House Bill 2049

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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.**

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.

minate 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.

A BILL FOR AN ACT

- Relating to public assistance for families with dependent children; creating new provisions; and amending ORS 411.892, 412.006, 412.009, 412.024 and 412.079 and section 22, chapter 827, Oregon Laws 2009.
- Be It Enacted by the People of the State of Oregon:
- **SECTION 1.** ORS 411.892 is amended to read:
 - 411.892. (1)(a) All employers, including public and private sector employers within the State of Oregon, are eligible to participate in the JOBS Plus Program. The Department of Human Services shall adopt by rule a method to disqualify employers from participating in the program. No employer is required to participate in the JOBS Plus Program. In the event that there are unassigned participants whom no employer desires to utilize, the participants may be assigned to work for a public agency.
 - (b) The maximum number of program participants that any employer is authorized to receive at any one time may not exceed 10 percent of the total number of the employer's employees. However, each employer may receive one participant. The Director of Human Services may waive the limit in special circumstances.
 - (c) The Department of Human Services by rule shall establish criteria for excluding employers from participation for failure to abide by program requirements, showing a pattern of terminating participants prior to the completion of training or other demonstrated unwillingness to comply with the stated intent of the program.
 - (2) The Department of Human Services shall ensure that jobs made available to program par-

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1 ticipants:

- (a) Do not require work in excess of 40 hours per week;
- (b) Are not used to displace regular employees or to fill unfilled positions previously established; and
- (c) Do not pay a wage that is substantially less than the wage paid for similar jobs in the local economy with appropriate adjustments for experience and training.
 - (3)(a) Eligibility for the program shall be limited to residents who are:
- (A) Adults and caretaker relatives who are receiving temporary assistance for needy families benefits;
 - (B) Adult Supplemental Nutrition Assistance Program recipients except as described in subsection (5)(b) of this section; and
 - (C) Unemployed noncaretaker parents of children who are receiving temporary assistance for needy families benefits.
 - (b) In addition to those residents eligible for the program under paragraph (a) of this subsection, additional residents who are seeking employment may be eligible for the program if there are legislatively allocated funds available in the temporary assistance for needy families budget of the Department of Human Services.
 - (4)(a) Individuals desiring work through the program shall contact the nearest Department of Human Services office serving the county in which they reside if they are temporary assistance for needy families program or Supplemental Nutrition Assistance Program applicants or recipients or noncustodial parents of individuals receiving temporary assistance for needy families.
 - (b) With the assistance of the local JOBS Plus Implementation Councils and the JOBS Plus Advisory Board, the Department of Human Services shall develop a job inventory of sufficient size to accommodate all of the participants who desire to work in the program. In consultation with the participant, the department shall try to match the profile of each participant with the needs of an employer when assigning a participant to work with the employer.
 - (c) Either the employer or the participant may terminate the assignment by contacting the appropriate Department of Human Services office. In such event, the Department of Human Services shall reassess the needs of the participant and assign the participant to another JOBS Plus Program placement or another job opportunity and basic skills program component and, at the employer's request, provide the employer with another participant.
 - (d)(A) If after four months in a placement, a participant has not been hired for an unsubsidized position, the employer shall allow the worker to undertake eight hours of job search per week. Participating employers shall consider such time as hours worked for the purposes of paying wages.
 - (B) If after six months in a placement, a participant has not been hired for an unsubsidized position, the placement shall be terminated, and the caseworker shall reassess the participant's employment development plan.
 - (C) The Department of Human Services shall continue to pay, for up to three months, the reimbursement provided under subsection (12)(a) of this section to an employer that, within six months after the placement of an individual with the employer by the JOBS Plus Program, hires the individual.
 - (e) The Department of Human Services may pay placement and barrier removal payments to temporary assistance for needy families program and Supplemental Nutrition Assistance Program participants as necessary to enable participation in the JOBS Plus Program.
 - (f) The Department of Human Services shall accept eligible volunteers into the program prior

to mandating program participation by eligible persons.

