



House of Representatives

General Assembly

File No. 707

January Session, 2007

Substitute House Bill No. 7240

House of Representatives, May 2, 2007

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING THE STATE'S WELFARE REFORM INITIATIVE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-112 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2007*):

4 (a) The Department of Social Services shall administer a temporary
5 family assistance program under which cash assistance shall be
6 provided to eligible families in accordance with the temporary
7 assistance for needy families program, established pursuant to the
8 Personal Responsibility and Work Opportunity Reconciliation Act of
9 1996. The Commissioner of Social Services may operate portions of the
10 temporary family assistance program as a solely state-funded
11 program, separate from the federal temporary assistance for needy
12 families program, if the commissioner determines that doing so

13 will enable the state to avoid fiscal penalties under the temporary
14 assistance for needy families program. Families receiving assistance
15 under the solely state-funded portion of the temporary family
16 assistance program shall be subject to the same conditions of eligibility
17 as those receiving assistance under the federal temporary assistance for
18 needy families program. Under the temporary family assistance
19 program, benefits shall be provided to a family for not longer than
20 twenty-one months, except as provided in subsections (b) and (c) of
21 this section. For the purpose of calculating said twenty-one-month
22 time limit, months of assistance received on and after January 1, 1996,
23 pursuant to time limits under the aid to families with dependent
24 children program, shall be included. For purposes of this section,
25 "family" means one or more individuals who apply for or receive
26 assistance together under the temporary family assistance program. If
27 the commissioner determines that federal law allows individuals not
28 otherwise in an eligible covered group for the temporary family
29 assistance program to become covered, such family may also, at the
30 discretion of the commissioner, be composed of (1) a pregnant woman,
31 or (2) a parent, both parents or other caretaker relative and at least one
32 child who is under the age of eighteen, or who is under the age of
33 nineteen and a full-time student in a secondary school or its
34 equivalent. A caretaker relative shall be related to the child or children
35 by blood, marriage or adoption or shall be the legal guardian of such a
36 child or pursuing legal proceedings necessary to achieve guardianship.
37 If the commissioner elects to allow state eligibility consistent with any
38 change in federal law, the commissioner may administratively transfer
39 any qualifying family cases under the cash assistance portion of the
40 state-administered general assistance program to the temporary family
41 assistance program without regard to usual eligibility and enrollment
42 procedures. If such families become an ineligible coverage group
43 under the federal law, the commissioner shall administratively transfer
44 such families back to the cash assistance portion of the state-
45 administered general assistance program without regard to usual
46 eligibility and enrollment procedures to the degree that such families
47 are eligible for the state program.

48 Sec. 2. Section 17b-112e of the general statutes is repealed and the
49 following is substituted in lieu thereof (*Effective July 1, 2007*):

50 (a) The Department of Social Services shall provide safety net
51 services for certain families [no longer receiving benefits or] identified
52 as having significant barriers to employment and families who are at
53 risk of losing benefits under the temporary family assistance program
54 or no longer receiving program benefits. Such families shall include
55 those: (1) Identified as having significant barriers to employment
56 during the initial assessment by the department's eligibility worker or
57 during the first twelve months of employment services by an
58 employment services case manager; (2) who have made a good faith
59 effort to seek and maintain employment but have not been able to do
60 so or who are at risk of failing to complete the employment services
61 program; (3) who have exhausted their eligibility for temporary family
62 assistance program benefits; and (4) who are not eligible for six-month
63 extensions of temporary family assistance benefits due to: [(1)] (A) The
64 receipt of two sanctions from the department during the first twenty
65 months of the twenty-one-month time limit of said temporary family
66 assistance program; or [(2)] (B) the determination by the department
67 that such a family has not made a good-faith effort to seek and
68 maintain employment.

69 (b) Said safety net shall consist of services provided through the
70 existing community service delivery network with additional
71 resources provided by the Department of Social Services. Services shall
72 be provided in-kind or through vendor or voucher payment. Services
73 may include the following: (1) Food, shelter, clothing and employment
74 assistance; (2) eviction prevention; (3) an in-depth family needs
75 assessment; (4) intensive case management that includes visits to the
76 family's home; [(4)] (5) continuous monitoring for child abuse or
77 neglect; and [(5)] (6) for families at risk of losing benefits under the
78 temporary family assistance program, individual performance
79 contracts [that shall be] administered by the Labor Department [and]
80 that require job training, job searching, volunteer work, participation
81 in parenting programs or counseling or any other requirements

82 deemed necessary by the Labor Commissioner.

83 (c) Families successfully meeting the program requirements
84 established by the individual performance contracts in subdivision
85 [(5)] (6) of subsection (b) of this section prior to the end of the twenty-
86 one-month time limit shall be considered to have made a good faith
87 effort to comply with the requirements of the program for the
88 purposes of qualifying for a six-month extension, provided they have
89 made a good faith effort to comply with the individual performance
90 contract or have not incurred a sanction subsequent to completing the
91 individual performance contract.

