STATE OF TENNESSEE

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM (TANF)

PLAN OF OPERATION

October 1, 2002 – September 30, 2004
Tennessee Department of Human Services

STATE OF TENNESSEE

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM (TANF)

PLAN OF OPERATION
October 1, 2002 – September 30, 2004

In conformance with Section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Tennessee Department of Human Services shall operate the Temporary Assistance for Needy Families Program according to the following provisions:

The Temporary Assistance for Needy Families Program shall be known as Families First, as required by the "Families First Act of 1996" which was passed by the Tennessee General Assembly on April 25, 1996 and signed by Governor Don Sundquist on May 13, 1996. Waivers under Section 1115 of the Social Security Act were approved July 25, 1996, authorizing the State of Tennessee to implement the Families First Program. The State will continue to operate the statewide 1115 waiver. The Waiver is approved for eleven years. The effective date of implementation was September 1, 1996. Families First rules were applied to all applications starting September 1, 1996 and to all active cases at the next subsequent review. All cases were reviewed within six months of the September 1, 1996 implementation date.

I. GOALS, RESULTS AND PUBLIC INVOLVEMENT

A. Program goals of Families First

- Strengthen families by establishing firm, but fair, expectations of parents for work, responsible parenting, and supporting their children.
- Permit adults to marry and retain benefits while receiving Families First.
- Build a better workforce by requiring work, offering education and training opportunities, and providing case management for families.
- Reduce poverty through work requirements, carefully planned benefit packages and transitional services.

B. Families First also adopts the goals of TANF as follows:

- 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 establish annual numerical goals for preventing and reducing the incidence of these pregnancies.

Tennessee has established the following goals for the reduction of Out-of-Wedlock Pregnancies:

1. Reduce the out-of-wedlock birth rate in the State of Tennessee to thirty-three percent.
2. Implement community awareness programs by making this a key issue for Families First Councils. They will be asked to coordinate a local planning group made up of agencies with an interest or stake in this issue.
3. Increase the awareness of teen parents regarding the need to be responsible parents, to support their children financially and emotionally, and be a role model for their children by conducting community education efforts.
4. Coordinate with the Workforce Investment Boards and the State Youth Council in developing joint programs to reduce out-of-wedlock pregnancies.

5. Develop and issue a Family Formation grant to connect absent parents with the caretaker and their children in order that they provide financial and emotional support.

- Encourage the formation and maintenance of two-parent families.

C. Measuring the results of Families First:

Tennessee will measure the progress of Families First goals as follows:

The University of Tennessee and the University of Memphis will conduct an extensive eleven year evaluation of Families First consistent with the requirements of the Terms and Conditions of the 1115 Waiver and the re-negotiated evaluation methods approved by HHS under TANF. The Families First evaluation will include a thorough process and outcome evaluation covering all aspects of the Waiver and including all required measurements of TANF.

D. The evaluation will include:

- The results of work; including hours, types of employment, length of employment wages of the parents; including teen parents; return rates to welfare; lifestyle changes for the family, including school achievement level changes in the children; and changes in the number and frequency of births, including births to teen mothers.
- The stability of children in their own homes or the homes of relatives; the incidence of marriage among welfare families and the effect of the involvement in work of two-parent families on the child.
- The effects on the workforce of a better prepared and better trained welfare population motivated to work by time limits and the threat of sanctions.
- The level of cultural change in welfare offices when work becomes the driving force of the welfare agency.
- Success in identification of and intervention in domestic violence among welfare families; identification of and interventions in drug, alcohol addictions; identification and interventions in mental health and learning disabilities barriers.

- Note: This is not an all inclusive list of all evaluation measures.

E. Ensuring Accountability

Resources that were previously used for quality control purposes in the AFDC program have been redirected to monitor and evaluate Families First. Using a new focus on outcomes rather than process and a new reward system identifying the success of the client will continue to ensure accountability. Methods remain in place to ensure that payment accuracy and standards of promptness are achieved. A review of all cases that are slated for closure for reasons beyond an increase in income or moving out of state is conducted by an independent third party review team to ensure policy application accuracy and payment accuracy. A review of a statistically valid sample of cases which are actively receiving Families First, those not slated for closure, is also conducted by a third party team to ensure policy and payment accuracy and that appropriate case management services are provided.

F. Public Involvement

Local governments have had numerous opportunities to be involved in Families First and many serve as service contractors for education, training or child care services. Most local school systems are involved in contractual relationships to provide Adult Education and GED services. Urban county governments provide education and training services; two urban county governments serve as transportation and support service brokers. Local Human Services offices are used in many instances for co-location

of local government and in some instances, Human Services case workers are stationed in local training centers.

During the legislative process in passing the Families First Act, Families First was discussed in 30 committee hearings and modified with 42 amendments. Many legislators, advocates, and provider groups held local public hearings in their communities and successfully represented their community's views before the state legislature. During the early implementation phases of Families First, every county had numerous meetings and interactions with community groups, employers, clients, advocacy groups, churches, and volunteer organizations, providers, and elected officials. Public involvement continues in the form of rulemaking hearings that are open to the public, and through periodic meetings with advocates and immigrant organizations.

Private sector organizations such as employer and labor organizations, individual employers, workforce organizations, and numerous other groups contributed to the legislative process by representing their views about the legislation and how the private sector and the State can work together to improve the workforce by strengthening the ability and opportunity for Families First recipients to engage in work.

G. Culture Change

Extensive efforts were made to change the culture of welfare offices in Tennessee. These efforts continue. All staff have undergone several days of training in change management, specifically cultural change, to prepare for Families First with a focus on work and work preparation being the primary responsibility of the office. Since Tennessee uses generic staff to process cash, food stamp and Medicaid eligibility, all caseworkers were provided initial training in case management. Refresher training in case management skills is periodically repeated. All frontline staff were trained in case management techniques geared to welfare reform and empowerment principles. Supervisors were trained in how to supervise newly empowered caseworkers in ways they are expected to empower clients. All staff have job plans with expectations geared toward self-sufficiency and work for recipients. Our caseworker induction training has been updated to include case management concepts throughout the program, both in eligibility determination and in work related provisions. Offices are now client focused and managed by using outcome principles and bottom-up planning strategies.

II. GENERAL PROVISIONS

A.

The Families First Program shall operate using uniform policies in all 95 counties in Tennessee. The policies and procedures are provided in the Families First Handbook, bulletins, and memorandums issued to all Family Assistance staff responsible for program implementation. Staff in county Human Services offices will determine initial eligibility, conduct semi-annual reviews, and provide maintenance and case management functions on cases.

The Program shall operate in full compliance with the Civil Rights Act of 1964 and all other federal and state civil rights laws.

The Program shall provide financial assistance and Medicaid (TennCare) to all eligible needy families. A needy family shall include families with a pregnant woman or with a dependent child whose income and resources do not exceed the Families First limits and who are otherwise eligible. Caretakers in a needy family will be required to complete a Personal Responsibility Plan which shall include a commitment to cooperate with all child support requirements, ensure children have immunizations and health checks, and ensure

children and teen parents stay in school. Caretakers who do not have a work exemption, as defined in the Families First Act and in the Terms and Conditions of the 1115 Waiver, will be required to participate in a work plan. The work plan requires a full-time commitment to work and/or preparing for work. Support services will be available to all caretakers who are participating in a work activity. Eligibility periods will be limited to 18 months at a time and a lifetime maximum of 60 months for all assistance groups who are not exempted from or have extensions to the time limits.

Three pilot programs continue to be operated as a part of the Families First Waiver. In 12 counties, Hamilton, Putnam, Dyer, Campbell, Davidson, Knox, Lawrence, Madison, Sevier, Shelby, Tipton, and Washington, the State will permit Families First assistance group members to have Individual Development Accounts with a value not to exceed $5000. In Davidson County, there are two other pilot projects. One pilot project works with drug-addicted parents who are receiving Families First. The other Davidson County project focuses on bringing fathers back into the role of responsible fatherhood through the development of family relationships as well as the assumption of financial support.

B.

All parents and caretakers who are included in the assistance group will be required to complete a work plan unless the individual is exempt. An individual is exempt if (s)he is disabled, age 60 or greater, providing in-home care for a disabled relative, or not included in the assistance group. Temporary exemptions and interruptions may be granted when the caretaker is incapacitated or is the parent of a newborn who is 16 weeks of age or less. A work plan must have a 40-hour per week commitment, except for those individuals who test at 8.9 or less on a functional literacy level. These individuals may choose either to attend adult basic education at least 20 hours per week or have the full work requirement. All eligible adults who are subject to a work plan must complete a plan at application or upon review, if an active cash assistance case.

C.

All parent and caretakers receiving assistance under the program and who are not exempt must engage in work plan activities. Work plan activities may include:

1. Employment;
2. Work experience activities;
3. On-the-job Training;
4. Job search and job readiness;
5. Community service programs;
6. Vocational education training, not to exceed 12 months with respect to any individual;
7. Job skills training related directly to employment;
8. Education directly related to employment or adult education when a person is participating in a departmentally approved adult education program and is making satisfactory progress as judged by the teacher and the department's case worker, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
9. Satisfactory attendance at secondary school, in the case of a recipient who has not completed high school and is a dependent child or a head of a household who is nineteen years of age or younger;
10. Other post-secondary education or training leading to a degree or certificate, provided the education or training meets accreditation requirements, demand occupation, quality and placement standards and the individual provides for tuition, attends full-time, maintains a 2.0 GPA, makes satisfactory progress, and engages in other activities to meet the full-time (40) hour commitment.

<u>Work and self-sufficiency:</u>

Work and self-sufficiency are the core values of Families First. Most participants will have a 40-hour per week work requirement. Once a Personal Responsibility Plan is completed, individuals will begin to engage in work activities. No one will be allowed to postpone work components unless they meet the exemption/interruption criteria.

Goals for work and self-sufficiency:

Tennessee's goals for work and self-sufficiency are as follows:

- Welfare families will have goal-oriented, time-limited, individualized work plans which carry them through logical and productive steps to self-sufficiency;
- Sanctions will be imposed when a family fails, without good cause, to comply with the work plan;
- Families will be given the opportunity to complete high school or to earn a GED and advance their skills;
- Cash benefits will be limited to 18 months of eligibility (or up to 24 months in counties with unemployment rates twice the unadjusted state average), with a 60-month lifetime limit;
- Participants who go to work and lose cash benefits will continue to receive transitional benefits, including child care assistance and TennCare coverage. Families may also qualify for Food Stamps and receive an income disregard and stabilized rent during their move out of welfare.

Specifically, all able-bodied parents and caretakers will have a 20 or 40 hour per week requirement which begins with the signing of the Personal Responsibility Plan. No parent or eligible caretaker will have to wait more than two weeks to enter a work activity. All parents and eligible caretakers will be offered necessary support services including child care and transportation. When an activity or a support service is unavailable and cannot be arranged, the individual's time limit is extended for that period of time.

No specific numerical goals have been set to move families off welfare. Rather, outcome goals have been set for all activities and all providers of services to assure clients receive the best available services in the shortest time possible. Client goals will be set, keeping in mind the 18 and 60 month time limits.

Completion Bonuses:

One Families First goal is to move participants to self-sufficiency in the shortest amount of time possible. Many participants can obtain a better job if their education and job skills are enhanced. The purpose of Completion Bonuses is to improve completion outcomes in training, education and employment. Completion bonuses are offered to Families First participants who reach certain milestones on their Personal Responsibility Plan. The bonuses are issued based on success in education and training, employment and earnings and employment retention.

Support services:

All families with Personal Responsibility Plan work requirements have available the following support services:

- Child care - Child care is available through a certificate program administered through a child care broker system. Families First parents and caretakers are offered child care services for all work and work-related activities. After they lose cash assistance, they have available up to 18 months of transitional child care services, for which they will be asked to contribute to the cost of care.
    - Direct expenditures in child care are used for the provision of child care services to employed families

- Dental and Optical Services - Families First participants will be provided necessary dental and optical services not covered by TennCare or any other insurance or benefit. This expense will be paid for with 100% state funds.
- Transportation - Tennessee will make every effort to ensure that no Families First recipient goes without transportation assistance. This assistance is in the form of a coordinated network of providers in each county who are willing to transport Families First participants to and from work and work preparation activities. Children may also be transported via this system to child care, as long as the parent is also being transported to an activity.

1. **Transportation – Job Access**

   The focus of the Job Access Program is to implement a new transportation service that will improve the transit infrastructure and fill transportation gaps for low income individuals whether or not they have received Families First cash assistance. Job Access services include transportation to work, to employment related appointments and to child care on the days the parent is scheduled to work. The fares charged by the provider are kept at a minimum and do not exceed those fares that are currently charged to the general public for other types of trips. The transportation provider collects the fares directly from the passengers.

   Funding for the Job Access program is a collaborative effort between DHS, the Tennessee Department of Transportation (TDOT) and the Federal Transit Administration (FTA). TANF funding is used to match the FTA funds.

2. **First Wheels Revolving Loan Program**

   Current and transitional Families First participants as well as employed Food Stamp participants with minor children in the home, and individuals who receive low-income child care (see Child Care Certificate Program Income Guide in appendix section) will be given an opportunity to apply for an interest free loan to purchase a vehicle needed for transportation to work. The goal of the First Wheels Revolving Loan Program is to address significant barriers to transportation by providing an opportunity for participants to purchase a reliable, moderately priced vehicle. Loan amounts and repayment periods are limited. All monthly installment payments and placement fees will be deposited into the First Wheels Revolving Loan Program. Repayments into the fund help sustain the program and provide loan opportunities for future First Wheels loan participants.

- Drug/Alcohol/Mental Health/Domestic Violence Interventions - Tennessee has trained all caseworkers in the identification, intervention strategies, and referral of individuals who are addicted to drugs or alcohol; individuals with mental health problems; and victims of domestic violence. Caseworkers have additional extensive training in domestic violence, substance abuse, and mental health training. They have also been provided with referral resources and trained in making referrals. Individuals who agree to treatment programs for drug, alcohol, or mental health reasons will be excused from a work activity for up to 60 days, or longer, if necessary, when the person is making a serious attempt to recover.
- Domestic violence victims will be waived from a work activity and other provisions, as appropriate, when they are at risk of endangerment, in accordance with the requirements of a federally recognized domestic violence waiver.
- In addition to the caseworkers training to identify recipients with potential barriers, Families First offered, beginning January 2000, access to a Family Services Counselor. This counselor serves as a clinical case manager who is trained in handling clients that are experiencing barriers such as domestic violence, substance abuse, mental illness or

who have a severe learning disability. This counselor also addresses the barriers associated with children's behavioral and health problems. The Family Services Counseling staff help clients who may have barriers that hinder their ability to access government services. The Family Service Counselor, Alcohol and Drug Specialist, provide outreach, education, assessment, and counseling for participants with substance abuse issues and serve as an additional resource for caseworkers.

Displacement Safeguards

Families First participants may be placed in On-the-Job Training programs or unpaid work Experience slots for training purposes. If a Families First participant is placed into an On-the-Job Training program position, the money for the wages would come from some funding source other than TANF. When determining these training slots, no currently employed worker shall be displaced by any Families First participant (including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits).

No participant shall be employed in a subsidized position:

(1) When any other individual is on layoff from the same or any substantially equivalent job; or

(2) When the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under Families First.

*This section does not preempt or supersede state or local laws providing greater protection for employees from displacement.

Grievance Procedures for Employee Displacement

Any employee or former employee of an organization that provides training slots for Families First participants shall have the right to file a complaint alleging displacement. In such instances, the Tennessee Department of Human Services shall have jurisdiction of the applicable procedure.

All Families First staff and Families First contract staff shall inform the employer training site of the displacement law and require that a notice be posted at the training site, as part of the work site agreement with Human Services or any of our contract agencies. The contractor shall monitor employer sites and accept complaints from employees who have a grievance.

The following dispute procedures are to be used in resolving complaints by program participants, employees or former employees of organizations that feel that they have been displaced by Families First participants:

Within 10 days of the date of the complaint, which shall be documented in writing by the recipient of the complaint, the provider shall:

1. review the complaint, and
2. make the determination of its validity.

