

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/CS/HB 581 Family Self-Sufficiency

SPONSOR(S): Health & Human Services Committee; Appropriations Committee, Children, Families & Seniors Subcommittee, White and others

TIED BILLS: **IDEN./SIM. BILLS:** SB 1016

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Children, Families & Seniors Subcommittee	9 Y, 4 N, As CS	Langston	Brazzell
2) Appropriations Committee	18 Y, 9 N, As CS	Fontaine	Leznoff
3) Health & Human Services Committee	12 Y, 5 N, As CS	Langston	Calamas

SUMMARY ANALYSIS

The Supplemental Nutrition Assistance Program (SNAP) offers nutrition assistance to eligible, low-income individuals and families in the form of funds to purchase eligible food. The Food and Nutrition Service (FNS), under the U.S. Department of Agriculture (USDA), administers SNAP, and the Florida Department of Children and Families (DCF) distributes the benefits. Federal law offers two eligibility pathways for SNAP:

- Having a gross income below 130% of the Federal Poverty Level (FPL) (or 165% FPL if at least one person is age 60 or older or is disabled) and less than \$2,250 of counted assets (or \$3,250 if at least one person is age 60 or older or is disabled); or
- Being “categorically,” or automatically, eligible based on receiving benefits from other specified low-income assistance programs.

During the recent recession, Florida became one of forty states to expand eligibility for SNAP, setting eligibility for most households at 200% FPL or less. Florida also waived asset limits for SNAP in most cases. As of November 30, 2016, 3,331,377 total individuals were enrolled in SNAP in Florida. Certain adult SNAP recipients must meet work requirements as a condition of benefit receipt.

Florida’s Temporary Cash Assistance (TCA) Program, part of the Temporary Assistance to Needy Families program, provides cash assistance to needy families with children. To be eligible for full-family TCA, recipients must participate in work activities unless they qualify for an exemption. DCF refers SNAP and TCA recipients who are not exempt from work requirements to the Department of Economic Opportunity (DEO) to satisfy work requirements through CareerSource regional workforce boards (RWBs). RWBs assign participants to work activities and monitor their compliance with TCA and SNAP work requirements. However, only a small percentage of TCA recipients exit the program because they attain employment and self-sufficiency, in part due to barriers that make it difficult for them to obtain and keep jobs.

CS/CS/CS/HB 581 requires DCF to seek federal approval to implement asset limits at the federal minimum and requires DCF to contract with a vendor to verify liquid assets.

The bill also creates pilot programs at three or more RWBs to increase employment and earned income for TCA recipients with significant barriers to employment while reducing their reliance on public assistance. Additionally, the bill increases reporting by CareerSource on employment outcomes and economic self-sufficiency of TCA and SNAP recipients.

The bill’s total appropriation is \$4,142,525 from nonrecurring trust funds. The bill provides nonrecurring appropriations of \$300,000 to DCF to perform technology modifications and \$3,342,525 to contract for asset verification services. The bill provides a nonrecurring appropriation of \$500,000 to DEO for CareerSource Florida to contract for the development of a workforce pilot program to serve TCA work registrants experiencing significant barriers to employment. See Fiscal Analysis and Economic Impact Statement.

The bill provides an effective date of July 1, 2017.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0581e.HHS

DATE: 4/7/2017

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Supplemental Nutrition Assistance Program (SNAP)

Program Overview

The Food and Nutrition Service (FNS), under the U.S. Department of Agriculture (USDA), administers the Supplemental Nutrition Assistance Program (SNAP).¹ SNAP offers nutrition assistance to millions² of eligible, low-income individuals and families, in the form of funds to purchase “eligible food,”³ and provides economic benefits to communities by reducing poverty and food insecurity.⁴

The federal government funds 100% of the benefit amount.⁵ However, FNS and states share the administrative costs of the program.⁶ Federal laws, regulations, and waivers provide states with various policy options to better target benefits to those most in need, streamline program administration and field operations, and coordinate SNAP activities with those of other programs.⁷

The amount of benefits, or allotment, a household will qualify for depends on the number of individuals in the household and the household’s net income.

¹ The Food Stamp Program (FSP) originated in 1939 as a pilot program for certain individuals to buy stamps equal to their normal food expenditures: for every \$1 of orange stamps purchased, people received 50 cents worth of blue stamps, which could be used to buy surplus food. The FSP expanded nationwide in 1974. Under the federal welfare reform legislation of 1996, Congress enacted major changes to the FSP, including limiting eligibility for certain adults who did not meet work requirements. The Food and Nutrition Act of 2008 renamed the FSP the Supplemental Nutrition Assistance Program (SNAP) and implemented priorities to strengthen program integrity; simplify program administration; maintain states’ flexibility in how they administer their programs; and improve access to SNAP. *A Short History of SNAP*, UNITED STATES DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION SERVICE, available at http://www.fns.usda.gov/sites/default/files/History_of_SNAP.pdf (last visited February 18, 2017); and *State Options Report: Supplemental Nutrition Assistance Program*, UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE, (11th ed.), Sept. 2013, available at http://www.fns.usda.gov/sites/default/files/snap/11-State_Options.pdf (last visited February 1, 2017).

² In an average month in Federal Fiscal Year (FFY) 2015, nationally, SNAP provided benefits to 45.2 million people living in 22.3 million households. *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2015*, Report No. SNAP-16-CHAR, SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM, NUTRITION ASSISTANCE PROGRAM REPORT SERIES, OFFICE OF POLICY SUPPORT, available at <https://www.fns.usda.gov/sites/default/files/ops/Characteristics2015.pdf> (last visited February 18, 2017).

³ The Food and Nutrition Act of 2008 defines eligible food as any food or food product intended for human consumption except alcoholic beverages, tobacco, hot foods and hot food products prepared for immediate consumption, with some exceptions. 7 USC § 2012(k); see also 7 CFR § 271.2. For an explanation of the inclusion of “junk food” and luxury items as eligible foods, see UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE, *Supplemental Nutrition Assistance Program (SNAP) Eligible Food Items*, <https://www.fns.usda.gov/snap/eligible-food-items> (last visited February 18, 2017).

⁴ For a detailed overview of SNAP, see Randy Alison Aussenberg, *Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits*, CONGRESSIONAL RESEARCH SERVICE, Dec. 29, 2014, available at <https://www.fas.org/sqp/crs/misc/R42505.pdf> (last visited February 18, 2017).

⁵ For FFY 2016, the maximum benefit amount was \$649 for a family of four, with an average benefit amount of \$471. *Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP)*, CENTER FOR BUDGET AND POLICY PRIORITIES, updated March 24, 2016, available at <http://www.cbpp.org/sites/default/files/atoms/files/policybasics-foodstamps.pdf> (last visited February 18, 2017).

⁶ In FFY 2015, FNS issued \$5,688,711,691 of benefits to Florida recipients; the state share of administrative costs for Florida was \$86,726,922 and the federal share of administrative costs for Florida was \$80,997,415. *Supplemental Nutrition Assistance Program, State Activity Report: Fiscal Year 2015*, FOOD AND NUTRITION SERVICE, SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM: PROGRAM ACCOUNTABILITY AND ADMINISTRATION DIVISION, August 2016, available at <http://www.fns.usda.gov/sites/default/files/snap/2015-State-Activity-Report.pdf> (last visited February 18, 2017).

⁷ *State Options Report: Supplemental Nutrition Assistance Program*, UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE, (11th ed.), Sept. 2013, available at http://www.fns.usda.gov/sites/default/files/snap/11-State_Options.pdf (last visited February 18, 2017).

Maximum Monthly Allotment for Federal Fiscal Year (FFY) 2017⁸

Household Size	Maximum Allotment
1	\$194
2	\$357
3	\$511
4	\$649
5	\$771
6	\$925
7	\$1,022
8	\$1,169

To calculate a household's allotment, 30% of its net income is subtracted from the maximum allotment for that household size.⁹ This is because SNAP households are expected to spend about 30% of their own resources on food.¹⁰ For example, a household of three with a net monthly income of \$1,500 must subtract \$450 from the maximum allotment for their household, which is \$511 per month; the household would receive a food stamp allotment of \$61 for the month.