- (5)(a) Assignment of participants to available jobs shall be based on a preference schedule developed by the Department of Human Services. Any temporary assistance for needy families recipient or supplemental nutrition assistance recipient may volunteer for the program.
 - (b) The following individuals may not be required to participate in the program:
- (A) Recipients under the temporary assistance for needy families program and the Supplemental Nutrition Assistance Program who are eligible for Supplemental Security Income benefits or other ongoing state or federal maintenance benefits based on age or disability.
- (B) Supplemental nutrition assistance applicants or recipients who are employed full-time or are college students eligible for supplemental nutrition assistance and enrolled full-time in a community college or an institution of higher education, or enrolled half-time in a community college or an institution of higher education and working at least 20 hours per week.
- (C) Teenage parents who remain in high school if progressing toward a diploma. Teenage parents not in school are eligible for the JOBS Plus Program.
- (c) The Department of Human Services shall provide life skills classes and opportunities to achieve General Educational Development (GED) certificates to appropriate participants in conjunction with working in the JOBS Plus Program.
- (d) Subject to subsection (7) of this section, temporary assistance for needy families and supplemental nutrition assistance shall be suspended at the end of the calendar month in which an employer makes the first wage payment to a participant who is a custodial parent in a family that receives temporary assistance for needy families or to any adult member of a household receiving supplemental nutrition assistance. Failure of the participant to cooperate with the requirements of the JOBS Plus Program may result in the participant's removal, in accordance with rules adopted by the Department of Human Services, from the JOBS Plus Program and suspension of the participant's temporary assistance for needy families grant and supplemental nutrition assistance. A temporary assistance for needy families and supplemental nutrition assistance recipient who has been removed from the program for failing to cooperate shall be eligible to reapply to participate in the program and shall have eligibility for program services determined without regard to the length of time the person was not participating following removal.
- (6)(a) Employers shall pay all participating individuals at least the hourly rate of the Oregon minimum wage.
- (b) Sick leave, holiday and vacation absences shall conform to the individual employer's rules for temporary employees.
- (c) Group health insurance benefits shall be provided by the employer to program participants if, and to the extent that, state or federal law requires the employer to provide such benefits.
- (d) All persons participating in the JOBS Plus Program shall be considered to be temporary employees of the individual employer providing the work and shall be entitled only to benefits required by state or federal law.
- (e) Employers shall provide workers' compensation coverage for each JOBS Plus Program participant.
- (7) In the event that the net monthly full-time wage paid to a participant would be less than the level of income from the temporary assistance for needy families program and the supplemental nutrition assistance amount equivalent that the participant would otherwise receive, the Department of Human Services shall determine and pay a supplemental payment as necessary to provide the participant with that level of net income. The department shall determine and pay in advance sup-

- plemental payments to participants on a monthly basis as necessary to ensure equivalent net program wages. Participants shall be compensated only for time worked.
- (8) In addition to and not in lieu of the payments provided for under subsections (6) and (7) of this section, participants shall be entitled to retain the full child support payments collected by the Department of Justice.
- (9) Program participants who are eligible for federally and state funded medical assistance at the time they enter the program shall remain eligible as long as they continue to participate in the program. In conformity with existing state day care program regulations, child day care shall be provided for all program participants who require it.
 - (10) JOBS Plus Program employers shall:

- (a) Endeavor to make JOBS Plus Program placements positive learning and training experiences;
- (b) Maintain health, safety and working conditions at or above levels generally acceptable in the industry and no less than that of comparable jobs of the employer;
- (c) Provide on-the-job training to the degree necessary for the participants to perform their duties;
- (d) Recruit volunteer mentors from among their regular employees to assist the participants in becoming oriented to work and the workplace; and
- (e) Sign an agreement to abide by all requirements of the program, including the requirement that the program not supplant existing jobs. All agreements shall include provisions noting the employer's responsibility to repay reimbursements in the event the employer violates program rules. When a professional placement service, professional employment organization or temporary employment agency is acting as an employer pursuant to subsection (13) of this section, agreements under this paragraph shall require a three-party agreement between the professional placement service, professional employment organization or temporary employment agency, the organization where the participant has been placed to perform services and the State of Oregon. The three-party agreement shall include provisions requiring that all JOBS Plus reimbursements received by the professional placement service, professional employment organization or temporary employment agency be credited to the organization where the participant has been placed to perform services.
- (11) Program participant wages shall be subject to federal and state income taxes, Social Security taxes and unemployment insurance tax or reimbursement as applicable under ORS chapter 657, which shall be withheld and paid in accordance with state and federal law. Supplemental payments made pursuant to subsection (7) of this section shall not be subject to state income taxes under ORS chapter 316 and, to the extent allowed by federal law, shall not be subject to federal income taxes and Social Security taxes.
- (12)(a) The Department of Human Services shall reimburse employers for the employers' share of Social Security, unemployment insurance and workers' compensation premiums paid on behalf of program participants referred to the employer by the Department of Human Services, as well as the minimum wage earnings paid by the employer to program participants referred to the employer by the Department of Human Services.
- (b) If an employer hires for an unsubsidized position a JOBS Plus Program participant placed with the employer but retains the employee for less than six months, or if the Department of Human Services finds that an employer has violated any of the rules of the JOBS Plus Program, the department:
 - (A) Shall withhold any amounts due to employers under paragraph (a) of this subsection.
 - (B) May seek repayment of any amounts paid to employers under paragraph (a) of this sub-

section.

