

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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**HOUSE BILL 84
Committee Substitute Favorable 4/30/03**

Short Title: Cabarrus Work Over Welfare Changes.

(Local)

Sponsors:

Referred to:

February 26, 2003

A BILL TO BE ENTITLED
AN ACT AMENDING THE CABARRUS COUNTY DEMONSTRATION WORK
OVER WELFARE PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 368 of the 1995 Session Laws, as amended by Section 24.16A of Chapter 18 of the 1995 Session Laws, Second Extra Session 1996, S.L. 1998-106, and S.L. 2001-354, reads as rewritten:

"Section 1. Notwithstanding any law to the contrary, the Department of Health and Human Services shall continue designation of Cabarrus County as a pilot county for the purpose of conducting a demonstration welfare reform program for certain Work First and Food Stamp recipients. Immediately upon the ratification of this act, the Department shall ensure that all federal waivers necessary to allow this demonstration program to continue are obtained. To the extent that this act or the program established pursuant to it conflicts with any State law, the program supersedes that law.

Sec. 2. The Cabarrus County demonstration Work Over Welfare Program for certain Work First and Food Stamp recipients shall:

- (1) Provide job opportunities to all able-bodied Work First and Food Stamp recipients who are required to participate in the Work First employment program;
- (2) Create job opportunities in the public, the private, nonprofit, and the private, for-profit sector, ~~primarily in the human services areas~~ sectors by allowing Cabarrus County to use grant diversions, consisting of the Work First benefits and the cash value of Food Stamps that would be paid to otherwise eligible recipients to match employer funds, to subsidize the employment of these recipients. ~~Human service area jobs will meet such socially necessary needs as day care work, nursing home aide work, and in home aide work;~~ recipients;

- 1 (3) Allow wages paid to these recipients, which contain grant-diverted
2 funds, to be exempt from income for purposes of determining
3 eligibility for assistance;
- 4 (4) Structure payment of wages to these recipients such that they will be
5 considered income, in order to make recipients eligible for the federal
6 earned income tax credit;
- 7 (5) Create work experience opportunities in the private sector more
8 realistically to reflect the world of work;
- 9 (6) Require these recipients to participate in the development of an
10 opportunity agreement outlining the responsibilities of the recipient
11 and agency, as well as the incentives for compliance and the sanctions
12 for noncompliance;
- 13 (7) Require all these recipients who participate in the program to pursue
14 and accept employment, full or part time, subsidized or unsubsidized,
15 as a condition for continued eligibility for Work First and Food Stamp
16 assistance;
- 17 (8) Require job search training of all ~~participants;~~participants who are
18 assessed as needing it;
- 19 (9) Require monitored job search of all participants until employment is
20 found or until other work activities of up to 40 hours per week are in
21 place;
- 22 (10) Create a positive work incentive by providing wage incentives to
23 participants who are in compliance with the program by using the job
24 bonus as outlined in the Work First Policy Manual for ~~both Work First~~
25 ~~and Food Stamp benefits;~~Work First benefits;
- 26 (11) Provide for a system in which the Work First cash assistance case is
27 terminated following the first month of noncompliance, with
28 restoration of assistance after the client agrees to comply with
29 requirements and files a new application. To ensure that children in
30 terminated households are not harmed, provide social worker
31 monitoring and the use of direct vendor payments or assistance from
32 other community resources for rent, utilities, or other basic needs of
33 children as necessary, during the period in which assistance for the
34 household is terminated. This period of social worker monitoring shall
35 ~~coincide with the period of time that the household would have been,~~
36 ~~as a Work First case, under a three month pay for performance~~
37 ~~sanction system and shall not exceed three months from the date of~~
38 ~~termination.~~termination, unless, in the judgment of the social worker,
39 there is reason to monitor for a longer period of time;
- 40 (12) Provide for all individuals to be evaluated for ongoing Medicaid and
41 children to be evaluated for Health Choice eligibility any time Work
42 First terminates. This act shall not alter any individual's eligibility for
43 Medicaid or Health Choice as set out in State and Federal law or
44 ~~regulation.~~regulation;

- 1 (13) Require that a recipient who voluntarily terminates employment
2 without good cause be ineligible for Work First until the individual
3 returns to work, provided work opportunities are available. Provide
4 employment services for 30 days to assist the individual in obtaining
5 employment;
- 6 (14) Require applicants for Work First to meet with child support staff
7 within 10 days of application. Failure or refusal to pursue child support
8 without good cause is grounds for denial of benefits;
- 9 (15) Provide that an applicant may be eligible for a one-time Work First
10 benefit diversion payment in an amount not exceeding one thousand
11 two hundred dollars (\$1,200). Applicants receiving the benefit
12 diversion payment shall not be eligible for ongoing Work First benefits
13 for a period of three months from the date of receipt of the benefit
14 diversion payment. Individuals receiving a diversion payment must
15 attend budgetary counseling and may be required to have a protective
16 payee for the benefit diversion payment;
- 17 (16) Provide that the period of exemption from participation in employment
18 services for a parent of a newborn child is three months. If a recipient
19 returns to work within six weeks of childbirth, the recipient may
20 reclaim the remainder of the three-month exemption if the recipient
21 chooses not to continue working during the initial six-week period;
- 22 (17) In ongoing Work First cases, require family reassessment of service
23 needs when the family circumstance changes due to an able-bodied,
24 financially responsible adult moving into the home. Family
25 reassessment may result in benefit diversion, change in services, or
26 termination from Work First program participation;
- 27 (18) Not sanction individuals who demonstrate that they cannot meet
28 program requirements because necessary child care is not
29 ~~available~~.available;
- 30 (19) Assist children in Work First child-only cases, where the children are
31 living with relatives other than the biological parents, in securing
32 permanent stable homes through adoption by allowing federal funds
33 for Work First cash assistance to be transferred from the TANF Block
34 Grant to the Social Services Block Grant to be used to pay for home
35 studies, attorney's fees, and other adoptions expenses, as well as an
36 ongoing cash payment for the adoptive family, similar to cash
37 payments received through Adoption Assistance.

38 Sec. 3. This act shall be funded by Cabarrus County using available grant diversions
39 and administrative transfers, together with federal and State administrative funding
40 allocated to Cabarrus County for the public assistance programs.

41 Sec. 4. The Department of Health and Human Services shall evaluate the Cabarrus
42 County Demonstration Project and report to the General Assembly and to the Joint
43 Legislative Public Assistance Commission on or before September 1, 2002.

1 Sec. 5. This act becomes effective July 1, 1995 and shall expire on ~~September 30,~~
2 ~~2003.~~ September 30, 2005."

3 **SECTION 2.** This act is effective when it becomes law.