

House Bill 2469

Sponsored by Representative KOTEK

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 for needy families to include new temporary assistance for needy families SSI program and new temporary assistance for needy families program for working families. Eliminates absent parent requirement for receipt of aid.

Describes work activities for job opportunity and basic skills program. Requires screening, assessment and case planning. Creates special provisions for participants with disabilities. Extends program exemption to 12 months for parent of newborn. Authorizes 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. Specifies exceptions.

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

A BILL FOR AN ACT

1
2 Relating to public assistance for families with dependent children; creating new provisions; amend-
3 ing ORS 25.245, 411.070, 411.105, 411.892, 414.025, 418.035, 418.040, 418.042, 418.045, 418.070,
4 418.075, 418.085, 418.131, 418.132, 418.155, 418.160 and 418.163; and repealing ORS 418.095,
5 418.149 and 418.185.

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

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

8 418.035. As used in ORS 418.035 to 418.172, unless the context or a specially applicable statutory
9 definition requires otherwise:

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

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

13 [(A)] the spouse of the relative if the spouse lives with the relative[,] **and** the relative is the
14 child's parent [*and the child is a dependent child by reason of the physical or mental incapacity of a*
15 *parent; or*].

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

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

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

21 [(A) *Who has been deprived of parental support or care by reason of the death, continued absence*
22 *from the home or physical or mental incapacity of a parent;*]

23 [(B)] (A) Whose relatives are not able to provide adequate care and support for the child with-
24 out public assistance, as defined in ORS 411.010;

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

4 [(D)] (C) Who meets the requirements of paragraph (b) of this subsection.

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

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

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

15 (3) **“Federally required participation rates” means the participation rates as required by**
 16 **section 407 of the Social Security Act.**

17 [(3)] (4) “Representative payee” means an individual designated by the department to receive
 18 money payments of aid pursuant to ORS 418.050.

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

20 418.040. (1) Aid pursuant to the temporary assistance for needy families program shall be
 21 granted under [ORS 418.035 to 418.125] **this section** to any dependent child who is living in a home
 22 meeting the standards of care and health fixed by the rules [and regulations] of the Department of
 23 Human Services and who is a resident of the State of Oregon, if [the] a parent or other relative with
 24 whom the child is living is a resident of the State of Oregon.

25 (2) **A relative described in ORS 418.035 (2)(a)(B) who is needy may be required to partic-**
 26 **ipate in the job opportunity and basic skills program as described in subsections (3) to (6)**
 27 **of this section.**

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

31 (4) **Based upon the screening and assessment described in subsection (3) of this section,**
 32 **the department, in cooperation with appropriate partner agencies or professionals, shall**
 33 **work with the participant to create an effective, individualized case plan that establishes**
 34 **goals and identifies mandatory work activities that support the goals. The case plan shall**
 35 **identify support service payments and services to be provided by the department that sup-**
 36 **port participation in the job opportunity and basic skills program by assisting the family in**
 37 **meeting the family’s basic requirements, as described in ORS 411.070 (1).**

38 (5) **Subject to limits imposed by federal law and any accommodation required by the**
 39 **Americans with Disabilities Act, “work activities” may include:**

- 40 (a) **Targeted job readiness activities and job search;**
- 41 (b) **On-the-job training;**
- 42 (c) **Voluntary work experience;**
- 43 (d) **Subsidized employment;**
- 44 (e) **Unsubsidized employment;**
- 45 (f) **Job skills training;**

- 1 (g) Community service programs;
- 2 (h) Vocational training;
- 3 (i) Providing child care for an individual participating in a community service program;
- 4 (j) Attending a secondary or post-secondary school or participating in a General Educa-
- 5 tional Development (GED) program;
- 6 (k) Participating in mental health treatment;
- 7 (L) Participating in drug or alcohol treatment;
- 8 (m) Applying for federal Supplemental Security Income;
- 9 (n) Vocational rehabilitation as defined in ORS 344.511;
- 10 (o) Complying with employment-related activities required as a condition of post-prison
- 11 supervision or parole;
- 12 (p) Complying with orders issued under ORS 419B.385, 419B.387 or 419B.476 (5)(c); or
- 13 (q) Activities that foster family stability and financial independence.
- 14 (6) For individuals with disabilities, the goal of the individualized case plan must be to
- 15 promote greater independence and may include physical or mental health evaluation or
- 16 treatment.

17 [(2)] (7) [No] A parent of a child receiving aid under ORS 418.035 to 418.125 [shall be] **is not**

18 exempt from a requirement to participate in [programs to develop employment or self-sufficiency

19 skills] **the job opportunity and basic skills program** due to the age of the child except:

20 (a) During the first two months of the third trimester of pregnancy, **during which time** the

21 parent [shall] **may** not be required to participate more than 10 hours per week [and shall be exempt

22 from participation].

