

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/CS/HB 1267 Economic Self-sufficiency

**SPONSOR(S):** Appropriations Committee, Children, Families & Seniors Subcommittee, Anderson and others

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 7052

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Children, Families & Seniors Subcommittee	16 Y, 0 N, As CS	Osborne	Brazzell
2) Appropriations Committee	28 Y, 0 N, As CS	Potvin	Pridgeon
3) Health & Human Services Committee	19 Y, 0 N	Osborne	Calamas

### SUMMARY ANALYSIS

Public assistance programs help low-income families meet their basic needs, such as housing, food, and utilities. The most commonly utilized public assistance programs in Florida include Medicaid, the Supplemental Nutrition Assistance Program (SNAP) or food assistance, and the Temporary Assistance for Needy Families (TANF) Temporary Cash Assistance (TCA) program. In Florida, the majority of the participants in these programs are children.

While the goal of public assistance programs is, generally, to ensure that a family's basic needs are met and facilitate economic advancement, families often exit programs before they are truly capable of maintaining self-sufficiency. A benefit cliff occurs when a modest increase in wages results in a net loss of income due to the reduction in or loss of public benefits that follows. Benefit cliffs create a financial disincentive for low-income individuals to earn more income due to the destabilization and uncertainty that often results from a loss in benefits, especially when the benefit lost was essential to a parent's ability to reliably work.

The most significant benefit cliffs occur when a family loses housing or child care assistance. While a family is receiving housing and/or child care benefits, the costs for these necessities are a defined, affordable share of the family's income, but those expenses can significantly increase when the family enters the private market.

CS/CS/HB 1267 revises various components of the TANF, SNAP, and School Readiness (SR) programs. The bill creates case management as a transitional benefit for families transitioning off of TCA. The bill allows TCA recipients to count hours spent on GED coursework toward their work requirement. The bill also requires the use of a financial forecasting tool to assist people receiving public benefits in navigating self-sufficiency.

The bill requires the Department of Children and Families to expand mandatory SNAP Employment and Training participation to include adults ages 18-59, who do not have children under age 18 in the home or otherwise qualify for an exemption.

The bill creates the School Readiness Subsidy Program to provide financial assistance to families who no longer qualify for school readiness program funding. The new program will mitigate the child care cliff effect for families transitioning to economic self-sufficiency.

For Fiscal Year 2024-2025, the bill provides \$23,076,259 in nonrecurring funds from the General Revenue Fund to the Department of Education to implement the School Readiness Subsidy Program. See Fiscal Comments.

The bill provides an effective date of July 1, 2024.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Background

##### Public Assistance Programs

Public assistance programs help low-income families meet their basic needs, such as housing, food, and utilities.<sup>1</sup> The social safety net for American families depends on the coordination of a complex patchwork of federal, state, and local funding and program administration.<sup>2</sup> Through various programs, public assistance is capable of helping families keep children in their family home through economic difficulties<sup>3</sup> and reducing the material hardship that has been linked to negative outcomes in children;<sup>4</sup> as well as driving the economy in times of market downturns<sup>5</sup> and supporting the career advancement of low-income adults striving to break the cycle of intergenerational poverty.<sup>6</sup> But while these outcomes have been shown to be feasible, the positive impact of public assistance programs can be inhibited by incongruent policies and the intricacies of overlapping federal programs.

The process of facilitating the broad, conceptual goals of public assistance programs involves several federal programs with different levels of flexibility that allow the states to tailor the programs to their own needy populations. The eligibility criteria and participation requirements for each program vary dependent upon a combination of state and federal policy.

The most commonly utilized public assistance programs in Florida include Medicaid, the Supplemental Nutrition Assistance Program (SNAP), also known as food assistance or food stamps, and the Temporary Assistance for Needy Families (TANF) Temporary Cash Assistance (TCA) program. In Florida, the majority of the participants in one or more of these programs are children. In May 2021, 54 percent of children in Florida were participating in at least one of these public assistance programs.<sup>7</sup>

##### Barriers to Economic Self-Sufficiency

###### *Benefit Cliffs*

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<sup>1</sup> National Conference of State Legislatures. *Introduction to Benefits Cliffs and Public Assistance Programs* (2023). Available at <https://www.ncsl.org/human-services/introduction-to-benefits-cliffs-and-public-assistance-programs> (last visited January 17, 2024).

<sup>2</sup> Brookings Institute. *State Social Safety Net Policy: How are States Addressing Economic Need?* (2023). Available at <https://www.brookings.edu/events/state-social-safety-net-policy-how-are-states-addressing-economic-need/> (last visited January 17, 2024).

<sup>3</sup> Providing assistance to needy families so that children can be cared for in their own homes is one of the four purposes of the TANF program. See, Office of Family Assistance. *About TANF* (2022). Available at <https://www.acf.hhs.gov/ofa/programs/tanf/about> (last visited January 17, 2024). See also, Gennetian, L. & Magnuson, K. *Three Reasons Why Providing Cash to Families with Children is a Sound Policy Investment* (2022). Center on Budget and Policy Priorities. Available at <https://www.cbpp.org/research/income-security/three-reasons-why-providing-cash-to-families-with-children-is-a-sound> (last visited January 17, 2024).

<sup>4</sup> Karpman, M., Gonzalez, D., Zuckerman, S., & Adams, G. *What Explains the Widespread Material Hardships among Low-Income Families with Children?* (2018). Urban Institute. Available at [https://www.urban.org/sites/default/files/publication/99521/what\\_explains\\_the\\_widespread\\_material\\_hardship\\_among\\_low-income\\_families\\_with\\_children\\_0.pdf](https://www.urban.org/sites/default/files/publication/99521/what_explains_the_widespread_material_hardship_among_low-income_families_with_children_0.pdf) (last visited January 17, 2024).

<sup>5</sup> Vogel, S., Miller, C., & Ralston, K. *Impact of USDA's Supplemental Nutrition Assistance Program (SNAP) on Rural and Urban Economies in the Aftermath of the Great Recession* (2021). US Department of Agriculture. *Economic Research Service Economic Research Report Number 296* (2021). Available at <https://ssrn.com/abstract=3938336> (last visited January 17, 2024).

<sup>6</sup> Duncan, G. & Holzer, H. *Policies that Reduce Intergenerational Poverty* (2023). The Brookings Institute. Available at <https://www.brookings.edu/articles/policies-that-reduce-intergenerational-poverty/> (last visited January 17, 2024).

<sup>7</sup> Office of Program Policy Analysis and Government Accountability (OPPAGA). *Research Memorandum: Economic Self-Sufficiency*, Research Product 10. On file with the Health & Human Services Committee.

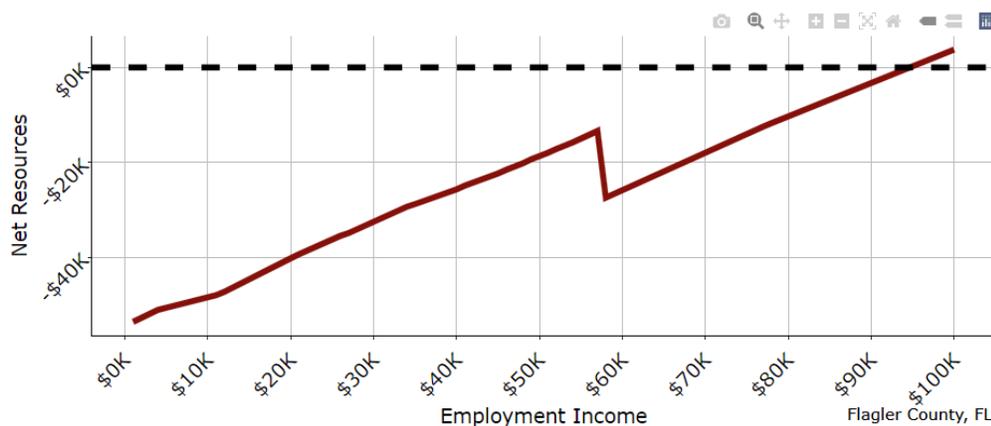
The broad goal underlying public assistance programs is to ensure that a family's basic needs are met during times of financial hardship and facilitate the economic advancement of low-income families; however, families often exit programs before they are truly capable of maintaining self-sufficiency. A benefit cliff occurs when a modest increase in wages results in a net loss of family resources due to the reduction in or loss of public benefits that follows.<sup>8</sup>

Benefit cliffs create a financial disincentive for low-income individuals to earn more income due to the destabilization and uncertainty that often results from a loss in benefits, especially when the benefit lost was essential to a parent's ability to work consistently, such as a child care subsidy.<sup>9</sup> The fear of an impending benefit cliff can be sufficient to discourage career advancement. The complex nature of public assistance programs contributes to workers struggling to understand the timing and magnitude of benefits loss. This uncertainty, paired with economic insecurity, can prevent individuals from seeking or accepting opportunities for career advancement.<sup>10</sup>

The most significant benefit cliffs occur when a family loses housing or child care assistance. While a family is receiving housing and/or child care benefits, the costs for these necessities are a defined, affordable share of the family's income, but those expenses can skyrocket when the family enters the private market where there are no controls on prices.<sup>11</sup> The chart below reflects an example of a family's possible financial situation. A family receiving cash assistance and a child care subsidy can experience a sudden, significant drop in net resources when their income makes them ineligible for these benefits.

*FAMILY NET FINANCIAL RESOURCES  
(INCOME + PUBLIC ASSISTANCE - TAXES - EXPENSES)*

The chart below shows how changes in income affect family net financial resources. As income increases, the programs shown in the chart above phase out. As a result, the net financial resources may flatten (reflecting a *benefits plateau*) or even dip (reflecting a *benefits cliff*) as income increases.



Benefits depicted: TCA and School Readiness for a family of 3 in Flagler County

### Child Care

The lack of child care services presents a significant barrier to employment for the parents of small children. It is estimated that only 44 percent of U.S. families with children under the age of 13 can

<sup>8</sup> Altig, D., Ilin, E., Ruder, A., Terry, E. *Benefits Cliffs and the Financial Incentives for Career Advancement: A Case Study of the Health Care Services Career Pathway* (2020). The Federal Reserve Bank of Atlanta. Available at <https://www.atlantafed.org/community-development/publications/discussion-papers/2020/01/31/01-benefits-cliffs-and-the-financial-incentives-for-career-advancement> (last visited January 16, 2024).

<sup>9</sup> *Id.*

<sup>10</sup> Federal Reserve Bank of Atlanta. *Career Ladder Identifier and Financial Forecaster (CLIFF)*. Available at <https://www.atlantafed.org/economic-mobility-and-resilience/advancing-careers-for-low-income-families/cliff-tool> (last visited January 19, 2024).

