person. Assignment of support rights to the  
 10 state shall be as set forth in rules adopted by the Department of Human Services and the Depart-  
 11 ment of Justice.

12 (2) Except as otherwise provided in this subsection, an applicant or recipient who receives aid  
 13 as defined in ORS 418.035 shall cooperate with the Department of Human Services and the Depart-  
 14 ment of Justice in establishing the paternity of the applicant's or recipient's child born out of  
 15 wedlock and in obtaining support or other payments or property due the applicant or child. An ap-  
 16 plicant or recipient is not required to cooperate if there is good cause or some other exception to  
 17 the cooperation requirement that takes into account the best interest of the child. The Department  
 18 of Human Services shall adopt rules defining good cause, other exceptions to cooperation and non-  
 19 cooperation by an applicant or recipient, and setting the sanction for noncooperation. The sanction  
 20 may include total ineligibility of the family for aid, but in no situation may the sanction be less than  
 21 a 25 percent reduction of the monthly grant amount. At the time an applicant applies for aid, the  
 22 Department of Human Services shall inform the applicant, in writing, of the requirement of and ex-  
 23 ceptions to cooperation and the sanctions for noncooperation, and shall inform recipients, in writing,  
 24 whenever eligibility for aid is redetermined.

25 **(3) This section shall apply to recipients of aid under ORS 418.185 and section 9 of this**  
 26 **2007 Act only as long as the aid is funded with federal grants under Title IV-A of the Social**  
 27 **Security Act.**

28 **SECTION 13.** ORS 411.010 is amended to read:

29 411.010. As used in this chapter and in other statutes providing for assistance and services to  
 30 needy persons, unless the context or a specially applicable statutory definition requires otherwise:

31 (1) "Department" means the Department of Human Services.

32 (2) "General assistance" means assistance or service of any character provided to needy persons  
 33 not otherwise provided for to the extent of such need and the availability of funds, including med-  
 34 ical, surgical and hospital or other remedial care.

35 (3) "Public assistance" means the following types of assistance:

36 (a) Temporary assistance for needy families granted under ORS 418.035 to [418.125] **418.172**;

37 (b) General assistance granted under ORS 411.710 to 411.730;

38 (c) Medical assistance;

39 (d) Assistance provided by the Oregon Supplemental Income Program;

40 (e) General assistance other than general assistance granted under ORS 411.710 to 411.730; and

41 (f) Any other functions that may be delegated to the Director of Human Services by or in ac-  
 42 cordance with federal and state laws.

43 **SECTION 14.** ORS 411.070 is amended to read:

44 411.070. The Department of Human Services shall by rule fix statewide uniform standards for  
 45 all public assistance programs and effect uniform observance thereof throughout the state. In es-

1 tablishing statewide standards for public assistance, the department, within the limits of available  
 2 funds, shall:

3 (1) Take into consideration all basic requirements for a standard of living compatible with de-  
 4 cency and health, including food, shelter, clothing, fuel, public utilities, telecommunications service,  
 5 medical care and other essential items and, upon the basis of investigations of the facts, shall pro-  
 6 vide budgetary guides for determining minimum costs of meeting such requirements.

7 (2) Develop standards for making payments and providing support services [*for the employment*  
 8 *and self-sufficiency skills programs*] **in the job opportunity and basic skills program** described in  
 9 ORS 418.040.

10 **SECTION 15.** ORS 411.120 is amended to read:

11 411.120. The Department of Human Services may, subject to the allotment system provided for  
 12 in ORS 291.234 to 291.260, expend such sums as are required to be expended in this state to provide  
 13 public assistance excluding medical assistance. Expenditures for public assistance include, but are  
 14 not limited to, expenditures for the following purposes:

15 (1) General assistance to needy persons and their dependents.

16 (2) Temporary assistance for needy families granted under ORS 418.035 to [*418.125*] **418.172**, in-  
 17 cluding services to relatives with whom dependent children applying for or receiving temporary as-  
 18 sistance for needy families are living in order to help such relatives attain the maximum self-support  
 19 or self-care consistent with the maintenance of continuing parental care and protection or in order  
 20 to maintain and strengthen family life for such children.

21 (3) Assistance provided by the Oregon Supplemental Income Program.

22 (4) General assistance granted under ORS 411.710 to 411.730.

23 (5) Carrying out the provisions of law for child welfare purposes.

24 (6) Scholarships or grants for qualified recipients to provide them education and professional,  
 25 technical or other helpful training, payable to a publicly supported career school or educational in-  
 26 stitution on behalf of the recipient.

27 (7) Other purposes for which the department is authorized to expend funds, including the ad-  
 28 ministration expenses of the department.