23 (b) During the last month of pregnancy[;] and

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

25 [(3)] (8) **Except as provided in subsection (7)(a) of this section**, [no] **an** individual in a

26 household receiving aid under [ORS 418.035 to 418.125 shall be] **this section is not** exempt, due to

27 the pregnancy of the individual, from a requirement to obtain a high school diploma or its equivalent

28 [or to participate in programs to develop employment or self-sufficiency skills].

29 [(4) No parent shall be eligible to receive aid under ORS 418.035 to 418.125 if the parent fails to

30 participate in programs to develop employment or self-sufficiency skills during the period of eligibility

31 determination.]

32 [(5)] (9) The [provisions] **requirements** of subsection [(3)] (8) of this section [shall] **do** not apply

33 to an individual experiencing medical complications due to pregnancy, as determined by a person

34 licensed by the Board of Medical Examiners or the Oregon State Board of Nursing, that prohibit

35 participation in the activities otherwise required.

36 [(6) Notwithstanding section 16, chapter 739, Oregon Laws 1993, and subsection (5) of this section,

37 no individual in a household receiving aid under ORS 418.035 to 418.125 shall be exempt from any

38 requirement to participate in programs to develop employment or self-sufficiency skills, as defined by

39 the department, unless the individual and the individual's department case manager agree in writing

40 that the exemption is appropriate under guidelines developed by the department.]

41 [(7)] (10) The department [by rule shall define programs to develop employment or self-sufficiency

42 skills for purposes of this section] **shall adopt rules to carry out the provisions of this section.**

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

44 418.045. (1) The need for and amount of aid pursuant to the temporary assistance for needy

45 families to be granted for any dependent child or relative pursuant to ORS [418.035 to 418.172]

1 **418.040** shall be determined, in accordance with the rules [*and regulations*] of the Department of
2 Human Services, taking into account:

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

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

7 (2) Subsection (1)(b) of this section is not intended to relieve any [*father*] **parent** of any legal
8 obligation in respect of the support of the natural or adopted children of the [*father*] **parent**.

9 (3) In the determination of eligibility and the amount of need, and in any reconsideration
10 thereof, with respect to an applicant or recipient of aid pursuant to [*ORS 418.035 to 418.172, such*
11 *amounts of income and resources may be disregarded as the department may prescribe by rules and*
12 *regulations promulgated by it. The amounts to be disregarded shall be*] **ORS 418.040, the department**
13 **shall disregard a portion of child support received, and shall disregard such amounts of in-**
14 **come and resources as the department may prescribe by rule**, within the limits required or
15 permitted by federal laws and by federal rules and orders thereto applicable.

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

19 [*(b) Continued failure of an adult aid recipient to cooperate in mandatory education, employment*
20 *or job training programs for more than two months as described in paragraph (a) of this subsection*
21 *shall result in the removal of the noncooperating adult from the eligibility determination for the corre-*
22 *sponding recipient family for a period of two months in addition to the period required under para-*
23 *graph (a) of this subsection.*]

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

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

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

31 **(4)(a) The department by rule shall adopt proven methods of encouraging participants'**
32 **full engagement in the job opportunity and basic skills program described in ORS 418.040 that**
33 **shall include evaluation and creation of an individualized case plan in compliance with ORS**
34 **418.040.**

35 **(b) After notice and opportunity for a hearing in accordance with ORS chapter 183, the**
36 **department may reduce aid payments to caretaker relatives who refuse, without good cause,**
37 **to comply with an appropriate case plan developed under ORS 418.040. A caretaker relative**
38 **may request the hearing to contest the reduction in aid payments at any time until the full**
39 **amount of assistance is restored.**

40 **(c) The department may not reduce aid payments under paragraph (b) of this subsection**
41 **for families:**

42 **(A) Receiving aid pursuant to ORS 418.155 or section 8 of this 2007 Act;**

43 **(B) In which the caretaker relative participates in work activities for the number of**
44 **hours required each month to satisfy federally required participation rates; or**

45 **(C) Until the department has assessed potential disabilities of the dependent child or**

1 caretaker relative that may be affecting compliance.

2 (d) The department may not reduce aid payments under this section before assessing the
 3 risk of harm posed to the children in the household by the reduction in aid payments and
 4 taking steps to ameliorate the risk.

5 (e) If a caretaker relative requests a hearing to contest a reduction in aid payments un-
 6 der paragraph (b) of this subsection, the department has the burden of proof to establish that
 7 the department complied with the screening, assessment and case planning requirements of
 8 ORS 418.040.

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

10 418.070. (1) *[For the purposes of ORS 418.035 to 418.185,]* With respect to any period for which
 11 federal funds are made available to this state in aid of a state-administered program of aid to any
 12 child defined in and meeting the requirements of this section[:], **the Department of Human Ser-**
 13 **VICES may provide foster care payments.**

14 (2) **As used in this section:**

15 [(1)] (a) “Aid” includes foster care in behalf of a child *[described in subsection (2)(b) of this sec-*
 16 *tion]* in the foster home of any individual or in a licensed nonprofit private child-caring agency.