(13) For purposes of this section, "employer" shall include professional placement services, professional employment organizations and temporary employment agencies.

SECTION 2. ORS 412.006 is amended to read:

- 412.006. (1) Aid pursuant to the temporary assistance for needy families program shall be granted under this section to any dependent child who is living in a home meeting the standards of care and health fixed by the rules of the Department of Human Services and who is a resident of the State of Oregon, if a parent or caretaker relative with whom the child is living is a resident of the State of Oregon.
- (2) Except as provided in subsections (7) and (8) of this section, a needy caretaker relative may be required to participate in the job opportunity and basic skills program that is described in subsections (3) to (6) of this section.
- (3) The department shall use a basic assessment tool to determine if a needy caretaker relative [applying for or receiving aid under this section] selected by the department to participate in the job opportunity and basic skills program has or may have a barrier to employment or to family stability. If the basic assessment tool indicates that there is or may be a barrier, the needy caretaker relative shall be referred for an in-depth assessment by a person with relevant expertise or specialized training.
- (4) Based upon the assessment described in subsection (3) of this section, the department, in cooperation with appropriate partner agencies or professionals, shall work with the participant to create an [effective] individualized case plan that [establishes goals and] identifies suitable activities [that promote] aimed at promoting family stability and financial independence.
 - (5) Suitable activities may include:
 - (a) Job readiness activities or employment;
 - (b) Vocational rehabilitation or training;
 - (c) Remedial, secondary or post-secondary education;
- (d) Community service; or
- (e) Other activities that reduce or eliminate barriers to full participation in the program or to employment.
- (6) For individuals with disabilities, the goal of [the] **an** individualized case plan must be to promote greater independence and may include physical or mental health evaluation or treatment.
- (7) A needy caretaker relative [receiving aid under ORS 412.001 to 412.069 may volunteer for but] selected by the department to participate in the job opportunity and basic skills program may not be required to participate [in the job opportunity and basic skills program]:
- (a) More than 10 hours per week during the first two months of the third trimester of the parent's pregnancy;
 - (b) During the last month of the parent's pregnancy;
- (c) If the needy caretaker relative is experiencing medical complications due to pregnancy that prohibit participation in activities in the program;
- (d) For one parent per family, during the first six months after the birth of a child, up to a total of 12 months per family except that:
- (A) The department may require a parent to participate in suitable activities, with a preference for educational activities, 16 weeks after the birth of a child if the parent is under 20 years of age; and
 - (B) The department may require a parent of a child under 12 months of age to participate in

evidence-based parenting classes or family stability activities; or

- (e) If participation is likely to cause undue hardship or is contrary to the best interests of the child or needy caretaker relative.
 - (8) The department shall adopt rules to carry out the provisions of this section.

SECTION 3. ORS 412.009 is amended to read:

- 412.009. (1) The need for and amount of aid pursuant to the temporary assistance for needy families to be granted for any dependent child or relative pursuant to ORS 412.006 shall be determined, in accordance with the rules of the Department of Human Services, taking into account:
- (a) The income, resources and maintenance available to such child and relative from whatever source derived, allowable deductions and the statewide income and payment standards.
- (b) The income and financial condition of the stepparent, if any, of the child for whom aid is sought.
- (2) Subsection (1)(b) of this section is not intended to relieve any parent of any legal obligation in respect of the support of the natural or adopted children of the parent.
- (3) In determining the need for and amount of aid to be granted under subsection (1) of this section and under ORS 411.070, the department shall:
- (a) Disregard no less than \$50 of the amount of child support received for each child per month, up to a total of \$200 or the maximum established by federal law, for the family; and
- (b) Disregard any other amounts of income and resources of the family as the department may prescribe by rule.
- (4) The department by rule shall adopt proven methods of encouraging participants' full engagement in the job opportunity and basic skills program, including the development of an individualized case plan in accordance with ORS 412.006.
- (5)(a) The department may not reduce the family's aid payment as a method of encouraging full engagement in the job opportunity and basic skills program pursuant to subsection (4) of this section until the department determines that the noncompliant needy caretaker relative:
- (A) Has no barriers or refuses to take appropriate steps to address identified barriers to participation in the program;
 - (B) Has the ability to be fully engaged in the program as defined by the department by rule; and
 - (C) Is willfully noncompliant with the requirements of the individualized case plan.
 - (b) The department may not reduce aid payments under this subsection to families:
 - (A) Receiving aid pursuant to ORS 412.014 or 412.124;
- (B) In which the caretaker relative participates in suitable activities for the number of hours required each month to satisfy federally required participation rates; or
- (C) Until the department has screened for and, if appropriate, assessed barriers to participation, including but not limited to physical or mental health needs, substance abuse, domestic violence or learning needs.
- (c) The department may not reduce aid payments under this subsection before assessing the risk of harm posed to the children in the household by the reduction in aid payments and taking steps to ameliorate the risk.
- (6)(a) The department may reduce the aid payment to a family in accordance with subsection (5) of this section following notice and an opportunity for a hearing under ORS chapter 183, as follows:
- (A) The department may reduce the aid payment by the portion attributable to the needs of the noncompliant individual for [up to] three **consecutive** months.
- (B) After three months of noncompliance and subject to subsection (5)(c) of this section, the

department [may] **shall** terminate the aid payment to the family.

- (b) Any reduction or termination in aid under this section may continue until the noncompliant individual participates in suitable activities required by the case plan for two consecutive weeks.
- (c) A caretaker relative may request a hearing to contest the basis for a reduction in or termination of an aid payment within 90 days of a reduction in or termination of aid.
- (7) Every six months, the department shall report to the Family Services Review Commission established under ORS 411.075 the status of and outcomes for families for whom aid has been reduced or terminated under subsection (6) of this section. The department shall work with the commission to establish the details to be provided in the report.

SECTION 4. ORS 412.024 is amended to read:

- 412.024. (1) [Aid, as defined in ORS 412.001, may not be granted to, or on behalf of, any applicant or recipient and for as long as the applicant or recipient refuses to] An applicant or recipient of aid must assign to the state any rights to support that may be due from any other person to [from any other person such applicant may have personally or in behalf of any other] a family member for whom the applicant is applying for or receiving aid. If aid is paid and received for the support of a child, the rights to child support that any person may have for the child are deemed to have been assigned by operation of law to the state. Notice of the assignment by operation of law shall be given to the applicant at the time of application for public assistance, and shall be given to any obligee who may hold some interest in such support rights by depositing a notice in the United States mail, postage prepaid, addressed to the last-known address of such person. Assignment of support rights to the state shall be as set forth in rules adopted by the Department of Human Services and the Department of Justice.
- (2) Except as otherwise provided in this subsection, an applicant or recipient who receives aid [as defined in ORS 412.001] shall cooperate with the Department of Human Services and the Department of Justice in establishing the paternity of the applicant's or recipient's child born out of wedlock and in obtaining support or other payments or property due the applicant or child. An applicant or recipient is not required to cooperate if there is good cause or some other exception to the cooperation requirement that takes into account the best interest of the child. The Department of Human Services shall adopt rules defining good cause, other exceptions to cooperation and non-cooperation by an applicant or recipient, and setting the sanction for noncooperation. The sanction may include total ineligibility of the family for aid, but in no situation may the sanction be less than a 25 percent reduction of the monthly grant amount. At the time an applicant applies for aid, the Department of Human Services shall inform the applicant, in writing, of the requirement of and exceptions to cooperation and the sanctions for noncooperation, and shall inform recipients, in writing, whenever eligibility for aid is redetermined.
 - (3) This section shall apply to:
- (a) Single-parent families receiving [recipients of] aid under ORS 412.001 to 412.069, 412.124 and 418.647 [only] as long as the aid is funded in whole or in part with federal grants under Title IV-A of the Social Security Act; and
- (b) Two-parent families receiving aid under ORS 412.001 to 412.069, regardless of the funding source for the aid.

SECTION 5. ORS 412.079 is amended to read:

412.079. (1) Except as provided in subsections (2) and (3) of this section, **a family that includes** a needy caretaker relative may not receive aid under ORS 412.006 for more than a total of [60] **48** months.