<sup>11</sup> Ettinger de Cuba, S. *Cliff Effects and the Supplemental Nutritional Assistance Program* (2017). Federal Reserve Bank of Boston. Available at <https://www.bostonfed.org/publications/communities-and-banking/2017/winter/cliff-effects-and-the-supplemental-nutrition-assistance-program.aspx#ft7> (last visited January 16, 2024).

afford the full price of childcare without having to sacrifice other basic needs such as housing, food, health care, and transportation.<sup>12</sup>

The lack of available affordable, appropriate, high-quality child care impacts how parents participate in the workforce, as well as children's cognitive and social development. Parents who work may have to work fewer hours or turn down higher-paying jobs in order to remain eligible for child care assistance programs, while other parents may elect to stay at home with small children when child care is not accessible.<sup>13</sup> There is a significant economic impact associated with parents opting out of the workforce, or choosing to remain in lower-paying jobs, due to the inaccessibility of quality, affordable child care.<sup>14</sup>

For parents who choose to remain in the workforce, the inability to afford high-quality child care can have negative effects on children's development. Parents may have to reduce their standard of living in order to afford child care and continue to work; if this results in the sacrifice of adequate housing and health care, this can adversely affect parents as well as children and lead to financial and psychological stress.<sup>15</sup> Alternatively, parents may choose lower-quality child care that is more affordable. The quality of child care, however, matters for the healthy development of children at early ages.<sup>16</sup> Low-quality child care can adversely affect children's task attentiveness and emotional regulation;<sup>17</sup> whereas high-quality child care has been associated with positive outcomes such as fewer reports of problem behaviors, higher cognitive performance, and higher language skills.<sup>18</sup>

### Education

A person's level of educational attainment has a significant impact on the employment opportunities available to that person and their capacity for upward economic mobility throughout their life. A person who attained at least a high school credential, or the equivalent,<sup>19</sup> has access to further education and professional development that are not available to individuals who did not complete high school. Higher levels of educational attainment are associated with higher employment rates and higher median earnings.<sup>20</sup> For example, in 2022 the employment rate for adults ages 25 to 34 ranged from 61 percent

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<sup>12</sup> Birken, B., Ilin, E., Ruder, A., & Terry, E. *Restructuring the Eligibility Policies of the Child Care and Development Fund to Address Benefit Cliffs and Affordability: Florida As a Case Study* (2021). Federal Reserve Bank of Atlanta. Available at <https://www.atlantafed.org/-/media/documents/community-development/publications/discussion-papers/2021/01-restructuring-the-eligibility-policies-of-the-child-care-and-development-fund-to-address-benefit-cliffs-and-affordability-2021-06-18.pdf>

<sup>13</sup> Morrissey, T.W. *Child care and parent labor force participation: a review of the research literature* (2017). Review of Economics of the Household. 15, 1–24. <https://doi.org/10.1007/s11150-016-9331-3>

<sup>14</sup> For more information on this economic impact, see, Altig, D., Ilin, E., Ruder, A., & Terry, E. *Benefits Cliffs and the Financial Incentives for Career Advancement: A Case Study of a Health Care Career Pathway*. (2020). Federal Reserve Bank of Atlanta. Available at <https://www.atlantafed.org/community-development/publications/discussion-papers/2020/01/31/01-benefits-cliffs-and-the-financial-incentives-for-career-advancement> (last visited January 16, 2024); and Council of Economic Advisers. *The Role of Affordable Child Care in Promoting Work Outside the Home*. (2019). Available at <https://trumpwhitehouse.archives.gov/wpcontent/uploads/2019/12/The-Role-of-Affordable-Child-Care-in-Promoting-Work-Outsidethe-Home-1.pdf>. (last visited January 19, 2024); See also, the US Chamber of Commerce Foundation and the Florida Chamber of Commerce Foundation. *Untapped Potential in FL – How Childcare Impacts Florida's Workforce Productivity and the State's Economy* (2023). Available at <https://www.flchamber.com/untappedpotentialfl/> (last visited February 14, 2024).

<sup>15</sup> *Supra*, note 12.

<sup>16</sup> *Id.*

<sup>17</sup> Gialamas, A., Mittinty, M., Sawyer, M., Zubrick, S., & Lynch, J. *Child Care Quality and Children's Cognitive and Socio-Emotional Development: an Australian Longitudinal Study* (2014). *Early Child Development and Care* 184 (7): 977–997.

<sup>18</sup> National Institute of Child Health and Human Development (NICHD). Early Child Care Research Network. *The NICHD Study of Early Child Care and Youth Development* (2005). Available at [https://www.nichd.nih.gov/sites/default/files/publications/pubs/documents/seccyd\\_06.pdf](https://www.nichd.nih.gov/sites/default/files/publications/pubs/documents/seccyd_06.pdf) (last visited January 19, 2024).

<sup>19</sup> The most commonly recognized equivalent to a high school diploma is the General Educational Development (GED) credential. GED credentials are an alternative credential for individuals who did not complete high school. The GED is accepted by most colleges and universities that require a high school diploma for admission, and most companies that have positions requiring a high school diploma accept the GED as an alternative credential. For more information see, Stark, P. & Noel, A. *Trends in High School Dropout and Completion Rates in the United States: 1972-2012*. (2015). US Department of Education, National Center for Education Statistics. Available at <https://eric.ed.gov/?id=ED557576> (last visited January 19, 2024).

<sup>20</sup> US Department of Education. *Report on the Condition of Education 2023* (2023). Available at <https://nces.ed.gov/pubs2023/2023144rev.pdf> (last visited January 7, 2023).

among individuals who had not completed high school<sup>21</sup> to 87 percent for those with a bachelor's degree or higher.<sup>22</sup>

The lack of a high school diploma, or the equivalent, complicates the transition from adolescence to adulthood. Among young adults who do not pursue post-secondary education, the possession of a high school diploma is associated with significantly more time spent employed during the early years of adulthood.<sup>23</sup> Additionally, the lack of a high school diploma or an equivalent credential is the top risk factor for homelessness among young adults.<sup>24</sup> There are a variety of other long-term negative outcomes associated with dropping out of high school, such as lower median income,<sup>25</sup> higher rates of criminal activity, higher rates of unemployment and incarceration, and poorer health.<sup>26</sup>

At the individual level, there are a variety of unique personal, social, and economic reasons that may lead an individual to not complete high school. Generally, however, people who drop out of high school are more likely to have grown up in low-income, single-parent households, and lived in distressed communities than their counterparts who complete high school.<sup>27</sup> For low-income youths living in areas with high rates of income inequality, this has been tied to a perceived lower rate of return on investment for continuing high school.<sup>28</sup> This phenomenon is consistent with the patterns of intergenerational poverty in the US.

### *Intergenerational Poverty*

Intergenerational poverty occurs when individuals who grew up in families with incomes below the poverty line are themselves poor as adults. Children living in families with low incomes face an array of challenges that place them at a much higher risk of experiencing poverty in adulthood compared with other children.<sup>29</sup> As a result, roughly one-third of children who grow up poor in the US will also experience poverty as adults.<sup>30</sup>

There are numerous social and cultural factors that contribute to intergenerational poverty, but key drivers influencing intergenerational mobility include:<sup>31</sup>

- Education, spanning from early education to career training;
- Children's health and access to health care;
- Family employment, income, and wealth; and
- Crime and involvement with the criminal justice system.

### *Recidivism*

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<sup>21</sup> "High school completion" includes those who graduated from high school with a diploma, as well as those who completed a high school equivalency program, such as obtaining GED credentials.

<sup>22</sup> *Supra*, note 20.; see also, Stark, P. & Noel, A. *Trends in High School Dropout and Completion Rates in the United States: 1972-2012*. (2015). US Department of Education, National Center for Education Statistics. Available at <https://eric.ed.gov/?id=ED557576> (last visited January 19, 2024).

<sup>23</sup> McDaniel, M. & Kuehn, D. *What Does a High School Diploma Get You? Employment, Race, and the Transition to Adulthood* (2013). *The Review of Black Political Economy*. 40, 371-399. <https://doi.org/10.1007/s12114-012-9147-1>

<sup>24</sup> Morton, M.H., Dworsky, A., & Samuels, G.M. *Missed opportunities: Youth homelessness in America. National estimates* (2017). Chicago, IL: Chapin Hall at the University of Chicago. Available at [https://www.chapinhall.org/wp-content/uploads/ChapinHall\\_VoYC\\_NationalReport\\_Final.pdf](https://www.chapinhall.org/wp-content/uploads/ChapinHall_VoYC_NationalReport_Final.pdf) (last visited January 9, 2024).

<sup>25</sup> Stark, P. & Noel, A. *Trends in High School Dropout and Completion Rates in the United States: 1972-2012*. (2015). US Department of Education, National Center for Education Statistics. Available at <https://eric.ed.gov/?id=ED557576> (last visited January 19, 2024).

<sup>26</sup> Lansford, J., Dodge, K., Pettit, G., & Bates, J., *A Public Health Perspective on School Dropout and Adult Outcomes: A Prospective Study of Risk and Protective Factors from Age 5 to 27 Years* (2016). *Journal of Adolescent Health*. 58. 652-658. <http://dx.doi.org/10.1016/j.jadohealth.2016.01.014>

<sup>27</sup> *Supra*, note 23.

<sup>28</sup> Kearney, M. & Levine, P. *Income Inequality, Social Mobility, and the Decision to Drop Out of High School*. (2016). Brookings Papers on Economic Activity. Available at <https://www.brookings.edu/wp-content/uploads/2016/03/kearneytextspring16bpea.pdf> (last visited January 10, 2024).

<sup>29</sup> National Academies of Sciences, Engineering, and Medicine. *Reducing Intergenerational Poverty* (2023). Washington, DC: The National Academies Press. <https://doi.org/10.7226/27058>.

<sup>30</sup> *Id.* For comparison, 17% of people who did not grow up in low-income environments will experience poverty as adults.

<sup>31</sup> *Id.* See also, Duncan, G. & Holzer, H. *Policies that Reduce Intergenerational Poverty* (2023). Brookings Institute. Available at <https://www.brookings.edu/articles/policies-that-reduce-intergenerational-poverty/> (last visited January 19, 2024).

Recidivism occurs when a family leaves an assistance program due to increased income and then returns to the program within two calendar years.<sup>32</sup> Some degree of recidivism is expected; assistance programs exist to support families through financial hardship and, regardless of personal planning, unanticipated events can cause families to find themselves financially insecure following a period of relative financial stability. A high rate of recidivism, however, indicates that families are not exiting a program at a point where they are able to maintain self-sufficiency. Due to the structure of some public benefits programs, families may be exiting the program into financially tenuous situations and without a clear path for upward mobility.<sup>33</sup>

Program recidivism is exacerbated by factors like the benefits cliff, where families are exiting a program with fewer net resources, and persistent barriers to employment that were not sufficiently addressed before the family exited the program.

### Temporary Assistance for Needy Families (TANF)

The Temporary Assistance for Needy Families (TANF) system was established at the federal level in 1996 through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).<sup>34</sup> PRWORA ended the Aid to Families with Dependent Children (AFDC) program, a federal program which provided dedicated funding for direct cash assistance to needy families with children, and alternatively created the broad-purpose TANF block grant.<sup>35</sup> TANF became effective July 1, 1997, and was reauthorized by the Deficit Reduction Act of 2005.