If the grievance cannot be resolved by the informal resolution procedure, the contractor shall inform the employee or former employee of their right to file a request for a hearing

with the Tennessee Department of Human Services. If the displaced employee or former employee wishes to pursue their grievance, he/she shall request an appeal no later than 10 days from the date of the contractor rendered decision.

The request for a grievance hearing of the employee or former employee claiming displacement shall contain the following:

1. the full name, telephone number and address of the employee or former employee making the complaint;

2. the full name, telephone number and address of the employer where the employee or former employee feels that the displacement occurred;

3. a clear and concise statement of the facts concerning the alleged violation, including pertinent dates;

4. a statement of the date the complaint was filed with the contractor, and a copy of the contractor's decision or a statement that no decision was issued; and

5. a statement as to whether the complaint has been pursued with any Federal, State, or local authority, and if so, the date those proceedings began or concluded, the name and address of the authority and the name(s) the case was filed under.

The employee or former employee's request for an appeal shall be mailed or delivered to the local Tennessee Department of Human Services office.

The grievance hearing shall be conducted by the Administrative Review Unit of DHS in accordance with the established procedures pursuant to the Administrative Procedures Act as a contested case hearing, and will provide the following:

1. written notice of the time and place of the hearing;

2. a hearing of the record;

3. an opportunity to present evidence, bring witnesses and to cross-examine witnesses, and

4. an opportunity to be represented by counsel.

The employee or former employee shall be provided the written hearing decision no later than 90 days from the date that the complaint was received by the Administrative Review Unit.

Involving community organizations, education, business, religious groups, local governments, and non-profits:

All 95 counties in Tennessee have a Families First Council and there is a state-level advisory council. Councils at the local level are composed of at least 60% employers, one community advocate, one individual from the religious community, and the local welfare manager. Sub-committees of providers, community organization representatives, churches, government officials, and non-profit groups also meet to coordinate and collaborate on Families First issues.
Many community organizations, school systems, religious groups, local governments, and not-for-profit organizations are providers of Families First work activity services, transportation, and other social services for low-income children and their families.
The welfare agency does not provide any of these services directly, except in the four (4) large urban counties, but contracts all services out to community providers. In Davidson, Knox, Hamilton and Shelby counties, the four (4) large Urban counties in Tennessee, the TDHS is directly responsible for the child care service.

Variance in the delivery of services across the State:

Families First services vary from county to county only to the extent that the needs of counties are different and the availability of services may be different. For example, Tennessee has four major urban areas and at least five semi-urban areas. All have urban transit systems; most have community colleges or technology centers; all have mental health, drug and alcohol treatment programs, domestic violence shelters, and counseling programs. All rural and urban counties have 20-hours per week adult education programs available, life skills and job readiness classes, as well as training opportunities. Distances between training sites may vary in rural areas, but generally training is available within 35 miles of all Tennesseans.

Human Services offices provide the same activities to all participants within the limitations of transportation availability, child care availability and employment opportunities. Some counties may have more work experience training placements due to fewer jobs being available. Some will have more individuals in adult education due to variances in literacy levels. The types of training available in each county are designed to meet the needs of the employers in that community.

D.

The rules of the Families First program regarding the use and disclosure of information about individuals and families receiving assistance are consistent with the rules that guided the program under Title IV-A of the Social Security Act prior to the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, thus protecting the rights of individuals and permitting the release of information to programs operating in connection with the TANF Program; i.e., federally funded or federally assisted programs providing assistance on the basis of need, appropriate audit and appropriate local, state, and federal law enforcement officials.

E.

The Department of Human Services, in conjunction with the Department of Health and the Department of Education, developed a task force to evaluate out-of-wedlock births, with special emphasis on teenage pregnancies and the establishment of goals to reduce the illegitimacy ratio of the state for the calendar years 1996 through 2005.

F.

The Department of Human Services recognizes the correlation between teenage pregnancy and the possible occurrence of statutory rape by men. DHS will serve as the lead agency in administering an educational and training effort to increase the awareness of staff, contractors, local law enforcement and men who may be predators of teenage girls. The program will address preventive measures and the law, including the criminal punishment for individuals convicted of the crime. In Tennessee, statutory rape is defined as:

> Consenting sexual penetration when the victim is at least 13 but less than 18 years old, and the person she/he consented to have sexual penetration with is at least 4 years older. ***Statutory Rape*** is a class E felony. Punishment for a Class E felony is a prison sentence ranging from 1-6 years.

Local DHS offices will provide printed material regarding statutory rape to be displayed in DHS offices, contracted agencies, local schools and other prominent public places where clients and related individuals, including the men who have allegedly committed the crime, can view the material.

Staff will notify the proper authorities of a possible occurrence of statutory rape when an applicant for Families First or other program designed to provide related services is:

- thirteen (13) years of age but less than eighteen (18) years of age; or
- a parent, legal guardian or custodian on behalf of such person.

The Department of Human Services, in conjunction with the Tennessee Departments of Children's Services, Education, and Correction, will provide a cooperative effort to develop and implement the plan of action.

G.

In compliance with the Federal Laws and Regulations, the Department of Human Services transferred TANF funds into the Social Services Block Grant (SSBG) and the Child Care Development Fund (CCDF).

H.

The Tennessee Early Childhood Education Program is designed to provide quality education services for "at-risk" three and four year old children. The program focuses on children who are educationally "at-risk" due to low income, lack of early learning experiences and language development.

The objectives of the Early Childhood Education program are to:

- provide a developmentally appropriate curriculum to ensure that cognitive, social, emotional, and physical developmental areas are addressed and that there is a balance between direct instruction, individualized instruction, group activities and free play;
- provide a family involvement component that includes - but is not limited to - family consultation, parenting skills training, home visits, and opportunities for the parent/family member to volunteer in the program component;
- hold parent/family/teacher conferences at least twice yearly;
- establish an enrollment process that ensures each child must have an annual physical examination and current immunization records;
- establish a link with the local health department to meet the needs of children with disabilities; and
- implement a transition plan for the child and the family to ensure a smooth conversion from the early childhood program into kindergarten.

I.

Grants may be provided to urban areas to assist low-income, under-served areas in redevelopment and revitalization. The grants are subject to funding availability. Redevelopment and revitalization of urban communities helps improve the lives of the Tennesseans and it is important to the financial growth of these communities. This is accomplished by assisting community-based organizations, community development centers, and local leadership with the creation, implementation and support of strategic programs to improve community economic development opportunities.

SPECIAL PROVISIONS:

A. The State will continue to apply Families First policies to all applicant/recipients who are residents, including those families who were past recipients in another state and move to Tennessee. The policies and procedures of the program will be applied uniformly to current state residents and to new state residents.

B. Federally-funded TANF assistance will be provided to qualified aliens to the fullest extent of the law. Legal aliens who are not eligible under PRWORA provisions will receive coverage in the Families First program and will be funded with state funds. The Families First administrative rules and policies provide for the continuation of assistance to legal aliens in the same manner as was in effect under Title IV-A, prior to the enactment of PRWORA. The Families First Act specifically prohibits the granting

of assistance to illegal aliens. However, in compliance with federal law, battered aliens and certain Cuban/Haitian entrants who meet the definition of qualified alien in section 431 of PRWORA, as amended, are eligible for Federally-funded assistance. Victims of severe forms of trafficking are eligible for Federally-funded TANF benefits to the same extent as refugees. The five-year bar does not apply t those aliens who entered the U.S., -whether legally or illegally – before August 22, 1996. Therefore, persons may have come in illegally in 1994 and only become an LPR last year. As long as that have been continuously present in the U.S., the five-year bar would not apply to them.

C. Eligibility is established in all cases using uniform policies. Policies are defined in the Families First Handbook that is available for all staff implementing the program and is available for public viewing at the central office and each local office. Policies include:

- A Families First assistance group must include a minor dependent child or a pregnant woman.
- A child must be dependent due to the absence, death, incapacity, or unemployment and underemployment of a parent.
- The dependent child must live with a relative within the specified degree of relationship.
- The assistance group members must be enumerated.
- Strikers are not eligible.
- The assistance group members must meet the citizenship requirements.
- The assistance group members must be residents of Tennessee.
- The assistance group must meet the income and resource standards.
- Teen parents must live in the home with a parent, relative, or guardian unless good cause exists. Teen parents must attend school.
- Family Cap will be applied when a child is conceived and born during a period of eligibility. Exceptions will be granted when the birth is the result of rape or incest or when the birth is the first child of a teenage girl.
- Caretakers who marry during the receipt of assistance will be exempt from the unemployed parent or stepparent deeming rules and given the option of joining the assistance group if the income of the spouse is less than 185% of the consolidated need standard for the assistance group size.
- The assistance group must sign and comply with a Personal Responsibility Plan that requires cooperation with Child Support, immunization and health checks for children, school attendance for children and teen parents, and work plans for all non-exempt adult recipients.
- Families who are not exempt from time limits will have periods of eligibility not to exceed 18 months and a lifetime limit of 60 months. The 18-month period of eligibility will be followed by a three-month period of ineligibility unless good cause exists to continue eligibility without interruption. The state may approve good cause reasons to extend the time limits on individual cases.

    - The time limit extension criteria for the Families First program is found on page 4 of the Certification of Waiver Inconsistencies signed by the Governor of Tennessee. (See the Attachments section of the State Plan for a copy of the Certification.)

- Sanctions shall be applied to all cases that are not in compliance with their Personal Responsibility Plan. A sanction may result in a percentage reduction in benefits for failure to provide immunizations, health checks, or attend school; the removal of the needs of the unmarried teen parent when the teen does not attend school; and total assistance group ineligibility when the family does not cooperate with child support or work plan activities.
- Benefit recovery will apply to all overpayments and disqualifications.

Recovery will also apply to all cases that are found guilty of intentional program violation.

- Persons who are convicted of certain drug-related felonies are eligible to receive Families First benefits as long as they meet certain established criteria. Persons convicted of a drug-related felony that has been classified as a Class A felony, remain ineligible for benefits. (See attached State Legislation – passed April 17, 2002.)

Assistance payments shall be made on a monthly basis for all eligible assistance groups using a standardized budgeting and payment method per assistance group size. The state has a gross income test, a consolidated standard of need, and a maximum standard payment amount per assistance group size. Some assistance groups receive a higher differential maximum payment amount, based on caretaker time limit exemptions. The income standards are included in the attachments to the State Plan.

> The state will continue to use fill-the-gap budgeting. Current month child support will be paid to the caretaker using the fill-the-gap budgeting method as permitted in Section 302 (e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Payments shall be made through Tennessee's Electronic Benefit Transfer system to the caretaker, alternate payee, or protective payee. The payment will be made available on the first of each month for continuously eligible cases. Payments will be made from the date the signed application is received in the local office for all eligible applicants. Auxiliary payments will be issued to all assistance groups that have been underpaid. Auxiliary payments will also be issued to assistance groups that are ineligible for assistance due to sanctions or time limits but have been deemed by a public health professional to be in danger of losing their home or utilities or custody of the child. These short term benefits will be issued on a non-recurrent basis for a month at a time.

Individuals who have been adversely affected will have an opportunity to file a request for an administrative hearing. Requests filed within 10 days of the adverse action may also include a request to continue benefits pending the outcome of the hearing. A request for a hearing can be filed up to 90 days following the action. Individuals who do not wish to file a formal appeal may request a conference with the caseworker or supervisor of the caseworker. Individuals who fail to comply with the work plan requirements or the school attendance requirements for a teen parent and are subject to potential sanction have an opportunity for a conciliation conference. The individual will be offered an opportunity to engage in a conciliation conference 15 days prior to the institution of an adverse action notice.

D. The Secretary was sent a notification from the Governor of Tennessee opting out of the provision to require a parent or caretaker receiving assistance for two months who is not exempt and who is not engaged in work to participate in community service employment. The State plan requires all non-exempt individuals to participate in a work plan.

E. Tennessee will continue to provide Families First assistance and services to some eligible families under a separate state program, using only state Maintenance of Efforts (MOE) funds. The eligibility criteria, assistance, and services will be the same for all TANF commingled programs and for separate state programs. In addition, the same work requirements, sanctions and other program provisions found in Tennessee's TANF program also apply to these state-only assistance groups. The following populations will be served in our MOE program: legal aliens who were eligible under AFDC but were made ineligible by TANF; the two-parent cases that meet the former AFDC-UP deprivation criteria; those who are married

during receipt of assistance with their spouse included in the assistance group; and those individuals that have been convicted of a drug felony but they meet the criteria to receive TANF benefits.

F. Closed assistance groups determined to be in jeopardy due to potential loss of shelter, necessary utilities, or lack of food may be eligible for a special payment in the amount of the group's cash benefit amount at the time of closure. The purpose of this payment is to ensure that the health and safety of the children in the group are not compromised.

CERTIFICATIONS:

The State will operate a program to provide Temporary Assistance to Needy Families (TANF) so that the children may be cared for in their own homes or in the homes of relatives, to end dependence of needy parents on government benefits by promoting job preparation, work, and marriage, to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and encourage the formation and maintenance of two-parent families.

The program is known as Families First.

Executive Officer of the State, Governor Don Sundquist

In administering and operating a program which provides Temporary Assistance for Needy Families with minor children under Title IV-A of the Social Security Act, the State will:

1. Specify which agency or agencies will administer and supervise the program under part A in all political subdivisions of the State:

   The Tennessee Department of Human Services is the agency responsible for administering the program;

   The Tennessee Department of Human Services is the agency responsible for supervising the program.

2. Assure that local governments and private sector organizations have been

   consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and have had at least 45 days to submit comments on the plan and the design of such services:

   The Families First program design was shared with State and local agencies, members of the advocate community, representatives of the client population, and private employers prior to the introduction of the Families First legislation. During the 1996 legislative process, the Families First legislation had 30 formal committee hearings and multiple informal sessions with special interest groups. The legislation was passed April 25, 1996 with only 3 dissenting votes and five abstaining votes for the entire Tennessee General Assembly.

   In addition, the waivers that were requested to implement the legislation were published in the Federal Register on May 10, 1996 requesting public comments. Two comments were received during the comment period.

   The bulk of the State Rules that support the operation of the program were

approved September 3, 1996. As changes are needed for policy, proposals for changes to the State Rules are submitted as needed.

Since Families First was implemented, DHS staff has met periodically with statewide advocates on the continued progress of the program.

The State of Tennessee plans to continue to operate the waiver as approved by the Department of Health and Human Services which is supported by the Families First Act of 1996. Therefore, the public comments, involvement and scrutiny that were intrinsic to the legislative and waiver process (mentioned above) have contributed and continue to contribute to the quality of our TANF program.

Public Notice of the Tennessee TANF Plan availability for comment was sent out on September 13, 2002.

3. Operate a Child Support Enforcement program under the State plan approved under Part D.

4. Operate a Foster Care and Adoption Assistance program in accordance with Part E, and certify that the State will take all necessary actions to ensure that children receiving assistance are eligible for medical assistance.

5. Provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a Tribal Family Assistance plan approved under Section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided the Federal Government.

6. Establish and enforce standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

7. Make available to the public a summary of the State plan.

OPTIONAL CERTIFICATION:

The State has established and is enforcing standards and procedures to:

1) Screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;

2) Refer such individuals to counseling and supportive services; and

3) Waive, pursuant to a determination of good cause, other program requirements as listed below for individuals receiving assistance in cases where compliance with such requirements would make it more difficult to escape domestic violence or would unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.

The State will apply the following special provisions to victims of domestic violence:

- Specific program requirements will be waived in cases where compliance would make it more difficult for individuals receiving assistance to escape domestic violence or would put such individuals at risk of endangerment. Those requirements are:
  - Time limits;
  - Work requirements;
  - Child support cooperation; and
  - Family cap provision.

- Families First requirements will be waived based on need as determined by individual assessment by a person trained in Domestic Violence counseling. The needs of these individuals will be reassessed no less often than every six months.

