

ASSEMBLY POLICY AND REGULATORY OVERSIGHT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 13

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 5, 1996

The Assembly Policy and Regulatory Oversight Committee reports favorably and with committee amendments Assembly Bill No. 13.

As amended by the committee, this bill is part of a legislative package which establishes the "Work First New Jersey" program in the Department of Human Services (DHS) as the State's consolidated public assistance program, replacing the current programs of aid to families with dependent children (AFDC), AFDC emergency assistance, general assistance (GA), GA emergency assistance, the GA employability program, and the Family Development Initiative.

The bill provides that:

- C A Work First New Jersey recipient's eligibility for the program is limited to a total of 60 cumulative months (unless the recipient is over 60 years of age, caring for a disabled dependent, permanently disabled or chronically unemployable), except that the Commissioner of Human Services may extend the recipient's eligibility for no more than 12 cumulative months (in increments that shall not exceed six months) if the commissioner determines that the recipient meets certain criteria, i.e., the recipient or the recipient's dependent child would be subject to extreme hardship or incapacity, or the recipient is engaged in unsubsidized employment but is still income-eligible for the program or has been terminated from employment through no fault of the recipient. (Time spent in the program prior to a person's 18th birthday does not count toward the 60-month limit.);
- C The administration of the Work First New Jersey program for eligible single persons and couples without dependent children shall commence January 1, 1998, in accordance with a schedule to be determined by the commissioner for the respective geographic areas of the State. Counties shall administer the program, except that a municipality which provided GA benefits to less than 100 eligible single adults and couples without dependent children, excluding emergency assistance, for the month of June 1996, may

continue to: administer those benefits through the Work First New Jersey program, and fund the administrative costs thereof. The State shall pay 100% of the costs of assistance whether the program is administered by a county or municipality;

- C A municipality may transfer its administration of GA benefits to the county at the municipality's discretion, in accordance with procedures established by the commissioner, in which case the State shall reimburse the county for 100% of the administrative costs incurred by the county agency with respect to the provision of cash assistance benefits to the eligible single adults and couples without dependent children residing in that municipality, up to the maximum amount allocated for that county by the commissioner within the limits of available funds.
- C With respect to a municipality which continues to administer GA benefits, the commissioner is authorized to: provide for the issuance of cash assistance benefits, as determined by the municipal welfare director, by paper check, electronic benefit distribution, or other appropriate means; and to require the municipality to report information to the commissioner which the commissioner deems necessary to the proper administration of the program through electronic means, as prescribed by regulation of the commissioner;
- C For the first 12 months following enactment of the bill, a county agency shall not enter into a contract with a private nonprofit or a private for profit entity for eligibility determination functions and benefit computation services that the county agency's current employees are capable of performing;
- C Each county agency and municipal welfare agency shall be responsible for implementing the Work First New Jersey program in accordance with regulations adopted by the commissioner and ensuring that all recipients residing in the county have access to benefits;
- C The county agency, municipal welfare agency and any other State, local, public or private entity or person working with the department, county agency or municipal welfare agency to effectuate the purposes of this bill, shall collect and provide on a timely basis to the commissioner any information requested by the commissioner on the operation and administration of the program;
- C The commissioner shall allocate among the counties the federal funding available for administrative costs from the federal block grant funds for temporary assistance for needy families provided to New Jersey under the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," Pub.L.104-193;
- C The administrative costs incurred by the county agency with respect to recipients with dependent children shall be reimbursed by the State at the rate of 50% of total administrative costs, up to the maximum amount allocated for that county by the commissioner within the limits of available funds. The county's share of cash assistance benefits to recipients with dependent

children shall be 5% of total cash assistance benefit costs, and the remaining 95% shall be funded by the State and federal governments;

- C The commissioner shall allocate among the counties the funding available for work activities under the Work First New Jersey program, and case management activities applicable to work activities, from State appropriations and federal block grant funds for temporary assistance for needy families provided to the State pursuant to Pub.L.104-193. Costs incurred by the counties for work activities and case management shall be reimbursed up to the maximum amount allocated for that county by the commissioner, and within the limits of available funds;
- C The Department of Human Services is to implement the electronic benefit distribution system established pursuant to P.L.1985, c.501 (C.44:10-5.1 et seq.) in every county of the State;
- C The penalties provided in P.L.1993, c.13 (C.2C:20-35 et seq.) for the misuse of food stamp benefits are to be extended to Work First New Jersey benefits, as well as to benefits provided under any other program included in the electronic benefit distribution system;
- C The federal Social Security number shall be used as the common identifier of individuals for any record, license, certificate or other document identifying a person by name which is used by an agency of State government in accordance with the requirements of federal law. This requirement is to be implemented by July 1, 1998;
- C The commissioner, in consultation with the State Treasurer, is authorized to implement technological investments to create a statewide community-based electronic network to link federal, State and local government agencies, nonprofit entities and private business entities, for the effective and efficient exchange of information relating to, and management of, the Work First New Jersey program and other related programs; and
- C The commissioner shall have the authority under R.S.30:1-12 to regulate municipal and county agencies that administer public assistance.

The committee amendments provide for the continued administration of public assistance for single adults and couples without children by municipal welfare agencies under the Work First New Jersey program in certain municipalities, i.e., those which had a GA caseload of less than 100 persons for the month of June 1996, and make corresponding changes in certain sections of the "General Public Assistance Law," P.L.1947, c.156 (C.44:8-107 et seq.), to be redesignated the "Work First New Jersey General Public Assistance Act." These changes become effective January 1, 1998. The original bill would have transferred administrative responsibility for this portion of the Work First New Jersey recipient population in all municipalities to county agencies approved by the Commissioner of Human Services. As provided in the committee amendments, the

county agencies will be responsible for administering the Work First New Jersey program for assistance units with dependent children, and for single adults and couples without dependent children residing in municipalities which had GA caseloads of 100 or more for the month of June 1996.

In addition, the committee amended the bill to clarify the definition of "county agency" as a public agency that was administering the aid to families with dependent children program at the time Pub.L.104-193 was enacted and which, upon the enactment of this bill, shall also administer the Work First New Jersey program in that county. Also, the amendments prohibit a county agency from contracting with a private entity for the 12-month period following enactment of the bill.

In addition, the amendments provide that the receipt of benefits as a dependent child or minor parent not count toward the 60-month time limit on receipt of benefits.

The amendments also delete the provisions allowing a recipient who elects to receive benefits at a point-of-sale location to be charged a check cashing fee.

Other committee amendments are technical in nature and intended to clarify certain provisions of the bill.