The TANF block grant annually distributes federal funds to states, territories, and tribes to accomplish four federally defined purposes:<sup>36</sup>

- Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- Prevent and reduce the incidence of out-of-wedlock pregnancies; and
- Encourage the formation and maintenance of two-parent families.

TANF itself is not a single cohesive program; rather, it is a system of funding streams used at the state and local level to provide a wide range of benefits, services, and activities with the general aim of minimizing the effects, or addressing the root causes, of childhood economic disadvantage.<sup>37</sup> States use TANF funds to operate state-designed and state-administered programs with significant discretion in how the funds are used to achieve the statutory goals of TANF.<sup>38</sup> Most federal regulation of TANF-

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<sup>32</sup> CareerSource Florida, Inc. *Temporary Assistance for Needy Families (TANF) Transitional Benefits Feasibility Study*. (2023). On file with the Health & Human Services Committee.

<sup>33</sup> Bourdeaux C. & Pandey, L. *Report on the Outcomes and Characteristics of TANF Leavers* (2017). Georgia State University, Center for State and Local Finance. Available at <https://cslf.gsu.edu/download/outcomes-and-characteristics-of-tanf-leavers/?wpdmdl=6494571&refresh=5f7852f89a8bc1601721080> (last visited January 9, 2024).

<sup>34</sup> Center on Budget and Policy Priorities. *Policy Basics: Temporary Assistance for Needy Families* (2022). Available at [https://www.cbpp.org/research/family-income-support/policy-basics-an-introduction-to-tanf#:~:text=States%20can%20use%20federal%20TANF,%2C%20and%20marriage%3B%20\(3\)](https://www.cbpp.org/research/family-income-support/policy-basics-an-introduction-to-tanf#:~:text=States%20can%20use%20federal%20TANF,%2C%20and%20marriage%3B%20(3)) (last visited February 13, 2024). See also, US Department of Health & Human Services, Office of Family Assistance. *Major Provisions of the Welfare Law* (1997). Available at <https://www.acf.hhs.gov/ofa/policy-guidance/major-provisions-welfare-law> (last visited February 13, 2024), for more information on PRWORA.

<sup>35</sup> Congressional Research Service. *Temporary Assistance for Needy Families: The Decline in Assistance Receipt Among Eligible Individuals* (2023). Available at <https://crsreports.congress.gov/product/pdf/R/R47503> (last visited December 27, 2023).

<sup>36</sup> US Department of Health & Human Services. *About TANF* (2022). Available at <https://www.acf.hhs.gov/ofa/programs/tanf/about> (last visited December 27, 2023).

<sup>37</sup> Congressional Research Service. *The Temporary Assistance for Needy Families (TANF) Block Grant: A Primer on TANF Financing and Federal Requirements* (2023). Available at <https://crsreports.congress.gov/product/pdf/RL/RL32748> (last visited December 27, 2023).

<sup>38</sup> *Supra*, note 36.

funded state programs relate to funding spent on direct cash assistance and the recipients of such assistance.<sup>39</sup>

TANF is funded through both federal and state dollars. The basic federal grant amount and minimum state contributions are set by law, based on expenditures in the pre-TANF programs in the early- to mid-1990s, and have not been adjusted for inflation. States are required to contribute non-federal “maintenance of effort” (MOE) funds based on state spending in the pre-TANF welfare programs. A state’s required MOE contribution is lowered for states who have met the federal work participation standard for recipients of temporary cash assistance.<sup>40</sup>

### *Florida’s Temporary Cash Assistance (TCA) Program*

Direct cash assistance to needy families is the foundation of public welfare in the U.S.<sup>41</sup> Prior to the establishment of TANF in 1996, direct cash assistance to needy families through the AFDC program was the primary method of providing support to low-income families with children. Since the implementation of the TANF block grant system, the number of families receiving direct cash assistance has waned significantly, even among eligible populations, and the majority of TANF funds are allocated for indirect methods of assisting families.<sup>42</sup>

The Temporary Cash Assistance (TCA) program is Florida’s direct cash assistance program for needy families. The TCA program is one of several Florida programs funded with the TANF block grant. Through the TCA program, families who meet specific technical, income, and asset requirements<sup>43</sup> may receive cash assistance in the form of monthly payments deposited into an electronic benefits transfer (EBT) account.<sup>44</sup>

The TCA program is administered by several state agencies through a series of contracts and memoranda of understanding. The Department of Children and Families (DCF) receives the federal TANF block grant funds, processes applications, determines initial eligibility, monitors ongoing eligibility, and disburses benefits to recipients. The Department of Commerce<sup>45</sup> (Florida Commerce) is responsible for financial and performance reporting to ensure compliance with federal and state measures and for providing training and technical assistance to Local Workforce Development Boards (LWDBs). LWDBs provide information about available jobs, on-the-job training, and education and training services within their respective areas and contract with one-stop career centers.<sup>46</sup> CareerSource Florida has planning and oversight responsibilities for all workforce-related programs and contracts with the LWDBs on a performance-basis.<sup>47</sup>

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<sup>39</sup> *Supra*, note 37.

<sup>40</sup> *Supra*, note 37.

<sup>41</sup> Public cash assistance to needy families has its origin in the early 1900s; state and local entities financed “mother’s pension” programs that provided support to single, often widowed, mothers so that children could be raised in their family homes rather than be institutionalized. See, Congressional Research Service, *The Temporary Assistance for Needy Families (TANF) Block Grant: A Legislative History* (2023). Available at <https://crsreports.congress.gov/product/pdf/R/R44668> (last visited December 27, 2023).

<sup>42</sup> *Supra*, note 35.

<sup>43</sup> 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. See, Florida Department of Children and Families, *Temporary Cash Assistance (TCA)*. Available at <https://www.myflfamilies.com/services/public-assistance/temporary-cash-assistance> (last visited February 11, 2024).

<sup>44</sup> Florida Department of Children and Families. *Temporary Cash Assistance Fact Sheet* (2019). Available at [https://www.myflfamilies.com/sites/default/files/2022-10/tcafactsheet\\_0.pdf](https://www.myflfamilies.com/sites/default/files/2022-10/tcafactsheet_0.pdf) (last visited February 11, 2024).

<sup>45</sup> The Department of Commerce, formerly known as the Department of Economic Opportunity, was renamed as such in the 2023 Legislative session. See, *Governor DeSantis Signs Legislation to Streamline Economic Development in Florida* (2023). Available at <https://www.flgov.com/2023/05/31/governor-desantis-signs-legislation-to-streamline-economic-development-in-florida/> (last visited February 11, 2024).

<sup>46</sup> Florida Department of Commerce, CareerSource Florida, *Workforce Innovation and Opportunity Act Annual Statewide Performance Report* (2023). Available at <https://careersourceflorida.com/wp-content/uploads/2023/12/2022-23-WIOA-Annual-Performance-Report.pdf> (last visited February 12, 2024).

<sup>47</sup> *Id.*

The number of families receiving TCA dramatically increased during the COVID-19 pandemic, peaking at more than 50,000 families receiving TCA payments in July of 2020.<sup>48</sup> While TCA caseloads have not yet returned to pre-pandemic levels, they have decreased steadily since July of 2020. In November 2023, 34,015 families, including 44,309 children, received TCA.<sup>49</sup> Since 2016, Florida's recidivism rate for the TCA program has averaged 30 percent; approximately one third of families exiting TCA due to earned income were not successful in maintaining self-sufficiency and returned to the program within two years of exit.<sup>50</sup>

### *TCA Eligibility*

States have broad discretion in determining who is eligible for cash assistance. Florida's TCA program requires applicants to meet all of the following criteria in order to be eligible:<sup>51</sup>

- Be a U.S. citizen or qualified noncitizen in accordance with federal and state law;
- Be a legal resident of Florida;
- Have a minor child residing with a custodial parent or relative caregiver, or be a pregnant woman in the 9<sup>th</sup> month of pregnancy;
- Have a gross income of 185 percent or less of the federal poverty level;<sup>52</sup>
- Have liquid or nonliquid resources, of all members of the family, valued at less than \$2,000; and<sup>53</sup>
- Register for work with the LWDB, unless an applicant qualifies for an exemption.

In Florida, TCA eligible families fall into one of two case categories: work-eligible or child-only.<sup>54</sup> Work-eligible cases generally include adult or teenaged heads of household who are subject to work requirements and qualify for benefits based on the needs of the entire family so long as work requirements are met. Child-only cases make up roughly half of TCA cases and include households wherein there is no work-eligible adult, such as participants in the Relative Caregiver Program.<sup>55</sup> Child-only cases receive TCA benefits based only on the needs of the eligible child(ren) in the household, rather than the entire family. As of November 2023, there were 16,425 child-only TCA cases and 17,590 TCA cases including an adult.<sup>56</sup>

In addition to work requirements, families must meet Learnfare requirements. This requires children ages six to 18 to meet school attendance requirements, and requires the child's caregiver to participate in school conferences. Families will lose benefits for any child who is habitually truant from school or drops out of school unless there is a good cause for non-attendance or a hardship exemption from the school.<sup>57</sup>

Florida imposes a lifetime limit of 48 cumulative months wherein an adult may be eligible for and receive cash assistance. Current law outlines specific, limited circumstances under which a person may be exempt from the time limitation. LWDBs are required to interview and assess the employment

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<sup>48</sup> Florida Department of Children and Families. *ESS Standard Reports: Caseload Report*. Available at <https://www.myflfamilies.com/services/public-assistance/additional-resources-and-services/ess-standard> (last visited January 5, 2024)

<sup>49</sup> Florida Department of Children and Families. *ESS Standard Reports: Flash Points*. Available at <https://www.myflfamilies.com/services/public-assistance/additional-resources-and-services/ess-standard> (last visited January 5, 2024).

<sup>50</sup> CareerSource Florida, *Temporary Assistance for Needy Families (TANF) Transitional Benefits Feasibility Study*. (2023). On file with the Health & Human Services Committee.

<sup>51</sup> Florida Department of Children and Families. *Temporary Assistance for Needy Families – State Plan Renewal, October 1, 2020 – September 30, 2023*. Available at <https://www.myflfamilies.com/sites/default/files/2022-10/TANF-Plan.pdf> (last visited January 5, 2024).

<sup>52</sup> Gross income cannot exceed 185% FPL, and a family's countable income cannot exceed the payment standard for the family size.

There is a \$90 deduction on earned income per individual. See, Florida Department of Children and Families, *Temporary Cash Assistance (TCA)*. Available at <https://www.myflfamilies.com/services/public-assistance/temporary-cash-assistance> (last visited January 22, 2024)

<sup>53</sup> Licensed vehicles with a combined value of not more than \$8,500 are excluded if a family includes individuals subject to the work requirement, or if the vehicle is necessary to transport a disabled family member and the vehicle has been specially equipped to transport the disabled person. See, s. 414.075, F.S.