- (2) The Department of Human Services may not count toward the [60-month] **48-month** limit on receipt of aid described in subsection (1) of this section any month in which:
 - (a) A family that includes a needy caretaker relative[:]
- [(a)] receives a grant of temporary assistance [to] for needy families under ORS 412.001 to 412.069, or assistance funded under Title IV-A of the Social Security Act in this or another state, prior to July 1, 2003;
 - (b) A family that includes a needy caretaker relative resides in an area described in 18 U.S.C. 1151, and 50 percent or more of the adult residents in the area are unemployed; or
- (c) The needy caretaker relative in the family is, in that month, a minor child and neither the head of the household nor married to the head of the household[;].
- 11 [(d) Receives aid under ORS 412.001 to 412.155 that is not funded with grants under Title IV-A 12 of the Social Security Act;]
 - [(e) Is enrolled at an educational institution under ORS 412.016;]
 - [(f) Is exempt from time limits pursuant to rules adopted by the department in accordance with section 408(a)(7)(C) of the Social Security Act; or]
 - [(g) Is unable to obtain or maintain employment for a sufficient number of hours in a month to satisfy the federally required participation rates because the needy caretaker relative:]
 - [(A) Is a victim of domestic violence as defined in ORS 411.117;]
- 19 [(B) Has a certified learning disability;]

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- 20 [(C) Has a mental health condition or an alcohol or drug abuse problem;]
- [(D) Has a disability as defined by the department by rule in a manner consistent with the definition of disability in the Americans with Disabilities Act;]
 - [(E) Has a child with a disability;]
 - [(F) Is deprived of needed medical care; or]
 - [(G) Is subjected to battery or extreme cruelty as defined by the department by rule.]
 - (3) A family that includes a needy caretaker relative may [not be denied aid on the basis of the 60-month limitation described in subsection (1) of this section if the individual is experiencing a situation described in subsection (2) of this section.] receive aid for more than 48 months as long as the needy caretaker relative:
 - (a) Is receiving aid under ORS 412.014;
 - (b) Is enrolled at an educational institution under ORS 412.016;
 - (c) Is exempt from time limits pursuant to rules adopted by the department in accordance with section 408(a)(7)(C) of the Social Security Act;
 - (d) Is a victim of domestic violence as defined in ORS 411.117;
 - (e) Has a certified learning disability;
 - (f) Has a mental health condition or an alcohol or drug abuse problem;
 - (g) Has a disability as defined by the department by rule in a manner consistent with the definition of "disability" in the Americans with Disabilities Act;
 - (h) Has a child with a disability; or
 - (i) Is being subjected to battery or extreme cruelty as defined by the department by rule.
 - (4)(a) The Department of Human Services shall monitor the average period of time a person receives aid and shall record such information by family size. The department shall monitor the wages and benefits received by an individual who becomes employed while receiving aid, including medical and child care benefits. The department shall monitor and record the rate at which persons who cease receiving aid for employment subsequently apply for and receive aid.

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

SECTION 6. Section 22, chapter 827, Oregon Laws 2009, is amended to read:

- **Sec. 22.** For the biennium beginning July 1, [2009] **2011**, the Department of Human Services is authorized to implement one or more of the following reductions in temporary assistance for needy families. The department may, notwithstanding ORS 411.070, [and] **412.006** and 412.009:
- (1) Deny aid to a family in which a caretaker relative is [disqualified from receiving unemployment insurance based upon the reason for the separation from employment] separated from employment within the 60-day period ending on the date of application for aid, for a reason for which unemployment insurance is denied, subject to exceptions prescribed by the department by rule.
- [(2) Reduce the monthly aid paid to a family under ORS 412.124 to \$100 for the period ending September 30, 2010, and to \$50 for the period beginning October 1, 2010.]
- [(3)] (2) Establish an income eligibility limit equal to 185 percent of the federal poverty guidelines for aid to a dependent child residing with a caretaker relative who is not the child's parent.
- [(4)] (3) Restrict access by existing and future recipients of aid to activities in the job opportunity and basic skills program described in ORS 412.006 that promote family stability and financial independence [described in ORS 412.006 (5)].
 - [(5) Deny employment-related day care assistance to a parent who is self-employed.]
- [(6) Eliminate the reduced copayment required for employment-related day care assistance in the first month of employment.]
- [(7) Beginning July 1, 2010, restrict employment-related day care assistance to those families that have received temporary assistance for needy families in the 24-month period prior to the date of application for employment-related day care assistance.]
- SECTION 7. The amendments to ORS 412.079 by section 5 of this 2011 Act apply to aid received on or after the effective date of this 2011 Act.

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