SNAP Eligibility

Federal law establishes two ways for a household to be eligible for SNAP:

- Having a gross income¹¹ below 130% of the Federal Poverty Level (FPL) (or 165% FPL if at least one person is age 60 or older, or is disabled),¹² a net income¹³ of 100% FPL, and less than \$2,250 of counted liquid and nonliquid assets¹⁴ (or \$3,250 if at least one person is age 60 or older or is disabled);¹⁵ or
- Being "categorically," or automatically, eligible based on receiving benefits from other specified low-income assistance programs.¹⁶

Categorical eligibility allows households which already met financial eligibility rules in specified means-tested programs¹⁷ to be eligible for SNAP without going through another financial eligibility determination. Federal regulations *require* that states make categorically eligible those households in which all members are either eligible for or receive *cash* benefits, known as temporary cash assistance

⁸ UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE, *Supplemental Nutrition Assistance Program (SNAP) How Much Could I Receive*, <https://www.fns.usda.gov/snap/how-much-could-i-receive> (last visited February 19, 2017).

⁹ *Id.*

¹⁰ *Id.*

¹¹ Income is defined as all earned income, including all wages and salaries, and unearned income, including public assistance payments such as SSI and TCA. 7 CFR § 273.9(b). For details on what income is excluded, see 7 CFR § 273.9(c).

¹² 7 CFR § 273.9(a)(1)-(2); 7 USC § 2014(c).

¹³ To calculate a household's net income the following deductions are applied to a household's gross income: a 20% deduction from earned income; a standard deduction of \$157 for households of three or fewer and \$168 for households of four or more; a dependent care deduction; medical expenses for elderly or disabled members that exceed \$35 for the month, if they are not paid by insurance or someone else; legally owed child support payments; and a deduction up to \$517 of shelter costs that are more than half of the household's income after the other deductions.

¹⁴ Counted liquid assets include cash on hand, checking and savings accounts, savings certificates, stocks and bonds, and nonrecurring lump sum payments. 7 CFR §273.8(c).

¹⁵ 7 CFR § 273.8(b) sets the maximum allowable resources at \$2,000 and \$3,000, respectively; however, these limits were raised to \$2,250 and \$3,250 pursuant to annual cost-of-living adjustments in October 2014, and remain at that level today. See, letter from Lizbeth Silberman, Director, Program Development Division, Food and Nutrition Service, United States Department of Agriculture, to all Regional Directors of the Supplemental Nutrition Assistance Program, RE: SNAP -Fiscal Year 2017 Cost-of-Living Adjustments, Aug. 10, 2016, available at, <https://www.fns.usda.gov/sites/default/files/snap/SNAP-Fiscal-Year-2017-Cost-of-Living-Adjustments.pdf> (last visited February 18, 2017).

¹⁶ 7 CFR § 273.2(j).

¹⁷ Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), or state-financed general assistance (GA) programs.

(TCA), from the Temporary Assistance for Needy Families (TANF) program, Social Security Income (SSI), or another general assistance program.¹⁸ Additionally, federal regulations give states the *option* to make categorically eligible those households in which members are eligible for *noncash or in-kind* benefits or services from a program with an income limit of no more than 200% of the federal poverty level (FPL).¹⁹

FFY 2017 Monthly Income Eligibility Standards²⁰

Household Size	100% FPL	130% FPL	165% FPL	200% FPL
1	\$990	\$1,287	\$1,637	\$1,980
2	\$1,335	\$1,736	\$2,203	\$2,670
3	\$1,680	\$2,184	\$2,772	\$3,360
4	\$2,025	\$2,633	\$3,342	\$4,050

The USDA has developed a typology of state practices on categorical eligibility, categorizing states into three groups:

1. **Traditional categorical eligibility (mandatory):** Households where all members receive need-tested cash aid are automatically eligible for SNAP.
2. **Narrow categorical eligibility (optional):** Expanded beyond traditional categorical eligibility to those who receive certain TANF noncash benefits (e.g. child care).
3. **Broad-based categorical eligibility (BBCE) (optional):** Expands categorical eligibility to most, if not all, households with low incomes in a state. States may set their own income thresholds, not to exceed 200% FPL.²¹

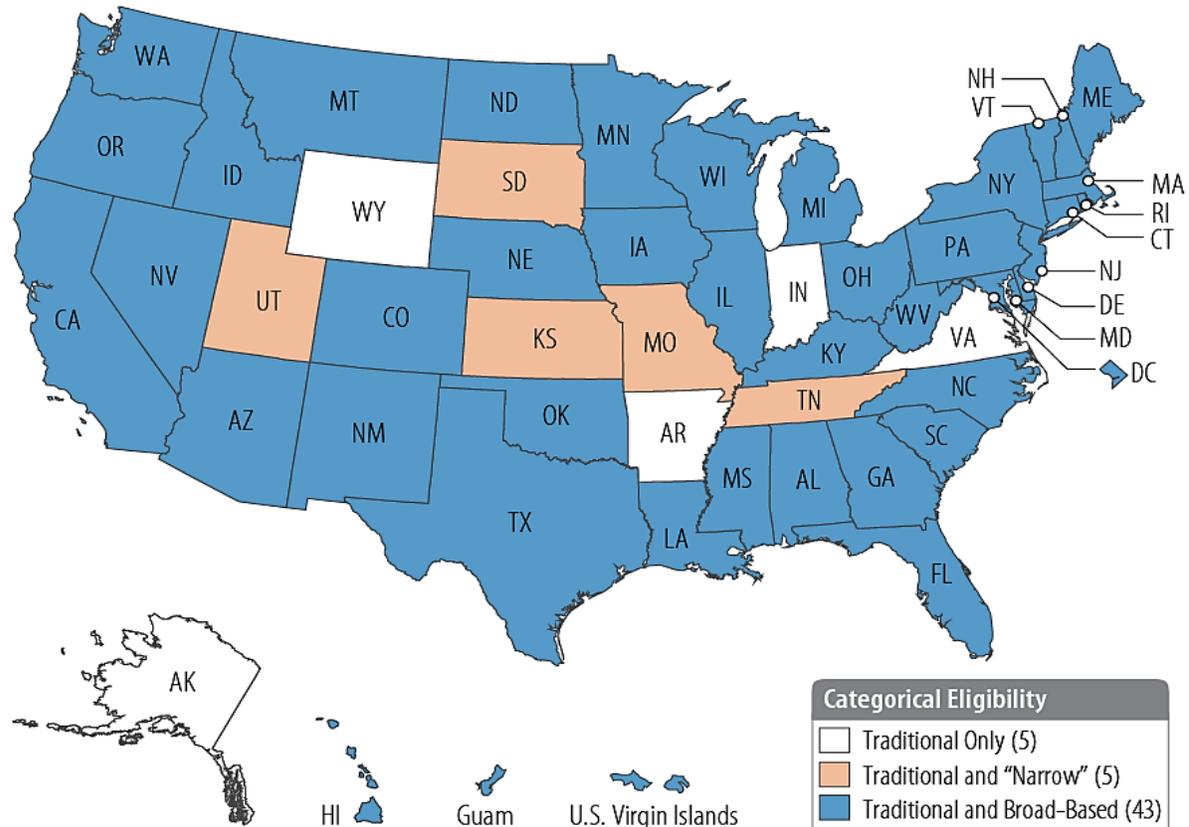
¹⁸ 7 CFR § 273.2(j)(i).

¹⁹ 7 CFR § 273.2(j)(ii); nationally, households with income in excess of 130% FPL (the majority of those recipients made eligible at the states' option) accounted for 5.6% of all SNAP households in FFY 2015. *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2015*, Report No. SNAP-16-CHAR, SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM, NUTRITION ASSISTANCE PROGRAM REPORT SERIES, OFFICE OF POLICY SUPPORT, available at, <https://www.fns.usda.gov/sites/default/files/ops/Characteristics2015.pdf> (last visited February 18, 2017).

²⁰ Letter from Lizbeth Silberman, Director, Program Development Division, Food and Nutrition Service, United States Department of Agriculture, to all Regional Directors of the Supplemental Nutrition Assistance Program, RE: SNAP -Fiscal Year 2017 Cost-of-Living Adjustments, Aug. 10, 2016, available at, <https://www.fns.usda.gov/sites/default/files/snap/SNAP-Fiscal-Year-2017-Cost-of-Living-Adjustments.pdf> (last visited February 18, 2017).

²¹ Gene Falk and Randy Alison Aussenberg, *The Supplemental Nutrition Assistance Program (SNAP): Categorical Eligibility*, CONGRESSIONAL RESEARCH SERVICE, July 22, 2014, available at <https://www.fas.org/sqp/crs/misc/R42054.pdf> (last visited February 18, 2017).