17 [(2)] (b) “[*Dependent*] Child” includes[:]

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

22 [(b)] a child:

23 (A) Who would meet the requirements of ORS 418.035 (2) *[or of paragraph (a) of this*
 24 *subsection]* except for removal from the home of a relative specified in ORS 418.035 (2) as a result
 25 of a judicial determination to the effect that continuation therein would be contrary to the welfare
 26 of such child;

27 (B) Who has been accepted for placement and care by the department *[of Human Services];*

28 (C) Who has been placed in a foster home or licensed nonprofit private child-caring agency as
 29 a result of such determination; and

30 (D) Who received aid in or for the month in which court proceedings leading to such determi-
 31 nation were initiated, or would have received such aid in or for such month if application had been
 32 made therefor, or in the case of a child who had been living with a relative specified in ORS 418.035
 33 (2) within six months prior to the month in which such proceedings were initiated, would have re-
 34 ceived such aid in or for such month if in such month the child had been living with and removed
 35 from the home of such a relative and application had been made therefor.

36 [(3)] (c) “Foster home” means a foster home which is certified by this state or has been ap-
 37 proved, by the agency of this state responsible for the certification of foster homes, as meeting the
 38 standards established for such certification.

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

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

43 418.131. (1) **Except as provided in subsection (2) of this section,** a *[person shall]* **needy**
 44 **caretaker relative may not receive aid under ORS 418.040** for more than a total of *[24 months in*
 45 *any period of 84 consecutive months]* **60 months.**

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

6 [(3)] **(2)** The [24-month] **60-month** limitation described in subsection (1) of this section [shall]
 7 **does** not apply [to:] **if a needy caretaker relative:**

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

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

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

12 **(d) Has a disability as defined by the Department of Human Services by rule in a manner**
 13 **consistent with the definition of disability in the Americans with Disabilities Act;**

14 **(e) Has a child with a disability that prevents the caretaker relative from obtaining or**
 15 **maintaining employment for the number of hours required each month to satisfy federally**
 16 **required participation rates;**

17 **(f) Is receiving aid under ORS 418.035 to 418.172 that was not funded with grants under**
 18 **Title IV-A of the Social Security Act;**

19 **(g) Has been deprived of needed medical care;**

20 **(h) Has been subject to battery or extreme cruelty as defined by the department by rule;**

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

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

25 [(c) A household with only one parent in which the basis of eligibility is the incapacity of that
 26 parent or, in a household with two parents, if both parents are incapacitated or one parent is required
 27 in the home to care for the incapacitated parent.]

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

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

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

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

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

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

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

1 [(C)] (i) Is enrolled at an educational institution under section 1, chapter 212, Oregon Laws
 2 2003[.]; or

3 (j) Is exempt pursuant to rules that are adopted by the department in accordance with
 4 section 408 (a)(7)(C) of the Social Security Act.

5 [(b) The department shall report to each session of the Legislative Assembly the number of families
 6 whose period of time receiving aid has exceeded the time limitations of subsection (1) of this section
 7 because of the exceptions provided under paragraph (a) of this subsection. The report shall include
 8 information sufficient to permit the Legislative Assembly to determine if the exceptions make a signif-
 9 icant contribution to increased self-sufficiency of persons granted an exemption.]

10 [(6)(a)] (3)(a) The department [of Human Services] shall monitor the average period of time a
 11 person receives aid and shall record such information by family size. The department shall monitor
 12 the wages and benefits received by an individual who becomes employed while receiving aid, in-
 13 cluding medical and child care benefits. The department shall monitor and record the rate at which
 14 persons who cease receiving aid for employment subsequently apply for and receive aid.

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

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

18 418.155. [As used in ORS 418.150 to 418.172, unless the context or a specially applicable statutory
 19 definition requires otherwise:]

20 [(1) "Employment and training program" means a program for placing as many individuals as is
 21 possible in employment.]

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

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

26 (1) **The Department of Human Services shall continue to provide aid to families that be-
 27 come ineligible for temporary assistance for needy families under ORS 418.040 due to em-
 28 ployment or increased hours of work.**

29 (2) **Families may receive aid under this section for 12 consecutive months or until the
 30 household income exceeds 250 percent of the federal poverty guidelines, whichever comes
 31 first, as long as the caretaker relatives participate in combined employment and work ac-
 32 tivities for the number of hours required each month to satisfy federally required partic-
 33 ipation rates.**

34 (3) **If the caretaker relatives cease to participate in employment and work activities for
 35 a sufficient number of hours each month to satisfy federally required participation rates, the
 36 department shall determine eligibility under ORS 418.040 before terminating aid.**

37 (4) **The department by rule shall establish standards for aid provided under this section.
 38 The department must disregard such aid for purposes of publicly subsidized child care as-
 39 sistance.**

40 (5) **In addition to money payments, aid includes necessary support service payments and
 41 services as part of the job opportunity and basic skills program to directly or indirectly assist
 42 the family in achieving long term financial stability.**

43 **SECTION 7.** Section 8 of this 2007 Act is added to and made a part of ORS 418.035 to
 44 418.125.