- Families First requirement waivers will be accompanied by an appropriate service plan that:
  - Is developed by a person trained in domestic violence counseling;
  - Reflects the individualized assessment and any revisions made by the Redetermination; and
  - Is designed to lead to work to an extent consistent with the basic provisions of the Family Violence Option (FVO).

The State will provide clinical social workers/counselors trained in domestic violence. Contracted staff will be stationed at a DHS office or on an itinerant basis to serve more than one DHS office. Services will be available as long as the participant is receiving cash assistance and for at least twelve months after case closure.

- Alternative services such as shelters, counseling programs, treatment programs, and other individualized plans will be utilized on an individual basis as needed and as determined by professional staff.

The State will provide an aggregate figure of the total of good cause domestic violence waivers granted.

CERTIFIED BY THE CHIEF EXECUTIVE OFFICER OF THE STATE

12/09/02 Don Sundquist

Date Don Sundquist, Governor

FUNDING

Section 403 (a)(1)(A) provides that each eligible State shall be entitled to receive for each of the fiscal years 1997 through 2002, a grant in an amount equal to the State family assistance grant as defined in section 403(1)(1)(B).

I. Payments to Agency Administering the TANF Program

- Payments for the TANF program will be made to the organization managing the AFDC/JOBS programs as of August 22, 1996, unless the State indicates that the TANF administering agency is changed. If a change is made, describe the name, address, and EIN number of the new organization.

  Payments for the TANF Program in Tennessee will be made to the Tennessee Department of Human Services

II. State Payments for TANF Program

- Section 405 requires that grants be paid to States in quarterly installments, based on State estimates. The State's estimate for each quarter of the fiscal year by percentage is:

For FY 2000 and Future Years

1st quarter	2nd quarter	3rd quarter	4th quarter
25%	25%	25%	25%

ATTACHMENTS

Standard of Payments

Families First Need/Payment Standards:

July 2002

Number of Persons in AG	1	2	3	4	5	6	7	8	9	10
Gross Income Standard	944	1338	1589	1658	2009	2020	2205	2226	2442	2459
*Consolidated Need Standard	510	723	859	896	1086	1092	1192	1203	1320	1329
Standard Payment Amount	95	142	185	226	264	305	345	386	425	467
Differential Grant Payment Amount	*140*	*192*	*232*	*242*	*291*	*305*	*345*	*386*	*425*	*467*
Medically Needy Income Standard	241	258	317	325	392	408	467	517	567	625

Number of Persons in AG	11	12	13	14	15	16	17	18	19	20
Gross Income Standard	2538	2607	2668	2720	2764	2806	2842	2873	2899	2923
*Consolidated Need Standard	1372	1409	1442	1470	1494	1517	1536	1553	1567	1580
Standard Payment Amount	508	549	589	630	670	711	750	790	831	871
Differential Grant Payment Amount	*508*	*549*	*589*	*630*	*670*	*711*	*750*	*790*	*831*	*871*
Medically Needy Income Standard	683	733	792	842	900	950	1000	1058	1108	1167

*The Consolidated Need Standard amounts may be adjusted based on annual studies by the University of Tennessee, Center for Business and Economic Research.

Senate Bill No. 264

(Revision for the Treatment of Drug Felons)

CHAPTER NO. 715
SENATE BILL NO. 264
By Harper
Substituted for: House Bill No. 782
By Briley, Arriola, Pruitt, Langster, Shaw, Bowers, Brenda Turner, Brooks, John DeBerry, Cooper, Towns

AN ACT To amend Tennessee Code Annotated, Title 71, relative to eligibility for public assistance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-3-154(k), is amended by designating the existing language as subdivision (1) and by adding the following as a new subdivision (2):

(2)(A) Pursuant to the option granted the state by 21 U.S.C. § 862a(d), an individual convicted under federal or state law of a felony involving possession, use or distribution of a controlled substance shall be exempt from the prohibition contained in 21 U.S.C. § 862a(a) against eligibility for Families First program benefits for such convictions, if such person, as determined by the department:

(i)*(a)* is currently participating in a substance abuse treatment program approved by the Department of Human Services;

(b) is currently enrolled in a substance abuse treatment program approved by the Department of Human Services, but is subject to a waiting list to receive available treatment, and the individual remains enrolled in the treatment program and enters the treatment program at the first available opportunity;

(c) has satisfactorily completed a substance abuse treatment program approved by the Department of Human Services; or

(d) is determined by a treatment provider licensed by the Department of Health, Division of Alcohol and Drug Abuse Services, not to need substance abuse treatment according to TennCare guidelines; and

(ii) is complying with, or has already complied with, all obligations imposed by the criminal court, including any substance abuse treatment obligations.

(B) Eligibility based upon the factors in subdivision (A) must be based upon documentary or other evidence satisfactory to the department, and the applicant must meet all other factors of program eligibility, including, specifically, being accountable for the requirements of the personal responsibility plan required by this part.

(C) Notwithstanding the provisions of subdivisions (A) or (B) to the contrary, no person convicted of a Class A felony for violating a provision of Title 39, Chapter 17, Part 4, shall be eligible for the exemptions provided by this subdivision.

SECTION 2. Tennessee Code Annotated, Section 71-5-308, is amended by designating the existing language as subsection (a) and by adding the following language as a new subsection (b):

(b)(1) Pursuant to the option granted the state by 21 U.S.C. § 862a(d), an individual convicted under federal or state law of a felony involving possession, use or distribution of a controlled substance shall be exempt from the prohibition contained in 21 U.S.C. § 862a(a) against eligibility for food stamp program benefits for such convictions, if such person, as determined by the department:

(A)(i) is currently participating in a substance abuse treatment program approved by the Department of Human Services;

(ii) is currently enrolled in a substance abuse
treatment program approved by the Department of
Human Services, but is subject to a waiting list to receive
available treatment, and the individual remains enrolled
in the treatment program and enters the
treatment program at the first available opportunity;
(iii) has satisfactorily completed a substance
abuse treatment program approved by the Department
of Human Services; or
(iv) is determined by a treatment provider
licensed by the Department of Health, Division of Alcohol
and Drug Abuse Services, not to need substance
abuse treatment according to TennCare guidelines; and
(B) is complying with, or has already complied with, all
obligations imposed by the criminal court, including any
substance abuse treatment obligations.
(2) Eligibility based upon the factors in subdivision (1) must be
based upon documentary or other evidence satisfactory to the
department, and the applicant must meet all other factors for program
eligibility.
(3) Notwithstanding the provisions of subdivisions (A) or (B) to
the contrary, no person convicted of a Class A felony for violating a
provision of Title 39, Chapter 17, Part 4, shall be eligible for the
exemptions provided by this subsection.
SECTION 3. This act shall take effect on July 1, 2002, the public welfare
requiring it.
PASSED: April 17, 2002
APPROVED this day of 2002
Pursuant to Article III, Section 18, of the Constitution of the State of Tennessee, the
Governor had Senate Bill No. 264 in his possession longer than ten (10) days, so
therefore the bill becomes law without the Governor's signature.

Child Care Certification Program
Income Guide

Child Care Certificate Program
Income Eligibility and Parent Co-pay Fee Table
Transitional and Low-Income Assistance
FY 2002/2003

	Family of 2		Weekly
	Monthly Incomes		Fee for One
	$0	$910	**$5**
FPL $995	$911	$1,001	**$9**
	$1,002	$1,093	**$12**
	$1,094	$1,184	**$16**
	$1,185	$1,275	**$19**
	$1,276	$1,366	**$23**
	$1,367	$1,458	**$26**
	$1,459	$1,549	**$29**
60% of SMI Limit >	$1,550	**$1,867**	**$32**
75% of SMI Limit >	$1,868	**$2,334**	**$35**

	Family of 3		Weekly	Weekly
	Monthly Incomes		Fee for One	Fee for Two
	$0	$1,110	**$5**	**$9**
	$1,111	$1,229	**$9**	**$16**
FPL $1252	$1,230	$1,348	**$12**	**$21**
	$1,349	$1,467	**$16**	**$28**
	$1,468	$1,587	**$19**	**$33**
	$1,588	$1,706	**$23**	**$40**
	$1,707	$1,825	**$26**	**$46**
	$1,826	$1,944	**$29**	**$51**
60% of SMI Limit >	$1,945	**$2,306**	**$32**	**$56**
75% of SMI Limit >	$2,307	**$2,883**	**$35**	**$61**

	Family of 4		Weekly	Weekly	Weekly
	Monthly Incomes		Fee for One	Fee for Two	Fee for Three
	$0	$1,286	**$5**	**$9**	**$13**
	$1,287	$1,427	**$9**	**$16**	**$23**
FPL $1508	$1,428	$1,568	**$12**	**$21**	**$30**
	$1,569	$1,708	**$16**	**$28**	**$40**
	$1,709	$1,849	**$19**	**$33**	**$47**
	$1,850	$1,990	**$23**	**$40**	**$57**
	$1,991	$2,131	**$26**	**$46**	**$66**
	$2,132	$2,271	**$29**	**$51**	**$73**
60% of SMI Limit >	$2,272	**$2,745**	**$32**	**$56**	**$80**
75% of SMI Limit >	$2,746	**$3,431**	**$35**	**$61**	**$88**

	Family of 5		Weekly	Weekly	Weekly
	Monthly Incomes		**Fee for One**	**Fee for Two**	**Fee for Three**
	$0	$1,486	**$5**	**$9**	**$13**
	$1,487	$1,650	**$9**	**$16**	**$23**
FPL $1765	$1,651	$1,814	**$12**	**$21**	**$30**
	$1,815	$1,978	**$16**	**$28**	**$40**
	$1,979	$2,142	**$19**	**$33**	**$47**
	$2,143	$2,306	**$23**	**$40**	**$57**
	$2,307	$2,470	**$26**	**$46**	**$66**
	$2,471	$2,634	**$29**	**$51**	**$73**
60% of SMI Limit >	$2,635	**$3,185**	**$32**	**$56**	**$80**
75% of SMI Limit >	$3,186	**$3,981**	**$35**	**$61**	**$88**

	Family of 6		Weekly	Weekly	Weekly
	Monthly Incomes		**Fee for One**	**Fee for Two**	**Fee for Three**
	$0	$1,686	**$5**	**$9**	**$13**
	$1,687	$1,873	**$9**	**$16**	**$23**
FPL $2022	$1,874	$2,061	**$12**	**$21**	**$30**

	$2,062	$2,248	**$16**	**$28**	**$40**
	$2,249	$2,435	**$19**	**$33**	**$47**
	$2,436	$2,622	**$23**	**$40**	**$57**
	$2,623	$2,810	**$26**	**$46**	**$66**
	$2,811	$2,997	**$29**	**$51**	**$73**
60% of SMI Limit >	$2,998	**$3,624**	**$32**	**$56**	**$80**
75% of SMI Limit >	$3,625	**$4,530**	**$35**	**$61**	**$88**

	Family of 7		Weekly	Weekly	Weekly
	Monthly Incomes		Fee for One	Fee for Two	Fee for Three
	$0	$1,786	**$5**	**$9**	**$13**
	$1,787	$1,970	**$9**	**$16**	**$23**
	$1,971	$2,154	**$12**	**$21**	**$30**
FPL $2279	$2,155	$2,337	**$16**	**$28**	**$40**
	$2,338	$2,521	**$19**	**$33**	**$47**
	$2,522	$2,705	**$23**	**$40**	**$57**
	$2,706	$2,889	**$26**	**$46**	**$66**
	$2,890	$3,072	**$29**	**$51**	**$73**
60% of SMI Limit >	$3,073	**$3,706**	**$32**	**$56**	**$80**
75% of SMI Limit >	$3,707	**$4,633**	**$35**	**$61**	**$88**

	Family of 8		Weekly	Weekly	Weekly
	Monthly Incomes		Fee for One	Fee for Two	Fee for Three
	$0	$1,886	**$5**	**$9**	**$13**
	$1,887	$2,066	**$9**	**$16**	**$23**
	$2,067	$2,247	**$12**	**$21**	**$30**
	$2,248	$2,427	**$16**	**$28**	**$40**
FPL $2535	$2,428	$2,608	**$19**	**$33**	**$47**
	$2,609	$2,788	**$23**	**$40**	**$57**
	$2,789	$2,968	**$26**	**$46**	**$66**
	$2,969	$3,149	**$29**	**$51**	**$73**
60% of SMI Limit >	$3,150	**$3,789**	**$32**	**$56**	**$80**
75% of SMI Limit >	$3,790	**$4,736**	**$35**	**$61**	**$88**

Family of 9		Weekly	Weekly	Weekly

	Monthly Incomes		Fee for One	Fee for Two	Fee for Three
	$0	$1,986	**$5**	**$9**	**$13**
	$1,987	$2,163	**$9**	**$16**	**$23**
	$2,164	$2,340	**$12**	**$21**	**$30**
	$2,341	$2,517	**$16**	**$28**	**$40**
	$2,518	$2,694	**$19**	**$33**	**$47**
	$2,695	$2,870	**$23**	**$40**	**$57**
	$2,871	$3,047	**$26**	**$46**	**$66**
FPL $3049	$3,048	$3,224	**$29**	**$51**	**$73**
60% of SMI Limit >	$3,225	**$3,871**	**$32**	**$56**	**$80**
75% of SMI Limit >	$3,872	**$4,838**	**$35**	**$61**	**$88**

	Family of 10		**Weekly**	**Weekly**	**Weekly**
	Monthly Incomes		**Fee for One**	**Fee for Two**	**Fee for Three**
	$0	$2,086	**$5**	**$9**	**$13**
	$2,087	$2,260	**$9**	**$16**	**$23**
	$2,261	$2,433	**$12**	**$21**	**$30**
	$2,434	$2,607	**$16**	**$28**	**$40**
	$2,608	$2,780	**$19**	**$33**	**$47**
	$2,781	$2,954	**$23**	**$40**	**$57**
	$2,955	$3,127	**$26**	**$46**	**$66**
	$3,128	$3,301	**$29**	**$51**	**$73**
60% of SMI Limit (FPL $3305)	$3,302	**$3,953**	**$32**	**$56**	**$80**
75% of SMI Limit >	$3,954	**$4,941**	**$35**	**$61**	**$88**

	Family of 11		**Weekly**	**Weekly**	**Weekly**
	Monthly Incomes		**Fee for One**	**Fee for Two**	**Fee for Three**
	$0	$2,186	**$5**	**$9**	**$13**
	$2,187	$2,356	**$9**	**$16**	**$23**
	$2,357	$2,526	**$12**	**$21**	**$30**
	$2,527	$2,696	**$16**	**$28**	**$40**
	$2,697	$2,866	**$19**	**$33**	**$47**
	$2,867	$3,036	**$23**	**$40**	**$57**
	$3,037	$3,206	**$26**	**$46**	**$66**
	$3,207	$3,376	**$29**	**$51**	**$73**
60% of SMI Limit (FPL $3562)	$3,377	**$4,036**	**$32**	**$56**	**$80**
75% of SMI Limit >	$4,037	**$5,044**	**$35**	**$61**	**$88**

Family of 12		**Weekly**	**Weekly**	**Weekly**

	Monthly Incomes		Fee for One	Fee for Two	Fee for Three
	$0	$2,286	**$5**	**$9**	**$13**
	$2,287	$2,453	**$9**	**$16**	**$23**
	$2,454	$2,619	**$12**	**$21**	**$30**
	$2,620	$2,786	**$16**	**$28**	**$40**
	$2,787	$2,952	**$19**	**$33**	**$47**
	$2,953	$3,119	**$23**	**$40**	**$57**
	$3,120	$3,285	**$26**	**$46**	**$66**
	$3,286	$3,452	**$29**	**$51**	**$73**
60% of SMI Limit (FPL $3819)	$3,453	**$4,118**	**$32**	**$56**	**$80**
75% of SMI Limit >	$4,119	**$5,147**	**$35**	**$61**	**$88**

	Family of 13		Weekly	Weekly	Weekly
	Monthly Incomes		Fee for One	Fee for Two	Fee for Three
	$0	$2,386	**$5**	**$9**	**$13**
	$2,387	$2,549	**$9**	**$16**	**$23**
	$2,550	$2,712	**$12**	**$21**	**$30**
	$2,713	$2,875	**$16**	**$28**	**$40**
	$2,876	$3,039	**$19**	**$33**	**$47**
	$3,040	$3,202	**$23**	**$40**	**$57**
	$3,203	$3,365	**$26**	**$46**	**$66**
	$3,366	$3,528	**$29**	**$51**	**$73**
60% of SMI Limit (FPL $4075)	$3,529	**$4,200**	**$32**	**$56**	**$80**
75% of SMI Limit >	$4,201	**$5,250**	**$35**	**$61**	**$88**

(Sibling discount is 75% of first child's fee regardless of the number of children)

DEPARTMENT OF HUMAN SERVICES

Certification of Waiver Inconsistencies

STATE OF TENNESSEE

DON SUNDQUIST
GOVERNOR

September 24, 1999

Secretary Donna Shalala
U. S. Department of Health and Human Services
200 Independence Avenue, SW, Room 615F
Washington, D.C. 20201

Dear Secretary Shalala:

Enclosed you will find Tennessee's Certification of our Section 1115 Waiver Inconsistencies for the operation of our Temporary Assistance for Needy Families Program.