Scope of SNAP Categorical Eligibility by State²²



Quality Control and Penalties for Improperly Disbursed Benefits

SNAP's quality control system requires states each month to select a representative sample of SNAP cases and have independent state reviewers check the accuracy of the state's eligibility and benefit decisions within federal guidelines.²³ Federal officials then re-review a subsample of the cases to ensure accuracy in the error rates.²⁴ USDA annually releases state and national error rates based on these reviews.²⁵

Depending upon a state's error rate, the USDA may impose financial penalties or award performance bonuses.²⁶ The USDA awards \$48 million in state performance bonuses each year to the top and the most improved state performers across four measures:²⁷

- Payment accuracy (\$24 million),
- Case and procedural error rate (\$6 million),
- Application processing timeliness (\$6 million), and
- Program access index (\$12 million).²⁸

For the most recent year in which all states were evaluated (FFY 2014),²⁹ Florida had one of the lowest error rates of any state.³⁰ For having such a low error rate, DCF received a \$7 million bonus from the

²² Id.

²³ Dottie Rosenbaum, *SNAP Error Rates at All-Time Lows*, CENTER ON BUDGET AND POLICY PRIORITIES, Jul. 2, 2014, available at <http://www.cbpp.org/sites/default/files/atoms/files/7-2-14fa.pdf> (last visited February 18, 2017).

²⁴ Id.

²⁵ Id.

²⁶ Id.

²⁷ Id.

²⁸ Id. This is separate from the quality control system and measures states' success in reaching eligible low-income individuals, based on an estimate of the number of SNAP participants.

USDA.³¹ 2014 was the seventh consecutive year that DCF was rewarded for improvements and accuracy in correctly processing SNAP applications; Florida's bonuses total more than \$54 million.³²

SNAP Work Requirements

Generally, SNAP recipients are subject to the same work requirements as TCA recipients if they also receive TCA through TANF.³³ SNAP recipients who are able-bodied adults without dependents (ABAWDs) must also meet work requirements in order to receive benefits.³⁴ Qualifying activities include unsubsidized paid employment as well as subsidized employment and on-the-job training.³⁵ Individuals who fail to comply with the work requirements are limited to three months of SNAP benefits within a three-year period.³⁶ However, individuals are exempt from the time limit if they are:

- Under 18 years of age³⁷ or 50 years of age or older,
- A parent or responsible for the care of a child or incapacitated household member,
- Medically certified as physically or mentally unfit for employment,
- Pregnant,
- Participating in a drug or alcohol addiction treatment and rehabilitation program, or
- Already exempt from the general SNAP work requirements.³⁸

The American Recovery and Reinvestment Act (ARRA) of 2009³⁹ authorized the federal government to waive the SNAP benefit time limits, waive noncompliance sanctions, and make the work requirements voluntary, for states with high unemployment rates at those states' requests. In order to qualify, states must demonstrate that they have an unemployment rate above 10 percent or a lack of sufficient jobs.⁴⁰ In FFY 2015, there were 31 states with statewide ABAWD time limit waivers and 13 states with partial waivers.⁴¹

Florida implemented the ABAWD waiver in 2009; however, statewide eligibility for this waiver expired⁴² on December 31, 2015, because of Florida's improved economy.⁴³ When the ABAWD waiver was first

²⁹ Due to the data quality issues uncovered in 42 of 53 State agencies during the reviews, the State-reported error rates derived from that data cannot be validated. Since that data cannot be validated, USDA was unable to calculate a national error rate for FFY15. USDA released State error rates for the 11 States whose quality control data could be validated. *Supplemental Nutrition Assistance Program (SNAP) Quality Control*, UNITED STATES DEPARTMENT OF AGRICULTURE, <https://www.fns.usda.gov/snap/quality-control> (last visited February 18, 2017).

³⁰ *Supplemental Nutrition Assistance Program: Payment Error Rates FY 2014*, UNITED STATES DEPARTMENT OF AGRICULTURE, <https://www.fns.usda.gov/sites/default/files/snap/2014-rates.pdf> (last visited February 18, 2017).

³¹ *DCF Receives \$7 Million in Federal Bonus for Food Assistance Accuracy*, FLORIDA DEPARTMENT OF CHILDREN AND FAMILIES, <http://www.myflfamilies.com/press-release/dcf-receives-7-million-federal-bonus-food-assistance-accuracy> (last visited February 18, 2017).

³² *Id.*

³³ 7 USC § 2015(d)(2). For a discussion of TANF work requirements, see pp. 10-11, *infra*.

³⁴ ABAWDs must work, participate in a work program, or engage in a combination of work and participation in a work program for a total of 20 hours per week, averaged to 80 hours a month, or participate in and comply with a workfare program. 7 CFR § 273.24(a)(1).

³⁵ 7 CFR § 273.24(a)(2)-(4).

³⁶ 7 CFR § 273.24(b).

³⁷ A person age 16 or 17 who is not the head of a household or who is attending school, or is enrolled in an employment training program, on at least a half-time basis, is also exempt. 7 CFR § 273.7(b)(1)(i).

³⁸ 7 CFR § 273.24(c); see also § 273.7(b)(1).

³⁹ Pub. L. 111-5.

⁴⁰ 7 CFR § 273.24(f).

⁴¹ *Status of State Able-bodied Adult without Dependents (ABAWD) Time Limit Waivers in Fiscal Year (FY) 2015**, UNITED STATES DEPARTMENT OF AGRICULTURE, available at https://www.fns.usda.gov/sites/default/files/snap/FY_2015_ABAWD_Waiver_Status.pdf (last visited February 18, 2017).

⁴² S. 414.455, F.S., (s. 2, ch. 2015-226, Laws of Fla.) requires DCF to obtain specific authorization from the Legislature before seeking, applying for, accepting, or renewing any future waiver of work requirements established under 7 USC § 2015(o).

⁴³ Email from Jennifer Lange, Assistant Secretary for Economic Self-Sufficiency, Florida Department of Children and Families, RE: This Is What Happened When Maine Forced Welfare Recipients To Work For Their Benefits (May 1, 2015) (Email on file with Children, Families, and Seniors Subcommittee staff).

implemented, Florida's unemployment rate was over 11%; however, by the waiver's expiration it had fallen to 4.8%.⁴⁴

Florida's SNAP Program

Various state agencies and entities work together through a series of contracts or memoranda of understanding to administer the SNAP Program in Florida.

- The Department of Children and Families (DCF) determines and monitors eligibility and disperses benefits to SNAP recipients.
- The Department of Economic Opportunity (DEO) submits financial and performance reports, ensures compliance with federal and state measures, and provides training and technical assistance to Regional Workforce Boards (RWBs).
- CareerSource Florida has planning and oversight responsibilities for all workforce-related programs, including those for "work eligible"⁴⁵ SNAP recipients through its RWBs.⁴⁶
- RWBs provide a coordinated and comprehensive delivery of local workforce services within their respective areas. The RWBs focus on strategic planning, policy development and oversight of the local workforce investment system within their respective areas and contract with one-stop career centers.

SNAP enrollment in Florida has more than doubled over the last ten years;⁴⁷ however, enrollment has decreased slightly since early 2016 due to the reinstatement of work requirements for ABAWDs.⁴⁸ Participation in SNAP from 2010 to 2015 outpaced population growth in Florida; in 2010, 16.4%⁴⁹ of all Floridians received SNAP, while that number increased to 18.5%⁵⁰ in 2015.⁵¹ As of November 30, 2016, 3,331,377 individuals were enrolled in SNAP in Florida.⁵²

⁴⁴ BUREAU OF ECONOMIC AND BUSINESS RESEARCH, UNIVERSITY OF FLORIDA, *Employment (SA) – Monthly Unemployment Rate*, <https://www.bebr.ufl.edu/data/2031/state/12000-state-florida> (last visited February 18, 2017).

⁴⁵ For the SNAP program, "work eligible" is defined as individuals who are physically and mentally fit, aged 16-59, and do not qualify for an exemption.

⁴⁶ For a listing of all the RWBs, see FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY, *CareerSource Florida Network Directory*, <http://www.floridajobs.org/onestop/onestopdir/> (last visited February, 18 2017).