92 (d) The Commissioner of Social Services shall implement policies
93 and procedures necessary for the purposes of this section while in the
94 process of adopting such policies and procedures in regulation form,
95 provided the commissioner prints notice of intention to adopt the
96 regulations in the Connecticut Law Journal within twenty days of
97 implementing such policies and procedures. Policies and procedures
98 implemented pursuant to this subsection shall be valid until the time
99 final regulations are effective.

100 Sec. 3. Section 17b-698 of the general statutes is repealed and the
101 following is substituted in lieu thereof (*Effective July 1, 2007*):

102 The [Commissioner of Social Services] Labor Commissioner shall
103 collect data from each job training and placement service funded by
104 the [Department of Social Services] Labor Department and serving
105 recipients of the temporary family assistance program for the purpose
106 of assessing the success of job placement services in assisting a
107 recipient of either such program to attain self-sufficiency. Data
108 collected shall include, but not be limited to: (1) The number of clients
109 served; (2) the number of clients placed in jobs; (3) types of job training
110 received by recipients and if such training led to employment; (4) cost-
111 effectiveness of job training; (5) types of jobs obtained by recipients; (6)
112 salary and benefits of those jobs obtained; and (7) length of those jobs
113 obtained.

114 Sec. 4. Subsection (a) of section 31-254 of the general statutes is
115 repealed and the following is substituted in lieu thereof (*Effective July*
116 *1, 2007*):

117 (a) Each employer, whether or not otherwise subject to this chapter,
118 shall keep accurate records of employment as defined in subsection (a)
119 of section 31-222, containing such information as the administrator
120 may by regulation prescribe in order to effectuate the purposes of this
121 chapter. Such records shall be open to, and available for, inspection
122 and copying by the administrator or his authorized representatives at
123 any reasonable time and as often as may be necessary. The
124 administrator may require from any employer, whether or not
125 otherwise subject to this chapter, any sworn or unsworn reports with
126 respect to persons employed by him which are necessary for the
127 effective administration of this chapter. Information [thus] obtained
128 shall not be published or be open to public inspection, other than to
129 public employees in the performance of their public duties, or to a
130 regional workforce development board, or designee of such board,
131 exclusively for the purpose of evaluating services provided to
132 individuals participating in the Jobs First employment services
133 program, in any manner revealing the employee's or the employer's
134 identity, but any claimant at a hearing before a commissioner shall be
135 supplied with information from such records to the extent necessary
136 for the proper presentation of his claim. Any employee of the
137 administrator, [or any other] public employee or regional workforce
138 development board member, or designee of such board member, who
139 violates any provision of this section shall be fined not more than two
140 hundred dollars or imprisoned not more than six months or both and
141 shall be dismissed from the service. Reports or records which have
142 been required by the administrator and which have been used in
143 computing benefit rights of claimants or in the determination of the
144 amounts and rates of contributions shall be preserved by the
145 administrator for a period of at least four years. Those records or
146 reports required by the administrator which have not been used for the
147 purpose of computing benefit rights or in the determination of the
148 amounts or rates of contributions shall be preserved by the

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect
Department of Social Services	GF - See Below

Municipal Impact: None

Explanation

This bill allows the Department of Social Services (DSS) to operate portions of the Temporary Family Assistance (TFA) program as a fully state funded program if necessary to avoid federal fiscal penalties. Although the state would lose eligibility for federal reimbursement for these portions, this action may help the state avoid larger federal penalties concerning work participation. Therefore, this change will help lessen or eliminate future federal revenue loss.

The bill also extends eligibility for the DSS safety net program and changes services available. As this program is not operated on an entitlement basis, any additional demand generated by this change will not require additional expenditures.

The bill also makes several changes concerning the Department of Labor that conform statute to current practice. There is no associated fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 7240*****AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS
COMMITTEE CONCERNING THE STATE'S WELFARE REFORM
INITIATIVE.*****SUMMARY:**

This bill makes changes in the state's welfare-to-work program. It allows the Department of Social Services (DSS) commissioner to run parts of the cash welfare program, Temporary Family Assistance (TFA), using state funds only to help the state avoid federal work participation rate-related penalties.

The bill expands the Safety Net program to include families who have complied with the Jobs First program rules.

The bill makes certain Department of Labor (DOL) records available for review by the state's regional workforce investment boards.

Finally, the bill conforms law to practice by requiring the labor commissioner, instead of the DSS commissioner, to collect data from the job training and placement services it funds. Generally, under the Jobs First program, DSS determines eligibility for and grants TFA assistance, while the labor department develops and implements, including providing funding for, the program's work component.