45 **SECTION 8.** (1) There is created in the Department of Human Services the temporary

1 assistance for needy families SSI program. The department shall provide aid under this
 2 section to families that are eligible for temporary assistance for needy families under ORS
 3 418.035 to 418.125 and that include a caretaker relative who is unable to maintain substantial
 4 gainful activity due to a disability or combination of disabilities meeting the criteria of sec-
 5 tion 216 of the Social Security Act.

6 (2) The department shall assist families receiving aid under this section in qualifying for
 7 federal Supplemental Security Income, including obtaining necessary medical records and
 8 evaluations. The department shall contract with nonprofit legal services organizations, or
 9 lawyers lawfully admitted to the bar of any state, to represent recipients in any administra-
 10 tive appeal.

11 (3) The department shall adopt rules for determining the amount of aid granted under
 12 this section that is not less than the combined total of 50 percent of the Supplemental Se-
 13 curity Income payment in effect at that time and the amount of aid the child would receive
 14 under ORS 418.040 if the caretaker relative did not receive aid.

15 (4) Participation in the temporary assistance for needy families SSI program shall be
 16 voluntary. For recipients of aid under this section, cooperation with the department to es-
 17 tablish eligibility for Supplemental Security Income satisfies the requirement to participate
 18 in the job opportunity and basic skills program under ORS 418.040.

19 **SECTION 9.** ORS 411.105 is amended to read:

20 411.105. (1) A person seeking public assistance shall file an application for public assistance with
 21 the Department of Human Services. At the time of application, the applicant shall declare to the
 22 department any circumstance that directly affects the applicant's eligibility to receive assistance or
 23 the amount of assistance available to the applicant. Upon the receipt of property or income or upon
 24 any other change in circumstances that directly affects the eligibility of the recipient to receive
 25 assistance or the amount of assistance available to the recipient, the applicant, recipient or other
 26 person in the assistance household shall immediately notify the department of the receipt or pos-
 27 session of such property or income, or other change in circumstances. The department shall recover
 28 from the recipient the amount of assistance improperly disbursed by reason of failure to comply with
 29 the provision of this section.

30 (2) The department may recover any cash assistance granted for general assistance under ORS
 31 411.710 to 411.730 **or for that portion of the temporary assistance for needy families under**
 32 **ORS 418.040 and 418.155 and section 8 of this 2007 Act** that has been paid to any recipient **18**
 33 **years of age or older** when that recipient is presently receiving or subsequently receives Supple-
 34 mental Security Income. The amount of recovery shall be limited to the total amount of Supple-
 35 mental Security Income that was received for the same time period that the general assistance **or**
 36 **the temporary assistance** was being paid.

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

41 **SECTION 10.** ORS 25.245 is amended to read:

42 25.245. (1) Notwithstanding any other provision of Oregon law, a parent who is eligible for and
 43 receiving cash payments [*under Title IV-A of the Social Security Act*] **under the temporary as-**
 44 **sistance for needy families program as provided in ORS 418.035 to 418.125**, the general assist-
 45 ance program as provided in ORS chapter 411 or a general assistance program of another state or

1 tribe, the Oregon Supplemental Income Program or the federal Supplemental Security Income Pro-
2 gram shall be rebuttably presumed unable to pay child support and a child support obligation does
3 not accrue unless the presumption is rebutted.

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

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

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

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

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

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

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

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

45 (b) The notice shall include a statement that the administrator represents the state and that low

1 cost legal counsel may be available.

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

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

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

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

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

21 **SECTION 11.** ORS 418.042 is amended to read:

22 418.042. (1) Aid, as defined in ORS 418.035, may not be granted to, or on behalf of, any applicant
23 or recipient and for as long as the applicant or recipient refuses to assign to the state any rights
24 to support from any other person such applicant may have personally or in behalf of any other
25 family member for whom the applicant is applying for or receiving aid, and that have accrued at any
26 time such assignment is executed. If aid is paid and received for the support of a child, the rights
27 to child support that any person may have for the child are deemed to have been assigned by op-
28 eration of law to the state. Notice of the assignment by operation of law shall be given to the ap-
29 plicant at the time of application for public assistance, and shall be given to any obligee who may
30 hold some interest in such support rights by depositing a notice in the United States mail, postage
31 prepaid, addressed to the last-known address of such person. Assignment of support rights to the
32 state shall be as set forth in rules adopted by the Department of Human Services and the Depart-
33 ment of Justice.

34 (2) Except as otherwise provided in this subsection, an applicant or recipient who receives aid
35 as defined in ORS 418.035 shall cooperate with the Department of Human Services and the Depart-
36 ment of Justice in establishing the paternity of the applicant's or recipient's child born out of
37 wedlock and in obtaining support or other payments or property due the applicant or child. An ap-
38 plicant or recipient is not required to cooperate if there is good cause or some other exception to
39 the cooperation requirement that takes into account the best interest of the child. The Department
40 of Human Services shall adopt rules defining good cause, other exceptions to cooperation and non-
41 cooperation by an applicant or recipient, and setting the sanction for noncooperation. The sanction
42 may include total ineligibility of the family for aid, but in no situation may the sanction be less than
43 a 25 percent reduction of the monthly grant amount. At the time an applicant applies for aid, the
44 Department of Human Services shall inform the applicant, in writing, of the requirement of and ex-
45 ceptions to cooperation and the sanctions for noncooperation, and shall inform recipients, in writing,

1 whenever eligibility for aid is redetermined.