⁴⁷ Presentation to Children, Families, and Seniors Subcommittee on January 12, 2017 (PowerPoint on file with Children, Families, and Seniors Subcommittee staff).

⁴⁸ When the ABAWD waiver expired and the work requirements were put into place, over 300,000 ABAWDs initially failed to comply and were time limited as of April 2016. Email from Rachel Moscoso, Deputy Legislative Affairs Director, Department of Children and Families, RE: Fwd: ESS Response to House subcommittee (Jan. 18, 2017) (Email on file with Children, Families, and Seniors Subcommittee staff).

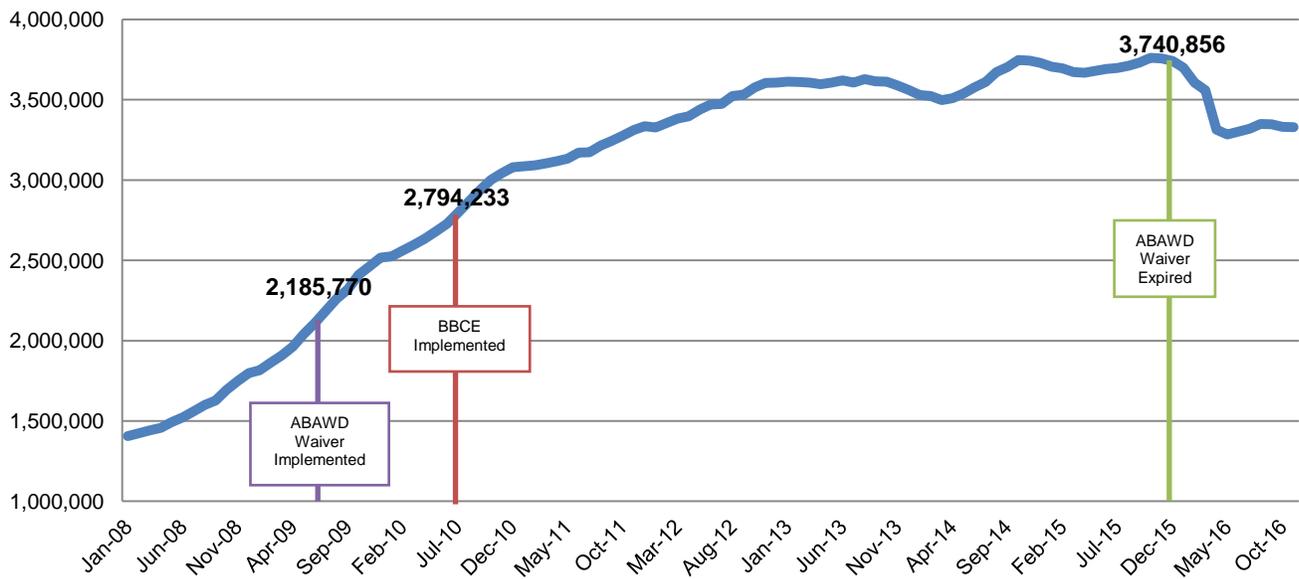
⁴⁹ In 2010 the state population was 18,801,310, and 3,079,742 people received SNAP benefits.

⁵⁰ In 2015 the state population was estimated to be 20,271,272, and 3,740,856 people received SNAP benefits.

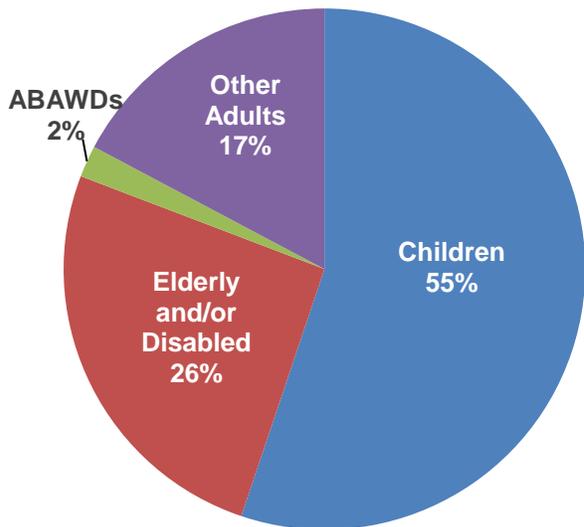
⁵¹ Email from Rachel Moscoso, Deputy Legislative Affairs Director, Department of Children and Families, RE: Info request - SNAP Enrollment and Eligibility Questions - House CSE (Oct. 13, 2016) (Email on file with Children, Families, and Seniors Subcommittee staff).

⁵² *Supra*, note 47

Florida SNAP Recipients (2008-2016):



Florida SNAP Enrollment as of November 30, 2016⁵³



Children	1,837,913
Elderly and/or Disabled	853,843
ABAWDs	65,525
Other Adults ⁵⁴	574,097
Total Individuals	3,331,377

Florida SNAP Eligibility

In 2010, Florida, along with thirty-nine other states, Guam, and the U.S. Virgin Islands, opted to use BBCE.⁵⁵ The federal government had encouraged states to expand eligibility to households that had been hurt by the economic downturn but which also had modest resources. Florida's BBCE standards allow most households to meet a gross income limit less than or equal to 200% FPL.⁵⁶ However,

⁵³ Id.

⁵⁴ This includes those adults who are federally mandated to be categorically eligible and all other adults eligible under BBCE who are not ABAWDs or elderly/disabled.

⁵⁵ *Supra*, note 21, see also *Broad-based Categorical Eligibility*, UNITED STATES DEPARTMENT OF AGRICULTURE, available at <https://www.fns.usda.gov/sites/default/files/snap/BBCE.pdf> (last visited February 18, 2017).

⁵⁶ Id.; see also, rule 65A-1.602(9), F.A.C, and *Supplemental Nutrition Assistance Program: DCF Has Mechanisms in Place to Facilitate Eligibility, Verify Participant Identity, and Monitor Benefit Use*, OPPAGA, Jan. 7, 2016. (Research Memorandum on file with Children,

households with a member disqualified for breaking Food Assistance Program rules, felony drug trafficking, running away from a felony warrant, or not participating in a work program are excluded from BBCE and instead must have gross income less than or equal to 130% of the FPL and a net income less than 100% of the FPL.⁵⁷ Florida also has exercised its authority under BBCE to waive asset limits for SNAP in most cases. DCF permits most households to have assets such as vehicles, bank accounts, and property and still receive SNAP,⁵⁸ but requires that households with disqualified members meet an asset limit of either \$2,250, or \$3,250 if the household has an elderly or disabled member.⁵⁹

SNAP Eligibility Verification

DCF administers the Automated Community Connection to Economic Self-Sufficiency (ACCESS) Program which verifies identities and determines eligibility for SNAP as well as TANF and Medicaid.⁶⁰ DCF collects household, identity, and income information from applicants. For example, SNAP applicants must provide DCF with proof of identity, citizenship, and noncitizen status of household members, including furnishing a Social Security number or proof of Social Security number application for each member.⁶¹ Applicants also provide proof of earned and unearned income for each household member (such as recent check stubs, child support information, and notices from the Social Security or Veteran's Administrations).⁶²

The ACCESS system's identity verification module compares the applicant's data against its database to verify an applicant's identity.⁶³ The ACCESS system also validates information by comparing applicant's or recipient's data with income and eligibility data provided through the use of approximately 20 data exchanges, some of which are required by the federal government while others are used at the state's option.⁶⁴ To finalize the application process, the ACCESS system's identity verification module generates four unique identity verification questions that an applicant may choose to answer before submitting the full application.⁶⁵ These questions are complex and unrelated to the basic identifying information a thief could obtain from stealing an applicant's wallet.⁶⁶

Once eligible, recipients must report when their household income exceeds 130% FPL. DCF takes action to reevaluate SNAP eligibility or recalculate the SNAP benefit amount only on changes where the recipient's income exceeds 130% of the FPL or when it obtains certain information from its databases that would impact the recipient's benefit eligibility or amount.⁶⁷

SNAP Work Requirements

Beginning January 1, 2016, Florida implemented mandatory work requirements for all ABAWDs in all 67 counties, reinstating benefit limits for ABAWDs who fail to meet work requirements.⁶⁸

Families, and Seniors Subcommittee staff). With the BBCE option, Floridians who lose their jobs or experience a decrease in wages but continue to have high expenses and/or assets (e.g. fishing boats) are able to gain eligibility, which helps them maintain self-sufficiency over time; in FY 2014-15, DCF reported that approximately 22,000 of the 147,000 households whose income was below 200% FPL but above 130% FPL had assets in excess of the traditional asset limits, but were eligible for SNAP under BBCE.