EFFECTIVE DATE: July 1, 2007

WELFARE TO WORK***TFA—Federal versus State Funding***

The bill permits the DSS commissioner to operate portions of the TFA program as a solely state-funded program, separate from the

federal TANF program, if she determines that doing so will enable the state to avoid fiscal penalties. But it provides that families receiving state-funded TFA are subject to the same eligibility conditions as those receiving TANF-funded assistance (presumably cash assistance).

Safety Net Services

The bill requires DSS to offer safety net services to additional families identified as having significant barriers to employment. These include families who:

1. a DSS caseworker identifies as having significant employment barriers during its initial assessment, or that an employment services (from Labor Department) case manager identifies during the first 12 months of employment services;
2. have made a good faith effort to find and keep a job but have been unable to do so or are at risk of failing to complete the employment services program; or
3. have exhausted their TFA eligibility (presumably this means they have received benefits for at least 21 months, or more if they qualified for extensions).

Under current laws, safety net services are available only to families who are at risk of losing TFA benefits because they are ineligible for a six-month TFA extension, either because they have received two noncompliance sanctions or have not made a good faith effort to find and keep a job. These families continue to qualify for safety net services under the bill.

The bill also adds an in-depth family needs assessment to the list of potential safety net services a family could receive. And it specifies that case management services, already a service option in current law, must include home visits. By law, these services can include food, shelter, clothing, and employment assistance.

Release of Certain Unemployment Compensation Records

By law, employers must keep accurate employment records. These records, which contain information that the unemployment compensation administrator prescribes, must be open to inspection by the administrator. In general, the administrator cannot publish the information or open it to public inspection if it will reveal the employee's or employer's identity.

The bill allows disclosure with the identifying information to a regional workforce development board (in practice called regional workforce investment board) or the board's designee only for purposes of evaluating services provided to Jobs First Employment Services participants. A board member or member's designee (presumably subcontractors) who violates this restriction faces a fine, imprisonment, or both and is dismissed from "the service."

Current law allows these disclosures to public employees in the performance of their duties and subjects violators to these penalties. (While public employees can be dismissed from state service, it is not clear whether violating workforce board members or their designees could be dismissed, since they are not public employees.)

BACKGROUND

TANF and Jobs First

The 1996 federal TANF legislation changed the nation's welfare-to-work program from an entitlement to a block grant. Connecticut receives a set amount each year and is expected to spend the funds on the purposes the federal law enumerates. All states must meet federally prescribed work participation rates (50% of adults in single-parent families must work at least 30 hours per week) or face financial penalties (reduction in block grant).

Connecticut's main TANF-funded program, Jobs First, consists of two parts: TFA, which is cash assistance for families, and Jobs First Employment Services. DSS administers TFA and performs an initial employability assessment, while the labor department helps clients develop and carry out employment plans.

To qualify for TFA, a family's income can be no higher than the TFA need standard, plus \$90. For a family of three living in most parts of the state, this is \$835 per month (\$745 plus \$90). Once eligible for assistance, income can go no higher than 100% of the federal poverty level (\$1,430 per month for this family in 2007). The monthly benefit for this family is \$543 and benefits are limited to 21 months, unless the family requests and qualifies for an extension.

Families receiving TFA must participate in work-related activities unless they are exempt from doing so. Exempt families include those in which the caretaker relative is incapacitated. TFA recipients who can work are referred to the labor department's Jobs First Employment Services program.

Deficit Reduction Act and TANF Changes

The federal Deficit Reduction Act of 2005 re-authorized TANF and included provisions requiring states to place more of their cash welfare caseload in jobs.

Specifically, it moved up the base year for the caseload reduction credit (states that reduce their cash welfare caseload can make a corresponding reduction in the number of families who must be engaged in work activities). It also required states that had created separate state programs to help families, using state funds only, to include these families in the work participation rate calculation, if the state claimed these expenditures towards their maintenance of effort (MOE) requirement. (The TANF law requires states to spend a minimum of state funds to show that TANF funding does not supplant previous state funding.).

States can provide assistance to families who would otherwise qualify for TANF-funded cash assistance using state funds, provided they do not claim them as MOE.

Workforce Investment Boards (WIB) and Jobs First

The state's five WIBs are an integral part of the welfare-to-work system. The labor department provides funding to the boards, which

in turn pay subcontractors to provide work-related services to TFA recipients.

COMMITTEE ACTION

Program Review and Investigations Committee

Joint Favorable Substitute Change of Reference
Yea 12 Nay 0 (03/09/2007)

Human Services Committee

Joint Favorable Change of Reference
Yea 17 Nay 0 (03/20/2007)

Appropriations Committee

Joint Favorable Substitute
Yea 47 Nay 0 (04/17/2007)