<sup>54</sup> S. 414.045, F.S.

<sup>55</sup> The Relative Caregiver Program provides financial assistance to relatives who are caring full-time for an eligible child as an alternative to the child being placed in foster care. See, Florida Department of Children and Families, *Temporary Cash Assistance (TCA)*. Available at <https://www.myflfamilies.com/services/public-assistance/temporary-cash-assistance> (last visited January 5, 2024).

<sup>56</sup> *Supra*, note 49.

<sup>57</sup> *Supra*, note 44.

prospects and barriers of each participant who is within six months of reaching the 48-month time limit;<sup>58</sup> however, few families exit TCA due to the time limit. Most households receive TCA for fewer than six months.<sup>59</sup>

The maximum payment that families are eligible for is based upon family size, the family’s income, and the amount of a family’s shelter obligation.<sup>60</sup> Shelter obligation reflects a family’s housing expenses, such as rent payments. A family’s actual TCA payment will vary based on the household’s “countable income,” such that their actual payment will be less than the amounts shown below.<sup>61</sup> The minimum payment that may be made to a family is \$10 per month; families eligible for TCA benefits under \$10 per month will not receive a TCA payment, but are considered TCA recipients for other purposes including the determination of Medicaid eligibility.<sup>62</sup>

TCA Monthly Payment Maximums<sup>63</sup>

Family Size	Shelter Obligation \$50.01 and up	Shelter Obligation \$0.01-50.00	Shelter Obligation \$0
	Max. Benefit Amount	Max. Benefit Amount	Max. Benefit Amount
1	\$180	\$153	\$95
2	\$241	\$205	\$158
3	\$303	\$258	\$198
4	\$364	\$309	\$254
5	\$426	\$362	\$289
6	\$487	\$414	\$346
7	\$549	\$467	\$392
8	\$610	\$519	\$438
<b>Additional Person</b>	<b>+\$62</b>	<b>+\$52</b>	<b>+\$48</b>

*TCA Work Requirement*

To be eligible for full-family TCA, work-eligible adult family members must participate in work activities, unless they qualify for an exemption.<sup>64</sup> Individuals who fail to comply with the work requirements may be sanctioned.<sup>65</sup> TCA applicants who are determined by DCF to not be exempt from the work requirement are referred to Florida Commerce for work registration and intake processing. DCF does

<sup>58</sup> S. 414.105, F.S.

<sup>59</sup> CareerSource Florida, Inc. *Temporary Assistance for Needy Families (TANF) Transitional Benefits Feasibility Study (2023)*. On file with the Health & Human Services Committee.

<sup>60</sup> S. 414.095(10)-(12), F.S.

<sup>61</sup> *Supra*, note 44.

<sup>62</sup> Rule 65A-4.220, F.A.C.

<sup>63</sup> *Supra*, note 44.

<sup>64</sup> S. 414.024, F.S. *See also*, S. 414.095(1), F.S. A person may be exempt from the work requirement if they receive benefits under the Supplemental Security Income Program or the Security Disability Program, is a single parent of a child under three months of age (parenting preparation activities may be alternatively required), is exempt from the TCA time limitation due to hardship, or not considered work-eligible under federal policy. *See also*, Florida Department of Children and Families. *Temporary Assistance for Needy Families – State Plan Renewal, October 1, 2020 – September 30, 2023*. Available at <https://www.myflfamilies.com/sites/default/files/2022-10/TANF-Plan.pdf> (last visited February 12, 2024).

<sup>65</sup> S. 414.065, F.S.

not disburse benefits until Florida Commerce, or the LWDB, if applicable, has confirmed that the participant has registered for and attended orientation.

Upon referral, the participant must undergo assessment by the LWDB staff. The assessment is intended to:<sup>66</sup>

- Identify barriers to employment and/or full participation in countable work activities;
- Identify the participant’s skills that will translate into employment and training opportunities;
- Review the participant’s work history; and
- Identify other employability issues that could help or hinder the participant’s move toward employment.

Once the assessment is complete, the staff member and participant create an individual responsibility plan (IRP). The IRP must include the:<sup>67</sup>

- The participant’s employment goal;
- The participant’s assigned activities;
- The services provided by program partners, community agencies and the workforce system which the participant is being referred to;
- The number of hours the participant is expected to complete; and
- The expected completion dates or deadlines associated with particular activities.

If an individual cannot participate in assigned work activities due to a medical incapacity, the individual may be exempted from the activity for a specific period of time.<sup>68</sup> To be excused from the work activity requirements, the participant’s medical incapacity must be verified by a physician, in accordance with the procedures established by DCF.<sup>69</sup>

### *Qualifying Work Activities*

Pursuant to state and federal law, there are 12 distinct types of work activities which can be used to satisfy a TCA recipient’s work requirement.<sup>70</sup> The 12 activities are categorized as either “core” or “supplemental” activities; such categorization impacts how the activity is counted toward a TCA recipient’s work requirement.<sup>71</sup>

<b>Work Activities</b>	
<b>“Core” Activities</b>	<b>“Supplemental” Activities</b>
<ul style="list-style-type: none"> <li>• Unsubsidized employment</li> <li>• Subsidized private-sector employment</li> <li>• Subsidized public-sector employment</li> <li>• Work experience</li> <li>• On-the-job training</li> <li>• Job search and job readiness assistance</li> <li>• Community service programs</li> <li>• Vocational educational training</li> <li>• Providing child care services to an individual participating in a community service program</li> </ul>	<ul style="list-style-type: none"> <li>• Job skills training directly related to employment</li> <li>• Education directly related to employment</li> <li>• Completion of a secondary school program</li> </ul>

<sup>66</sup> *Supra*, note 51.

<sup>67</sup> *Id.*

<sup>68</sup> S. 414.065(4)(d), F.S.

<sup>69</sup> Rule 65A-4.206(2)-(3), F.A.C.

<sup>70</sup> 45 CFR § 261.30; S. 445.024(1), F.S.; *See also*, Florida Department of Children and Families, *Temporary Assistance for Needy Families (TANF) – An Overview of Program Requirements* (2016). Available at [https://www.myflfamilies.com/sites/default/files/2022-10/TANF%20101%20final\\_1.pdf](https://www.myflfamilies.com/sites/default/files/2022-10/TANF%20101%20final_1.pdf) (last visited February 12, 2024).

<sup>71</sup> *Id.*

Each of the activities listed above are considered “work activities” and may count toward a TCA recipient’s work participation requirement, federal policy limits the extent to which certain activities count toward the individual’s work requirement. A TCA recipient’s work participation requirement may be satisfied entirely by “core” activities, while “supplemental” activities may only count toward the requirement after a certain number of “core” activity hours have been completed.<sup>72</sup> Federal and state law further limits how the different work activities may count toward a person’s work requirement based on the characteristics of the individual and the length of time in which the individual engages in the activity.<sup>73</sup>

The number of required work participation hours and the ratio of “core” to “supplemental” work activities is determined by the structure of the recipient family. The number of work-eligible adults and the age of children in the family impact the required work participation hours.<sup>74</sup> For example, education directly related to employment includes activities such as GED examination prep courses, but these activities only count toward the full work participation hours of parents under the age of 20. Once a parent is over 20 years of age, they can no longer count GED prep courses toward their total required work activity hours.<sup>75</sup>

Work Participation Requirements	
Family Composition	Required Work Participation Hours
Single parent with a child under age 6	20 hours weekly of “core” work activities
Single parent with a child over 6, or two-parent families where one parent is disabled	30 hours weekly with at least 20 hours of “core” work activities
Married teen or teen head of household under age 20	Maintains satisfactory attendance at secondary school or the equivalent, or participates in education related directly to employment for at least 20 hours weekly
Two-parent families who do not receive subsidized child care	35 hours weekly with at least 30 hours of “core” work activities, combined between both parents
Two-parent families who receive subsidized child care	55 hours weekly with at least 50 hours in “core” activities, combined between both parents

### Sanctions for Noncompliance

TCA recipients who fail to comply with work requirements may be sanctioned by the LWDBs. Sanctions result in cash assistance being withheld for a specified period of time, the length of which increases with repeated lack of compliance.<sup>76</sup> The process for imposing sanctions involves coordination between agencies; the LWDB first becomes aware of the noncompliance, Florida Commerce tracks compliance and notifies recipients of possible adverse action, and DCF applies the sanctions.<sup>77</sup>

When a recipient fails to comply with a mandatory work activity, the LWDB records the non-compliance in Florida Commerce’s tracking system and sends the recipient a notice of adverse action; the recipient then has 10 days to contact Florida Commerce to show good cause<sup>78</sup> for missing the requirement.<sup>79</sup>

<sup>72</sup> 45 CFR § 261.31.

<sup>73</sup> 45 CFR § 261.31; S. 445.024, F.S.; See also, Congressional Research Service. *Temporary Assistance for Needy Families (TANF): The Work Participation Standard and Engagement in Welfare-to-Work Activities* (2017). Available at <https://crsreports.congress.gov/product/pdf/R/R44751> (last visited January 10, 2023).

<sup>74</sup> Florida Department of Children and Families, *Temporary Assistance for Needy Families (TANF) – An Overview of Program Requirements* (2016). Available at [https://www.myflfamilies.com/sites/default/files/2022-10/TANF%20101%20final\\_1.pdf](https://www.myflfamilies.com/sites/default/files/2022-10/TANF%20101%20final_1.pdf) (last visited February 12, 2024).

<sup>75</sup> *Id.*

<sup>76</sup> S. 414.065, F.S.

<sup>77</sup> Office of Program Policy Analysis & Government Accountability (OPPAGA). *Mandatory Work Requirements for Recipients of the Food Assistance and Cash Assistance Programs* (2018). On file with the Health & Human Services Committee.

<sup>78</sup> *Id.* DCF captures limited information regarding good-cause for noncompliance in three categories: temporary illness, household emergency, and temporary transportation unavailable.

<sup>79</sup> *Id.* at 11, see also rule 65A-4.205(3), F.A.C.

During the 10-day period, the LWDB must make both oral and written attempts to contact the participant to:<sup>80</sup>

- Determine if the participant had good cause for failing to meet the work requirement;
- Refer to or provide services to the participant, if appropriate, to assist with the removal of barriers to participation;
- Counsel the participant on the consequences for failure to comply with work or alternative requirement plan activity requirements without good cause;
- Provide information on transitional benefits if the participant subsequently obtained employment; and
- Make sure the participant understands that compliance with work activity requirements<sup>81</sup> during the 10-day period will avoid the imposition of a sanction.