2 **(3) This section shall apply to recipients of aid under ORS 418.035 to 418.125 only as long**
 3 **as the aid is funded in whole or in part with federal grants under Title IV-A of the Social**
 4 **Security Act.**

5 **SECTION 12.** ORS 411.070 is amended to read:

6 411.070. The Department of Human Services shall by rule fix statewide uniform standards for
 7 all public assistance programs and effect uniform observance thereof throughout the state. In es-
 8 tablishing statewide standards for public assistance, the department, within the limits of available
 9 funds, shall:

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

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

17 **SECTION 13.** ORS 418.075 is amended to read:

18 418.075. Aid [*as defined in ORS 418.035,*] **under ORS 418.040** shall not be granted with respect
 19 to, or on behalf of, a dependent child [*as defined in ORS 418.070 (2)(a)*] **living with an unemployed**
 20 **parent** if, and for as long as, the unemployed parent of such child refuses without good cause to
 21 accept employment in which the unemployed parent is able to engage and which is offered through
 22 any employment office defined in ORS 657.010 or which is otherwise offered by any employer if such
 23 offer is determined by the Department of Human Services after notification by such employer to be
 24 a bona fide offer of such employment.

25 **SECTION 14.** ORS 418.085 is amended to read:

26 418.085. During any period in which aid may be granted **under ORS 418.040** with respect to,
 27 or on behalf of, a dependent child [*as defined in ORS 418.070 (2)(a)*] **living with an unemployed**
 28 **parent**, the Department of Human Services and the Director of the Employment Department shall
 29 enter into cooperative arrangements looking toward employment of the unemployed parent of any
 30 such child, shall provide for the registration and periodic reregistration of such parent at employ-
 31 ment offices established pursuant to ORS 657.705 to 657.725 and shall, with respect to such parent,
 32 effect maximum utilization of the job placement services and other services and facilities of such
 33 offices.

34 **SECTION 15.** ORS 418.132 is amended to read:

35 418.132. (1) A person who is a minor parent of a child and is receiving or applying for aid [*as*
 36 *defined in ORS 418.035*] shall reside with the person's parent, parents or legal guardian. The person
 37 may substitute an alternative supervised living arrangement if the Department of Human Services
 38 determines that it is unsafe or impractical for the person to reside with the person's parent, parents
 39 or legal guardian. Failure of a minor parent applying for or receiving temporary assistance for needy
 40 families to reside with the person's parent, parents or legal guardian or in an alternative supervised
 41 living arrangement shall result in the termination of aid.

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

45 (3) If a person who is a minor parent receiving aid and who is not living with the person's

1 parent, parents or legal guardian subsequently returns to reside with the parent, parents or guard-
 2 ian and is determined ineligible to receive aid by reason of the parent's or guardian's income, the
 3 minor parent shall be eligible to receive such services, including medical care, as the department
 4 determines are necessary to allow the minor parent to attain a high school diploma or the equiv-
 5 alent, or to participate in [*programs to develop employment or self-sufficiency skills*] **the job oppor-**
 6 **tunity and basic skills program** as described [*by the department*] in ORS 418.040.

7 **SECTION 16.** ORS 411.892 is amended to read:

8 411.892. (1)(a) All employers, including public and private sector employers within the State of
 9 Oregon, are eligible to participate in the JOBS Plus Program. The Department of Human Services
 10 or Employment Department, as appropriate, shall adopt by rule a method to disqualify employers
 11 from participating in the program. No employer is required to participate in the JOBS Plus Program.
 12 In the event that there are unassigned participants whom no employer desires to utilize, the par-
 13 ticipants may be assigned to work for a public agency.

14 (b) The maximum number of program participants that any employer is authorized to receive at
 15 any one time may not exceed 10 percent of the total number of the employer's employees. However,
 16 each employer may receive one participant. The Director of Human Services or Director of the
 17 Employment Department, as appropriate, may waive the limit in special circumstances.

18 (c) The Department of Human Services or Employment Department, as appropriate, by rule shall
 19 establish criteria for excluding employers from participation for failure to abide by program re-
 20 quirements, showing a pattern of terminating participants prior to the completion of training or
 21 other demonstrated unwillingness to comply with the stated intent of the program.

22 (2) The Department of Human Services or Employment Department, as appropriate, shall ensure
 23 that jobs made available to program participants:

24 (a) Do not require work in excess of 40 hours per week;

25 (b) Are in conformity with section 3304(a)(5) of the Federal Unemployment Tax Act;

26 (c) Are not used to displace regular employees or to fill unfilled positions previously established;
 27 and

28 (d) Do not pay a wage that is substantially less than the wage paid for similar jobs in the local
 29 economy with appropriate adjustments for experience and training.