In accordance with 45 CFR Part 260 Subpart C260.70 – 260.76, I have certified where our welfare reform waiver is inconsistent with federal law and regulation on work requirements and time limits.

If you have questions regarding this certification, please contact Commissioner Natasha K Metcalf, Department of Human Services, at (615) 313-4700.

Sincerely,

Don Sundquist
Governor

DKS:NKM/bt

State Capitol, Nashville, Tennessee 37243-0001
Telephone No. (615) 741-2001

GOVERNOR CERTIFICATION OF SECTION 1115 WAIVER INCONSISTENCIES

In accordance with 45 CFR Part 260 Subpart C 260.70 – 260.76, I certify that the following program provisions found in Tennessee's Section 1115 waiver from the U. S. Department of Health and Human Services, are inconsistent with the federal law. I also certify that these provisions have been continually applied, statewide, in operating Tennessee's Temporary Assistance to Needy Families Program.

Don Sundquist
Governor, State of Tennessee

Work requirement inconsistencies in Tennessee's 1115 waiver:

The following are the standards that will apply, in lieu of the provisions in subparts B and C of part 261 of the final TANF rule to determine:

1. The number of two-parent and all-parent cases that are exempt from participation for the purpose of determining the denominator of the work participation rate.

- Individuals who are exempt from the work requirement should be disregarded from the denominator in the calculation of Tennessee's work participation rate. These exemptions apply for as long as the situation exists. For the purpose of determining the denominator of the work participation rate, an individual is exempt[1] from the work requirements if he or she:
  - Has a medically verified incapacity or disability
  - Is needed to provide care for a related household member who is disabled
  - Is aged 60 or older
  - Is the parent of an infant less than 16 weeks of age
  - Is a caretaker relative who is not included in the assistance group
  - Is a full-time VISTA volunteer
  - Is a non-exempt parent who is unable to obtain child care or transportation for a minor child
  - Is a participant whose ability to achieve is severely limited due to physical and mental disability or other learning limitation that the State Vocational Rehabilitation determines should be exempt from the work requirement

[1] Tennessee's waiver terms and conditions state that: "Non-exempt individuals who test below the 9th grade reading and math level will not be subject to the work requirement until the ninth grade level is achieved, as long as the individual is participating at least 20 hours per week in an approved GED/ABE program, is attending at least 90 percent of scheduled activities in the program and is making satisfactory progress." While this population is considered exempt from the full work requirement, they are not exempt from a work requirement. If they do not decide to participate in the full work requirement, this population must be in Adult Basic Education for 20 hours. See required hours for more information on this population.

All other individuals should be included in the rate, either the all families or two-parent rate, as is applicable.

2. The number of nonexempt two-parent and all-parent cases that are participating in work activities for the purpose of determining the numerator of the work participation rate. (countable activities; required hours; penalty against an individual or family when they refuse to work)

All TANF parents or caretakers who are recipients, unless exempt, must participate in full or part-time employment, other training, or other work preparation activities as set forth in the individual's Personal Responsibility Plan.

The numerator should include all cases that are participating in the following work activities either part or full-time.

- Unsubsidized employment
- Community work experience
  On-the-job training
  For a caretaker under 19 without a high school diploma or GED, education directly related to employment, including GED classes and secondary school attendance.
- Self-employment

The following activities can also count to the remaining required hours
- Job skills training and other approved training
- Life skills
- Adult basic education
- Job search (without regard to the 8-week limit found in JOBS)
- Job readiness assistance
- Post-secondary education

The inconsistent provisions in required hours for activities are:

- For those testing 8.9 or below on a literacy test and are in ABE and making progress: These individuals should be included in the numerator as long as they are in ABE for 20 hours.
  All other participants who are not exempt from the work requirements must meet hourly requirements that meet or exceed the minimum hourly requirements for the work participation rate, consistent with the federal law.

Time limit inconsistencies in Tennessee's 1115 waiver:

The following standards apply, in lieu of the provisions in Part 264.1 in determining

1. Which families are counted toward the Federal time limit
Federal time limits apply to all families except for those where:

- There is no eligible adult in the assistance group (not applicable if the sole reason for absence from the group is due to penalty or sanction)
- The caretaker is age 60 or older
- The caretaker is disabled
- The caretaker must provide at-home care for a relative who is a member of the household (e.g. parent, child or spouse) who is disabled and requires full-time care
- An adult has a functional literacy level of 8.9 or less until the adult reaches a 9th grade literacy level, as long as the adult is in at least 20 hours of ABE and is making satisfactory progress in the approved education program. Such individuals may volunteer to also engage in part-time employment; however, such individual must continue to meet the participation and satisfactory progress requirements to remain in the educational component and remain exempt from the time limit. Such individual may volunteer to engage in full-time employment instead of a GED/ABE program; however, such individual will be informed that the decision to work full-time will mean that the assistance group will not be exempt from the time limit or from work related sanctions.
- The calculation of the periods of eligibility will begin with the first full month after the month in which the parent/caretaker relative receives a Tennessee Personal Responsibility Plan (PRP) to be signed.

In addition, time limits do not apply to a family for any month in which:

- AFDC/TANF cash assistance was received as a dependent child by a caretaker who later receives TANF as an adult.
- AFDC/TANF cash assistance is received by a minor parent as a head of an assistance group until the month in which the minor parent attains the age of 18 and has graduated from high school or the graduation month of the class of which the teen is a member when the teen attains the age of 18, whichever is sooner.
- Good cause exists for failure to participate in a work or work-related activity, including when the State failed to provide necessary supportive services or work or work related activity to make full participation possible. The calculation will resume in the first month in which good cause is no longer granted or the first month when the State provides the needed support services or work activity as set forth in the individual's PRP. The calculation will resume even if the individual refuses to participate, if good cause does not exist for the non-participation.
- There is a medically verified incapacity.
- The parent is unable to obtain child care or transportation
- The assistance group is in sanction status and no benefit is paid to the entire AG.
- The assistance group receives an auxiliary payment as a result of a home visit from the Department of Health. For every assistance group whose entire TANF benefit payment is terminated because of a sanction or as a result of the time limit when an extension is not provided after the time limit, whether or not an extension was requested by the caretaker, the State will notify the Department of Health which shall

take action to monitor and protect the safety and well-being of the children. Such actions will include at least one home visit performed by a nurse, medical social worker, or other health professional within 30 days of the last month of issuance of TANF cash assistance. Where appropriate, the Department of Health will make referral to the Department of Children's Services. If the Department of Health, with concurrence of the Department of Human Services and the Department of Children's Services, certifies that TANF assistance is needed to prevent a child's loss of housing, heat, light, or water, or to prevent removal of the child from the custody of his or her parent, the State will issue a cash assistance payment or that portion necessary to meet the needs of the child as determined through the Department of Health review. The benefit issued may be in the form of a cash payment or a vendor payment.

2. Families meeting the following criteria are eligible for an extension of its time limit on federally funded assistance:

- Economic Hardship: An extension of one additional month of cash assistance, up to a maximum of six extra months, will be granted to all families where the caretaker is residing in an economic hardship county and is in substantial compliance with the PRP at the time the decision is made. An economic hardship county is a county where the unadjusted unemployment rate for the month most recently published is more than twice the unadjusted unemployment rate for the state as a whole.
- Good Cause: The State will grant extensions to the time limits at or after the 18/60 month time limit to assistance groups who have good cause, as described below. If good cause is determined to exist, the Personal Responsibility Plan (PRP) will be renegotiated and the case will be reviewed within six months. Good cause will be considered to exist when all of the following criteria are met: the participant is in compliance with the PRP at the time good cause is determined; the participant has been in substantial compliance with the PRP during the entire current period of eligibility (i.e. for the last 18 months or from the date of the PRP); the assistance group's income, including income of any sanctioned individual, is less than the payment standard plus $90 (or, at the option of the State, a higher amount); and the participant is not currently refusing employment or voluntarily quitting employment without good cause. Substantial compliance will be determined to exist if the participant has not been sanctioned for a period greater than three months in the most recent 18 months and the participant corrected the sanctionable condition and has been in compliance thereafter.

State Waiver

WAIVER TERMS AND CONDITIONS

TENNESSEE: FAMILIES FIRST

SECTION 1: GENERAL ISSUES

1.0 The Department of Health and Human Services will grant waivers to the State of Tennessee (hereinafter referred to as the State) under Section 1115 of the Social Security Act, as amended, to operate Families First (hereinafter referred to as the demonstration) as set forth in these Waiver Terms and Conditions. The Department reserves the right, in its sole discretion, to withdraw any and all waivers granted by the Department at such time(s) that the Department determines that the State has materially failed to meet the requirements as set forth in these Waiver Terms and Conditions. The State also retains the right to terminate the demonstration.

1.1 Failure to operate the demonstration as approved and according to Federal and State statutes and regulations may result in withdrawal of waivers. The Federal statues and regulations with which the State must comply in the operation of the demonstration include, but are not limited to, civil rights statutes and regulations that prohibit discrimination on the basis of race, color, national origin, disability, sex, age, and religion, including Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act o 1973, the Age Discrimination Act of 1975, Title II of the Americans with Disabilities Act, and the nondiscrimination provisions of the Omnibus Budget Reconciliation Act of 1980. After waivers are granted, the Department reserves the right to withdraw them if agreement cannot be reached on any item(s) cited in this document as needing approval by the Department. The State also has the same right.

1.2 If Federal or State statutes or regulations that would have a major effect on the design and impacts of this demonstration are enacted, the Department and the State will reassess the overall demonstration and develop a mutually agreed-upon strategy for dealing with the demonstration in the context of such changes. If such a mutually agreed-upon strategy cannot be developed, the Department reserves the right, in its sole discretion, to withdraw any or all waivers at such time(s) as the Department determines.

1.3 The demonstration provisions will be implemented statewide no earlier than September 1, 1996, and no later than September 1, 1997. The implementation date of the demonstration shall be the first day on which the first case is made subject to any of the provisions of this demonstration. For cost neutrality purposes, the demonstration shall be deemed to begin on the first day of the calendar quarter (hereinafter "quarter") which includes the implementation date, but for the purpose of calculating excess costs or savings for the initial quarter of the demonstration, only cost incurred beginning with the month that includes the implementation date will be counted. The demonstration shall end no later than

the last day of the 44th quarter ending after the deemed beginning date. The demonstration provisions shall be as specified in Section 2. Waivers necessary for the demonstration are approved upon acceptance by the Department and the State of these Waiver Terms and Conditions. They will become effective as of the implementation date and will remain in effect until the last day of the 44th quarter ending after the deemed beginning date, unless the project is terminated earlier.

1.4 Federal approval of waivers, subject t o these Waiver Terms and Conditions, shall not be construed to establish any precedent that the Department will follow in the granting of any subsequent request for waivers.

SECTION 2: IMPLEMENTATION

2.0 Under these Waiver Terms and Conditions, the State will operate a demonstration of Families First statewide and the Individual Development Account (IDA) component in twelve counties, with a random assignment evaluation conducted in research sites consisting of Davidson and Madison counties. Within the research sites, current AFDC recipients and new applicants will be randomly assigned to one of three groups: 1) an experimental group which will be subject to Families First and IDA provisions; 2) a non-experimental treatment group, which will also be subject to Families First and IDA provisions; and 3) a control group subject to the regular program rules according to the State's approved AFDC, JOBS, and Medicaid State Plans and approved Food Stamp Plan of Operations.

In the remainder of the State (i.e., outside the research sites) AFDC recipients and new applicants will also be assigned to the non-experimental treatment group which will be subject to Families First provisions or, in the other ten counties implementing the IDA provisions, to Families First and IDA provisions.

The experimental and non-experimental treatment groups together will comprise the "treatment group"; the experimental and control groups together will comprise the "research sample".

In addition, in one county, Davidson, the State will conduct a two-year feasibility pilot test for an operation of a Responsible Fatherhood Demonstration under Title IV-D.

2.1 Under Families First, the State will implement the demonstration provisions which follow involving the AFDC, Child Support Enforcement, JOBS, and Medicaid programs.

A) STATEWIDE PROVISIONS –

1) **Time Limited Assistance**: Receipt of AFDC benefits will be limited to 60

months within the period of this demonstration, unless the assistance unit meets certain exemptions and extensions as specified below.

Further, for those assistance units subject to the time limit, periods of eligibility within the 60-months are limited to 18 months. The 18-month eligibility period can be extended for an additional 6 months, for a total of 24 months, under certain circumstances as specified below. The 18-month and 60-month periods can also be extended on a case-by-case basis where good-cause exists or because of the failure of the State to timely provide services as specified below. The calculation of the periods of eligibility will begin with the first full month in which the parent/caretaker relative receives a Personal Responsibility Plan (PRP) to be signed.

An assistance unit which is terminated, because good cause does not exist, after receiving AFDC cash assistance for 18 months within an 18-month period of eligibility will be eligible to reapply for AFDC no sooner than three months from the last month of receipt of AFDC, with the following exception. The assistance unit will not be subject to the three-month waiting period if the caretaker was employed where the case is terminated and the caretaker loses the job through no fault of his/her own and the assistance unit meets all other AFDC eligibility requirements. Further extensions will be provided if the conditions set forth in item 4), below, exist.

An assistance unit which loses eligibility for any reason prior to the 18-month time limit may re-apply for AFDC case assistance without any waiting period, except that an assistance unit which loses eligibility due to a work requirement or child support sanction prior to the 18-month time limit will not be eligible to re-apply until after the sanction period ends.

2) **Exemptions from Time Limited Assistance**: The following assistance units are exempted from the 18/60 month time limits for the periods the circumstance set forth below exist:

a. those that do not have an eligible adult in the assistance unit (except not applicable if the sole reason for the absence from the unit is due to penalty or sanction);
b. those in which the caretaker is age 60 or older;
c. those in which the caretaker is disabled;
d. those for which the caretaker must provide at-home care for a relative who is a member of the household (e.g., parent, child, spouse) who is disabled and requires full-time care;
e. those in which an adult has a functional literacy level of 8.9 or less until such time as that adult reaches a 9th grade literacy level and so long as the adult is enrolled at least 20 hours per week in an approved GED/ABE program and is making satisfactory progress in the approved education program, unless it is determined that, because the individual is mentally challenged, has a learning disability, or other learning limitation, participation in a GED/ABE program is inappropriate. If the individual with a functional literacy at 8.9 or less volunteers to engage in full-time

employment in lieu of participating in a GED/ABE program, the exemption from the time limit and work sanctions will no longer apply.