29 (8) Carrying out the provisions of ORS 411.116.

30 **SECTION 16.** ORS 414.025 is amended to read:

31 414.025. As used in this chapter, unless the context or a specially applicable statutory definition  
 32 requires otherwise:

33 (1) "Category of aid" means assistance provided by the Oregon Supplemental Income Program,  
 34 temporary assistance for needy families granted under ORS 418.035 to [*418.125*] **418.172** or federal  
 35 Supplemental Security Income payments.

36 (2) "Categorically needy" means, insofar as funds are available for the category, a person who  
 37 is a resident of this state and who:

38 (a) Is receiving a category of aid.

39 (b) Would be eligible for, but is not receiving a category of aid.

40 (c) Is in a medical facility and, if the person left such facility, would be eligible for a category  
 41 of aid.

42 (d) Is under the age of 21 years and would be a dependent child under the program for tempo-  
 43 rary assistance for needy families except for age and regular attendance in school or in a course  
 44 of professional or technical training.

45 (e)(A) Is a caretaker relative named in ORS 418.035 (2)(a)(C) who cares for a dependent child

1 who would be a dependent child under the program for temporary assistance for needy families ex-  
 2 cept for age and regular attendance in school or in a course of professional or technical training;  
 3 or

4 (B) Is the spouse of such caretaker relative and fulfills the requirements of ORS 418.035 (1).

5 (f) Is under the age of 21 years, is in a foster family home or licensed child-caring agency or  
 6 institution under a purchase of care agreement and is one for whom a public agency of this state  
 7 is assuming financial responsibility, in whole or in part.

8 (g) Is a spouse of an individual receiving a category of aid and who is living with the recipient  
 9 of a category of aid, whose needs and income are taken into account in determining the cash needs  
 10 of the recipient of a category of aid, and who is determined by the Department of Human Services  
 11 to be essential to the well-being of the recipient of a category of aid.

12 (h) Is a caretaker relative named in ORS 418.035 (2)(a)(C) who cares for a dependent child re-  
 13 ceiving temporary assistance for needy families or is the spouse of such caretaker relative and ful-  
 14 fills the requirements of ORS 418.035 (1).

15 (i) Is under the age of 21 years, is in a youth care center and is one for whom a public agency  
 16 of this state is assuming financial responsibility, in whole or in part.

17 (j) Is under the age of 21 years and is in an intermediate care facility which includes institutions  
 18 for the mentally retarded; or is under the age of 22 years and is in a psychiatric hospital.

19 (k) Is under the age of 21 years and is in an independent living situation with all or part of the  
 20 maintenance cost paid by the Department of Human Services.

21 (L) Is a member of a family that received temporary assistance for needy families in at least  
 22 three of the six months immediately preceding the month in which such family became ineligible for  
 23 such assistance because of increased hours of or increased income from employment. As long as the  
 24 member of the family is employed, such families will continue to be eligible for medical assistance  
 25 for a period of at least six calendar months beginning with the month in which such family became  
 26 ineligible for assistance because of increased hours of employment or increased earnings.

27 (m) Is an adopted person under 21 years of age for whom a public agency is assuming financial  
 28 responsibility in whole or in part.

29 (n) Is an individual or is a member of a group who is required by federal law to be included in  
 30 the state's medical assistance program in order for that program to qualify for federal funds.

31 (o) Is an individual or member of a group who, subject to the rules of the department and within  
 32 available funds, may optionally be included in the state's medical assistance program under federal  
 33 law and regulations concerning the availability of federal funds for the expenses of that individual  
 34 or group.

35 (p) Is a pregnant woman who would be eligible for temporary assistance for needy families in-  
 36 cluding such aid based on the unemployment of a parent, whether or not the woman is eligible for  
 37 cash assistance.

38 (q) Would be eligible for temporary assistance for needy families pursuant to 42 U.S.C. 607 based  
 39 upon the unemployment of a parent, whether or not the state provides cash assistance.

40 (r) Except as otherwise provided in this section and to the extent of available funds, is a preg-  
 41 nant woman or child for whom federal financial participation is available under Title XIX of the  
 42 federal Social Security Act.

43 (s) Is not otherwise categorically needy and is not eligible for care under Title XVIII of the  
 44 federal Social Security Act or is not a full-time student in a post-secondary education program as  
 45 defined by the Department of Human Services by rule, but whose family income is less than the

1 federal poverty level and whose family investments and savings equal less than the investments and  
 2 savings limit established by the department by rule.

3 (3) "Income" has the meaning given that term in ORS 411.704.