⁵⁷ Rules 65A-1.602(8)(b), (10), F.A.C.

⁵⁸ Rules 65A-1.303(1) and 1.602(11), F.A.C., incorporate by reference the relevant federal statutes and regulations governing assets but explicitly exclude vehicles from the eligibility determination for food assistance under 7 CFR § 273.8(f)(4).

⁵⁹ Rules 65A-1.602(8)(b), (11), F.A.C.

⁶⁰ Rule 65A-1.205. F.A.C

⁶¹ *Supplemental Nutrition Assistance Program: DCF Has Mechanisms in Place to Facilitate Eligibility, Verify Participant Identity, and Monitor Benefit Use*, OPPAGA, Jan. 7, 2016.

⁶² Id.

⁶³ Id.

⁶⁴ A list of all databases queried is on file with Children, Families, and Seniors Subcommittee staff.

⁶⁵ *Supra*, note 61.

⁶⁶ Id.

⁶⁷ Email from Rachel Moscoso, Deputy Legislative Affairs Director, Department of Children and Families, RE: Follow-up from ACCESS call (Nov. 29, 2016) (Email on file with Children, Families, and Seniors Subcommittee staff).

⁶⁸ 7 CFR § 273.24(b).

ABAWDs who must comply with work requirements are referred to their local RWB,⁶⁹ which provides information about available jobs, on-the-job training, and education and training services.⁷⁰ ABAWDs may meet work requirements in a variety of ways by accessing services offered through RWBs.⁷¹ ABAWDs are required to inform their CareerSource worker of their monthly hours working, volunteering, or in an RWB work program to retain their SNAP benefits.⁷²

ABAWDs must report to DCF when their weekly work hours fall below 20 hours per week (80 hours per month).⁷³ If an ABAWD's work hours fall below 20 hours per week, DCF refers the ABAWD for mandatory participation with CareerSource.⁷⁴

Temporary Assistance for Needy Families (TANF) Program

Under the federal welfare reform legislation of 1996, the TANF program replaced the welfare programs known as Aid to Families with Dependent Children, the Job Opportunities and Basic Skills Training program, and the Emergency Assistance program. The law ended federal entitlement to assistance and instead created TANF as a block grant that provides federal funds to states, territories, and tribes each year. These funds cover benefits, administrative expenses, and services targeted to needy families. TANF became effective July 1, 1997, and was reauthorized in 2006 by the Deficit Reduction Act of 2005. States receive block grants to operate their individual programs and to accomplish the goals of the TANF program.

Florida's temporary cash assistance (TCA) program is one of several programs funded with TANF block grant funds. The purpose of the TCA program is to help families become self-supporting while allowing children to remain in their own homes; it provides cash assistance to families with children that meet the technical, income, and asset requirements.⁷⁵ In November 2016, 12,517 adults and 65,855 children received TCA.⁷⁶

Various state agencies and entities work together through a series of contracts or memoranda of understanding to administer the TCA program. DCF is the recipient of the federal TANF block grant and administers the TCA program, monitoring eligibility and dispersing benefits. As with the SNAP program, DEO is responsible for financial and performance reporting ensuring compliance with federal and state measures and providing training and technical assistance to RWBs. CareerSource Florida has planning and oversight responsibilities for all workforce-related programs.

TCA Work Requirement

To be eligible for full-family TCA, applicants must participate in work activities in accordance with s. 445.024, F.S., unless they qualify for an exemption.⁷⁷ Section 445.024(3), F.S., permits exemptions from the work requirements for:

⁶⁹ Rule 65A-1.605(5), F.A.C.

⁷⁰ Workforce Investment Act – Workforce Innovation and Opportunity Act Annual Report for 2015-2016 Program Year, CareerSource Florida, Inc., available at https://careersourceflorida.com/wp-content/uploads/2016/10/161003_AnnualReport.pdf (last visited February 18, 2017).

⁷¹ Id.

⁷² *Supra*, note 67.

⁷³ Id.

⁷⁴ Id.

⁷⁵ Children must be under the age of 18, or under age 19 if they are full time secondary school students. Parents, children and minor siblings who live together must apply together. Additionally, pregnant women may also receive TCA, either in the third trimester of pregnancy if unable to work, or in the 9th month of pregnancy.

⁷⁶ Department of Children and Families, Monthly Flash Report Caseload Data: November 2016, <http://eww.dcf.state.fl.us/ess/reports/docs/flash2005.xlsx> (last visited February 18, 2017).

⁷⁷ S. 414.095(1), F.S.

- An individual who receives benefits under the SSI program or the Social Security Disability Insurance (SSDI) program.
- An adult who is not defined as a work-eligible individual⁷⁸ under federal law.
- A single parent of a child under 3 months of age, except that the parent may be required to attend parenting classes or other activities to better prepare for raising a child.
- An individual who is exempt from the time limitations of TCA because of a hardship exemption.⁷⁹

Individuals receiving TCA who are not otherwise exempt from work activity requirements must participate in work activities for the maximum number of hours allowable under federal law.⁸⁰ The number of required work or activity hours is determined by calculating the value of the cash benefits and then dividing that number by the hourly minimum wage amount. Federal law requires individuals to participate in work activities for at least:

- 20 hours per week, or attend a secondary school or the equivalent or participate in education directly related to employment if under the age of 20 and married or single head-of-household.
- 20 hours per week for single parents with a child under the age of six.
- 30 hours per week for all other single parents.
- 35 hours per week, combined, for two-parent families not receiving subsidized child care.
- 55 hours per week, combined, for two-parent families receiving subsidized child care.

Pursuant to federal rule⁸¹ and state law,⁸² job search, on-the-job training, education, and subsidized and unsubsidized employment, among other things, may be used individually or in combination to satisfy the work requirements for a participant in the TCA program.

TCA Workforce Services

If no exemptions from work requirements apply, DCF refers the applicant to DEO.⁸³ Upon referral, the participant must complete an in-take application and undergo assessment by RWB staff which includes:

- Identifying barriers to employment.
- Identifying the participant's skills that will translate into employment and training opportunities.
- Reviewing the participant's work history.
- Identifying whether a participant needs alternative requirements due to domestic violence, substance abuse, medical problems, mental health issues, hidden disabilities, learning disabilities or other problems which prevent the participant from engaging in full-time employment or activities.

Once the assessment is complete, the staff member and participant create an Individual Responsibility Plan (IRP). The IRP includes:

- The participant's employment goal;

⁷⁸ 45 C.F.R. 261.2(n) excludes from the definition of "work-eligible individuals" minor parents who are not the head of household, ineligible non-citizens, recipients of SSI, parents caring for a disabled family member, parents who receive SSDI, and certain individuals participating in a Tribal TANF program.

⁷⁹ S. 414.105, F.S., provides hardship exemptions for individuals who have diligently participated in activities but have an inability to obtain employment or extraordinary barriers to employment, victims of domestic violence, individuals subject to a time limitation under the Family Transition Act of 1993, individuals who receive SSI or SSDI, and individuals who are totally responsible for the care of a disabled family member.

⁸⁰ S. 445.024(2), F.S.

⁸¹ 45 C.F.R. § 261.30.

⁸² This information is not required as part of CareerSource Florida's annual report to the Legislature and Governor. See, s. 445.024, F.S.

⁸³ This is an electronic referral through a system interface between DCF's computer system and DEO's computer system. Once the referral has been entered into the DEO system the information may be accessed by any of the RWBs or One-Stop Career Centers.

- The participant's assigned activities;
- Services provided through program partners, community agencies and the workforce system;
- The weekly number of hours the participant is expected to complete; and
- Completion dates and deadlines for particular activities.

