

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 38

STATE OF NEW JERSEY

DATED: NOVEMBER 18, 1996

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 38 (1R) of 1996.

Senate Bill No. 38 (1R) is part of a legislative package, along with Senate Bills 35 (1R), 36 (1R), and 37 (1R), that establishes the "Work First New Jersey" program in the Department of Human Services 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. For a more comprehensive discussion of the contents of this bill, the Senate Human Services Committee statement of November 18, 1996 for this bill should be consulted.

This bill: establishes the basic eligibility requirements for the program and authorizes the Commissioner of Human Services to determine the income and resource eligibility levels for each type of assistance unit eligible for the program; sets limits on the amount of monthly cash assistance a recipient who has lived in the State for less than 12 months may receive; provides for the confidentiality of information concerning applicants and recipients of "Work First New Jersey" program benefits; specifies that only United States citizens and eligible aliens will be eligible for benefits under the program; provides for eligibility requirements for legal aliens; lists the persons who are not eligible to receive benefits under the program; specifies that a signing of an application for program benefits constitutes an assignment of child support rights on behalf of individual recipients; provides for emergency assistance to recipients of the "Work First New Jersey" program and to persons receiving Supplemental Security Income for a certain time period, with certain exceptions; provides applicants and recipients with an opportunity for a hearing in the event a claim for benefits is denied, reduced, suspended, terminated or not acted upon within a reasonable time; authorizes the commissioner to waive compliance with the requirements of the "Work First New Jersey" program for up to three years for certain experimental, pilot or demonstration projects; and amends current law concerning the centralized registry of single persons and couples without dependent

children (General Assistance recipients) to conform its provisions with the "Work First New Jersey" program.

FISCAL IMPACT

The overall costs of the legislative package cannot be determined at this time because the impact of many of the provisions will not be known until the program is implemented.

In a statement presented on November 14, 1996 to this committee and the Senate Human Services Committee by the Commissioner of Human Services during a public hearing on Senate Bills 35, 36, 37, and 38, the commissioner stated that the overall gross cost of the programs under "Work First New Jersey Program" is now approximately \$1.3 billion and it is the intention of the department to maintain at that level for several fiscal years. Submission of a State plan to the federal government (which has been done) followed by enactment of the "Work First New Jersey" program to comply with the new federal mandates qualifies the State for the federal Temporary Assistance to Needy Families Block Grant in the amount of \$404 million annually, approximately \$50 to \$60 million more than the State recently received under existing programs.

The commissioner stated that he would present to the committee in conjunction with the legislative package, a revised summary budget for Fiscal Year 1997 for the programs being consolidated, reflecting the changes in revenues, costs and requirements necessitated by the new federal law and the proposed bills. He also indicated he would present a proposed budget for Fiscal Year 1998 for the committee's review. As of the date of this statement, the committee had not yet received this information.