4 (4) "Investments and savings" means cash, securities as defined in ORS 59.015, negotiable in-  
 5 struments as defined in ORS 73.0104 and such similar investments or savings as the Department of  
 6 Human Services may establish by rule that are available to the applicant or recipient to contribute  
 7 toward meeting the needs of the applicant or recipient.

8 (5) "Medical assistance" means so much of the following medical and remedial care and services  
 9 as may be prescribed by the Department of Human Services according to the standards established  
 10 pursuant to ORS 414.065, including payments made for services provided under an insurance or  
 11 other contractual arrangement and money paid directly to the recipient for the purchase of medical  
 12 care:

13 (a) Inpatient hospital services, other than services in an institution for mental diseases;

14 (b) Outpatient hospital services;

15 (c) Other laboratory and X-ray services;

16 (d) Skilled nursing facility services, other than services in an institution for mental diseases;

17 (e) Physicians' services, whether furnished in the office, the patient's home, a hospital, a skilled  
 18 nursing facility or elsewhere;

19 (f) Medical care, or any other type of remedial care recognized under state law, furnished by  
 20 licensed practitioners within the scope of their practice as defined by state law;

21 (g) Home health care services;

22 (h) Private duty nursing services;

23 (i) Clinic services;

24 (j) Dental services;

25 (k) Physical therapy and related services;

26 (L) Prescribed drugs, including those dispensed and administered as provided under ORS chapter  
 27 689;

28 (m) Dentures and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases  
 29 of the eye or by an optometrist, whichever the individual may select;

30 (n) Other diagnostic, screening, preventive and rehabilitative services;

31 (o) Inpatient hospital services, skilled nursing facility services and intermediate care facility  
 32 services for individuals 65 years of age or over in an institution for mental diseases;

33 (p) Any other medical care, and any other type of remedial care recognized under state law;

34 (q) Periodic screening and diagnosis of individuals under the age of 21 years to ascertain their  
 35 physical or mental impairments, and such health care, treatment and other measures to correct or  
 36 ameliorate impairments and chronic conditions discovered thereby;

37 (r) Inpatient hospital services for individuals under 22 years of age in an institution for mental  
 38 diseases; and

39 (s) Hospice services.

40 (6) "Medical assistance" includes any care or services for any individual who is a patient in a  
 41 medical institution or any care or services for any individual who has attained 65 years of age or  
 42 is under 22 years of age, and who is a patient in a private or public institution for mental diseases.  
 43 "Medical assistance" includes "health services" as defined in ORS 414.705. "Medical assistance"  
 44 does not include care or services for an inmate in a nonmedical public institution.

45 (7) "Medically needy" means a person who is a resident of this state and who is considered el-

1 ible under federal law for medically needy assistance.

2 (8) "Resources" has the meaning given that term in ORS 411.704. For eligibility purposes, "re-  
3 sources" does not include charitable contributions raised by a community to assist with medical  
4 expenses.

5 **SECTION 17.** ORS 418.075 is amended to read:

6 418.075. Aid[, *as defined in ORS 418.035,*] shall not be granted with respect to, or on behalf of,  
7 a dependent child [*as defined in ORS 418.070 (2)(a)*] **under ORS 418.185** if, and for as long as, [*the*]  
8 **an** unemployed parent of such child refuses without good cause to accept employment in which the  
9 unemployed parent is able to engage and which is offered through any employment office defined in  
10 ORS 657.010 or which is otherwise offered by any employer if such offer is determined by the De-  
11 partment of Human Services after notification by such employer to be a bona fide offer of such  
12 employment.

13 **SECTION 18.** ORS 418.085 is amended to read:

14 418.085. During any period in which aid may be granted with respect to, or on behalf of, a de-  
15 pendent child [*as defined in ORS 418.070 (2)(a)*] **who is deprived of parental support by reason**  
16 **of the unemployment of a parent**, the Department of Human Services and the Director of the  
17 Employment Department shall enter into cooperative arrangements looking toward employment of  
18 the unemployed parent of any such child, shall provide for the registration and periodic reregistra-  
19 tion of such parent at employment offices established pursuant to ORS 657.705 to 657.725 and shall,  
20 with respect to such parent, effect maximum utilization of the job placement services and other  
21 services and facilities of such offices.

22 **SECTION 19.** ORS 418.095 is amended to read:

23 418.095. (1) Community work and training programs, as defined in ORS 411.855, may be made  
24 available to persons whose needs are included in a grant of public assistance pursuant to ORS  
25 418.035 to 418.172.