30 (3)(a) Eligibility for the program shall be limited to residents who are:

31 (A) Adults and caretaker relatives who are receiving temporary assistance for needy families
 32 benefits;

33 (B) Adult food stamp program recipients except as described in subsection (5)(b) of this section;

34 (C) Unemployment compensation recipients; and

35 (D) Unemployed noncaretaker parents of children who are receiving temporary assistance for
 36 needy families benefits.

37 (b) In addition to those residents eligible for the program under paragraph (a) of this subsection,
 38 additional residents who are seeking employment may be eligible for the program if there are
 39 legislatively allocated funds available from the savings attributable to the program in the Unem-
 40 ployment Compensation Trust Fund or in the temporary assistance for needy families budget of the
 41 Department of Human Services.

42 (4)(a) Individuals desiring work through the program shall contact the nearest Department of
 43 Human Services office serving the county in which they reside if they are temporary assistance for
 44 needy families program or food stamp program applicants or recipients or noncustodial parents of
 45 individuals receiving temporary assistance for needy families. Unemployment insurance applicants

1 or recipients or others seeking employment may gain access to the program through their local
2 Employment Department office.

3 (b) With the assistance of the local JOBS Plus Implementation Councils and the JOBS Plus
4 Advisory Board, the Department of Human Services shall develop a job inventory of sufficient size
5 to accommodate all of the participants who desire to work in the program. In consultation with the
6 participant, the department shall try to match the profile of each participant with the needs of an
7 employer when assigning a participant to work with the employer.

8 (c) Either the employer or the participant may terminate the assignment by contacting the ap-
9 propriate Department of Human Services or Employment Department office. In such event, the De-
10 partment of Human Services or Employment Department shall reassess the needs of the participant
11 and assign the participant to another JOBS Plus Program placement or another [JOBS] **job oppor-**
12 **tunity and basic skills** program component and, at the employer's request, provide the employer
13 with another participant.

14 (d)(A) Subject to ORS 657.925 (6)(d), if after four months in a placement, a participant has not
15 been hired for an unsubsidized position, the employer shall allow the worker to undertake eight
16 hours of job search per week. Participating employers shall consider such time as hours worked for
17 the purposes of paying wages.

18 (B) Subject to ORS 657.925 (6)(d), if after six months in a placement, a participant has not been
19 hired for an unsubsidized position, the placement shall be terminated, and the caseworker shall re-
20 assess the participant's employment development plan.

21 (e) The Department of Human Services may pay placement and barrier removal payments to
22 temporary assistance for needy families and food stamp program participants as necessary to enable
23 participation in the JOBS Plus Program.

24 (f) The Department of Human Services shall accept eligible volunteers into the program prior
25 to mandating program participation by eligible persons.

26 (5)(a) Assignment of participants to available jobs shall be based on a preference schedule de-
27 veloped by the Department of Human Services and the Employment Department. Any temporary
28 assistance for needy families recipient or food stamp recipient may volunteer for the program.

29 (b) The following individuals may not be required to participate in the program:

30 (A) Temporary assistance for needy families and food stamp recipients who are eligible for
31 Supplemental Security Income benefits or other ongoing state or federal maintenance benefits based
32 on age or disability.

33 (B) Food stamp applicants or recipients who are employed full-time or are college students eli-
34 gible for food stamps and enrolled full-time in a community college or an institution of higher edu-
35 cation, or enrolled half-time in a community college or an institution of higher education and
36 working at least 20 hours per week.

37 (C) Teenage parents who remain in high school if progressing toward a diploma. Teenage par-
38 ents not in school are eligible for the JOBS Plus Program.

39 (c) The Department of Human Services shall provide life skills classes and opportunities to
40 achieve General Educational Development (GED) certificates to appropriate participants in con-
41 junction with working in the JOBS Plus Program.

42 (d) Temporary assistance for needy families and food stamp benefits shall be suspended at the
43 end of the calendar month in which an employer makes the first wage payment to a participant who
44 is a custodial parent in a family that receives temporary assistance for needy families or to any
45 adult member of a household receiving food stamp benefits. Failure of the participant to cooperate

1 with the requirements of the JOBS Plus Program may result in the participant's removal, in ac-
2 cordance with rules adopted by the Department of Human Services, from the JOBS Plus Program
3 and suspension of the participant's temporary assistance for needy families grant and food stamp
4 benefits. A temporary assistance for needy families and food stamp benefits recipient who has been
5 removed from the program for failing to cooperate shall be eligible to reapply to participate in the
6 program and shall have eligibility for program services determined without regard to the length of
7 time the person was not participating following removal.

8 (6)(a) Employers shall pay all participating individuals at least the hourly rate of the Oregon
9 minimum wage.

10 (b) Sick leave, holiday and vacation absences shall conform to the individual employer's rules
11 for temporary employees.

12 (c) Group health insurance benefits shall be provided by the employer to program participants
13 if, and to the extent that, state or federal law requires the employer to provide such benefits.