3) **Calculation of Months on Assistance**: For the purpose of calculating the maximum months for which assistance can be received under the 18/60 month time limits, the State will not count months:

a. in which AFDC cash assistance was received as a dependant child by a caretaker who later makes application for AFDC as an adult;

b. in which AFDC cash assistance is received by a minor parent as the head of the assistance unit until the month in which the minor parent attains the age of 18 and has graduated from high school or, if not graduated, the graduation month of the class which the teen is a member when the teen attains the age of 18;

c. for which it is determined that good cause exists for failure to participate in a work or work-related activity, including when the State failed to provide necessary supportive services or work or work-related activity to make full participation possible. The calculation will resume in the first month in which good cause is no longer granted or when the State provides the needed support services or work activity as set forth in the individual's PRP. The calculation will resume even if the individual refuses to participate, if good cause does not exist for the nonparticipation; and

d. during which the assistance unit is in a sanction status which results in no benefit being paid to the entire unit.

4) **Extensions to the Time Limits**: An extension of one additional month of cash assistance, up to a maximum of six extra months, will be granted to all families where the caretaker is residing in an economic hardship county and is in substantial compliance with the PRP at the time the decision is made. An economic hardship county is a county where the adjusted unemployment rate for the month most recently published is more than twice the adjusted unemployment rate for the State as a whole.

Further, the State will grant extensions at or after the 18/60 month time limit to assistance units who have good cause, as described below. If good cause is determined to exist, the Personal Responsibility Plan (PRP) will be renegotiated and the case will be reviewed within six months.

Good cause will be considered to exist when all of the following criteria are met: a) the participant is in compliance with the PRP at the time good cause is determined; b) the participant has been in substantial compliance with the PRP during the entire current period of eligibility (i.e., for the last 18 months or from the date of the PRP); c) the assistance unit's income, including income of any sanctioned individual, is less than the payment standard plus $90 (or at the option of the State, a higher amount); and d) the participant is not currently refusing employment or voluntarily quitting employment, without good cause.

Substantial compliance will be determined to exist if the participant has not been

sanctioned for a period greater than three months in the most recent 18 months and the participant corrected the sanctionable condition and has been in compliance thereafter.

> A case manager's finding that good cause exists for an extension of the 18 or 60 month eligibility period must be approved by the District Program Supervisor or another third level supervisor.

Notification of the Department of Health: For every assistance unit whose entire AFDC benefit is terminated because of a sanction or as a result of the time limit when an extension is not provided after the time limit, whether or not an extension was requested by the caretaker, the State will notify the Department of Health which shall take action to monitor and protect the safety and well-being of the children. Such actions will include at least one home visit performed by a nurse, medical social worker, or other health professional within 30 days of the last month of issuance of AFDC cash assistance. Where appropriate, the Department of Health will make a referral to the Department of Children's Services. If the Department of Health, with concurrence of the Department of Human Services and the Department of Children's Service, certifies that AFDC assistance is needed to prevent a child's loss of housing, heat, light, or water, or to prevent the removal of the child from the custody of his or her parent, the State will issue a cash assistance payment or that portion necessary to meet the needs of the child as determined through the Department of Health review. The benefit issued may be in the form of a cash payment or a vendor payment.

5) **Work Requirements**: All AFDC parents or caretakers who are recipients unless exempt as described in item 6) below, must participate in full or part-time employment, other training, or other work preparation activities as set forth in the individual's Personal Responsibility Plan. Caretakers (including each parent in two-parent households, unless exempt) who are required to be part of the assistance group must spend 40 hours per week in work and work-related activities. For most participants, at least 20 of the 40 hours must be spent in work activities, while the remaining 20 hours may be spent in work-related activities (e.g., educational, training, or work search activities). Volunteers will not be given priority under the JOBS program.

Work activities include unsubsidized employment, community work experience, on-the-job training, and, for a caretaker under 19 with a high school diploma or GED, the work activity may be education directly related to employment, including GED classes, or satisfactory attendance at a secondary school.

Work-related activities include job skills training and other approved training, life skills, adult basic education, job search, and job readiness assistance. In addition, it may include participation in post-secondary education and training programs which meet the criteria specified in State policies for inclusion in the PRP as an approved activity as long as attendance, grade, and satisfactory progress requirements are met. (Note: Job search may be required without regard to the 8-week limit.)

Participants in adult education, GED, or other education or training approved in the PRP must attend 90 percent of scheduled activities, make satisfactory progress as determined by the instructor, and complete the program within established time frames. Failure to meet the 90 percent attendance standard, without good cause, will result in a sanction as set forth in item 7), below. Those failing to make satisfactory progress or to complete the program on time will be reassessed to determine whether a more appropriate component should be assigned.

6) **Work Requirement Exemptions**: The exemptions apply for as long as the situation exists. An exemption will be granted for an individual who a) has a medically verified incapacity or disability; b) is needed to provide care for a relative household member who is disabled; c) is aged 60 or older; d) is the parent of an infant less than 16 weeks of age; e) is a caretaker relative who is not included in the assistance unit; or 7) is a full-time VISTA volunteer.

During periods of medically verified incapacity, the individual will not be subject to the work requirement and such months will not be counted for purposes of calculating the months of receipt of assistance under the time limit, as specified in item 3), above.

A non-exempt parent who is unable to obtain child care for a minor child or transportation, as established under State policies, will not be subject to the work requirement during such period. Further, such months will not be counted for purposes of calculating the months of receipt of assistance under the time limit, as specified in item 3), above.

Non-exempt individuals who test below the 9th grade reading and math level will not be subject to the work requirement until the ninth grade level is achieved, as long as the individual is participating at least 20 hours per week in an approved GED/ABE program, is attending at least 90 percent of scheduled activities in the program, and is making satisfactory progress. Further, such months will not be counted for purposes of calculating the months of receipt of assistance under the time limit, as specified in item 3), above. Such individuals may volunteer to also engage in part-time employment; however, such individual must continue to meet the participation and satisfactory progress requirement to remain in the educational component and remain exempt from the time limit. Such individual may volunteer to engage in full-time employment instead of a GED/ABE program; however, such individual will be informed that the decision to work full-time will mean that the assistance group will not be exempt from the time limit or from work related sanctions.
Participants whose ability to achieve is severely limited due to physical or mental disability or other learning limitation will be referred to State Vocational Rehabilitation for assessment to determine if they should be exempt from the work/GED/ABE requirement.

(Note: individuals working 30 but less than 40 hours and women in the second or

third trimester of pregnancy are not exempt unless they meet one of the criteria set forth above.)

7) **Work Requirement Sanctions**: Refusal or failure, without good cause, by a non-exempt caretaker, including either parent/caretaker in a two-parent unit, to engage in employment, training, or other work preparation activities required and included in the caretaker's PRP will result in the following sanction being applied:

a. for the first instance of noncompliance, without good cause, the assistance unit will be ineligible for AFDC payment, until compliance;

b. for a second and any subsequent instance of noncompliance, the assistance group will be ineligible for AFDC for three months of until compliance, whichever is longer.

Prior to the imposition of a sanction, the case manager will send written notice scheduling an appointment for a face-to-face meeting with the caretaker to identify barriers and resolve problems, if any, directly related to the caretaker's noncompliance. If good cause for noncompliance does not exist, the caretaker will be offered an opportunity and given a reasonable amount of time (i.e., no less than 15 days from the day of the meeting with the case manager) to comply with the work requirement. Failure by the caretaker to respond to the scheduled appointment with the case manager or to begin to comply within the 15 day period will result in the sanction being imposed, following the required notification period, without a JOBS conciliation. To establish compliance, the individual must participate in the original activity or another activity approved by the State for a two-week period.

When AFDC is denied as a result of the imposition of a work requirement sanction, the Department of Health will be notified and that department will take the actions set forth in item 4), above.

(Note: For applicants, the non-complying caretaker and the dependant children will be entitled to and approved for Medicaid, if otherwise eligible, and recipients will remain eligible for Medicaid, unless other factors cause their ineligibility.)

8) **Teen Parents School Attendance Requirements**: Unmarried minor parents (i.e., under the age of 18) without a high school diploma or equivalent will be required, as a condition of eligibility for AFDC for the minor parent, to participate in an educational activity to obtain a diploma or equivalent or in an alternative educational or training program approved by the State unless the minor parent is caring for a child less then 16 weeks of age. Failure, without good cause, to participate in approved activities will result in the removal of the minor parents needs (i.e., the JOBS sanctions) and, where possible, issuance of benefits for the minor parent's child/children to a protective payee. The sanction will be imposed, following the required notification period, after conciliation.

9) **Voluntary Termination of Employment**: Voluntarily quitting a job, without good cause, by any caretaker applying for or receiving AFDC, including either parent/caretaker in a two-parent unit, will result in AFDC ineligibility for the assistance unit for a period of three months. Eligibility for the unit may be reestablished during the disqualification period if the caretaker secures a new comparable employment, becomes exempt for work requirements, or leaves the assistance unit. However, if the sanctioned individual leaves the assistance unit and joins another unit, the sanction (i.e., the full three-month disqualification period or any remaining portion of the sanction period) will be applied to the new assistance unit if the individual who voluntarily quit is a parent/caretaker unit.

The penalty will not apply to dependant children who no longer reside with the disqualified caretaker, When AFDC is denied or terminated as a result of the imposition of the voluntary quit provision, the Department of Health will be notified and that department will take the actions set forth in item 4), above.

10) **Self-Employment**: A self-employer recipient will be considered to be meeting the 40-hour per week work requirement if average weekly income from self-employment equals at least 40 hours times the minimum wage. In determining whether average weekly income meets the 40-hour requirement, the State will consider at least the last four weeks. Self-employed recipients who are earning less income must have a PRP which requires supplemental work activity to meet the 40-hour requirement. However, a self-employed recipient who is enrolled in a micro-lending program providing entrepreneurship training, technical assistance, and peer support, as determined by the State, will be determined to be meeting the work requirement as long as their average weekly income equals as least 20 hours times the minimum wage.

11) **Transitional Child Care Benefits**: Transitional child care (TCC) will be provided for 18 months after AFDC case closure. TCC will be provided when the caretaker is employed and total family income is below the level established in State policies for TCC. This income level will be set at 60 percent of the State median income or higher. TCC will be provided to such families regardless of the case closure reason, except that TCC will not be provided for cases closed due to noncooperation with child support. In addition, TCC will be provided even when an otherwise eligible family has not received AFDC for three out of the prior six months.

12) **Transitional Medicaid Benefits**: Transitional Medicaid will be provided for 18 months after AFDC case closure and will be provided even when a family has not received AFDC for three out of the prior six months, Transitional Medicaid benefits will be provided regardless of the reason of AFDC case closure other than demonstration imposed sanctions or time limits. Transitional Medicaid will be provided for 18 months for those cases closed because of demonstration imposed sanctions or time limits, only if they do not otherwise meet the Medicaid

eligibility requirements. If the case does meet Medicaid eligibility requirements, item 2.2 applies. (Note: Medicaid will not be limited where the provisions of item 2.2 apply.)

13) **Make Work Pay- Income Calculation**: In lieu of the current $90 work expense and $30 and one-third disregards, the earned income disregard will be $134 or, at the option of the State, a higher amount. This disregard will be applied with no time limit.

14) **Encourage Marriage**:

a. **AFDC-UP**: When a non-recipient marries an AFDC recipient (i.e., the caretaker in an assistance unit receiving AFDC, not applying for AFDC), eligibility for AFDC-UP will be determined without regard to the 30-day unemployment requirement, the prior quarters of work requirement, and the 100-hour definition of unemployment. The elimination of the 100-hour definition of unemployment extends the definition of "unemployed parent" to families in which the principal earner works 100 or more hours per month.

The income of the new spouse will be disregarded if the income, minus child support payments made to a child outside the AFDC assistance unit, is less than 185 percent of the standard of need for the assistance group size (i.e., including the new spouse). If the new spouse's income is less that 185 percent of the need standard, the spouse may elect to be included in the assistance unit, as defined in State policies. If the spouse is a part of the assistance unit, he/she will be considered a recipient, covered by Medicaid, and will be subject to work requirements and sanction provisions. If the spouse elects not to be included in the assistance unit, the AFDC payment will be based on the family size not including the spouse and the spouse will not be an AFDC recipient.

This provision will apply to all AFDC recipients whether exempt or non-exempt from the time limits. However, for families subject to the time limits, the provision will apply only for one eligibility period of 18 months (or longer if extensions are granted). Such families who apply for and receive assistance beyond one eligibility period will be subject to current policies regarding AFDC-UP eligibility and stepparent income deeming.

b. **Child Support Arrearages**: The State will determine that a new spouse who marries an AFDC recipient will not be liable for child support arrearages (i.e., the federal and state share of such amounts) owed to a child or children in the new family unit so long as the new spouse resides in the home. If such spouse leaves the home where the children reside prior to the termination of child support obligations under State law, the spouse becomes liable for the full child support arrearage.

15) **Personal Responsibility Plans**: As a condition of eligibility for the entire assistance unit, the caretaker relative (in two-parent units, both parents) applying for or receiving AFDC must sign a Personal Responsibility Plan (PRP), developed in consultation with the caseworker, which:

a) will set forth the employment activities for non-exempt caretakers;
b) will require that all caretakers (i.e., whether or not they are exempt from work requirements and whether or not they are included in the assistance unit) agree to cooperate with child support enforcement provisions and assure the children in the assistance unit attend school, including kindergarten where available, and receive regular immunizations and health checks; and
c) may require that the caretaker attend life skills training.

Failure, without good cause, to comply with the provisions of the PRP will result in the imposition of the specific sanctions set forth herein related to failure to comply with work requirements (i.e., item 7), above) or failure to comply with the other PRP provisions related to children (i.e., items 16) and 17), below) and child support (i.e., item 18), below). Failure, without good cause, by a caretaker to comply with the requirement to attend life skills training is considered failure to comply with a work-related activity and the sanctions set forth in item 7, above, will apply.

16) **School Attendance Requirement**: all children of school age in the assistance unit will be required to attend school regularly, including kindergarten if available, unless there is good cause. "Regular" attendance will be as defined by the child's school. The school attendance requirement will not apply when: a verified illness prevents attendance; a child has been suspended, the school will not permit reentry and there is no alternative school available; a court has removed the child from school; or other good cause is established, as defined in State policies.

Failure, without good cause, by one or more children to meet the school attendance requirement will result in a 20 percent reduction in the AFDC assistance payment until compliance.

17) **Immunization and Health Check Requirement**: Caretakers who, without good cause, do not meet the immunization schedule, as defined by the health department, for minor children (i.e., under age 18) in the assistance unit or who fail, without good cause, to have such children screened according to the schedules set forth in the Tennessee Check-ups for Children and Teens program will be subject to a sanction. Failure, without good cause including medical and religious reasons, to meet these requirements for one or more children will result in a 20 percent reduction in the AFDC assistance payment until compliance. Sanctions will cease upon receipt of proof that the immunization sequence has been scheduled and started.

Regarding the immunization requirements, the State shall advise AFDC applicants and recipients of the availability of standard childhood immunizations through the public health agency or other appropriate entities and ensure that immunizations are accessible and available to all families subject to the immunization provision. The State will coordinate with appropriate health officials in the State to seek review of these provisions.

18) **Cooperation with Child Support Enforcement**: Failure, without good cause, by an applicant or recipient of AFDC to cooperate with all Child Support Enforcement requirements, including paternity establishment and establishing, modifying and enforcing a child support order, will result in ineligibility for the entire assistance unit, until compliance. Cooperation is required by all caretakers regardless of whether they are included in the assistance unit. (Note: For Medicaid purposes, the provisions of item 2.2 below apply.)

19) **Family Benefit Cap**: No additional AFDC cash benefit will be issued due to the birth of a child when the birth occurs more than 10 calendar months after the later of (i) the date of application for AFDC, (ii) the date of implementation of the demonstration, except as specified in a) or b) below. A caretaker must provide a physician's statement to overcome the presumption that a child born more than 10 months after application or implementation of the demonstration was conceived prior to such date.

a) The benefit cap will not apply: when the additional child was conceived as a result of verified rape or incest; to children who are the firstborn (including all children in the case of a multiple birth) of minors included in an AFDC grant who become first-time minor parents; to a child who does not reside with his or her parent; or to a child that was conceived in a month the assistance unit was not receiving AFDC.