If the recipient complies within 10 days, the LWDB does not request a sanction. However, if the recipient does not show good cause to the LWDB and does not comply, the LWDB sends DCF a sanction request.<sup>82</sup> Once DCF receives the sanction request from the LWDB, it then sends the recipient a notice of intent to sanction.<sup>83</sup> If the recipient does not show good cause within 10 days, the recipient is sanctioned by DCF, who then notifies Florida Commerce.<sup>84</sup>

Current law considers the following circumstances as good cause for noncompliance with work participation requirements:<sup>85</sup>

- Unavailability of child care in certain circumstances;<sup>86</sup>
- Treatment or remediation of past effects of domestic violence;
- Medical incapacity;
- Outpatient mental health or substance abuse treatment;
- Medical incapacity relating to a pending decision for Supplemental Security Income or Social Security Disability Income;
- Caring for a disabled family member when the need for such has been verified and alternate care is not available.

DCF has the authority to establish by rule other situations that would constitute good cause for noncompliance with work participating requirements.<sup>87</sup>

Florida Commerce classifies reasons for sanctions for noncompliance in the following categories:<sup>88</sup>

- Failure to respond to a mandatory letter.<sup>89</sup> Typically, this is the letter recipients receive from Florida Commerce upon referral from the DCF requiring them to register with Florida Commerce.
- Failure to attend a work activity.
- Failure to turn in a timesheet.
- Failure to attend training.

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<sup>80</sup> Rule 65A-4.205(3), F.A.C.

<sup>81</sup> The LWDB designee must provide the participant with another work activity within the 10-day period if it is impossible for the participant to comply with the original assigned activity.

<sup>82</sup> *Supra*, note 77. DCF only receives a request for sanction and not the reasons for the sanction. See also, rule 65A-4.205(4), F.A.C.

<sup>83</sup> *Id.*

<sup>84</sup> *Id.*, see also, rule 65A-4.205(4), F.A.C

<sup>85</sup> S. 414.065(4), F.S.

<sup>86</sup> Specifically, if the individual is a single parent caring for a child who has not attained 6 years of age, and the adult proves to the LWDB an inability to obtain needed child care for one or more of the following reasons, as defined in the Child Care and Development Fund State Plan required by 45 C.F.R. part 98: (1) the unavailability of appropriate child care within a reasonable distance from the individual's home or worksite; (2) the unavailability or unsuitability of informal child care by a relative or under other arrangements; or (3) the unavailability of appropriate and affordable formal child care arrangements. See, S. 414.065(4)(a), F.S.

<sup>87</sup> S. 414.065(4)(g), F.S.

<sup>88</sup> *Supra*, note 77.

<sup>89</sup> *Id.* For work-eligible individuals with at least one sanction in Fiscal Year 2017, over half the sanctions were for failure to respond to a mandatory letter in 14 of 24 LWDBs.

- Failure to turn in necessary documentation.

Consequences of sanctions are as follows:<sup>90</sup>

- First noncompliance - cash assistance is terminated for the full-family for a minimum of 10 days or until the individual complies.
- Second noncompliance - cash assistance is terminated for the full-family for one month or until the individual complies, whichever is later.
- Third noncompliance - cash assistance is terminated for the full-family for three months or until the individual complies, whichever is later.

For the second and subsequent instances of noncompliance, the TCA for the child or children in a family who are under age 16 may be continued (i.e. the case becomes a child-only case). Any such payments must be made through a protective payee, and under no circumstances may temporary cash assistance or food assistance be paid to an individual who has not complied with program requirements.<sup>91</sup> If a previously sanctioned participant fully complies with work activity requirements for at least six months, then the participant can be reinstated as being in full compliance with program requirements and TCA payments can resume.<sup>92</sup>

### *Federal Work Participation Standard*

The federal government sets a minimum work participation standard which states must meet as a part of the conditions of receiving TANF block grant funding. The work participation standard is intended to measure how a state is performing in engaging TANF recipients in work or work activities and reinforce the programmatic goal of transitioning families from welfare to work.<sup>93</sup> Federal law stipulates that 50 percent of all families and 90 percent of two-parent families must be engaged in work in order to meet the standard.<sup>94</sup> In practice, however, the minimum standard varies by state due to credits a state can earn by either reducing the state's TANF caseload or using more of the state's own funds toward TANF programming than is required.<sup>95</sup> For Fiscal Year 2022, Florida's adjusted standard was 12.3 percent for all families and 52.3 percent for two-parent families.<sup>96</sup> States may be subject to monetary penalties if the federal minimum work participation rates are not met, though the federal government may reduce or waive these penalties through negotiation with states.<sup>97</sup>

### TANF Transitional Benefits

One of the express goals of the TANF program is to end family dependence on public benefits by promoting job preparation and work; this is foundational to the welfare-to-work concept on which the TANF program is based.<sup>98</sup> Most TCA recipients work both before and after leaving the program; however, they are predominantly employed in low-wage jobs with few opportunities for advancement.<sup>99</sup> TANF transitional benefits are intended to help families navigate this period when they become ineligible for TCA but are not yet fully self-sufficient.

<sup>90</sup> S. 414.065(1), F.S.

<sup>91</sup> S. 414.065(2), F.S.

<sup>92</sup> S. 414.065, F.S.

<sup>93</sup> Congressional Research Service. *Temporary Assistance for Needy Families (TANF): The Work Participation Standard and Engagement in Welfare-to-Work Activities* (2017). Available at <https://crsreports.congress.gov/product/pdf/R/R44751> (last visited February 12, 2024).

<sup>94</sup> 45 CFR § 261.20

<sup>95</sup> *Supra*, note 93.

<sup>96</sup> US Department of Health & Human Services, Administration for Children and Families. *Temporary Assistance for Needy Families (TANF) and Separate State Programs Maintenance of Effort (SSP-MOE): Work Participation Rates and Engagement in Work Activities Fiscal Year 2022*. Available at [https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr\\_FY2022\\_final-web.pdf](https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr_FY2022_final-web.pdf) (last visited February 13, 2024).

<sup>97</sup> 45 CFR § 261.50

<sup>98</sup> *Supra*, note 93.

<sup>99</sup> Safawi, A. & Pavetti, L. *Most Parents Leaving TANF Work, But in Low-Paying, Unstable Jobs, Recent Studies Find* (2020). Center on Budget and Policy Priorities. Available at <https://www.cbpp.org/research/family-income-support/most-parents-leaving-tanf-work-but-in-low-paying-unstable-jobs> (last visited January 9, 2024).

TCA recipients who become ineligible due to reasons other than noncompliance with work requirements, such as time limits or earned income, are eligible for transitional benefits intended to reduce the unintended negative effects of the lost benefits. Transitional benefits are designed to support work retention and advancement and assist individuals in achieving economic self-sufficiency.

Families generally become ineligible for TCA when their income reaches 185 percent of the federal poverty level (FPL), at which point they become eligible for transitional benefits.<sup>100</sup> Current law outlines four types of transitional benefits which are available to eligible former TCA recipients.

Transitional Benefits		
Benefit Type	Description	Eligibility Requirements
Transitional Child Care <sup>101</sup>	Provides subsidized child care vouchers to families	Available for up to 24 months, with an income cap of 200% FPL
Transitional Medical <sup>102</sup>	Allows families to remain eligible for Medicaid	Available for up to 12 months, with an income cap of 185% FPL after 6 months
Transitional Education and Training <sup>103</sup>	Job-related education and training	Available for up to 24 months, with an income cap of 200% FPL
Transitional Transportation <sup>104</sup>	Support typically provided to families in the form of payment for public transportation or gas	Available for up to 24 months, with an income cap of 200% FPL

CareerSource Florida administers transitional benefits through the LWDBs. The provision of transitional benefits depends on the LWDBs available resources and funding, as well as the availability of appropriate services locally.<sup>105</sup>

## 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).<sup>106</sup> SNAP is the nation's largest domestic food and nutrition program for low-income Americans, offering nutritional assistance to millions of individuals and families each year through the provision of funds that can be used to purchase eligible foods.<sup>107</sup> In Fiscal Year 2020, SNAP provided assistance to approximately 39.9 million people living in 20.5 million households across the US.<sup>108</sup> SNAP benefits support individual households by reducing the effects of

<sup>100</sup> See, Florida Department of Children and Families, Temporary Cash Assistance (TCA). Available at <https://www.myflfamilies.com/services/public-assistance/temporary-cash-assistance> (last visited January 22, 2024). To be eligible, a family's gross income must be less than 185% FPL, and countable income cannot exceed the payment standard for the family size. There is a \$90 deduction from each individual's gross earned income.

<sup>101</sup> S. 445.032, F.S.

<sup>102</sup> S. 445.029, F.S.

<sup>103</sup> S. 445.030, F.S.

<sup>104</sup> S. 445.031, F.S.

<sup>105</sup> CareerSource Florida, Inc. *Legislative Inquiry Response* (2024). On file with the Health & Human Services Committee.

<sup>106</sup> 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. See, US Department of Agriculture, Food and Nutrition Service. *Short History of SNAP*. Available at <https://www.fns.usda.gov/snap/short-history-snap> (last visited February 12, 2024).

<sup>107</sup> US Department of Agriculture, Economic Research Service. *Supplemental Nutrition Assistance Program (SNAP) Overview*. Available at <https://www.ers.usda.gov/topics/food-nutrition-assistance/supplemental-nutrition-assistance-program-snap/> (last visited February 12, 2024).

<sup>108</sup> US Department of Agriculture, Food and Nutrition Service. *Characteristics of SNAP Households: FY2020 and Early Months of the COVID-19 Pandemic: Characteristics of SNAP Households*. Available at <https://www.fns.usda.gov/snap/characteristics-snap-households-fy-2020-and-early-months-covid-19-pandemic-characteristics> (last visited February 12, 2024).

poverty and increasing food security while supporting economic activity across communities, as SNAP directly benefits farmers, retailers, food processors and distributors, and their employees.<sup>109</sup>

SNAP is a federal program administered in Florida by DCF.<sup>110</sup> DCF determines and monitors eligibility and disburses benefits to SNAP participants. The state and federal governments share the administrative costs of the program, while the federal government funds 100 percent of the benefit amount received by participants.<sup>111</sup> 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.<sup>112</sup>

The USDA developed the Thrifty Food Plan, a minimal cost food plan reflects current nutrition standards and guidance, the nutrient content and cost of food, and consumption patterns of low-income households to serve as the basis for the determination of SNAP benefits.<sup>113</sup> SNAP benefits are intended to supplement food purchases made with a household's own income; as such, the formula used to determine SNAP benefits assumes that a household will spend 30 percent of their net income on food purchases.<sup>114</sup> The benefit allotted to SNAP households is equal to the difference between the maximum allotment for their household size under the Thrifty Food Plan and 30 percent of their net income.<sup>115</sup> The structure of this formula ensures that the lowest income households receive the most benefits.

As of January 2024, 2,915,517 individuals, including 1,181,179 children and 917,222 disabled individuals, were receiving SNAP benefits in Florida.<sup>116</sup>

### *SNAP Eligibility & Work Requirements*

To be eligible for SNAP, households must meet the following criteria: (1) gross monthly income must be at or below 130 percent of the poverty level; (2) net income must be equal to or less than the poverty level; and (3) assets must be below the limits set based on household composition.<sup>117</sup>

Individuals may be deemed ineligible for SNAP for any of the following:<sup>118</sup>

- Conviction for drug trafficking;
- Fleeing a felony warrant;
- Breaking SNAP or TANF program rules;
- Failure to cooperate with the child support enforcement agency; or
- Being a noncitizen without qualified status.