14 (d) All persons participating in the JOBS Plus Program shall be considered to be temporary
15 employees of the individual employer providing the work and shall be entitled only to benefits re-
16 quired by state or federal law.

17 (e) Employers shall provide workers' compensation coverage for each JOBS Plus Program par-
18 ticipant.

19 (7) In the event that the net monthly full-time wage paid to a participant would be less than the
20 level of income from the temporary assistance for needy families program and the food stamp benefit
21 amount equivalent that the participant would otherwise receive, the Department of Human Services
22 shall determine and pay a supplemental payment as necessary to provide the participant with that
23 level of net income. The department shall determine and pay in advance supplemental payments to
24 participants on a monthly basis as necessary to ensure equivalent net program wages. Participants
25 shall be compensated only for time worked.

26 (8) In addition to and not in lieu of the payments provided for under subsections (6) and (7) of
27 this section, participants shall be entitled to retain the full child support payments collected by the
28 Department of Justice.

29 (9) Program participants who are eligible for federally and state funded medical assistance at
30 the time they enter the program shall remain eligible as long as they continue to participate in the
31 program. In conformity with existing state day care program regulations, child day care shall be
32 provided for all program participants who require it.

33 (10) JOBS Plus Program employers shall:

34 (a) Endeavor to make JOBS Plus Program placements positive learning and training experiences;

35 (b) Maintain health, safety and working conditions at or above levels generally acceptable in the
36 industry and no less than that of comparable jobs of the employer;

37 (c) Provide on-the-job training to the degree necessary for the participants to perform their du-
38 ties;

39 (d) Recruit volunteer mentors from among their regular employees to assist the participants in
40 becoming oriented to work and the workplace; and

41 (e) Sign an agreement to abide by all requirements of the program, including the requirement
42 that the program not supplant existing jobs. All agreements shall include provisions noting the em-
43 ployer's responsibility to repay reimbursements in the event the employer violates program rules.
44 When a professional placement service, professional employment organization or temporary employ-
45 ment agency is acting as an employer pursuant to subsection (14) of this section, agreements under

1 this paragraph shall require a three-party agreement between the professional placement service,
 2 professional employment organization or temporary employment agency, the organization where the
 3 participant has been placed to perform services and the State of Oregon. The three-party agreement
 4 shall include provisions requiring that all JOBS Plus reimbursements received by the professional
 5 placement service, professional employment organization or temporary employment agency be cred-
 6 ited to the organization where the participant has been placed to perform services.

7 (11) Program participant wages shall be subject to federal and state income taxes, Social Secu-
 8 rity taxes and unemployment insurance tax or reimbursement as applicable under ORS chapter 657,
 9 which shall be withheld and paid in accordance with state and federal law. Supplemental payments
 10 made pursuant to subsection (7) of this section shall not be subject to state income taxes under ORS
 11 chapter 316 and, to the extent allowed by federal law, shall not be subject to federal income taxes
 12 and Social Security taxes.

13 (12)(a)(A) The Department of Human Services shall reimburse employers for the employers’
 14 share of Social Security, unemployment insurance and workers’ compensation premiums paid on be-
 15 half of program participants, other than those who are unemployment insurance claimants, referred
 16 to the employer by the Department of Human Services, as well as the minimum wage earnings paid
 17 by the employer to program participants referred to the employer by the Department of Human
 18 Services.

19 (B) The Employment Department shall reimburse employers \$5 per hour paid by the employer
 20 as earnings to JOBS Plus Program participants, who are unemployment insurance claimants and are
 21 referred to the employer by the Employment Department.

22 (b) If the Department of Human Services or Employment Department finds that an employer has
 23 violated any of the rules of the JOBS Plus Program, the appropriate department:

24 (A) Shall withhold any amounts due to employers under paragraph (a) of this subsection.

25 (B) May seek repayment of any amounts paid to employers under paragraph (a) of this sub-
 26 section.

27 (13) Subject to ORS 657.925 (6)(d), for unemployment insurance claimants participating in the
 28 JOBS Plus Program:

29 (a) If after nine weeks in a placement, a participant has not been hired for an unsubsidized po-
 30 sition, the employer shall allow the worker to undertake up to five hours of job search per week.
 31 Participating employers shall consider this time as hours worked for the purposes of paying wages.

32 (b) If after 13 weeks in a placement, a participant has not been hired for an unsubsidized posi-
 33 tion, the employer shall terminate the placement and the Employment Department shall assess the
 34 participant’s employment development plan.

35 (14) For purposes of this section, “employer” shall include professional placement services, pro-
 36 fessional employment organizations and temporary employment agencies.

37 **SECTION 17.** ORS 414.025 is amended to read:

38 414.025. As used in this chapter, unless the context or a specially applicable statutory definition
 39 requires otherwise:

40 (1) “Category of aid” means assistance provided by the Oregon Supplemental Income Program,
 41 temporary assistance for needy families granted under ORS 418.035 to 418.125 or federal Supple-
 42 mental Security Income payments.

