

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 113
Children and Human Resources Committee Substitute Adopted 3/22/01
House Committee Substitute Favorable 7/19/01
Fourth Edition Engrossed 7/24/01

Short Title: Cabarrus Work Over Welfare.

(Public)

Sponsors:

Referred to:

February 12, 2001

1 A BILL TO BE ENTITLED
2 AN ACT TO EXTEND THE CABARRUS COUNTY WORK OVER WELFARE
3 PROGRAM.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** S.L. 1998-106 reads as rewritten:

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

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

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

- 1 (3) Allow wages paid to these recipients, which contain grant-diverted
2 funds, to be exempt from income for purposes of determining
3 eligibility for assistance;
- 4 (4) Structure payment of wages to these recipients such that they will be
5 considered income, in order to make recipients eligible for the federal
6 earned income tax credit;
- 7 (5) Create work experience opportunities in the private sector more
8 realistically to reflect the world of work;
- 9 (6) Require these recipients to participate in the development of an
10 opportunity ~~contract, agreement~~ agreement outlining the responsibilities of the
11 recipient and agency, as well as the incentives for compliance and the
12 sanctions for noncompliance;
- 13 (7) Require all these recipients who participate in the program to pursue
14 and accept employment, full or part time, subsidized or unsubsidized,
15 as a condition for continued eligibility for Work First and Food Stamp
16 assistance;
- 17 (8) Require job search training of all participants;
- 18 (9) Require monitored job search of all participants until employment is
19 found or until other work activities of up to 40 hours per week are in
20 place;
- 21 ~~(10) Provide child care by allowing Cabarrus County to use grant
22 diversions, consisting of the child day care subsidies that would be
23 paid to otherwise eligible recipients, and transportation as required;~~
- 24 ~~(11)~~ (10) Create a positive work incentive by providing wage incentives to
25 participants who are in compliance with the program, ~~equal to the first
26 thirty dollars (\$30.00) and one third of the remainder of monthly gross
27 income for a period of up to two years;~~ program by using the job bonus
28 as outlined in the Work First Policy Manual for both Work First and
29 Food Stamp benefits;
- 30 ~~(12) Provide enhanced Food Stamp benefits after participants are employed
31 and are in program compliance by using the thirty dollar (\$30.00) and
32 one third of the remainder wage incentive as an income exemption;~~
- 33 ~~(13)~~ (11) Provide (i) ~~a pay for performance system that withholds the entire
34 Work First benefits for the household for the month following any
35 month in which it fails to comply with Work First participation
36 requirements and restores these benefits for the month following any
37 month in which it successfully complies with Work First participation
38 requirements, and, to ensure that children in sanctioned households are
39 not harmed, (ii) social worker monitoring and the use of direct vendor
40 payments or assistance from other community resources for rent,
41 utilities, or other basic needs of children, as necessary, during the
42 period in which the household is sanctioned;~~ for a system in which the
43 Work First cash assistance case is terminated following the first month

1 of noncompliance, with restoration of assistance after the client agrees
2 to comply with requirements and files a new application. To ensure
3 that children in terminated households are not harmed, provide social
4 worker monitoring and the use of direct vendor payments or assistance
5 from other community resources for rent, utilities, or other basic needs
6 of children as necessary, during the period in which assistance for the
7 household is terminated. This period of social worker monitoring shall
8 coincide with the period of time that the household would have been,
9 as a Work First case, under a three-month pay-for-performance
10 sanction system and shall not exceed three months from the date of
11 termination.

12 ~~(14)~~ (12) ~~Provide automatic Medicaid coverage for children and pregnant adults~~
13 ~~of sanctioned families by transferring the children administratively to~~
14 ~~the Medicaid for Indigent Children (MIC) Program and by transferring~~
15 ~~the pregnant adults administratively to the Medicaid for Pregnant~~
16 ~~Women (MPW) Program. Provide for all individuals to be evaluated~~
17 ~~for ongoing Medicaid and children to be evaluated for Health Choice~~
18 ~~eligibility any time Work First terminates. This act shall not alter any~~
19 ~~individual's eligibility for Medicaid or Health Choice as set out in~~
20 ~~State and Federal law or regulation.~~

21 (13) Require that a recipient who voluntarily terminates employment
22 without good cause be ineligible for Work First until the individual
23 returns to work, provided work opportunities are available. Provide
24 employment services for 30 days to assist the individual in obtaining
25 employment;

26 (14) Require applicants for Work First to meet with child support staff
27 within 10 days of application. Failure or refusal to pursue child support
28 without good cause is grounds for denial of benefits;

29 (15) Provide that an applicant may be eligible for a one-time Work First
30 diversion payment in an amount not exceeding one thousand two
31 hundred dollars (\$1,200). Applicants receiving the diversion payment
32 shall not be eligible for ongoing Work First benefits for a period of
33 three months from the date of receipt of the diversion payment.
34 Individuals receiving a diversion payment must attend budgetary
35 counseling and may be required to have a protective payee for the
36 diversion payment;

37 (16) Provide that the period of exemption from participation in employment
38 services for a parent of a newborn child is three months. If a recipient
39 returns to work within six weeks of childbirth, the recipient may
40 reclaim the remainder of the three-month exemption if the recipient
41 chooses not to continue working during the initial six-week period;

42 (17) In ongoing Work First cases, require family reassessment of service
43 needs when the family circumstance changes due to an able-bodied,

1 financially responsible adult moving into the home. Family
2 reassessment may result in benefit diversion, change in services, or
3 termination from Work First program participation;

4 (18) Not sanction individuals who demonstrate that they cannot meet
5 program requirements because necessary child care is not available.

6 Sec. 3. This act shall be funded by Cabarrus County using ~~the available~~ grant
7 diversions and administrative transfers, ~~transfers prescribed in Section 2 of this act~~,
8 together with federal and State administrative funding allocated to Cabarrus County for
9 the public assistance programs.

10 Sec. 4. The Department of Health and Human Services shall evaluate the Cabarrus
11 County Demonstration Project and report to the General Assembly and to the Joint
12 Legislative Public Assistance Commission on or before September 1, ~~1998-2002~~.

13 Sec. 5. This act becomes effective July 1, 1995 and shall expire on ~~July 1,~~
14 ~~2001-September 30, 2003.~~"

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