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<sup>109</sup> US Department of Agriculture, Economic Research Service. *Supplemental Nutrition Assistance Program (SNAP) Economic Linkages*. Available at <https://www.ers.usda.gov/topics/food-nutrition-assistance/supplemental-nutrition-assistance-program-economic-linkages/> (last visited February 12, 2024).

<sup>110</sup> S. 414.31, F.S.

<sup>111</sup> Center on Budget and Policy Priorities. *Policy Basics: The Supplemental Nutrition Assistance Program (SNAP)*. Available at <https://www.cbpp.org/research/food-assistance/the-supplemental-nutrition-assistance-program-snap#:~:text=The%20federal%20government%20pays%20the,the%20states%2C%20which%20operate%20it.> (last visited February 12, 2024).

<sup>112</sup> US Department of Agriculture, Food and Nutrition Service. *State Options Report (2023)*. Available at <https://www.fns.usda.gov/snap/waivers/state-options-report> (last visited February 12, 2024).

<sup>113</sup> US Department of Agriculture, Food and Nutrition Service. *Nutrition Assistance Program Report: Barriers That Constrain the Adequacy of Supplemental Nutrition Assistance Program Allotments: Survey Findings (2021)*. Available at <https://fns-prod.azureedge.us/sites/default/files/resource-files/SNAP-Barriers-SurveyFindings.pdf> (last visited February 12, 2024).

<sup>114</sup> *Id.*

<sup>115</sup> *Id.*

<sup>116</sup> Email from Chad Corcoran, Deputy Director of Legislative Affairs, Department of Children and Families, *Re: SNAP Participants* (February 14, 2024). On file with the Health & Human Services Committee.

<sup>117</sup> US Department of Agriculture, *Indicators of Diet Quality, Nutrition, and Health for Americans by Program Participation Status, 2011 - 2016: SNAP Report. Final Report (2021)*. Available at <https://fns-prod.azureedge.us/sites/default/files/resource-files/Indicators-Diet-QualitySNAP.pdf> (last visited January 16, 2024).

<sup>118</sup> Florida Department of Children and Families, *SNAP Eligibility*. Available at <https://www.myflfamilies.com/services/public-assistance/supplemental-nutrition-assistance-program-snap/snap-eligibility> (last visited January 16, 2024). See also, s. 414.32, F.S.

Able-bodied, non-elderly adults are generally required to participate in work activities in order to be eligible for SNAP. Federal policy outlines two tiers of work requirements for SNAP recipients: the general work requirement and the Able-Bodied Adult Without Dependents (ABAWD) work requirement.

The general work requirement applies to all recipients between 16 and 59 years of age, unless they qualify for an exemption.<sup>119</sup> The general work requirements include requiring a recipient register for work, participating in SNAP Employment and Training (E&T) or workfare if assigned, taking a suitable job if offered, and not voluntarily quitting a job or reducing work hours below 30 a week without a good reason.<sup>120</sup>

The ABAWD work requirement applies to adults between age 18 and 52, able-bodied, and without dependents (ABAWDs) are subject to the ABAWD work requirement, unless otherwise exempt.<sup>121</sup> ABAWDs are required to work or participate in a qualifying work program for a combined total of at least 80 hours per month. ABAWDs who fail to comply with the ABAWD work requirement for three months in a 36-month period lose their SNAP benefits.<sup>122</sup>

### *SNAP Mandatory Employment and Training*

SNAP Employment and Training (SNAP E&T) is intended to help SNAP recipients gain skills, training, work, or experience that will help them obtain regular employment. States are required to operate a SNAP E&T program which includes case management and at least one of the following components:

- Supervised job search;
- Job search training;
- Workfare;
- Work experience;
- Education; or
- Self-employment.

Beyond the requirement that a state operate a SNAP E&T program including the minimum components, states have significant flexibility in how they design their SNAP E&T programs in order to meet the needs of SNAP participants and address local workforce needs.<sup>123</sup> The parameters of Florida's SNAP E&T program are established by DCF in the SNAP E&T State Plan<sup>124</sup> which must be approved by the federal government.<sup>125</sup>

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<sup>119</sup> A person may be excused from the general work requirement if they are already working at least 30 hours per week, meeting the work requirements for another program, taking care of a child under 6 or an incapacitated person, unable to work due to a physical or mental limitation, participating regularly in an alcohol or drug treatment program, or studying in school or a training program at least half-time. See, US Department of Agriculture, Food and Nutrition Service. *SNAP Work Requirements*. Available at <https://www.fns.usda.gov/snap/work-requirements> (last visited January 10, 2024).

<sup>120</sup> US Department of Agriculture, Food and Nutrition Service. *SNAP Work Requirements*. Available at <https://www.fns.usda.gov/snap/work-requirements> (last visited January 10, 2024).

<sup>121</sup> *Id.* Adults who are unable to work due to a physical or mental limitation, are pregnant, have someone under 18 in their SNAP household, are excused from the general work requirement (see also, note 119), are a veteran, experiencing homelessness, or were in foster care on their 18<sup>th</sup> birthday and are under age 24 are exempt from the ABAWD requirements.

<sup>122</sup> US Department of Agriculture, Food and Nutrition Service. *Supplemental Nutrition Assistance Program (SNAP) ABAWD Policy Guide* (2023). Available at <https://fns-prod.azureedge.us/sites/default/files/resource-files/SNAP-ABAWD-Policy-Guide-September-2023.pdf> (last visited February 14, 2024).

<sup>123</sup> *Supra*, note 122.

<sup>124</sup> See, Florida Department of Children and Families. *Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) State Plan – Federal Fiscal Year 2024* (2023). Available at [https://www.floridajobs.org/docs/default-source/lwdb-resources/programs-and-resources/snap/florida-fy2024-snap-et-state-plan-final\\_10-31-2023.pdf?sfvrsn=96c95db0\\_2](https://www.floridajobs.org/docs/default-source/lwdb-resources/programs-and-resources/snap/florida-fy2024-snap-et-state-plan-final_10-31-2023.pdf?sfvrsn=96c95db0_2) (last visited January 16, 2024).

<sup>125</sup> 7 CFR § 273.7(c)(8).

Florida operates a mandatory SNAP E&T program for adults between the ages of 18 and 59<sup>126</sup> without dependents who are not exempt from the general or the ABAWD work requirements. SNAP E&T components that are available to mandatory E&T participants include supervised job search, job search training, work experience, education, vocational training, and job retention services. If DCF determines there is not an appropriate and available SNAP E&T component for an individual, the participant will be exempt from mandatory SNAP E&T participation.<sup>127</sup>

Currently, when the ABAWDs are determined eligible for benefits, DCF refers these clients to Florida Commerce and the CareerSource Florida network to engage in a comprehensive assessment to identify barriers to employment, training needs, and professional opportunities. Florida Commerce and CareerSource Florida utilize relationships with educational institutions, private sector employers and programs like apprenticeships to assist Floridians in achieving meaningful employment.<sup>128</sup>

DCF is required to reimburse SNAP E&T participants for all reasonable, allowable, and necessary expenses related to program participation. This may include but is not limited to childcare, tuition, books, and work uniforms. If DCF is unable to reimburse the participant, the individual must be exempted from mandatory participation in the SNAP E&T program.<sup>129</sup>

## School Readiness Program

### *Program Overview*

The School Readiness (SR) program is a state-federal partnership between Florida's Division of Early Learning (DEL) within the Florida Department of Education (DOE) and the Office of Child Care of the United States Department of Health and Human Services.<sup>130</sup> The SR program is administered by DEL at the state level and early learning coalitions (ELC) at the county and regional levels.<sup>131</sup> The DEL partners with 30 local ELCs and the Redlands Christian Migrant Association to deliver comprehensive early childhood care and education services statewide.<sup>132</sup> The SR Program is one of three main early learning programs overseen by DEL.<sup>133</sup>

Established in 1999<sup>134</sup>, the SR program provides subsidies for child care services and early childhood education for children of low-income families; children in protective services who are at risk of abuse, neglect, abandonment, or homelessness; foster children; and children with disabilities.<sup>135</sup> The SR program offers financial assistance for child care to families while supporting children in the development of skills for success in school. Additionally, the program provides developmental screenings and referrals to health and education specialists where needed. These services are

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<sup>126</sup> In 2024, Florida expanded the definition of mandatory E&T participants to include ABAWDs and work registrants between the age of 18 and 59 who do not have children in the household. See, Florida Department of Children and Families, *Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) State Plan – Federal Fiscal Year 2024 (2023)*. Available at [https://www.floridajobs.org/docs/default-source/wdb-resources/programs-and-resources/snap/florida-fy2024-snap-et-state-plan-final\\_10-31-2023.pdf?sfvrsn=96c95db0\\_2](https://www.floridajobs.org/docs/default-source/wdb-resources/programs-and-resources/snap/florida-fy2024-snap-et-state-plan-final_10-31-2023.pdf?sfvrsn=96c95db0_2) (last visited January 16, 2024).

<sup>127</sup> *Id.*

<sup>128</sup> Florida Department of Children and Families, *Economic Self-Sufficiency – SNAP Work Requirements Memo (2023)*. On File with the Health & Human Services Committee.

<sup>129</sup> *Id.*

<sup>130</sup> U.S. Department of Health and Human Services. *Office of Child Care Fact Sheet*. Available at [https://www.acf.hhs.gov/sites/default/files/documents/occ/factsheets\\_occ.pdf](https://www.acf.hhs.gov/sites/default/files/documents/occ/factsheets_occ.pdf) (last visited January 9, 2024).

<sup>131</sup> S. 1002.83, F.S.; see also, Florida Department of Education. *Division of Early Learning Annual Report 2022-2023*. Available at <https://www.fldoe.org/core/fileparse.php/20628/urlt/2223-DEL-AnnualReport.pdf> (last visited January 8, 2024).

<sup>132</sup> *Id.*

<sup>133</sup> The DEL also oversees the Voluntary Prekindergarten Program and the Child Care Resource & Referral Programs. See also, Florida Department of Education, Division of Early Learning. *Early Learning*. Available at <http://www.floridaearlylearning.com/school-readiness> (last visited January 9, 2024).

<sup>134</sup> Ch. 99-357, Laws of Fla., S. 1.