RWBs currently have discretion to assign an applicant to a work activity, including job search, before receiving TCA.⁸⁴ Currently, Florida's TANF Work Verification Plan⁸⁵ requires participants to record each on-site job contact and a representative of the employer or RWB provider staff to certify the validity of the log by signing each entry. If the applicant conducts a job search by phone or internet, the activity must be recorded on a job search report form and include detailed, specific information to allow follow-up and verification by the RWB provider staff.⁸⁶

For State Fiscal Year (SFY) 2016-2017, the Legislature appropriated \$59,875,524 in TANF funds to DEO, \$54,014,907 of which was for CareerSource Inc. to disperse to its 24 RWBs to provide workforce services to TCA and SNAP recipients.⁸⁷

Employment Outcomes for TCA Recipients

CareerSource Florida does not track or document employment outcomes for the TCA recipients subject to mandatory work requirements.⁸⁸ However, based on data from the Florida Department of Education (DOE) and federal reports, it appears that very few TCA recipients exit the program because of self-sufficiency.

Annual outcome reports published by DOE's Florida Education and Training Placement Information Program indicate that, of those who received TCA in 2013-14, only 14% found employment, and the majority of those employed earned below minimum wage.⁸⁹ Of those who were employed, 86% continued to receive either SNAP or TCA benefits.⁹⁰ Additionally, federal TANF data shows that, in 2015, only 12.3% of cases in Florida were closed because TCA recipients gained employment that moved them out of the program; this was below the national average of 16.9 percent.⁹¹ More participants exited the program due to sanctions for failure to meet work requirements than through employment.⁹²

Barriers to Employment for TCA Recipients

Poor employment outcomes for TCA recipients are in part due to barriers that make it difficult for them to obtain and keep jobs. Most TCA recipients have at least one barrier to work and many have multiple barriers, with their likelihood of employment decreasing as the number of barriers increases.⁹³ Common

⁸⁴ Department of Children and Families, Agency Analysis of 2016 House Bill 563 (Nov. 20, 2015) (on file with Children, Families, and Seniors Subcommittee staff).

⁸⁵ DEPARTMENT OF CHILDREN AND FAMILIES ECONOMIC SELF-SUFFICIENCY PROGRAM OFFICE, *Temporary Assistance for Needy Families State Plan Renewal October 1, 2014 – September 30, 2017*, Nov. 14, 2014, available at www.dcf.state.fl.us/programs/access/docs/TANF-Plan.pdf (last visited February 18, 2017).

⁸⁶ *Supra*, note 84 at 2.

⁸⁷ CAREERSOURCE FLORIDA, *Approval of State and Local Budget Allocations for Fiscal Year 2016/17*, Board of Directors Meeting, (May 26, 2016) (on file with Health and Human Services Committee staff).

⁸⁸ S. 445.004, F.S.

⁸⁹ Florida Education & Training Placement Information Program, *Annual Outcomes Report: Fall 2014 Data*, Dec. 2015, FLORIDA DEPARTMENT OF EDUCATION, available at <http://www.fldoe.org/core/fileparse.php/7592/urlt/AORPublicationForWeb.pdf> (last visited February 18, 2017).

⁹⁰ *Id.*

⁹¹ Information on reasons for TANF case closures on file with Children, Families, and Seniors Subcommittee staff.

⁹² *Id.* 14.5% of participants' TANF cases were closed for failure to comply with work requirements. Another 42.3% were closed for failure to comply with other, non-work related, program requirements.

⁹³ See, Dan Bloom, Pamela J. Loprest, and Sheila R. Zedlewski, *TANF Recipients with Barriers to Employment*, THE URBAN INSTITUTE, Aug. 2012, available at <http://www.mdrc.org/sites/default/files/TANF%20Recipients%20with%20Barriers%20to%20Employment.pdf> (last visited February 18, 2017); Amy Dworsky and Mark E. Courtney, *Barriers to Employment Among TANF Applicants and Their*

barriers to employment for TCA recipients include lack of a high school diploma, no or negative work experience, work-limiting health conditions, and poor mental and emotional health.⁹⁴

These barriers were associated with a reduction in the estimated odds that the TCA recipient with them would secure employment.⁹⁵ For example, the estimated odds of being employed were 71% lower for TCA recipients who had no prior work experience as compared with those who had some prior work experience; additionally, the odds of being employed were also significantly lower for TCA recipients who had no high school diploma or GED (30%), who had a physical or mental disability (33%), or whose health was fair or poor (37%).⁹⁶

Best Practices for Improving Employment Outcomes for SNAP and TCA Recipients

A study by FNS reviewed research on employment and training (E&T) program components and practices that assist members of households participating in SNAP to obtain regular employment.⁹⁷ FNS found the strategies that best improve employment outcomes and economic self-sufficiency of participants include:

- Using individualized service plans to address recipients' strengths and weaknesses as identified through initial assessments;
- Developing third-party partnerships between the state workforce development programs, community colleges, and local non-profit organizations to increase the scope and intensity of available services; and
- Serving individuals who volunteer to participate, rather than mandating participation as a condition of eligibility.⁹⁸

To improve the ability of low-income individuals, both working-poor and unemployed, to advance beyond low-wage jobs, workforce development agencies should provide:

- Work requirements and work incentives;
- Job search assistance and placement supports;
- Subsidized employment;
- Education and training;
- Case management and supportive services;
- Focus on in-demand sectors; and
- Collaboration with other programs to provide comprehensive services to targeted participants.⁹⁹

Stand-alone basic skills instruction and job search assistance programs fall short of helping participants achieve lasting self-sufficiency.¹⁰⁰ In contrast, more intensive services that combine several components simultaneously or sequentially appear to be more promising in helping participants achieve the desired improvements in employment and earnings.¹⁰¹ For example, programs that combine job search and education/training activities with a specific mix of services based upon the

Consequences for Self-Sufficiency, Families in Society: The Journal of Contemporary Social Services, Vol. 88, No. 3 (2007), available at <https://secure.ce4alliance.com/articles/101210/dworsky.pdf> (last visited February 3, 2017).

⁹⁴ Id.
⁹⁵ Dan Bloom, Pamela J. Loprest, and Sheila R. Zedlewski, *TANF Recipients with Barriers to Employment*, THE URBAN INSTITUTE, Aug. 2012, *supra*.

⁹⁶ Id.
⁹⁷ *Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Best Practices Study: Final Report*, UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE, Nov. 2016, available at <https://www.fns.usda.gov/sites/default/files/ops/SNAPEandTBestPractices.pdf> (last visited February 18, 2017).

⁹⁸ Id.

⁹⁹ Id.

¹⁰⁰ Id.

¹⁰¹ Id.

individual's needs resulted in higher rates of participation, overall and by component, and longer lasting impacts than single activity programs.¹⁰²

One of the findings from the FNS study was that programs leading to academic credentials or community college certificates are often associated with improved outcomes, especially when the E&T is in a sector that has been targeted for its expected high growth and ability to offer high-wage jobs, and that strategies that connect participants to in-demand fields or careers, including apprenticeships and on-the-job training, also lead to improved earnings.¹⁰³ One state where this approach shows promise is Arkansas. The Arkansas Career Pathways Initiative (CPI) provides education and training for TANF-eligible low-income parents to help them acquire the degrees and credentials necessary to obtain and hold jobs in selected high-demand, high-wage industries.¹⁰⁴ The program offers participants with a comprehensive set of academic and support services along with personalized case management and access to financial support.¹⁰⁵ The most recent data reflects a 92% overall job retention among participants for fiscal year 2014 and 72% of participants entering employment for fiscal year 2015.¹⁰⁶ Similarly, Washington's Basic Food Employment and Training (BFET) program, a public-private partnership SNAP E&T Program for recipients who are not on TANF, provides services through community-based organizations and community colleges with an emphasis on basic education and vocational training.¹⁰⁷ After two years of the program being implemented, nearly 70% of participants were employed.¹⁰⁸ Participants received annual earnings of \$4,100 more than before they entered the BFET program.¹⁰⁹

Washington was also among ten states awarded a three-year grant by the 2014 Farm Bill to develop an innovative program to improve employment outcomes.¹¹⁰ In order to be eligible for the new program, Resources to Initiate Successful Employment (RISE), participants must qualify for BFET and must have one critical barrier (e.g. mental or physical health problems, domestic violence, child welfare involvement) or three or more stand-alone barriers (e.g. housing, learning disability, lack of employment

¹⁰² Gayle Hamilton, *Moving People from Welfare to Work: Lessons from the National Evaluation of Welfare-to-Work Strategies*, MANPOWER DEMONSTRATION RESEARCH CORPORATION, July 2002, available at <http://eric.ed.gov/?id=ED469794> (last visited February 1, 2017); Karin Martinson & Julie Strawn, *Built to Last: Why Skills Matter for Long-Run Success in Welfare Reform*, CENTER FOR LAW AND SOCIAL POLICY, April 2003, available at <http://www.clasp.org/resources-and-publications/files/0119.pdf> (last visited February 18, 2017); Judith M. Gueron & Gayle Hamilton, *The Role of Education and Training in Welfare Reform. Welfare Reform and Beyond*, THE BROOKINGS INSTITUTION, April 2002, available at <http://files.eric.ed.gov/fulltext/ED478580.pdf> (last visited February 18, 2017); Anu Rangarajan, Alicia Meckstroth, & Tim Novak, *The Effectiveness of the Postemployment Services Demonstration: Preliminary Findings*, MATHEMATICA POLICY RESEARCH, INC., January 22, 1998, available at <https://www.mathematica-mpr.com/-/media/publications/pdfs/impact.pdf> (last visited February 18, 2017).