   (Note: Children who return or enter the household who were born prior to the periods identified above are not included in this restriction.)

b) The benefit cap will not apply to subsequent periods of eligibility for families who reapply (i.e., after receiving AFDC for an 18-month eligibility period in which the child was born) as long as the reason for prior case closure was other than a failure to comply with work or child support enforcement requirements or other PRP provisions and the parent/caretaker had cooperated with the Department of Human Services, as defined in State policies established for the demonstration. The State will submit these policies to the Department for approval prior to implementation.

c) The additional child will be included in the need standard for purposes of determining AFDC eligibility and the income of the child, including child support, will be applied against the need standard and the fill-the-gap budgeting method in determining the AFDC payment amount for the family.

The child will be considered an AFDC recipient for all other purposes including Medicaid coverage.

At the time of each application and review of eligibility, all AFDC applicants and recipients will be offered information regarding agencies which provide family planning services. The State will ensure that family planning services are geographically accessible and available without delays to all AFDC recipients.

20) **Escrow Profits for Low-Income Entrepreneurs**: For purposes of AFDC and food stamps, AFDC recipients who are low-income entrepreneurs , as defined in State policies, may place up to $5,000 into an account with a micro-lending intermediary program. Such funds and interest earned on the funds will be disregarded. Funds in such accounts will not be counted toward the resource limit as set forth in item 21, below.

The resources of AFDC recipients are excluded by law for Food Stamp Program purposes (section 5 (j) of the Food Stamp Act of 1977, as amended (7 U.S.C. 2014 (j)). The State will notify participants that upon termination of their AFDC benefits for any reason, funds in this account will be counted as a resource for food stamps.

21) **Resources**: The resource limit for AFDC applications and recipients shall be $2,000.

22) **Lump Sum Payments**: Lump sum payments received by AFDC applicants or recipients will be considered as a resource in the month received and thereafter if retained.

23) **Vehicle Exclusion**: For AFDC applicants and recipients, the first $4,600 of equity value in an automobile will be disregarded. Any excess equity value of the automobile or the equity value of any other vehicle(s) will be considered as a resource and applied to the $2,000 resource limit set forth in item 21), above.

24) **Calculation of Periods of Ineligibility**: The first month of ineligibility for AFDC will be the first recurring month after the adverse action, conforming the definition with that of the Food Stamp Program.

25) **AFDC Fraud Penalty**: Individuals convicted in a State or Federal court of law having made a fraudulent statement or misrepresentation with respect to the place of residence in order to receive AFDC benefits from two states simultaneously will be ineligible for AFDC cash benefits for a period of ten years from the date of conviction.

B) **PILOT DEMONSTRATION PROJECTS** – The following components will be implemented in selected geographic areas of the State:

1) **Individual Development Account (IDA) Pilot**: In six urban and six rural counties, for purposes of AFDC and food stamps, AFDC recipients who are working and are members of a group which meets at least twice monthly to receive support, training and technical assistance regarding maintaining employment and building the IDA, may deposit up to $5,000 in special savings accounts maintained as interest-bearing accounts by bonded non-profit entities approved by the State, for each time-limit period of eligibility. The funds in such accounts may be for career development goals, post-secondary education for themselves or their children, small business development, home ownership, or transportation needs. Funds in such special accounts and the interest earned on such funds will not be counted as a resource for the AFDC family when determining their eligibility for AFDC, food stamps and Medicaid. The accounts will be regularly monitored and subject to audit by the State.

Matching Contributions: In addition to the individual's deposits, contributions from public or private funds into a recipient's IDA, up to the $5,000 maximum total established for such accounts, will also be disregarded.

The resources of AFDC recipients are excluded by law for Food Stamp Program purposes (section 5 (j) of the Food Stamp Act of 1977, as amended (7 U.S.C. 2014 (j)). The State will notify participants that, upon termination of their AFDC benefits for any reason, funds in this account will be counted as a resource for food stamps.

2) **Responsible Fatherhood Demonstration Project**: In one county, Davidson , the State will conduct a two-year feasibility pilot test of an operation of a Responsible Fatherhood Demonstration under title IV-D (i.e., the costs of the demonstration will be considered allowable costs for Federal financial participation, subject to current Federal requirements regarding matching funds). The demonstration will include home-based counseling, group support, education, training, and employment assistance. The demonstration will be expected to serve approximately 100 fathers. Prior Federal approval to increase the number of participants is required.

2.2 **Medicaid Eligibility**: Cases or persons in the demonstration will retain at least the same Medicaid eligibility that they would have in the absence of demonstration waivers.

2.3 For purposes of Quality Control, the eligibility of and amount of benefits for treatment group cases in Families First will be reviewed against the rules of the demonstration, in lieu of the rules being waived.

SECTION 3: EVALUATION

3.0 The costs of approved evaluation activities will be matched by DHHS at 50 percent for the duration of the evaluation and are excluded from cost neutrality

requirements. Evaluation components not approved by the Department will not qualify for Federal matching funds. Evaluation costs will include all costs necessary to carry out the approved evaluation plan, including costs for evaluation activities carried out by State and local agencies as well as those carried out by the evaluation contractor.

3.1 Within 60 days after acceptance by the State of these Waiver Terms and Conditions, the State will submit to the Department, for approval, a draft Statement of Work (SOW) for a contract to conduct an evaluation of the demonstration. The SOW must specify, in sufficient detail, the objectives of the project, the evaluation design, the specific tasks to be conducted, the time frames for conducting those tasks, and a schedule and list of deliverables. The research questions to be studied, the major variables to be measured, the data collection methodology, and the major data analyses to be performed must be clearly described.

The evaluation contractor must be an entity independent of the Executive Branch of the State government (state universities qualify under this provision), and must be qualified and have experience in evaluating social experiments of the design, scale, and duration of that proposed by the State.

The SOW will also indicate that the evaluator will be required to address in its evaluation plan any potential problems inherent in the evaluation design related to analyzing the impact of the program interventions under this demonstration and the methodology it will employ to minimize such problems. This must include methods of analysis which adjust for, or minimize, the potential influence of any factors which might bias conclusions concerning project impacts.

Possible confounding effects from other demonstrations, if any, running concurrently with Families First also must be addressed in detail. The SOW must indicate that the contractor will discuss the feasibility of evaluating the impact of individual provisions of Families First as well as the impact of the project as a whole. The evaluation of the impact of individual provisions must be within the constraints of the existing control sample.

The SOW must indicate that the evaluation contractor will explain how entry effects can be determined and will describe the methodology which will be employed to determine the entire effects of Families First (i.e., how Families First affects the application rate for AFDC and how that affects the AFDC caseload).

3.2 The selected evaluation contractor will be required to develop an evaluation plan that will be submitted by the State to the Department for approval, not later than 60 days after contract award. The evaluation plan must present the research questions to be studied, the major variables to be measured, the sources of data for these variables, the data collection procedures, and the major data analyses to be performed. The evaluation plan will specify the data that will be gathered and the analyses that will be performed.

3.3 For the purposes of evaluation, the State will submit to the Department for approval, not later than 30 days prior to the implementation date, a final sampling plan for AFDC cases active in the month containing the implementation date and for new AFDC applicant cases beginning with the implementation date. The plan will describe how families will be randomly assigned to the experimental and control groups (i.e., the research sample) in order to meet the objective that the families in the control group are, to the extent possible, comparable to the families in the experimental group. The plan will also describe how the evaluation contractor will monitor random assignment in order to ensure that it is carried out during the project in such a way as to prevent crossover of individuals between the experimental and control groups.

3.4 In the research sites for the statewide and IDA components, active AFDC cases active in the month of implementation will be randomly assigned to one of three groups; the experimental group, the control group and the non-experimental treatment group. At least 1,500 currently active cases will be assigned to the control group and at least an equal number to the experimental group.

3.5 Beginning with the date of implementation, all new AFDC applicant cases in the research sites will be randomly assigned to the control group, the experimental group, and the non-experimental treatment group, using the same sampling ratios as were used for cases active in the month of implementation. Random assignment of new AFDC applicant cases will continue through the first five years of the demonstration and until at least 1,500 cases which have been approved to receive AFDC benefits have been assigned to each the experimental and control group.

3.6 In Davidson County, the site of the Responsible Fatherhood Demonstration, cases which meet the eligibility criteria for the Fatherhood project will be enrolled and a process and feasibility study conducted.

3.7 All cases assigned to either the experimental or control group will maintain their assigned status for the full period of the demonstration as long as they reside in the research sites. All cases assigned to the non-experimental treatment group will maintain their assigned status for the full period of the demonstration as long as they reside in the State. Specifically, if any case loses AFDC eligibility and reapplies for AFDC at any time during the demonstration, it must retain its originally assigned status. For cases that have been randomly assigned and then split (e.g., when minor parents start their own case), the prior treatment status will be maintained for both cases and both cases will remain in the research sample. For cost neutrality purposes, split cases will be counted as one ever-assigned case and benefits for both cases will be included in determining cost neutrality. Procedures to resolve treatment assignments, when AFDC cases with different assigned statuses combine, must be submitted to the Department for approval in conjunction with the submission of the sampling plan described in 3.3 above. To the extent possible, the designation of an AFDC case as experimental, control, or non-research group will follow the head of the original assistance unit or household.

3.8 Outcome data will be collected for all cases assigned to the research sample, to the extent possible, for the duration of the demonstration regardless of whether the cases continue to receive assistance or, with regard to applicant cases, ever receive assistance. Data stored in automated data bases available to the State, such as AFDC, Emergency Assistance, Food Stamp and Medicaid benefits, and wage data will be collected for all cases assigned to the research sample for the duration of the demonstration. Data that must be collected through surveys or other non-routine data collection efforts, such as data regarding new applicant cases denied assistance, will be collected in sufficient quantity to produce meaningful evaluation results, as specified and approved in the evaluation plan. Data collection may cease after it is determined that a family in the research sample no longer resides in the State. The State will submit, for approval, not later than 30 days prior to the implementation date, a plan to track and collect data regarding cases in the research sample that no longer receive AFDC benefits but for which data must continue to be collected.

3.9 The impact evaluation will, for the statewide and the Individual Development Account (IDA) provisions, compare the experimental and control groups for statistically significant differences on selected outcome measures and, at a minimum, will test the research questions below.

At a minimum, the impact evaluation for the statewide and IDA provisions will test the following research questions, as applicable:

- Does the demonstration affect AFDC, Food Stamp, and Medicaid participation and program costs? Outcome measures related to this question include, at a minimum: incidence of AFDC and Food Stamp benefit receipt; AFDC and Food Stamp payments; exit and recidivism rates for AFDC, with recidivism that occurs during the Medicaid transition benefit distinguished from recidivism that occurs at other times; receipt of Medicaid benefits and receipt of transitional Medicaid benefits; use of child care; and child care payments under section 402(g).
- Does the demonstration promote self-sufficiency? Outcome measures related to this question include, at a minimum: employment rates; length of employment; amount of earned income hours worked per month; child support collections; total family income; and accumulated savings.
- Does the demonstration affect participation in JOBS and cooperation with the Child Support Enforcement program? Outcome measures related to this question include, at a minimum: participation and completion rates in JOBS or other education, training, or employment-related components; work-related and child support-related sanction rates, including age and race of those subject to sanctions; the proportion of cases with: paternity established, child support orders, or

payments received; the amount of child support payments received in total and as a proportion of total amount due.

- Does the demonstration affect family structure and stability? Outcome measures related to this question include, at a minimum: marriage and separation rates; homelessness of children and adults; birth rates; rate and use of foster care; and status changes between AFDC-UP and AFDC-Basic.
- Does the demonstration affect the well-being of children, including their long-term prospects for self-sufficiency? Outcome measures related to this question include: measures of child well-being such as reported child abuse and neglect; health and insurance status as in extant data available from local records and medical records; immunizations rates; and educational participation and completion rates.

With the approval of the Department, additional research questions and outcome measures may also be included.

3.10 To the extent that sample size allows, the impact evaluations will include the analysis of subgroups of the AFDC population with regard to the outcome measures described in 3.9. This subgroup analysis will include, but not be limited to, cases active in the month of implementation and new AFDC applicants and the characteristics of age and race.

3.11 The evaluation will include interim and final process studies that will describe how the parts of the demonstration provisions were implemented and operated for both the experimental and the non-experimental treatment groups. This study will, as appropriate, examine the following aspects of all demonstration provisions:

- The organizational aspects, such as the planning process; staffing structure; funding committed; level of acceptance by field staff; methods of project implementation at various organizational levels including ongoing monitoring, oversight and problem resolution; and timing and degree of automated systems support.

- The service aspects, such as the characteristics, roles, and training of the field staff (e.g., eligibility workers and case managers); the exemption and sanctioning process; type and duration of services provided; timeliness and scheduling in the implementation of provision of project components and services; availability of activities and services to support work requirements; and ability to meet established hourly requirements for work-related activities.

- The contextual factors, such as the social, economic, and political forces that may have a bearing on the replicability of the intervention or influence the implementation or effectiveness of the demonstration.

- The differences between the experimental and control groups with regard to comparable resources, services, activities, staffing, etc.

In addition, there will be a feasibility and process study for the Responsible Fatherhood Demonstration provisions including information regarding participation rates in various components of the demonstration, employment outcomes, child support payments, and changes in family involvement and relationships.

3.12 The evaluation will include a cost-benefit analysis that will seek to determine whether the costs of the demonstration are justified by the benefits produced. Comparisons will be made from the viewpoint of the program participants, the various levels of government, and society as a whole. Analyses will involve quantifying program outcomes and projecting both costs and benefits into the future. Costs for all pertinent programs will be included, whether or not they are subject to the cost neutrality requirements in Section 4 of these Waiver Terms and Conditions. Data for the cost-benefit analysis will be from administrative and case records, as well as other sources to be determined by the State and the Department.

3.13 Additional program changes that are not applied equally to treatment and control groups or that would substantially affect the evaluation of the demonstration must be approved by the Department.

3.14 The State will submit two interim reports, one for the impact study and one for the process study. Prior to the conclusion of the fifteenth quarter ending after the implementation date, the State will submit an interim process and an interim impact evaluation report covering at least the first twelve quarters of the demonstration. Additional reports may be proposed by the State and, subject to approval by the Department, may be considered allowable components of the evaluation of the demonstration.

3.15 A final evaluation report integrating the impact study, the process study, and the cost-benefit analysis will be due 9 months after termination of the demonstration. The State will also have the evaluation contractor produce and make available public-use data tapes, including documentation, containing data collected during the demonstration.

3.16 Public release of any evaluation or monitoring reports funded under this agreement will be made only by the Department or the State.

Prior to public release of such reports, the Department and the State will have at least a 30-day period for review and comment.

SECTION 4: COST NEUTRALITY

4.0 For activities prior to the implementation date specified in 1.3 above, the Federal government will match the administrative costs related to development of the demonstration project (otherwise called developmental costs) at the applicable matching rate. Such costs may include automated systems development and changes, policy procedures development, and staff training. Not later than 15 days after the State formally accepts these Terms and Conditions, the State will submit a plan, for approval by the Department, designating which administrative costs will be treated as developmental costs for purposes of this section. This section is not intended to supersede other requirements for Federal approval for administrative costs of the programs involved in the demonstration.

4.1 Except for costs of evaluating and developing this project (as specified in 3.0 and 4.0 above), beginning with the deemed beginning date the operation of this demonstration is to be cost-neutral to the Federal government with respect to benefit and administrative costs for ADFC, Emergency Assistance, Food Stamps, and Medicaid. For purposes of calculating cost neutrality, child care costs made under section 402 (g) (1) (A) (i) and (ii) of the Social Security Act, matchable at the Federal medical assistance percentage, are considered to be AFDC administrative costs. Also, for purposes of calculating cost neutrality: a) AFDC benefit costs will be net of child support collections retained by the State: and b) overpayments recovered from AFDC cases and Food Stamp claims collected from Food Stamp households will be considered as program savings to the applicable program. The Federal costs under title IV-D of implementing and operating the Responsible Fatherhood Demonstration are to be included in the calculation of cost neutrality.

