

**A-Engrossed
House Bill 2049**

Ordered by the House June 10
Including House Amendments dated June 10

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber 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.

[Requires Department of Human Services to reimburse employer for employee expenses for up to three months if employer hires individual placed with employer through JOBS Plus Program. Authorizes department to recover reimbursement paid if employer fails to retain employee for six months.]

[Authorizes department to restrict access by needy caretaker relatives receiving temporary assistance for needy families to services provided in job opportunity and basic skills program.]

[Allows department to reduce aid for three consecutive months if participant in job opportunity and basic skills program refuses to comply with program requirements. Requires department to terminate aid if participant refuses to comply with program requirements for three months.]

[Expands requirement of assigning rights of support to state to apply to two-parent family receiving aid that is state-funded or not funded by federal temporary assistance for needy families grant.]

[Shortens time limit for receipt of aid from 60 months to 48 months. Requires department to deny aid to dependent child if needy caretaker relative living with child has received aid for 48 months. Limits types of exceptions that exclude receipt of assistance from counting toward 48-month limit. Allows family to receive more than 48 months of aid for months in which specified conditions exist.]

[Extends from July 1, 2011, to July 1, 2013, certain temporary provisions allowing department to suspend statutory requirements for aid.]

Permits Department of Human Services to take actions during biennium beginning on July 1, 2011, to reduce expenditures related to temporary assistance for needy families program.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to public assistance for families with dependent children; creating new provisions; amend-
3 ing ORS 412.009, 412.014 and 412.024; and declaring an emergency.

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

5 **SECTION 1. For the biennium beginning July 1, 2011, the Department of Human Services**
6 **may, notwithstanding ORS 411.070, 412.006, 412.009 and 412.016:**

7 (1) **Prescribe by rule an employability assessment and orientation process that the de-**
8 **partment shall use to determine the level of participation by individuals applying for or re-**
9 **ceiving aid pursuant to the temporary assistance for needy families program and required**
10 **to participate in the job opportunity and basic skills program described in ORS 412.006. This**
11 **process must occur prior to any assessment described in ORS 412.006 (3) that is conducted**
12 **by the department.**

13 (2) **Require all families to participate in the employability assessment and orientation**
14 **process as a condition for the family's receipt of aid.**

15 (3) **Determine the selection and placement in the job opportunity and basic skills program**
16 **activities of existing and future applicants and recipients of aid based on the results of the**

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 **employability assessment or other criteria.**

2 **(4) Require an individual in a one-parent family to participate in the job opportunity and**
3 **basic skills program while caring for a dependent child who is under two years of age.**

4 **(5) Not approve enrollment in and attendance at an educational institution as an allow-**
5 **able work activity for purposes of ORS 412.001 to 412.069, except for recipients who have a**
6 **case plan in effect on June 30, 2011, that approves enrollment in and attendance at an edu-**
7 **cational institution as an allowable work activity under ORS 412.016.**

8 **(6) Deny aid to a family in which a caretaker relative is separated from employment**
9 **without good cause during the 60-day period ending on the date of application for aid, subject**
10 **to exceptions prescribed by the department by rule.**

11 **(7) Establish an income eligibility limit equal to 185 percent of the federal poverty**
12 **guidelines for aid to a dependent child residing with a caretaker relative who is not the**
13 **child's parent.**

14 **(8) Deny employment-related day care assistance to a parent who is self-employed.**

15 **(9) Eliminate the reduced copayment required for employment-related day care assist-**
16 **ance in the first month of employment.**

17 **SECTION 2.** ORS 412.009 is amended to read:

18 412.009. (1) The need for and amount of aid pursuant to the temporary assistance for needy
19 families to be granted for any dependent child or relative pursuant to ORS 412.006 shall be deter-
20 mined, in accordance with the rules of the Department of Human Services, taking into account:

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

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

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

27 (3) In determining the need for and amount of aid to be granted under subsection (1) of this
28 section and under ORS 411.070, the department shall:

29 (a) Disregard no less than \$50 of the amount of child support received for each child per month,
30 up to a total of \$200 or the maximum established by federal law, for the family; and

31 (b) Disregard any other amounts of income and resources of the family as the department may
32 prescribe by rule.

33 (4) The department by rule shall adopt proven methods of encouraging participants' full en-
34 gagement in the job opportunity and basic skills program, including the development of an individ-
35 ualized case plan in accordance with ORS 412.006.

36 (5)(a) The department may not reduce the family's aid payment as a method of encouraging full
37 engagement in the job opportunity and basic skills program pursuant to subsection (4) of this section
38 until the department determines that the noncompliant needy caretaker relative:

39 (A) Has no barriers or refuses to take appropriate steps to address identified barriers to par-
40 ticipation in the program;

41 (B) Has the ability to be fully engaged in the program as defined by the department by rule; and

42 (C) Is willfully noncompliant with the requirements of the individualized case plan.