¹⁰³ *Supra*, note 97.

¹⁰⁴ ARKANSAS CAREER PATHWAYS, *Background of Arkansas Career Pathways Initiative*, http://www.arpathways.com/about_us_history.html (last visited February 18, 2017).

¹⁰⁵ See *TANF Education and Training: The Arkansas Career Pathways Initiative*, CENTER FOR POSTSECONDARY AND ECONOMIC SUCCESS CENTER FOR LAW AND SOCIAL POLICY, April 2010, available at <http://www.clasp.org/resources-and-publications/files/Arkansas-Career-Pathways.pdf> (last visited February 18, 2017); and *The Arkansas Career Pathways Initiative: Phase One Research Results*, COLLEGE COUNT\$, available at http://www.collegecounts.us/s/CollegeCounts_Full_Report.pdf (last visited February 18, 2017).

¹⁰⁶ *Arkansas Career Pathways Initiative Progress/Close Out Report of Activities and Outcomes (July 1, 2015 – June 30, 2016)*, ARKANSAS DEPARTMENT OF HIGHER EDUCATION, 2016, available at <http://www.arpathways.com/pdfs/Progress%20Reports/Progress%20Report%20Year%20Eleven%20Final.pdf> (last visited February 18, 2017).

¹⁰⁷ *Washington State's Basic Food Employment & Training Program*, SEATTLE JOBS INITIATIVE, June 2014, available at <http://www.aecf.org/m/resource/doc/sji-WashingtonStatesFoodEmploymentTraining-2014.pdf> (last visited February 18, 2017).

¹⁰⁸ *Washington's Basic Food Employment & Training Program (BFET)*, CENTER FOR LAW AND SOCIAL POLICY, May 2014, available at <http://www.clasp.org/resources-and-publications/publication-1/Washingtons-Basic-Food-Employment-Training-Program-BFET.pdf> (last visited February 18, 2017).

¹⁰⁹ *Id.*

¹¹⁰ In March 2015, USDA awarded grants (ranging from \$8.9 million to \$22.3 million) to ten pilots through a competitive grants solicitation. Pilot projects in California, Delaware, Georgia, Illinois, Kansas, Kentucky, Mississippi, Virginia, Vermont, and Washington were chosen. The pilots have designed and are building job-driven employment and training strategies that connect to in-demand and emerging industries, foster new partnerships, breakdown silos, and incorporate evidence-based strategies that are being tested for the first time among the target population. *Annual Report to Congress SNAP Employment and Training (E&T) Pilot Projects Authorized by the Agricultural Act of 2014*, UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE, available at <https://www.fns.usda.gov/sites/default/files/snap/SNAP-E-and-T-2016-report.pdf> (last visited February, 18 2017).

history).¹¹¹ RISE provides additional services for BFET participants facing these greater barriers by providing intensive case management¹¹² and comprehensive job readiness training as well as wraparound services.¹¹³

Some studies have found that transitional jobs strategies often produce outcomes such as increases in soft-skills, self-esteem, and life stability, and exposure to new fields and opportunities that are important for long-term employment success; however, outcomes can be difficult to measure.¹¹⁴ Several programs have worked to improve participants' soft-skills as part of their E&T or TANF workforce program. For example, Ramsey County, Minnesota, implemented motivational interviewing and soft-skill development as part of its Lifelong Learning Initiative to improve employment outcomes for TANF recipients.¹¹⁵ Early observations from Ramsey County indicate that soft-skill gains in decision making, priority setting, and planning increase participants' ability and confidence to also manage their health, children's education, and personal finances.¹¹⁶ These soft-skills have also created a more prepared workforce for employers.¹¹⁷ The findings from the synthesized research suggest SNAP recipients will benefit most from SNAP E&T if services offered by State programs:

- Are based on assessments of the work-related strengths and weaknesses of SNAP clients;
- Comprehensively address individuals' needs for skills training, basic skills education, and overcoming barriers to employment;
- Help participants earn credentials valued by employers in their chosen industry or sector; and
- Develop skills closely linked to labor market demands in the local area.¹¹⁸

Effect of Proposed Changes

SNAP Eligibility

CS/CS/CS/HB 581 requires DCF to seek federal approval to implement an asset limit of:

- \$2,250 in counted assets if no one in the household is age 60 or older, or is disabled; or
- \$3,250 in counted assets if at least one person is age 60 or older, or is disabled.¹¹⁹

¹¹¹ 2016-17 Resources to Initiate Successful Employment (RISE) Grant Guidance, WASHINGTON STATE BOARD FOR COMMUNITY & TECHNICAL COLLEGES, June 2016, available at <https://www.sbctc.edu/resources/documents/colleges-staff/grants/ffy17riseguidance.pdf> (last visited February 18, 2017).

¹¹² Intensive case management models, for example, often connect individuals with a myriad of services, including mental health counseling, substance abuse treatment, vocational rehabilitation, and domestic violence services, so that instead of having to find their way to each service, hard-to-employ TANF recipients have easier access through a case manager who coordinates their services for them.

¹¹³ Id.

¹¹⁴ Gretchen G. Kirby, Heather Hill, LaDonna Pavetti, Jon Jacobson, Michelle Derr, & Pamela Winston. *Transitional Jobs: Stepping Stones to Unsubsidized Employment*. MATHEMATICA POLICY RESEARCH, INC., 2002, available at <https://www.mathematica-mpr.com/-/media/publications/pdfs/transitionalreport.pdf> (last visited February 18, 2017); Jonah Kushner, *Chicago Neighborhood JobStart Full Evaluation Report: A Transitional Jobs Response to the Great Recession*, SOCIAL IMPACT RESEARCH CENTER, February 2012, available at https://peerta.acf.hhs.gov/sites/default/files/public/uploaded_files/Chicago%20Evaluation_LK.pdf (last visited February 18, 2017); LaDonna Pavetti, Liz Schott, & Elizabeth Lower-Basch, *Creating Subsidized Employment Opportunities for Low-Income Parents: The Legacy of the TANF Emergency Fund*, CENTER ON BUDGET AND POLICY PRIORITIES AND CENTER FOR LAW AND SOCIAL POLICY, February 16, 2011, available at <http://www.cbpp.org/sites/default/files/atoms/files/2-16-11tanf.pdf> (last visited February 18, 2017); Dana Rotz, Nan Maxwell, & Adam Dunn, *Economic Self-Sufficiency and Life Stability One Year After Starting a Social Enterprise Job*, MATHEMATICA POLICY RESEARCH, INC., January 13, 2015, available at <http://redf.org/wordpress/wpcontent/uploads/2015/02/REDF-MJS-Final-Report.pdf> (last visited February 18, 2017); Margaret Schultz, *Michigan Earn and Learn: An Outcome & Implementation Evaluation of a Transitional Job and Training Program*, SOCIAL IMPACT RESEARCH CENTER, (April 2014), available at http://www.issuelab.org/resource/michigan_earn_and_learn_an_outcome_implementation_evaluation_of_a_transitional_job_and_training_program (last visited February 18, 2017).

¹¹⁵ *Lifelong Learning Initiative for MFIP Families*, RAMSEY COUNTY WORKFORCE SOLUTIONS, available at http://mwca-mn.org/Best_Practices/2016/Ramsey%20County%20Lifelong%20Learning%20Initiative.pdf (last visited February 1, 2017).

¹¹⁶ Id.

¹¹⁷ Id.

¹¹⁸ *Supra*, note 97.

¹¹⁹ The asset limits are subject to cost-of-living adjustments by the FNS.