4.2 Cost neutrality computations will be made by the State on a quarterly basis. These computations will determine the Federal share of excess costs or savings of the demonstration in total, as well as separately for each program, and separately for benefit and administrative costs. Excess costs or savings of the demonstration are relative to what costs would have been in the absence of the demonstration. All costs referred to in the rest of Section 4 are to be taken to mean the Federal share of costs. In the remainder of Section 4, the term "cumulative" in the context of costs will indicate that costs are to be summed for all quarters from the deemed beginning date through the quarter in question. Costs are to be accumulated only while a case remains within the research site. The term "total" in the context of costs will mean that all benefit and administrative costs are to be summed for the AFDC, Emergency Assistance, Food Stamp, and Medicaid programs.

For each quarter, following completion of all of the calculations set forth below, based on experimental, non-experimental treatment, and control group costs, the State will add to the final sum the Federal share of costs of the Responsible Fatherhood Demonstration project to derive the total cumulative excess cost or savings for the quarter.

4.3 At least 30 days prior to the implementation date of the demonstration, the State will submit, for approval by the Department, a cost allocation plan concerning how AFDC, Emergency Assistance, Food Stamp, and Medicaid administrative costs will be determined and assigned to experimental and control cases.

Calculation of Excess Costs or Savings

4.4 The methodology described in 4.4, 4.5 and 4.6 (1) below assumes that the sampling rates of AFDC current cases and AFDC applicant cases are the same for all experimental cases and are the same for all control cases sampled. If for any reason this is not the case, then the Departments will furnish the State with a methodology for weighting cases for purposes of carrying out the calculations described below. The calculation of the baseline benefit and administrative costs for the experimental group described in steps (1) and (2) below will be performed to obtain separate baseline costs for benefits for each program (AFDC, Emergency Assistance, Food Stamps, and Medicaid) and administrative costs for each program. This will yield eight separate baseline costs, which will be determined cumulatively each quarter as follows:

(1) Calculate the average cost per control group case by dividing the cumulative costs for control cases by the number of over-assigned control cases.

For purposes of calculating this average cost, Medicaid program costs for any one quarter will be limited to $2,500 for each case.

(2) Multiply the average derived in step (1) above by the number of over-assigned experimental cases. The result is the cumulative baseline cost for experimental cases, as applicable, for each program's benefit and administrative costs.

4.5 Each quarter the total cumulative excess costs or savings will be calculated for the experimental group as follows:

1) For each program, for benefit and administrative costs, subtract the cumulative baseline costs, as derived in step (2) of 4.4 above, from the cumulative actual costs for those in the experimental group. This will yield a cumulative excess costs or savings figure for each program for benefits and administrative costs. If the resulting amounts are positive in value, the amount reflects an "excess cost:" if negative, the amount reflects "savings."

For purposes of calculating cumulative actual costs for those in the experimental group, Medicaid program costs for any one quarter will be limited to $2,500 for each case.

2) Calculate the total cumulative excess costs or savings for the experimental

group by summing the excess costs or savings derived from the six calculations in step (1) above. In summing excess costs or savings, savings will be taken to be negative.

4.6 The total cumulative excess costs or savings for all cases will be calculated quarterly as follows:

1) Divide the total cumulative excess costs or savings for the experimental group derived in step (2) of 4.5 above, by the cumulative AFDC benefit costs for experimental cases to derive a single excess costs or savings ratio which is to be used to determine total cumulative excess costs or savings for all treatment cases.

2) Multiply the ratio derived in step (1) above by the amount of cumulative AFDC benefit costs of all treatment cases in the State. This equals the total cumulative excess costs or savings of the demonstration. Excess costs or savings will be reconciled as described in 4.7 through 4.13 below.

Reconciliation of Costs or Savings

4.7 For the period through the fourth quarter ending after the deemed beginning date the Federal government will provide Federal financial participation (FFP) and will not, during that period, recover excess costs.

4.8 Starting with the fifth quarter ending after the deemed beginning date, FFP will be limited so that the total cumulative excess costs will be recovered from the State and eliminated by the end of the demonstration. The State will not be allowed to owe the Federal government more than an allowable overage for any quarter. For each of the 5th through the 22nd quarters ending after the deemed beginning date, the total allowable overage is $10 million. The allowable overage for each of the remaining quarters is:

1) the total cumulative excess costs at the end of the 22nd quarter (adjusted for any net amount of excess costs reimbursed in prior quarters);
2) multiplied by the ratio of the number of quarters remaining in the demonstration to 22.

In no case will the allowable overage be less than zero.

Reimbursement will be made for the 5th through the 44th quarters ending after the deemed beginning date such that the total cumulative Federal payments through the quarter in question will equal the lesser of:

1) the total cumulative actual costs or

2) the total cumulative actual costs, minus the total cumulative excess costs, plus the allowable overage for that quarter.

4.9 A report showing the total cumulative allowable actual costs of the demonstration to date by program and calculations of the total cumulative excess costs or savings shall be submitted to the Department within 60 days following the end of each quarter.

4.10 Within 60 days after the end of the demonstration period, a final reconciliation will be done to ensure that there are no remaining excess costs. If there are savings at the time of final reconciliation, the Department agrees to authorize FFP for approved and matchable demonstration expenses to the extent that the total of such FFP provided does not exceed the amount of savings. If there are remaining excess costs at the time of reconciliation, the State agrees to repay the excess costs in equal quarterly amounts over the next four quarters. At the State's request, the final reconciliation can be adjusted for a period of up to 2 years after the termination of the project if additional cost data become available.

4.11 Reimbursements of Federal excess costs in accordance with 4.8 and 4.10 above, or 6.2 below, shall be made as adjustments to AFDC, Medicaid, and Food Stamp claims submitted quarterly by the State (e.g., Form ACF-231 for AFDC claims), beginning with the fifth quarter ending after the deemed beginning date. The State will send the appropriate claim forms to the agencies as required under current Federal procedures; in addition, the State will send the Federal Project officer a copy of such forms, showing adjustments made. The Department will provide the State with a methodology for appropriately allocating the costs among the affected Federal programs.

4.12 If, at the time costs are calculated under 4.5 and 4.6 above, the data on Medicaid costs are incomplete, then another method, approved by DHHS, of estimating Medicaid costs will be used.

SECTION 5: MONITORING

5.0 For the purpose of monitoring the demonstration, the State will submit to the Department, for review and acceptance, an interim implementation status report prepared by the evaluation contractor.

At a minimum, the State will report on critical implementation tasks necessary for the operation of the demonstration as approved, interim factors associated with outcome measures, and tasks or data necessary to support the evaluation. The report is to include findings on:

- Implementation tasks, including but not limited to: the development and implementation of automated systems required to carry out the demonstration

provisions; adequacy of staffing levels; staff training; timeliness and completeness of issuance of revised policies and procedures to staff; and adequacy and completeness of information regarding program changes provided to applicants and recipients;

- Interim factors related to outcomes, including but not limited to: number of families reaching time limits; number of families qualifying for extensions; changes in the employment take-up rate during the interim period; changes in the take-up rate for training programs; changes in sanction rates; changes in utilization of child care; and

- Evaluation issues, including but not limited to: research sample build-up; research sample attrition rate; the availability and reliability of data required to conduct analyses as proposed in the approved evaluation plan; and the adequacy of the random assignment methods implemented.

The report will cover the first eight quarters ending after the deemed beginning date and must be submitted no later than 90 days after the end of the eighth quarter.

5.1 The State shall submit quarterly progress reports throughout the project period summarizing project and evaluation activities and accomplishments during the quarter as well as interim findings from the evaluation, if available, the number of demonstration participants who have reached the time-limits imposed by the demonstration, and cost neutrality reports. The cost neutrality data shall be in an integrated format approved by the Department. The quarterly monitoring reports shall indicate issues or problems and resolutions regarding the implementation of the demonstration or evaluation as approved. These reports are due no later than 60 days after the conclusion of each quarter.

Every four quarters, the quarterly progress report will be supplemented with an annual overview, summarizing the progress over the previous four quarters in implementing provisions of the demonstration and carrying out the evaluation.

SECTION 6: TERMINATION PROCEDURES

6.0 Federal financial participation in demonstration activities requiring waivers will not be provided beyond the period approved by the Department.

6.1 No later than 90 days after acceptance of these Waiver Terms and Conditions, the State will provide, for the Department's approval, a plan to phase down and end the demonstration to ensure there are no Waiver-related Federal costs incurred beyond the period approved by the Department. All activities requiring waivers must cease on the date decided by the Department if the project is terminated prior to the end of the 44th quarter after the deemed beginning date.

6.3 If for any reason the demonstration is terminated either by the State or by the Department prior to recovery of all of the total cumulative excess costs (as defined in Section 4: Cost Neutrality), the State agrees to repay the Federal government for all such remaining excess costs. Repayment will be achieved through adjustments to AFDC, Food Stamp, and Medicaid grant awards. Repayments will be made in no more than eight equal payments, starting with the first quarter after completion of the phaseout.

Public Chapter No. 950

PUBLIC CHAPTER NO. 950

SENATE BILL NO. 3151

By Atchley, Person, Haun, Leatherwood, Wright, Ford, Fowler, Miller, Rice, McNally, Carter, Cohen, Jordan, Koella, Hamilton, Mr. Speaker Wilder, Burks, Gilbert, Holcomb, Elsea, Womack, Cooper, Springer, Dixon, Crowe

Substituted for: House Bill No. 3034

By Halteman,Harwell, Bragg, Bittle, Rhinehart, Phillips, McDaniel, Walley, Stamps, Duer, Wood, Dunn, Buck, Callicott, West, Ford, Patton, Haley, McAfee, Venable, Eckles, McKee, Cole (Dyer), Robinson, Pruitt, Garrett, Newton, Clabough, Joyce, Cantrell, Cole (Carter), Beavers, Gunnels, Givens, Byrd, Tindell, Williams (Union), Hassell

AN ACT To amend Tennessee Code Annotated, Section 13-28-103(4)(B); Section 67-6-667 and Title 71, relative to economic assistance to families by modification of the aid to families with dependent children, child-support and food stamp programs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

71-3-101-

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 3, Part 1, is amended by deleting Sections 71-3-101 through 71-3-116, Sections 71-3-126, 71-3-127 and 71-3-130, in their entirety and by substituting Sections 2 through 11, 29, 31 and 33 of this act as new, appropriately designated code sections in Title 71, Chapter 3, Part 1. 71-3-116, 71-3-126, 71-3-127, 71-3-130

SECTION 2. This part may be cited as the "Families First Act of 1996". 71-3-151

SECTION 3. Continuation of the Families First Program is subject to and limited by, the availability of federal funds which may be made available to the State of Tennessee by the Congress of the United States and the Federal Department of Health and Human Services, or its successor agency. 71-3-152

SECTION 4. (a) As used in this part, unless the context otherwise requires: 71-3-153

(1) "Assistance" means, unless otherwise required by the context, "temporary assistance".

(2) "Caretaker relative" means the father, mother, grandfather or grandmother of any degree, brother or sister of the whole or half-blood, stepfather, stepmother, stepbrother, stepsister, aunt or uncle of any degree, first cousin, nephew or niece, the relatives by adoption within the previously named classes of persons, and the biological relatives within the previous degrees of relationship, and the legal spouses of persons within the previously named classes of persons even if the marriage has been terminated by death or divorce, with whom a child is living;

(3) "Child" or "children" means:

(A) A person or persons under eighteen (18) years of age; or

(B) A person who has not attained nineteen (19) years of age and who is a full-time student in a secondary school or the equivalent and who is expected to graduate by the 19th birthday;

(4) "Department" means the Department of Human Services;

(5) "Dependent child" means, except as otherwise stated herein, a child

living with a caretaker relative if the child is deprived of parental support due to death of a parent, continued absence of a parent from the home, physical or mental incapacity of a parent, or unemployment or underemployment of either or both parents and if the child's legally responsible relatives are not able to provide adequate care and support of such child without temporary assistance.

(6) "Family " means the eligible unit of children and parent(s) or caretaker relative(s) residing in a common residence.

(7) "Temporary assistance" means the program to provide economic support and other support services to families which is provided by the State of Tennessee utilizing funds made available by the Congress of the United States and the Secretary of the Federal Department of Health and Human Services to the State of Tennessee pursuant to the Social Security Act, and any state funds which may be appropriated by the General Assembly designated to support the temporary assistance program. If at any time, federal funds are not available to provide the continuation of the temporary assistance program, the state shall not be obligated to continue the program by using only state funds.

(b) It is the intent of the General Assembly that any welfare program administered by the state shall be in compliance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. subsection 2000d, et seq., and regulations promulgated pursuant thereto, and all other applicable federal civil rights legislation.

SECTION 5. (a)(1) A family shall be eligible for temporary assistance pursuant to this part if: 71-3-154

(A) A dependent child resides in this state with a caretaker relative in that family, or an individual who applies for temporary assistance is pregnant ,or as otherwise defined by the department;

(B) The family meets income standards based upon the standard of need for a family based upon its size and income and based upon resource limits as determined by the department in its rules;

(C) The family members are engaged in full-time or part-time employment, and other training or other work preparation activities as set forth in subsection (g), except as exempted by this act or by rule of the department;

(D) The caretaker relative has agreed to and complies with a personal responsibility plan as developed by the department In accordance with subsection (h); and

(E) The family or individual of the family is otherwise eligible pursuant to federal or state laws or regulations.

(b)(1) A caretaker relative who becomes ineligible due to income from employment or who successfully completes the personal responsibility plan or who becomes ineligible because the caretaker relative has reached the maximum eligibility period shall be eligible for eighteen (18) months of transitional child care assistance and such assistance shall be paid, for any months the caretaker relative is employed, on a sliding fee scale based upon the family's income.

(2) Food stamp assistance shall continue to be available to these families as prescribed by federal or state law or regulations.

(c)(1) Persons who are recipients of temporary assistance and who marry while receiving such assistance shall not be subject to the deprivation standards for

dependent children, and the department will apply an income standard which recognizes this circumstance.

(2) If parents of a child who lives in the eligible unit marry while the child and at least one parent are receiving assistance, and while the parents continue to reside together with the child in the home, the parent who may owe a child support arrearage for that child shall be forgiven the state portion of that arrearage as long as those parents remain married. The parent owing the child support arrearage shall remain liable only for the federal portion of the child support arrearage, unless the department is able to obtain a federal waiver to forgive the federal portion. The department is authorized to seek and to implement such a waiver. If the parent owing a child support arrearage leaves the residence of the child, at any time prior to termination of that parent's child support obligation under state law, the parent owing the child support arrearage shall be liable for the entire state and federal child support arrearage amount.

(d)(1)(A) Except as provided in this act or as otherwise required by federal law, no family shall receive assistance if that family includes an adult who has received assistance as part of the same family unit under this part for a total of sixty (60) months, whether or not consecutive, unless an exemption is granted pursuant to Section 8(f); provided, however, that no single continuous period of eligibility shall extend beyond eighteen (18) months, unless an extension is granted pursuant to Section 8(f) or unless an exception for up to six (6) months is granted due to county economic hardship. Economic hardship is considered to exist in any county where the unadjusted unemployment rate for the county of residence, for the month most recently published by the Department of Employment Security, is more than twice the unadjusted unemployment rate for the state as a whole; provided, however the family receiving assistance must otherwise be in compliance with its personal responsibility plan.

(B) Whenever temporary assistance for a family is terminated for any reason other than the family's successful transition to economic self-sufficiency, the Department of Human Services shall promptly so notify the Department: of Health. Upon receiving such notification, the Department of Health shall take appropriate actions to monitor and protect the safety and well-being of the children within such family. Such departmental actions shall include, but not necessarily be Iimited to, one or more in-home visits with such children within thirty (30) days of the termination of such temporary assistance. Such in-home visits shall be performed by a nurse, medical social worker or other health professional. In appropriate cases, the Department of Health shall make a referral to the Department of Children's Services.