43 (b) The department may not reduce aid payments under this subsection to families:

44 (A) Receiving aid pursuant to ORS 412.014 or 412.124;

45 (B) In which the caretaker relative participates in suitable activities for the number of hours

1 required each month to satisfy federally required participation rates; or

2 (C) Until the department has screened for and, if appropriate, assessed barriers to participation,
3 including but not limited to physical or mental health needs, substance abuse, domestic violence or
4 learning needs.

5 (c) The department may not reduce aid payments under this subsection before assessing the risk
6 of harm posed to the children in the household by the reduction in aid payments and taking steps
7 to ameliorate the risk.

8 (6)[(a) *The department may reduce the aid payment to a family in accordance with subsection (5)*
9 *of this section*] Following notice and an opportunity for a hearing under ORS chapter 183[,] **and**
10 **subject to subsection (5) of this section, the department may reduce the aid payment to an**
11 **individual who fails to participate in suitable activities required by the individual's case plan**
12 **or may terminate the aid payment to the family of a noncompliant individual** as follows:

13 [(A)] (a) The department may reduce the aid payment by the portion attributable to the needs
14 of the noncompliant individual for up to three months.

15 [(B) *After three months of noncompliance and subject to subsection (5)(c) of this section, the de-*
16 *partment may terminate the aid payment to the family.*]

17 (b) Any reduction [*or termination*] in aid under [*this section*] **paragraph (a) of this subsection**
18 may continue until the noncompliant individual participates in suitable activities required by the
19 case plan for two consecutive weeks.

20 (c) **After three months of noncompliance, and subject to subsection (5)(c) of this section,**
21 **the department may terminate the aid payment to the family. The family is ineligible for aid**
22 **for two calendar months after a termination under this paragraph, unless within one month**
23 **of the effective date of the termination the noncompliant individual participates in suitable**
24 **activities required by the case plan for two consecutive weeks.**

25 [(c)] (d) A caretaker relative may request a hearing to contest the basis for a reduction in or
26 termination of an aid payment within 90 days of a reduction in or termination of aid.

27 (7) Every six months, the department shall report to the Family Services Review Commission
28 established under ORS 411.075 the status of and outcomes for families for whom aid has been re-
29 duced or terminated under subsection (6) of this section. The department shall work with the com-
30 mission to establish the details to be provided in the report.

31 **SECTION 3.** ORS 412.014 is amended to read:

32 412.014. (1) There is created in the Department of Human Services the State Family
33 Pre-SSI/SSDI program. The department shall provide aid under this section to families that are eli-
34 gible for temporary assistance for needy families under ORS 412.001 to 412.069 and that include a
35 needy caretaker relative who is unable to maintain substantial gainful activity due to a disability
36 or combination of disabilities that meet the criteria of section 216 of the Social Security Act.

37 (2) The department shall assist families receiving aid under this section in qualifying for federal
38 Supplemental Security Income and Social Security disability benefits, including obtaining necessary
39 medical records and evaluations. The department shall contract with nonprofit legal services or-
40 ganizations, or lawyers lawfully admitted to the bar of any state, to represent recipients in any ad-
41 ministrative appeal.

42 (3) The department shall adopt rules for determining the amount of aid granted under this sec-
43 tion that is not less than the [*combined total of 43 percent of the Supplemental Security Income pay-*
44 *ment in effect at that time and the amount of aid the child would receive under ORS 412.006 if the*
45 *caretaker relative did not receive aid*] **amount of aid granted under ORS 412.006 (1).**

1 (4) Participation in the State Family Pre-SSI/SSDI program shall be voluntary. The department
 2 shall provide information to potential participants in the State Family Pre-SSI/SSDI program about
 3 the opportunities for employment while receiving Supplemental Security Income benefits and about
 4 employment resources available to State Family Pre-SSI/SSDI program participants. The information
 5 must be in a format accessible to the potential participant.

6 (5) Participants in the State Family Pre-SSI/SSDI program must cooperate with the department
 7 in establishing eligibility for Supplemental Security Income or Social Security disability benefits.
 8 The department by rule may establish policies for monitoring and encouraging full engagement in
 9 the State Family Pre-SSI/SSDI program, including activities that promote family stability. The de-
 10 partment shall offer participants the opportunity to participate in any suitable activity in the job
 11 opportunity and basic skills program under ORS 412.009.

12 **SECTION 4.** ORS 412.014, as amended by section 3 of this 2011 Act, is amended to read:

13 412.014. (1) There is created in the Department of Human Services the State Family
 14 Pre-SSI/SSDI program. The department shall provide aid under this section to families that are eli-
 15 gible for temporary assistance for needy families under ORS 412.001 to 412.069 and that include a
 16 needy caretaker relative who is unable to maintain substantial gainful activity due to a disability
 17 or combination of disabilities that meet the criteria of section 216 of the Social Security Act.