<sup>135</sup> Ss. 1002.81 and 1002.87, F.S.

provided in conjunction with other programs for young children such as Child Care Resource and Referral and the Voluntary Prekindergarten Program.<sup>136</sup>

The DCF Office of Child Care Regulation, as the regulatory agency over child care providers, inspects all child care providers that provide the SR services for compliance with specified health and safety standards.<sup>137</sup> In lieu of DCF regulation, counties may designate a local licensing agency to license providers if its licensing standards meet or exceed DCF's standards.<sup>138</sup> Five counties have done this – Broward, Hillsborough, Palm Beach, Pinellas, and Sarasota. In these five counties the local licensing agency, not DCF, inspects child care providers that provide the SR services for compliance with health and safety standards.<sup>139</sup>

### *School Readiness Program Funding*

The SR Program is primarily funded through the federal Child Care and Development Fund (CCDF) Block Grant. The regulations governing the use of CCDF funds authorizes states to use grant funds for child care services if:<sup>140</sup>

- The child is under 13 years of age, or at the state's option, under age 19 if the child is physically or mentally incapable of caring for himself or herself or under court supervision;
- The child's family income does not exceed 85 percent of the state's median income (SMI) for a family of the same size; and
- The child:
  - resides with a parent or parents who work or attend job training or educational programs; or
  - receives, or needs to receive, protective services.

In addition to the CCDF Block Grant, the SR program receives additional funding through the Federal TANF Block Grant, Federal Social Services Block Grant, and the General Revenue Fund.<sup>141</sup> The Legislature appropriates the SR program funds to the ELCs and the Redlands Christian Migrant Association, with participating providers receiving their funding primarily from reimbursements from the ELCs and tuition payments by enrolled families.<sup>142</sup> The ELCs reimburse participating providers with appropriated funds for each eligible child, either through child care certificates provided by parents or through contracted slots.<sup>143</sup> Provider reimbursement rates are based on provider type and the level of care a child receives with consideration of the market rate schedule set by the DOE.<sup>144</sup> The reimbursement rate schedules are set locally by the ELC and must be approved by the DEL.<sup>145</sup>

### *School Readiness Program Participation & Eligibility*

There were 209,986 children enrolled with 6,790 providers in the SR program during the 2022-2023 fiscal year.<sup>146</sup>

Early learning coalitions are required by statute to prioritize the following groups for participation in the SR program:<sup>147</sup>

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<sup>136</sup> Florida Department of Education, Division of Early Learning. *Early Learning*. Available at <http://www.floridaearlylearning.com/school-readiness> (last visited January 9, 2024).

<sup>137</sup> Ss. 402.306-402.319 and 1002.88, F.S.

<sup>138</sup> S. 402.306(1), F.S.

<sup>139</sup> See, Florida Department of Education. *Child Care Development Fund (CCDF) Plan for Florida: FFY 2022-2024*, p. 240. Available at <https://www.fldoe.org/core/fileparse.php/20628/urlt/2022-2024-CCDF-State-Plan.pdf> (last visited January 16, 2024).

<sup>140</sup> 45 C.F.R. § 98.20(a).

<sup>141</sup> Florida Department of Education. *Division of Early Learning Annual Report 2022-2023* (2023). Available at <https://www.fldoe.org/core/fileparse.php/20628/urlt/2223-DEL-AnnualReport.pdf> (last visited January 8, 2024).

<sup>142</sup> Ss. 1002.84(9) and 1002.89, F.S.

<sup>143</sup> Rule 6M-4.500(1), F.A.C.

<sup>144</sup> Rule 6M-4.500(1), F.A.C.; See also, s. 1002.895, F.S.

<sup>145</sup> Rule 6M-4.500(1), F.A.C.

<sup>146</sup> *Supra*, note 141.

<sup>147</sup> S. 1002.87, F.S.

- Children younger than 13 with a parent receiving temporary cash assistance under ch. 414, F.S., and subject to the federal TANF work requirements or a parent who has an Intensive Service Account or an Individual Training Account under s. 445.009, F.S.; and
- At-risk children<sup>148</sup> younger than 9.

Subsequent enrollment in the program is determined according an assessment of local priorities within the ELC's region based on the needs of families and provider capacity using available community data.<sup>149</sup> Based on these local priorities, enrollment in the SR program can be made available to children meeting at least one of the following criteria:<sup>150</sup>

- Economically disadvantaged<sup>151</sup> children until eligible to enter kindergarten. Their older siblings up to the age they are eligible to enter 6th grade may also be served;
- Children from birth to kindergarten whose parents are transitioning from the TCA work program to employment;
- At-risk children who are at least age 9 but younger than 13;
- Economically disadvantaged children younger than 13;
- Children younger than 13 whose parents are transitioning from the TCA work program to employment;
- Children who have special needs and current individual educational plans from age 3 until they are eligible to enter kindergarten; and
- Children concurrently enrolled in the federal Head Start Program and VPK.

#### *School Readiness Copayments and Fees*

Parents of children enrolled in the SR program are responsible for paying a copayment directly to the child care provider. Rather than paying the full tuition amount of a child care provider, SR program copayments are intended to be set at a rate that eliminates cost as a barrier to services for families.<sup>152</sup> Copayments are based on a sliding fee scale set by the ELC and approved by the DEL.<sup>153</sup> An ELC's sliding fee scale must be set such that economically disadvantaged families have equal access to the care available to families whose income makes them ineligible for school readiness services.<sup>154</sup> Parent copayments may not exceed 10 percent of a family's income unless the ELC provides justification of how the sliding fee scale meets the federal requirement that the copayment be affordable. In addition to the copayment, families may be subject to additional fees, such as a registration fee. The ELC may pay for a participant's registration fees up to \$75 in certain circumstances.<sup>155</sup>

The current copay schedule is not established with a smooth transition to the market rate for child care at the end of the eligibility threshold. Instead, copays tend to remain relatively low as family income increases, but when a family's income reaches the eligibility threshold of 85 percent state median income (SMI), families lose the SR program benefit and are suddenly subject to the full cost of child care. This transition creates a significant benefit cliff for families participating in the SR program if their income level upon exiting the program is insufficient to afford the full cost of child care. In some cases,

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<sup>148</sup> "At-risk child" is defined under s. 1002.81, F.S., as a child meeting one of the following criteria: from a family under investigation or supervision by the Department of Children and Families (DCF) or a designated sheriff's office for child abuse, neglect, abandonment, or exploitation; in a diversion program provided by DCF or its contracted provider and who is from a family that is actively participating and complying in department-prescribed activities, including education, health services, or work; placed in court-ordered, long-term custody or under the guardianship of a relative or nonrelative after termination of supervision by DCF or its contracted provider; in the custody of a parent who is considered a victim of domestic violence and is receiving services through a certified domestic violence center; in the custody of a parent who is considered homeless as verified by a DCF certified homeless shelter.

<sup>149</sup> S. 1002.85(2)(i), F.S.

<sup>150</sup> S. 1002.87(1), F.S.

<sup>151</sup> "Economically disadvantaged" is defined under s. 1002.81, F.S., as having a family income that does not exceed 150 percent of the federal poverty level and includes being a child of a working migratory family as defined by 34 C.F.R. s. 200.81(d) or (f) or an agricultural worker who is employed by more than one agricultural employer during the course of a year, and whose income varies according to weather conditions and market stability.

<sup>152</sup> S. 1002.84(9), F.S.

<sup>153</sup> Rule 6M-4.400, F.A.C.

<sup>154</sup> Rule 6M-4.400, F.A.C.

<sup>155</sup> Rule 6M-4.500, F.A.C.

families may attempt to “park” their income below the eligibility threshold in order to not lose access to the child care benefit.<sup>156</sup>

### Career Ladder Identifier and Financial Forecaster (CLIFF)

The Career Ladder Identifier and Financial Forecaster (CLIFF) navigator is a suite of tools developed by the Federal Reserve Bank of Atlanta to model the interaction of public benefits, taxes, and tax credits with career advancement. The tool is used to help working families navigate the complex system of public assistance, stabilize their financial situation in the short term, and plan long-term career paths.<sup>157</sup>

CareerSource Florida partnered with the Federal Reserve Bank of Atlanta to incorporate the CLIFF suite of tools into state workforce programs. A Florida-specific suite of CLIFF tools has been developed and is being introduced into the LWDB’s processes, and staff at both CareerSource Florida and DCF have received training on the suite of CLIFF tools. The goal of this program is to assist Floridians in identifying career strategies and achieving economic stability while minimizing the negative impacts of losing public assistance.<sup>158</sup>

## **Effect of the Bill**

### Temporary Assistance for Needy Families (TANF)

#### *Qualifying Work Activities*

CS/CS/HB 1267 allows adults who have not attained a high school diploma, or its equivalent, to satisfy their TCA work activity requirement through participating in adult basic education or high school equivalency examination preparation for at least 20 hours per week.

Under federal law, adult basic education and high school equivalency examination preparation are considered “supplemental” activities that do not satisfy the work requirements of most TCA recipients.<sup>159</sup> As a result, depending on the uptake among TCA recipients, this provision could have a negative impact on the state’s work participation rate (WPR), which in turn could subject the program to federal penalties.<sup>160</sup> To mitigate this risk while encouraging high school completion, the bill includes a mechanism by which this provision may be suspended if the state’s WPR falls below the federally required minimum rate. If the state’s WPR does not exceed the federal minimum WPR by more than 10 percent, then Florida Commerce must suspend the provision until the state has exceeded the federal minimum WPR by 10 percent for three consecutive months. If the provision is suspended, Florida Commerce issues notice to the affected TCA recipients within five days of the policy’s suspension.

Under the bill, if the provision allowing adult basic education or high school equivalency examination preparation as a work activity is suspended, individuals whose work requirements are impacted are protected from being sanctioned as a result of the state’s action: impacted TCA recipients are considered to have good cause for noncompliance for up to six weeks after the change in the participants’ work requirements.

#### *Transitional Case Management*

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<sup>156</sup> *Supra*, note 12.

<sup>157</sup> Federal Reserve Bank of Atlanta. *Career Ladder Identifier and Financial Forecaster (CLIFF)*. Available at <https://www.atlantafed.org/economic-mobility-and-resilience/advancing-careers-for-low-income-families/cliff-tool> (last visited January 19, 2024).

<sup>158</sup> CareerSource Florida, Inc. *2022-2023 Annual Report (2023)*. Available at [https://careersourceflorida.com/wp-content/uploads/2023/12/CAREERSOURCE-FLORIDA-FY-22-23-ANNUAL-REPORT\\_DIGITAL.pdf](https://careersourceflorida.com/wp-content/uploads/2023/12/CAREERSOURCE-FLORIDA-FY-22-23-ANNUAL-REPORT_DIGITAL.pdf) (last visited January 19, 2024).

<sup>159</sup> 45 CFR § 261.30; S. 445.024(1), F.S.; See also, Florida Department of Children and Families, *Temporary Assistance for Needy Families (TANF) – An Overview of Program Requirements* (2016). Available at [https://www.myflfamilies.com/sites/default/files/2022-10/TANF%20101%20final\\_1.pdf](https://www.myflfamilies.com/sites/default/files/2022-10/TANF%20101%20final_1.pdf) (last visited February 12, 2024).