26 (2) Subject to rules and regulations of the Department of Human Services, the employable ap-  
27 plicant or recipient of aid who is a parent of a dependent child defined in ORS 418.035 [*or 418.070*]  
28 may be required to participate without compensation in a community work and training program  
29 as a condition to a grant of aid or other public assistance for the benefit of the applicant or recip-  
30 ient or those to whom the applicant or recipient owes a legal duty of support, and for periods of time  
31 limited by the amount of such aid or other assistance, in cash or in kind, provided through such  
32 grant. However, if any of the provisions of this subsection are found to be not in conformity with  
33 the federal Social Security Act, or with any of the rules, regulations or requirements promulgated  
34 thereunder, such provisions are inoperative to the extent that they are not so in conformity.

35 **SECTION 20.** ORS 418.132 is amended to read:

36 418.132. (1) A person who is a minor parent of a child and is receiving or applying for aid as  
37 defined in ORS 418.035 shall reside with the person's parent, parents or legal guardian. The person  
38 may substitute an alternative supervised living arrangement if the Department of Human Services  
39 determines that it is unsafe or impractical for the person to reside with the person's parent, parents  
40 or legal guardian. Failure of a minor parent applying for or receiving temporary assistance for needy  
41 families **under ORS 418.035 to 418.172** to reside with the person's parent, parents or legal guardian  
42 or in an alternative supervised living arrangement shall result in the termination of aid.

43 (2) The provisions of subsection (1) of this section shall not apply to an applicant for or recipient  
44 of temporary assistance for needy families when circumstances or conditions exist that the depart-  
45 ment by rule establishes are not in the best interest of the child.

1 (3) If a person who is a minor parent receiving aid and who is not living with the person's  
 2 parent, parents or legal guardian subsequently returns to reside with the parent, parents or guard-  
 3 ian and is determined ineligible to receive aid by reason of the parent's or guardian's income, the  
 4 minor parent shall be eligible to receive such services, including medical care, as the department  
 5 determines are necessary to allow the minor parent to attain a high school diploma or the equiv-  
 6 alent, or to participate in *[programs to develop employment or self-sufficiency skills]* **the job oppor-  
 7 tunity and basic skills program described** *[as described by the department]* in ORS 418.040.

8 **SECTION 21.** ORS 418.160 is amended to read:

9 418.160. The Department of Human Services shall have the responsibility and authority to pro-  
 10 vide such services as are necessary to maintain the intent of and compliance with federal require-  
 11 ments for the programs *[defined in]* **under ORS 418.040 and** 418.155.

12 **SECTION 22.** ORS 418.163 is amended to read:

13 418.163. The Department of Human Services shall have the responsibility and authority to pro-  
 14 vide such services and engage in such cooperative and coordinated efforts with the Employment  
 15 Department and other appropriate agencies as are necessary to maintain the intent of and compli-  
 16 ance with federal requirements for the programs *[defined in ORS 418.155]* **under ORS 418.040 and  
 17 418.185.**

18 **SECTION 23.** Section 1, chapter 212, Oregon Laws 2003, is amended to provide:

19 **Sec. 1.** (1) Subject to the limitation in section 2, **chapter 212, Oregon Laws 2003** *[of this 2003  
 20 Act]*, a parent who applies for or receives temporary assistance for needy families under ORS 418.035  
 21 to *[418.125]* **418.172 and** who meets the criteria described in subsection (2) of this section may enroll  
 22 in and attend a two-year or four-year program at an educational institution as an allowable work  
 23 activity for purposes of ORS 418.035 to *[418.125]* **418.172.**

24 (2) To enroll in and attend an educational institution as an allowable work activity, a parent  
 25 must:

26 (a) Be accepted for full-time attendance into or be enrolled full-time at an educational institu-  
 27 tion;

28 (b) Demonstrate that completion of the educational program is likely to result in employment  
 29 that provides the wages and benefits necessary for the parent to support the parent's family without  
 30 temporary assistance for needy families; and

31 (c) Make satisfactory academic progress, as defined by the educational institution, toward a  
 32 degree or certificate.

33 (3) A parent who is enrolled at an educational institution under this section shall receive tem-  
 34 porary assistance for needy families under ORS 418.035 to **418.172 and is** *[418.125 as well as be]* el-  
 35 igible for all other support services under the temporary assistance for needy families program.  
 36 Assistance under this section does not include tuition and fees associated with enrollment at an  
 37 educational institution.

38 (4) The Department of Human Services shall inform all parents applying for or participating in  
 39 the temporary assistance for needy families program of the option to enroll in an educational insti-  
 40 tution and the requirements under subsection (2) of this section.

41 (5) The department shall adopt rules to implement and administer this section.

42 (6) As used in this section, "educational institution" has the meaning given that term in ORS  
 43 348.105.