18 (2) The department shall assist families receiving aid under this section in qualifying for federal
 19 Supplemental Security Income and Social Security disability benefits, including obtaining necessary
 20 medical records and evaluations. The department shall contract with nonprofit legal services or-
 21 ganizations, or lawyers lawfully admitted to the bar of any state, to represent recipients in any ad-
 22 ministrative appeal.

23 (3) The department shall adopt rules for determining the amount of aid granted under this sec-
 24 tion that is not less than the *[amount of aid granted under ORS 412.006 (1)]* **combined total of 43**
 25 **percent of the Supplemental Security Income payment in effect at that time and the amount**
 26 **of aid the child would receive under ORS 412.006 if the caretaker relative did not receive**
 27 **aid.**

28 (4) Participation in the State Family Pre-SSI/SSDI program shall be voluntary. The department
 29 shall provide information to potential participants in the State Family Pre-SSI/SSDI program about
 30 the opportunities for employment while receiving Supplemental Security Income benefits and about
 31 employment resources available to State Family Pre-SSI/SSDI program participants. The information
 32 must be in a format accessible to the potential participant.

33 (5) Participants in the State Family Pre-SSI/SSDI program must cooperate with the department
 34 in establishing eligibility for Supplemental Security Income or Social Security disability benefits.
 35 The department by rule may establish policies for monitoring and encouraging full engagement in
 36 the State Family Pre-SSI/SSDI program, including activities that promote family stability. The de-
 37 partment shall offer participants the opportunity to participate in any suitable activity in the job
 38 opportunity and basic skills program under ORS 412.009.

39 **SECTION 5.** ORS 412.024 is amended to read:

40 412.024. (1) *[Aid, as defined in ORS 412.001, may not be granted to, or on behalf of, any applicant*
 41 *or recipient and for as long as the applicant or recipient refuses to]* **An applicant or recipient of aid,**
 42 **except for recipients of aid under the JOBS Plus Program established in ORS 411.878, must**
 43 **assign to the state any rights to support that may be due from any other person to a** *[from any*
 44 *other person such applicant may have personally or in behalf of any other]* family member for whom
 45 the applicant is applying for or receiving aid. If aid is paid and received for the support of a child,

1 the rights to child support that any person may have for the child are deemed to have been assigned
 2 by operation of law to the state. Notice of the assignment by operation of law shall be given to the
 3 applicant at the time of application for public assistance, and shall be given to any obligee who may
 4 hold some interest in such support rights by depositing a notice in the United States mail, postage
 5 prepaid, addressed to the last-known address of such person. Assignment of support rights to the
 6 state shall be as set forth in rules adopted by the Department of Human Services and the Depart-
 7 ment of Justice.

8 (2) Except as otherwise provided in this subsection, an applicant or recipient who receives aid
 9 [as defined in ORS 412.001] shall cooperate with the Department of Human Services and the De-
 10 partment of Justice in establishing the paternity of the applicant's or recipient's child born out of
 11 wedlock and in obtaining support or other payments or property due the applicant or child. An ap-
 12 plicant or recipient is not required to cooperate if there is good cause or some other exception to
 13 the cooperation requirement that takes into account the best interest of the child. The Department
 14 of Human Services shall adopt rules defining good cause, other exceptions to cooperation and non-
 15 cooperation by an applicant or recipient, and setting the sanction for noncooperation. The sanction
 16 may include total ineligibility of the family for aid, but in no situation may the sanction be less than
 17 a 25 percent reduction of the monthly grant amount. At the time an applicant applies for aid, the
 18 Department of Human Services shall inform the applicant, in writing, of the requirement of and ex-
 19 ceptions to cooperation and the sanctions for noncooperation, and shall inform recipients, in writing,
 20 whenever eligibility for aid is redetermined.

21 (3) This section shall apply to:

22 (a) **One-parent families receiving** [recipients of] aid under ORS 412.001 to 412.069, 412.124 and
 23 418.647 [only] as long as the aid is funded in whole or in part with federal grants under Title IV-A
 24 of the Social Security Act; and

25 (b) **Two-parent families receiving aid under ORS 412.001 to 412.069 and one-parent families**
 26 **receiving aid under ORS 412.014, regardless of the funding source for the aid.**

27 **SECTION 6. ORS 412.124 is not operative for the period beginning July 1, 2011, and ending**
 28 **June 30, 2013.**

29 **SECTION 7. (1) The amendments to ORS 412.009, 412.014 and 412.024 by sections 2, 3 and**
 30 **5 of this 2011 Act become operative on October 1, 2011.**

31 **(2) The amendments to ORS 412.014 by section 4 of this 2011 Act become operative on**
 32 **July 1, 2013.**

33 **SECTION 8. Section 1 of this 2011 Act is repealed on July 1, 2013.**

34 **SECTION 9. This 2011 Act being necessary for the immediate preservation of the public**
 35 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
 36 **on its passage.**

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