<sup>160</sup>

The bill creates transitional case management as a transitional benefit available to families who have transitioned off of cash assistance, in order to provide additional, voluntary support to families as they pursue long-term financial independence. Under the bill, TCA recipients who have been determined ineligible for cash assistance for a reason other than noncompliance with work activity requirements are eligible for voluntary case management services administered by the LWDB. Case management services must include career planning, job search assistance, resume building, basic financial planning, connection to support services, and benefit management using the CLIFF Navigator tool.

The bill directs Florida Commerce to develop training for the LWDBs relating to case management methods and the provision of welfare transition services generally.

### *Data Collection*

The bill directs CareerSource Florida, in collaboration with Florida Commerce and DCF, to develop standardized surveys for TCA recipients to be administered by the LWDBs. The bill requires CareerSource Florida to develop an intake survey to collect baseline information as a person is entering the program, and an exit survey to collect information which can be used to discern programmatic impacts on individuals over time. The purpose of the surveys is to monitor program effectiveness, inform program improvements, and effectively allocate resources.

The bill requires that the intake surveys collect, at a minimum, information relating to perceived barriers to employment, reasons for past separation from employment, stated goals for employment or professional development, the highest level of education or training the individual has attained, and awareness of non-cash assistance transitional services. The bill directs the LWDBs to administer the intake survey in conjunction with the diversion screening process required under s. 445.017, F.S., or in case of administrative oversight, the bill generally requires the survey be completed by each new TCA recipient who has not otherwise completed the survey.

The bill requires that the exit surveys collect, at a minimum, information on the TCA recipient's enrollment in other benefits programs, long-term career plan, credentials, education, or training received during enrollment, barriers to employment addressed, and remaining barriers to employment. The bill directs the LWDBs to administer the exit survey at the points of contact required in current law<sup>161</sup> when a TCA recipient becomes, or is anticipated to become, ineligible for TCA.

The bill directs the LWDBs to submit the completed surveys to CareerSource Florida and disseminate anonymized data to Florida Commerce and DCF on a quarterly basis. The bill requires Florida Commerce, in consultation with CareerSource Florida and DCF, to prepare and submit a report to the Legislature annually. The report is required to include survey results, an analysis of the barriers to employment faced by survey respondents, and recommendations for legislative and administrative changes to mitigate such barriers and improve the effective use of transitional benefits.

### Supplemental Nutritional Assistance Program (SNAP)

The bill directs DCF, unless prohibited by the federal government, to require participation in SNAP E&T among SNAP recipients who:

- Are eligible for the program;
- Are between 18 and 59 years of age;
- Do not have children under age 18 in the home; and
- Do not otherwise meet an exemption.

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<sup>161</sup> S. 414.105, F.S., requires TCA recipients to be interviewed when they near the 48-month lifetime limit on TCA; s. 445.028, F.S., requires TCA recipients be contacted when they are determined ineligible for cash assistance.

This provision is consistent with Florida's most recent SNAP E&T State Plan which has been approved by the federal government.<sup>162</sup> In January 2024, 31,921 SNAP recipients between the ages of 50 and 59 met the criteria to be referred to SNAP E&T under the current State Plan.<sup>163</sup>

As Florida's designated state agency<sup>164</sup> for administering SNAP, DCF has significant discretion in determining which groups are subject to mandatory SNAP E&T participation, within federal guidelines.<sup>165</sup> Under current law, Florida has not restricted this discretion. By codifying this requirement, the bill prevents DCF from implementing future discretionary changes to limit the population required to participate in SNAP E&T, unless such changes are authorized by the Legislature or otherwise prohibited by the federal government.

#### Career Ladder Identifier and Financial Forecaster (CLIFF)

The bill requires the use of a tool to demonstrate future financial impacts (tool) relating to a person's change in income and benefits in several settings to provide additional guidance to recipients of public benefits. The CLIFF suite of tools developed with the Federal Reserve Bank of Atlanta is currently available for this purpose.

The bill requires the LWDB staff use the tool when interviewing TCA recipients who are approaching the 48-month lifetime limit for TCA. The bill also requires LWDB case managers use the tool when providing transitional case management services to individuals transitioning off of TCA. By requiring the tool be used in these settings, the bill ensures that current and former TCA recipients are receiving evidence-based information and guidance regarding their financial prospects and public benefits as they progress toward economic self-sufficiency.

The bill requires Florida Commerce to integrate the tool into the workforce service delivery system, and requires Florida Commerce to develop training for the LWDBs, and other workforce system partners, on the use of the tool. The bill also directs the ELCs to provide School Readiness Subsidy Program participants access to the tool.

#### School Readiness Subsidy Program

The bill creates the School Readiness Subsidy Program (subsidy program) within the DOE. The subsidy program will supplement the existing SR program and serve to mitigate the benefit cliff experienced by families as they become ineligible for the SR program funding due to earned income.

The subsidy program will be available to families who have become ineligible for the existing SR program due to family income and the family income is between 85 and 100 percent SMI. This applies to families who entered the existing SR program as "economically disadvantaged," with an income less than 150 percent FPL, and become ineligible when their income exceeds 85 percent SMI. SMI and FPL are based on family size; for example, for a family of three 150 percent FPL is \$38,730, 85 percent SMI is \$63,471, and 100 percent SMI is \$74,672.

To receive a subsidy under the program, a parent must:

- Submit an application to the ELC in the form prescribed by the DOE;
- Provide any documentation necessary to verify eligibility for the subsidy; and
- Be responsible for the payment of child care expenses in excess of the amount of the subsidy.

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<sup>162</sup> See, Florida Department of Children and Families. *Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) State Plan – Federal Fiscal Year 2024 (2023)*. Available at [https://www.floridajobs.org/docs/default-source/lwdb-resources/programs-and-resources/snap/florida-fy2024-snap-et-state-plan-final\\_10-31-2023.pdf?sfvrsn=96c95db0\\_2](https://www.floridajobs.org/docs/default-source/lwdb-resources/programs-and-resources/snap/florida-fy2024-snap-et-state-plan-final_10-31-2023.pdf?sfvrsn=96c95db0_2) (last visited February 14, 2024). The State Plan was submitted on August 15, 2023.

<sup>163</sup> *Supra*, note 116.

<sup>164</sup> 7 CFR § 272.2

<sup>165</sup> See, US Department of Agriculture, Food and Nutrition Service. *Supplemental Nutrition Assistance Program (SNAP) ABAWD Policy Guide (2023)*. Available at <https://fns-prod.azureedge.us/sites/default/files/resource-files/SNAP-ABAWD-Policy-Guide-September-2023.pdf> (last visited January 10, 2024).

The subsidy program is available on a first-come, first-served basis, subject to a legislative appropriation.

The bill directs the ELCs to administer the subsidy program. The ELCs are responsible for determining the subsidy amount as a percentage of the ELC's approved provider reimbursement rates, with consideration of family income and a required parent copayment that increases in relation to family income. The amount of the subsidy and the parent copayment must be sufficient to allow the family to access child care providers and enable the parent to achieve self-sufficiency.

The bill provides a sum of \$23,076,259 in nonrecurring funds from the General Revenue Fund to the DOE to implement the subsidy program for Fiscal Year 2024-2025.

The bill provides an effective date of July 1, 2024.

## B. SECTION DIRECTORY:

- Section 1:** Amends s. 414.065, F.S., relating to noncompliance with work requirements.
- Section 2:** Amends s. 414.105, F.S., relating to time limitations of temporary cash assistance.
- Section 3:** Amends s. 414.455, F.S., relating to Supplemental Nutrition Assistance Program; legislative authorization.
- Section 4:** Amends s. 445.009, F.S., relating to one-stop delivery system.
- Section 5:** Amends s. 445.011, F.S., relating to consumer-first workforce system.
- Section 6:** Amends s. 445.017, F.S., relating to diversion.
- Section 7:** Amends s. 445.024, F.S., relating to work requirements.
- Section 8:** Amends s. 445.028, F.S., relating to transitional benefits and services.
- Section 9:** Creates s. 445.0281, F.S., relating to transitional case management.
- Section 10:** Amends s. 445.035, F.S., relating to data collection and reporting.
- Section 11:** Creates s. 1002.935, F.S., relating to School Readiness Subsidy Program.
- Section 12:** Provides an appropriation.
- Section 13:** Provides an effective date of July 1, 2024.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

#### 2. Expenditures:

##### Data Collection and Reporting

CareerSource Florida, in collaboration with the departments of Commerce and Children and Families, shall develop standardized intake and exit surveys to collect and aggregate data to monitor program effectiveness. Any costs associated with this workload can be absorbed within existing resources of these three entities collectively.

There remains an indeterminate fiscal impact with regard to data storage and its dissemination to the DCF. To the degree that CareerSource does not have resources to house the information collected and share it with the DCF, and once workload is actually determined, CareerSource may submit a future budget request to the Legislature which details any such information technology infrastructure needs for consideration.

The workload associated with the annual reporting requirement provisions in the bill can be absorbed within existing Department of Commerce resources.

## New School Readiness Subsidy Program

The bill provides the sum of \$23,076,259 in nonrecurring funds from the General Revenue Fund for Fiscal Year 2024-2025 to the DOE to implement the School Readiness Subsidy Program. The DOE may incur costs if their current information technology system needs to be modified to administer the new subsidy program. The impact of this is indeterminate.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

None.

#### 2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Families who are able to receive the subsidy will have increased household resources. These resources may enable them to increase the hours they work, further benefitting those households economically.

Child care providers may experience increased enrollment from the expanded eligibility criteria allowing children to remain eligible for services.

### D. FISCAL COMMENTS:

Depending on the degree to which former TCA recipients use the new transitional case management services, LWDBs may experience a workload increase from providing that service. The fiscal impact is indeterminate at this time.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

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

#### 2. Other:

None.

### B. RULE-MAKING AUTHORITY:

Sufficient rule-making authority is provided by the bill and exists in current law to implement the provisions of the bill.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On January 24, 2024, the Children, Families & Seniors Subcommittee adopted two amendments and reported the bill favorably as a committee substitute. The amendments:

- Aligned the provision of the bill relating to SNAP E&T with current, federally-approved DCF policy which does not require mandatory participation in SNAP E&T for households that include children under age 18; and
- Revised the provision of the bill relating to the SR program such that:
  - A new program is created to supplement the existing SR program;
  - The exit point of the supplemental program is established at 100 percent SMI;
  - The supplemental program is available on a first-come, first-served basis, subject to a legislative appropriation.

On February 8, 2024, the Appropriations Committee adopted an amendment and reported the bill favorably as a committee substitute. The amendment:

- Provided an appropriation in the sum of \$23,076,259 in nonrecurring funds from the General Revenue Fund to the DOE to implement the School Readiness Subsidy Program established in s. 1002.935, F.S. The funds are placed in reserve and the DOE is authorized pursuant to chapter 216, F.S., to submit budget amendments requesting the release of the funds. The release is contingent upon the submission of an allocation plan developed by the DOE in collaboration with the early learning coalitions established in s. 1002.83, F.S.

The analysis is drafted to the committee substitute as approved by the Appropriations Committee.