DATE: March 18, 1997

HOUSE OF REPRESENTATIVES COMMITTEE ON CHILDREN AND FAMILY EMPOWERMENT BILL RESEARCH & ECONOMIC IMPACT STATEMENT

BILL #: HB 971

RELATING TO: Welfare Reform

SPONSOR(S): Representative Miller STATUTE(S) AFFECTED: 414.065, F.S. COMPANION BILL(S): SB 626 (Similar)

SB 626 (Similar) HB 779 (Similar) HB 807 (Similar)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) CHILDREN AND FAMILY EMPOWERMENT

(2) FINANCE & TAXATION

(3) HEALTH & HUMAN SERVICES APPROPRIATIONS

(4)

(5)

I. <u>SUMMARY</u>:

This bill revises current conditions under which a single custodial parent may not meet work requirements yet remain eligible for temporary cash assistance under the Work and Gain Economic Self-Sufficiency (WAGES) program. Currently, a single custodial parent will not have assistance terminated for refusal to participate in work activities if the individual must care for a child under age 6 and the adult proves to the Department of Children and Families an inability to obtain needed child care for one or more of the following reasons:

- 1. Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.
- 2. Unavailability or unsuitability of informal care by a relative or under other arrangements.
- 3. Unavailability of appropriate and affordable formal child care arrangements.

This bill changes the child age limit of exemptions from work requirements due to inability to secure child care from less than 6 years of age to less than 10 years of age. The Department of Children and Families believes that the bill would have little or no impact on client participation in work activities due to the current availability of child care funds.

DATE: March 18, 1997

PAGE 2

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Currently, a single custodial parent will not have assistance terminated for refusal to participate in work activities if the individual must care for a child under age 6 and the adult proves to the department an inability to obtain needed child care for one or more of the following reasons:

- 1. Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.
- 2. Unavailability or unsuitability of informal care by a relative or under other arrangements.
- 3. Unavailability of appropriate and affordable formal child care arrangements.

B. EFFECT OF PROPOSED CHANGES:

This bill changes the child age limit of exemptions from work requirements due to inability to secure child care from under 6 years of age to under 10 years of age. The Department of Children and Families believes that the bill would have little or no impact on client participation in work activities due to the current availability of child care funds. In addition, the WAGES Act, under s. 414.065(7)(c), F.S., provides for "good cause" exceptions which could cover instances when a child age 6 through 9 is in need of care and care is not available. These instances could be identified through the administrative rule process to be applied on a case by case basis rather than amend the current law. The WAGES Act provides the department with the capability of establishing other good cause reasons.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

- a. Does the bill create, increase or reduce, either directly or indirectly?
 - 1. Any authority to make rules or adjudicate disputes?

No.

ii. Any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

iii. Any entitlement to a government service or benefit?

The bill establishes an entitlement for benefits for parents of children between the ages of 6 and 9 years of age when not in compliance with work

DATE: March 18, 1997

PAGE 3

activity requirements of s. 414.065 (1), F.S., and able to demonstrate to the department that they are unable to secure child care.

- b. If an agency or program is eliminated or reduced:
 - What responsibilities, costs and powers are passed on to another program, agency, level or government, or private entity?

Not Applicable.

ii. What is the cost of such responsibility at the new level/agency?

Not Applicable.

iii. How is the new agency accountable to the people governed?Not Applicable.

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

DATE: March 18, 1997

PAGE 4

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Some recipients of Temporary Cash Assistance may be able to obtain exemptions from mandatory work requirements without loss of benefits.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:
 - I. Who evaluates the family's needs?

The bill continues WAGES benefits under circumstances in which the benefits would otherwise terminate. The families' needs are based on statutory criteria.

ii. Who makes the decisions?

The Department of Children and Families.

iii. Are private alternatives permitted?

Not Applicable.

iv. Are families required to participate in a program?

No.

v. Are families penalized for not participating in a program?

The bill relates to the elimination of benefits when a family fails to comply with work requirements.

b. Does the bill directly affect the legal rights and obligations between family members?

Yes. The bill reduces the effect of failure to comply with work requirements by a member of a family on the benefits received by children.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:
 - I. Parents and guardians?

DATE: March 18, 1997

PAGE 5

Not Applicable.

ii. Services providers?

Not Applicable.

iii. Government employees/agencies?

Not Applicable.

D. SECTION-BY-SECTION RESEARCH:

SECTION 1. Amends s. 414.065 (7)(a), F.S., to provide that a single custodial parent will not have assistance terminated for refusal to participate in work activities if the individual must care for a child under age 10 rather than under age 6. The adult must prove to the department an inability to obtain needed child care for one or more of the following reasons:

- 1. Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.
- 2. Unavailability or unsuitability of informal care by a relative or under other arrangements.
- 3. Unavailability of appropriate and affordable formal child care arrangements.

SECTION 2. Provides an effective date of July 1, 1997.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

Minimal.

Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

Minimal.

STORAGE NAME: h0971.cfe **DATE**: March 18, 1997 PAGE 6 B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE: 1. Non-recurring Effects: None. 2. Recurring Effects: None. 3. Long Run Effects Other Than Normal Growth: None. C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: 1. <u>Direct Private Sector Costs</u>: None. 2. Direct Private Sector Benefits: None. 3. Effects on Competition, Private Enterprise and Employment Markets: None. D. FISCAL COMMENTS: None. IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION: A. APPLICABILITY OF THE MANDATES PROVISION: Not Applicable. B. REDUCTION OF REVENUE RAISING AUTHORITY: Not Applicable. C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

Not Applicable.

DATE: March 18, 1997

V. COMMENTS:

By reducing the penalty for failure to participate in work-related activities, the bill may lower expectations for personal responsibility.

The WAGES Act, under s. 414.065 (7)(c), F.S., provides for other good cause exceptions which could cover instances when a child age 6 through 9 is in need of care and care is not available. These instances could be identified through the administrative rule process to be applied on a case-by-case basis as an alternative to amending the current law. The WAGES Act provides the department with the capability of establishing other good cause reasons.

STORAGE NAME: h0971.cfe

| VI. AMENDMENTS OR COM | MITTEE SUBSTITUTE CHANGES: | |
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| VII. <u>SIGNATURES</u> : | | |
| COMMITTEE ON CHILDR | EN AND FAMILY EMPOWERMENT: | |
| Prepared by: | Legislative Research Director: | |
| | | |
| Bob Cox | Bob Barrios | |