43 (2) “Categorically needy” means, insofar as funds are available for the category, a person who
 44 is a resident of this state and who:

45 (a) Is receiving a category of aid.

- 1 (b) Would be eligible for, but is not receiving a category of aid.
- 2 (c) Is in a medical facility and, if the person left such facility, would be eligible for a category
3 of aid.
- 4 (d) Is under the age of 21 years and would be a dependent child under the program for tempo-
5 rary assistance for needy families except for age and regular attendance in school or in a course
6 of professional or technical training.
- 7 (e)(A) Is a caretaker relative named in ORS 418.035 [(2)(a)(C)] **(2)(a)(B)** who cares for a de-
8 pendent child who would be a dependent child under the program for temporary assistance for needy
9 families except for age and regular attendance in school or in a course of professional or technical
10 training; or
- 11 (B) Is the spouse of such caretaker relative and fulfills the requirements of ORS 418.035 (1).
- 12 (f) Is under the age of 21 years, is in a foster family home or licensed child-caring agency or
13 institution under a purchase of care agreement and is one for whom a public agency of this state
14 is assuming financial responsibility, in whole or in part.
- 15 (g) Is a spouse of an individual receiving a category of aid and who is living with the recipient
16 of a category of aid, whose needs and income are taken into account in determining the cash needs
17 of the recipient of a category of aid, and who is determined by the Department of Human Services
18 to be essential to the well-being of the recipient of a category of aid.
- 19 (h) Is a caretaker relative named in ORS 418.035 [(2)(a)(C)] **(2)(a)(B)** who cares for a dependent
20 child receiving temporary assistance for needy families or is the spouse of such caretaker relative
21 and fulfills the requirements of ORS 418.035 (1).
- 22 (i) Is under the age of 21 years, is in a youth care center and is one for whom a public agency
23 of this state is assuming financial responsibility, in whole or in part.
- 24 (j) Is under the age of 21 years and is in an intermediate care facility which includes institutions
25 for the mentally retarded; or is under the age of 22 years and is in a psychiatric hospital.
- 26 (k) Is under the age of 21 years and is in an independent living situation with all or part of the
27 maintenance cost paid by the Department of Human Services.
- 28 (L) Is a member of a family that received temporary assistance for needy families in at least
29 three of the six months immediately preceding the month in which such family became ineligible for
30 such assistance because of increased hours of or increased income from employment. As long as the
31 member of the family is employed, such families will continue to be eligible for medical assistance
32 for a period of at least six calendar months beginning with the month in which such family became
33 ineligible for assistance because of increased hours of employment or increased earnings.
- 34 (m) Is an adopted person under 21 years of age for whom a public agency is assuming financial
35 responsibility in whole or in part.
- 36 (n) Is an individual or is a member of a group who is required by federal law to be included in
37 the state's medical assistance program in order for that program to qualify for federal funds.
- 38 (o) Is an individual or member of a group who, subject to the rules of the department and within
39 available funds, may optionally be included in the state's medical assistance program under federal
40 law and regulations concerning the availability of federal funds for the expenses of that individual
41 or group.
- 42 (p) Is a pregnant woman who would be eligible for temporary assistance for needy families in-
43 cluding such aid based on the unemployment of a parent, whether or not the woman is eligible for
44 cash assistance.
- 45 (q) Would be eligible for temporary assistance for needy families pursuant to 42 U.S.C. 607 based

1 upon the unemployment of a parent, whether or not the state provides cash assistance.

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

5 (s) Is not otherwise categorically needy and is not eligible for care under Title XVIII of the
 6 federal Social Security Act or is not a full-time student in a post-secondary education program as
 7 defined by the Department of Human Services by rule, but whose family income is less than the
 8 federal poverty level and whose family investments and savings equal less than the investments and
 9 savings limit established by the department by rule.

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

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

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

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

21 (b) Outpatient hospital services;

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

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

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

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

28 (g) Home health care services;

29 (h) Private duty nursing services;

30 (i) Clinic services;

31 (j) Dental services;

32 (k) Physical therapy and related services;

33 (L) Prescribed drugs, including those dispensed and administered as provided under ORS chapter
 34 689;

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

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

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

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

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

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

1 (s) Hospice services.

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

7 (7) "Medically needy" means a person who is a resident of this state and who is considered el-
8 igible under federal law for medically needy assistance.

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

12 **SECTION 18.** ORS 418.160 is amended to read:

13 418.160. The Department of Human Services shall have the responsibility and authority to pro-
14 vide such services as are necessary to maintain the intent of and compliance with federal require-
15 ments for the [*programs defined*] **program described** in ORS 418.155.

16 **SECTION 19.** ORS 418.163 is amended to read:

17 418.163. The Department of Human Services shall have the responsibility and authority to pro-
18 vide such services and engage in such cooperative and coordinated efforts with the Employment
19 Department and other appropriate agencies as are necessary to maintain the intent of and compli-
20 ance with federal requirements for the [*programs defined*] **program described** in ORS 418.155.

21 **SECTION 20.** ORS 418.095, 418.149 and 418.185 are repealed.
22