DCF does not currently collect asset information for most SNAP recipients; therefore, it is unknown how many recipients would no longer be eligible. However, based on a recent national study, an estimated 4.7% of SNAP recipients nationwide have assets in excess of the federal resource limit.¹²⁰ If Florida's SNAP recipients reflect the national SNAP population, the asset limits would affect 4.7% of Florida SNAP recipients, or approximately 156,575 people.

The bill also requires DCF to contract with a vendor verify liquid assets to prevent errors and fraud.¹²¹

SNAP and TCA Waivers

The bill limits DCF's authority to seek waivers for the TCA and SNAP programs: DCF cannot seek waivers that would increase income or asset limits for TCA or SNAP eligibility.

Workforce Services

Pilot Program

The bill creates a program to be piloted in at least three RWBs to provide additional workforce services to TCA recipients with "significant barriers to employment." To be eligible, a TCA recipient must have:

- At least one "critical barrier:" substance abuse, mental illness, physical or mental disability, domestic violence, homelessness, and a criminal record affecting employment; or
- Three or more "standalone barriers:" significant job skill deficiencies; significant soft-skill deficiencies, such as communication, time management, and problem-solving skills; child welfare system involvement; and a negative or nonexistent employment history.

TCA recipients who are work ready or whose barriers are not significant are not eligible to participate in the pilot and, instead, would continue to receive the services currently available through their RWB.

The bill directs CareerSource Florida, in consultation with DEO, to contract with a vendor to develop the program. The vendor must have expertise in design and development of workforce programs, and the program it develops must be based on best available research and include comprehensive assessment, an individual responsibility plan, and intensive case management for each participant. The comprehensive assessment must identify the participants' significant barriers, and the intensive case management must address these barriers by providing ongoing one-on-one guidance, motivation, and support for participants by assessing their needs and barriers, identifying resources, and advising on career and training opportunities, and working collaboratively with community partners to provide comprehensive services to the participants.

The vendor may include other elements, such as a combination of job search assistance, basic skills training, vocational education, strategies that connect registrants to relevant career opportunities by supporting their efforts to obtain educational certificates or industry certification, and transitional employment subsidies designed to eliminate significant barriers.

The bill directs CareerSource Florida, in consultation with DEO, to select RWBs for the pilot through a competitive process based on the RWBs' commitment to effectively serve the target population, record of innovation, and strong community partnerships.

Once CareerSource selects the RWBs, the bill directs them to contract with vendors to implement the program in their regions. Selected RWBs will all implement the same program as designed by the vendor.

¹²⁰ Karen Cunyningham, *What the Data Reveal About State SNAP Options*, MATHEMATICA POLICY RESEARCH, (Mar. 2, 2016), available at, http://agriculture.house.gov/uploadedfiles/cunyngham_testimony.pdf (last visited April 7, 2017).

¹²¹ DCF currently contracts for asset verification for its Medicaid Aged, Blind, and Disabled population.

CareerSource Florida must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 15, 2020, on the pilot projects' outcomes.

Reporting Requirements

The bill requires CareerSource Florida to collect and report on participation statistics and employment outcomes for mandatory workers in SNAP and TCA as a part of the annual report it submits to the Governor, the House of Representatives, and the Senate. For the mandatory work participants in TCA and SNAP, CareerSource must report on:

- Individuals served;
- Services received;
- Activities in which individuals participated;
- Types of employment secured;
- Individuals securing employment but remaining in each program;
- Individuals exiting programs due to employment; and
- Individuals' employment status at 3 months, 6 months, and 12 months after exiting the program, for the past 3 years.

B. SECTION DIRECTORY:

Section 1: Amends s. 414.14, F.S., relating to public assistance policy simplification.

Section 2: Amends s. 414.175, F.S., relating to review of existing waivers.

Section 3: Creates s. 414.315, F.S., relating to food assistance program resource eligibility standards.

Section 4: Creates s. 414.393, F.S., relating to applicant asset verification.

Section 5: Amends s. 445.004, F.S., relating to CareerSource Florida, Inc.; creation; purpose; membership; duties and powers.

Section 6: Provides an appropriation to the Department of Children and Families.

Section 7: Provides an appropriation to the Department of Economic Opportunity.

Section 8: Provides an effective date of July 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Florida has received SNAP performance bonus awards for the state's low error rate. These awards are considered state funds and can be used as state match for additional federal funds. The match rate is 50/50. The appropriation to DCF in this bill utilizes a portion of the available SNAP performance bonus and matching federal funds of 50 percent (\$1,821,263 of SNAP bonus and \$1,821,263 of additional federal funds). Allowable uses of SNAP performance bonus awards are narrowly prescribed to enhancements or modifications to the program.

2. Expenditures:

The bill provides a total nonrecurring appropriation of \$4,142,525 from trust funds for the three components in this bill affecting state expenditures.

Technology Impact: DCF indicates this bill will require one-time modifications to the technology system to accommodate the revised SNAP income and asset limits (the Self-Service Portal, notices, data extracts for reporting, and the eligibility system). The DCF

vendor estimates these costs to range from \$256,464 to \$325,260.¹²² The bill provides a \$300,000 nonrecurring appropriation for this purpose.

Asset Verification: The bill requires DCF to implement asset verification services for SNAP eligibility determination. DCF estimates this to be an annual, recurring cost ranging from \$7,553,489 to \$13,370,107, based upon DCF's current per-transaction cost for asset verification in Medicaid eligibility determination.¹²³ The bill provides a \$3,342,525 nonrecurring appropriation for asset verification transactional fees, based on the assumption that DCF will be able to negotiate a lower per-transaction fee in exchange for the volume of work the vendor will provide under the bill.

CareerSource Florida: The bill appropriates \$500,000 in nonrecurring funds to DEO for distribution to CareerSource Florida to pay for initial costs to develop and implement the pilot program, such as initial program design, evaluation design, training curricula development and delivery of training, implementation oversight, development of informational materials, and technical assistance.¹²⁴ Actual workforce services provided by CareerSource Florida and the RWBs will continue to be funded by federal TANF funds, of which CareerSource Florida has received \$54,014,907 annually, for the last two SFY.¹²⁵

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

SNAP recipients with countable assets over the resource limit will no longer be eligible for benefits. If Florida's SNAP recipients reflect the national SNAP population, approximately 156,575 SNAP recipients may no longer be eligible for benefits.

D. FISCAL COMMENTS:

SNAP benefits are federally funded, so there will be no savings in state funds associated with the provisions of the bill.

DCF indicates that costs estimates for asset verification services are negotiable and will be lower as a function of the increased volume of transactions; therefore, the cost for this service should result in the lower range given an anticipated increase of 415,737 transactions per month for verification.¹²⁶

¹²² Department of Children and Families, Agency Bill Analysis for 2017 House Bill 0581, (Feb. 1, 2017) (On file with Children, Families, and Seniors Subcommittee Staff).

¹²³ If all adults are screened at every application and recertification, DCF estimates a cost of \$13,370,107, however, if they are only screened annually, DCF estimates a cost of \$7,553,489. Email from Lindsey Zander, Legislative Specialist, Department of Children and Families, RE: HB 581 Bill Analysis (Feb. 14, 2017) (On file with Children, Families, and Seniors Subcommittee staff).

¹²⁴ Department of Economic Opportunity, Agency Bill Analysis for 2017 House Bill 0581, (Feb. 1, 2017) (On file with Children, Families, and Seniors Subcommittee Staff).

¹²⁵ *Supra*, note 87.

¹²⁶ *Supra*, note 118.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 23, 2017, the Children, Families, and Seniors Subcommittee adopted an amendment that provides that the new resource and income eligibility standards for SNAP applicants and recipients will apply to initial applications and recertifications for SNAP benefits after January 1, 2018. The bill was reported favorably as a committee substitute.

On March 15, 2017, the Appropriations Committee adopted an amendment that changed an appropriation to DCF from recurring to nonrecurring, and changed the trust fund source for the appropriation to CareerSource Florida. The bill was reported favorably as a committee substitute.

On April 6, 2017, the Health and Human Services Committee adopted an amendment that removed the elimination of broad-based categorical eligibility for food assistance and the reduction of income limits to the federal minimum from the bill and required DCF to seek federal approval to implement an asset test at the federal minimum. The bill was reported favorably as a committee substitute. The analysis is drafted to the committee substitute as reported by the Health and Human Services Committee.