(C) The Department of Human Services may extend temporary assistance if the Department of Health, with the concurrence of the Department of Human Services and Child Protective Services, certifies that such assistance is needed in order to prevent a child's loss of housing, heat, light or water, or to prevent removal of a child from the custody of his or her parent.

(2) As to a child who was not the head of a household or who was not married to the head of a household, the sixty (60) month time limit and the eighteen (18) month time limit stated In subdivision (d)(1) shall not begin to run during the time that the child was a member of a family receiving assistance under this part.

(3)(A) In the case of a minor parent, the sixty (60) month time limit and the eighteen (18) month time limit stated in subdivision (d)(1) shall not

begin to run until that minor parent attains the age of eighteen (18) and has graduated from high school, or until the class of which the minor parent is a member, when the minor parent attains the age of eighteen (18), graduates from high school.

(B) Such person shall also be exempt from the work requirements of subsection (g) during the periods stated in subdivision (3)IA).

(4) The sixty (60) month time limit and the eighteen (18) month time limit stated in subdivision (d)(1) shall not begin to run to a person who functions at or below grade level 8.9 as determined by testing certified by the Department of Education for adult basic education purposes, so long as such person is enrolled at least twenty (20) hours per week in a departmentally approved G.E.D. program and is making satisfactory progress as judged by the teacher and the department's case manager, until a person has obttained and functions at a level greater than a grade level above 8.9 as determined by testing certified by the Department of Education for adult basic education purposes.

(5) A family shall be eligible for temporary assistance beyond the eighteen (18) month time limit and the sixty (60) month time limit stated in subdivision (d)(1) if:

(A) The family does not contain an adult;

(B) The caretaker relative is over sixty (60) years of age;

(C) The caretaker relative is caring for a disabled child relative or disabled adult relative, based upon criteria set forth in the department's rules;

(D) The caretaker relative is disabled, based upon criteria set forth in the department's rules; or

(E) As otherwise required by federal law.

(e) No payment of assistance shall be made to an individual who has not attained the age of eighteen (18), who is not married, who has his or her child who is at least sixteen (16) weeks of age in his or her care, and who has not successfully completed a high school education or its equivalent unless the individual participates in:

(1) Educational activities directed toward the attainment of a high school diploma or its equivalent; or

(2) An alternative educational or training program that has been approved by the department.

(f)(1) Except as provided in Subdivision (f)(2), if a person applying for assistance under this chapter is under eighteen (18) years of age, has never married, and is either pregnant or has the applicant's child in his or her care, the applicant is not eligible for assistance if:

(A) The applicant and the applicant's child or children do not live in a place maintained by the applicant's parent, legal guardian, or other adult relative as such person's own home or other suitable living arrangement as otherwise defined by rule of the department; and

(B) The department determines after investigation that the physical or emotional health or safety of the person applying for assistance or the dependent child or children would not be jeopardized if the applicant and

the dependent child or children were required to live in one of the situations described in item (f)(1)(A).

(2) Subdivision (f)(1) does not apply if:

(A) The person applying for assistance has no parent, legal guardian or other adult relative whose whereabouts are known;

(B) No parent, legal guardian or other adult relative of the person applying for assistance allows the person to live in the home of that parent, legal guardian or other adult relative as determined by the department's verification; or

(C) The department otherwise determines that there is good cause not to apply subdivision (f)(1)

.

(g) All family members who are not otherwise exempt pursuant to rule of the department and who receive temporary assistance pursuant to this part shall engage in full-time or part-time employment, and other training or other work preparation activities consisting of:

(1) Employment;

(2) Work experience activities;

(3) On-the-Job training;

(4) Job Search and job readiness assistance;

(5) Community service programs;

(6) Vocational educational training not to exceed twelve (12) months with respect to any individual;

(7) Job skills training related directly to employment;

(8) Education directly related to employment or adult education when a person is participating in a departmentally approved adult basic education program and is making satisfactory progress as judged by the teacher and the department's case manager, in the case of a recipient who has not received a high school diploma or certificate of high school equivalency;

(9) Satisfactory attendance at secondary school, in the case of a recipient who:

(A) Has not completed secondary school; and

(B) Is a dependent child or a head of a household who is nineteen (19) years of age or younger.

(10) Other post-secondary education or training leading to a degree or certificate for up to the approved time limit, as reflected in the personal responsibility plan, when the education or training meets state accreditation, demand occupation, quality and placement standards, in the case of a recipient who:

(A) Presents evidence satisfactory to the department that tuition arrangements have been made with the institution from personal funds, private grants or federal or state tuition assistance programs;

(B) Engages in such education or training on a full-time basis as defined by the instutution;

(C) Maintains a collegiate grade point average of at least 2.0, except that a recipient falling below 2.0 shall have one academic term to regain the required average; or, if attending a non-collegiate institution, maintains academic standards equivalent to those of the state technology centers as determined by the department;

(D) Continues otherwise to make satisfactory progress toward completion as defined by the institution; and

(E) Concurrently engages in paid employment, including work study, in an amount sufficient to ensure that the recipient's combined participation in education, training and/or employment averages at least (40) hours each week.

(h)(1) As a condition of eligibility an applicant for or recipient of temporary assistance must agree to a personal responsibility plan developed by the department in direct consultation with the applicant or recipient. The maximum time limits set forth within subsection (d) for receipt of temporary assistance shall not begin to run until such time as the department has presented the applicant or recipient with the personal responsibility plan designed specifically for the applicant or recipient. For each applicant or recipient who is not exempt from the work requirements set forth in subsection (g), the personal responsibility plan shall prescribe an individualized, time-limited, goal-oriented set of work activities and supportive assistance designed to provide the applicant or recipient with an opportunity to gain economic self-sufficiency. To the extent such services are necessarily required both by the individual circumstances of the applicant or recipient and by the specific activities prescribed within the personal responsibility plan, the plan shall provide for transportation and child care services. Each such plan shall prescribe other services and activities selected to meet the specific needs of the applicant or recipient, such as life skills training, job skills training, development of work objectives, job search and job readiness assistance, adult basic education, vocational education, and/or other services and activities selected to address the specific needs of the applicant or recipient. At least once each six (6) months throughout the period of continuous temporary assistance provided pursuant to Sections 5(d) and 8(f), the department shall monitor and evaluate the personal responsibility plan to promote the recipient's success in gaining sell-sufficiency.

(2)(A) The personal responsibility plan shall require participation in personal responsibility activities including, but not limited to, full-time or part-time employment, and other training or other work preparation activities as set forth in subsection (g).

(B) The personal responsibility plan shall also require, but shall not be limited to, as a condition of eligibility or continued eligibility for temporary assistance, that the parent or other caretaker relative, regardless of age or disabling status enter a plan which requires:

(i) That the children in the family attend school or, where available, kindergarten;

(ii) That the children in the family receive immunizations and, health checks; and

(iii) That the parent or caretaker relative cooperate in the establishment and enforcement of child support, including, but not

limited to, the naming of the father of a child for purposes of paternity establishment unless good cause not to cooperate exists, as defined by the department.

(C) The plan may also require that the parents or caretaker relative attend life skills training.

(D)(i) Unless exempt, refusal or failure to engage in full-time or part-time employment, and other training or other work preparation activities as set forth in subsection (g), without good cause, or the failure to cooperate in the establishment or enforcement of child support without good cause, shall result in denial of eligibility for, or termination of, temporary assistance for the entire family unit.

(ii) Failure to comply with the personal responsibility plan as required under subitems (h)(2)(B)(i) and (ii), without good cause shall result in a percentage reduction with regard to the temporary assistance payment in the amount of twenty percent (20%) until such time as compliance occurs.

(3) The work requirements shall be excused for:

(A) A parent or caretaker relative who proves to the satisfaction of the department the existence of his or her temporary incapacity or permanent disability;

(B) A parent or caretaker relative who proves to the satisfaction of the department that he or she must provide personal care for a disabled relative child or adult relative living in the home;

(C) A woman for four (4) months after the birth of a child;

(D) A person who is over sixty (60) years of age;

(E) A parent or caretaker relative, who functions at or below grade level 8.9 as determined by testing certified by the Department of Education for adult basic education purposes, providing such parent or caretaker relative is enrolled at least twenty (20) hours per week in a departmentally approved G.E.D. program and is making satisfactory progress as judged by the teacher and the department's case manager. (However, such parent or caretaker relative may elect to hold part-time employment in addition to enrolling and remaining within such G.E.D. program or may elect to hold full-time employment in lieu of enrolling or remaining within such G.E.D. program.); or

(F) A non-parental caretaker relative who chooses not to be included in the assistance group; and

(G) Such other exemptions as may be required by federal law, as well as such other exemptions as may be established by rule of the department in order to promote the purposes of this act.

(4) If without good cause a recipient of temporary assistance fails to comply with a child support or work plan requirement imposed by this act or prescribed within the personal responsibility plan, then the family shall be subject to appropriate sanction by the department, which may include suspension of temporary assistance pending compliance with the requirement. If subsequent to the imposition of such sanction the recipient without good cause fails again to comply with such requirement, then the family shall be subject to termination of

temporary assistance until there is compliance with the requirement or until the passage of three (3) months, whichever is greater.

(i) The maximum payment standard for a family shall not be increased for a child who is born to a caretaker relative of a temporary assistance unit who, as determined by the statement of a physician, becomes pregnant while receiving temporary assistance, or as otherwise defined by regulation of the department. Provided, however, if the family loses eligibility for any reason other than a failure to cooperate with the department or a failure to comply with the personal responsibility plan and if the family subsequently becomes eligible again for temporary assistance, then the department shall base the maximum payment standard on the actual size of the family unit including such child.

(j) No payment of temporary assistance shall be made to an individual for ten (10) years from the date of conviction, guilty plea or plea of nolo contendere of that individual in a federal or state court for having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from two (2) or more states under the temporary assistance program under this part, TennCare or any program of medical services under Title XIX of the Social Security Act, the Food Stamp Act of 1977, or under the supplemental security income program under Title XVI of the Social Security Act.

(k) No payment of assistance shall be made to an individual who is fleeing to avoid prosecution or custody or confinement after conviction under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which an individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such state, or who is violating a condition of probation or parole imposed by federal or state law.

(l) No payment of assistance pursuant to this part shall be made for an illegal alien in a family.

(m)(1) Upon expiration of the period of continuous temporary assistance provided pursuant to Sections 5(d) and 8(f), a family shall not again be eligible for temporary assistance for three (3) months; provided, however, if the family was employed upon the expiration of the period of continuous temporary assistance, and if the family was in compliance with requirements imposed by this act and the personal responsibility plan, then the family may become eligible for temporary assistance without any waiting period if employment is subsequently lost through no fault of their own and if eligibility requirements are met.

(2) If prior to expiration of the period of continuous temporary assistance provided pursuant to Sections 5(d) and 8(f), the family loses eligibility for reasons other than a child support or work plan sanction, then the family may become eligible for temporary assistance without any waiting period if eligibility requirements are met.

SECTION 6. (a) In determining eligibility under Section 5 for, and amounts of, grants under the temporary assistance program, the Department of Human Services shall adopt rules and regulations establishing a standard of need which reflects the true cost of the following, less any discounts for other sources of assistance provided for in subsection (b) hereof: 71-3-155

(1) Safe, healthful housing;

(2) Minimum clothing for health and decency;

(3) A low-cost adequate food budget as recommended by the USDA

Thrifty Food Plan;

(4) An allowance for essential medical care; and

(5) Other necessary items including, but not limited to, transportation, personal care and educational expenses.

(b) The department shall deduct from the costs determined in subsection (a) the value of the following:

(1) Housing assistance programs;

(2) Food coupons or food stamps or food assistance under Title 71, Chapter 5, Part 3; and

(3) TennCare or Medicaid.

(c) The commissioner shall report to the Governor and the General Assembly no later than October 1 of each year regarding projected annual adjustments to the standard of need necessitated by changes in the costs and benefits described in subsections (a) and (b). The report of the commissioner shall also contain:

(1) An estimate of the percentage of the adjusted standard of need which could be paid if the appropriation for the next fiscal year were to remain constant;

(2) An estimate of the cost of paying the same percentage of the standard of need considering necessary adjustments in such standard of need;

(3) The recommendation of the commissioner as to the percentage of the adjusted standard of need that should be paid in the next fiscal year and the cost thereof; and

(4) Any other relevant information which would be helpful to the Governor and the General Assembly in making decisions concerning the temporary assistance program.

(d) Any amount of earned income in an aid-to-the-blind case, as provided in § 71-4-105 or as is provided in Title 7 of the Economic Opportunity Act of 1964, and any other income required by federal statutes to be exempt in determining need, shall be exempt and shall not be considered as a resource jn determining the amount of assistance to be paid to any person under this part.

(e) The standard of need for each fiscal year shall be established by rule on July 1 of each year in accordance with subsections (a) and (b).

(f)(1) The Department of Human Services shall conduct a temporary assistance client characteristics study at least once every three (3) years. The study shall be conducted either by contract or within the depar1ment and shall be completed prior to any review, required by federal regulation, of the temporary assistance standard of need and temporary assistance grant payments.

(2) The maximum grants for the temporary assistance program, expressed as a percentage of the standard of need, shall be established either in the annual appropriations act or by rule. Notwithstanding any provision of this section or other law to the contrary, the standard of need for each assistance group size, which was established and funded at five hundred eighty-three dollars ($583) for an assistance group size of three (3) persons for fiscal year 1995-1996 and was set accordingly for other assistance group sizes, shall be increased to six hundred

seventy-seven dollars ($677) for an assistance group size of three (3) persons, and shall be set accordingly for other assistance group sizes for fiscal year 1996-1997; provided, however, that during the fiscal year beginning July 1, 1996, the Commissioner of Human Services may, with the concurrence of the Commissioner of Finance and Administration, reduce the standard of need to the level established herein for the year ending June 30, 1996, based upon a showing that the increased standard of need is having a substantial unforeseen adverse impact on the temporary assistance budget. Upon seeking the required concurrence of the Commissioner of Finance and Administration with regard to any such proposed reduction in the standard of need, the Commissioner of Human Services shall simultaneously submit written notification of such proposed reduction to the Chair of the Finance, Ways and Means Committee of the Senate and to the Chair of the Finance, Ways and Means Committee of the House of Representatives.

(g) In determining eligibility under Section 5, the department shall adopt rules which use the standard of need less any exemption provided by subsection (d) to determine eligibility for amounts of grants. Such rules shall be adopted in a manner in which the maximum amount of child support and other Income may be provided to the family and children without loss of grant and Medicaid benefits.

SECTION 7. Notwithstanding any law to the contrary, the Commissioner of Finance and Administration, from funds appropriated or otherwise made available to the Department of Human Services in any account funding programs or services for temporary assistance shall establish a reserve fund to support temporary assistance, or any successor programs; provided, however, for the fiscal year beginning July 1, 1996, the reserve fund shall not exceed fifteen million dollars ($15.000.000). Funds available in such accounts at the end of any fiscal year shall not revert to the general fund, but shall be placed in the reserve fund established by this section. 71-3-156

SECTION 8. (a) The department shall administer the Families First Program established by this part. 71-3-157

(b) The commissioner shall have authority to organize the department in any manner necessary as permitted by law, to establish any necessary county or district or regional offices and to appoint area and district managers and directors in those offices or in the department's state office, and to establish any necessary internal policies and procedures for the proper administration of the Families First Program and for the provision of temporary assistance, child support, jobs programs and other related support services.

(c)(1) The Commissioner of Human Services shall establish a Families First Advisory Council having fifteen (15) members to act in advisory capacity on any matter within the jurisdiction of the Families First Program. The commissioner shall have the authority to appoint eleven (11) members and the remaining four (4) members shall be appointed by the Speakers of the Senate and House of Representatives. Appointees to the council may include, but not be limited to, representatives of local government, private nonprofit organizations, business and industry, organized labor, religious groups, at least one consumer of services, and local families first councils shall be represented by at least one individual. The members of the council shall be appointed with a conscious intention of reflecting a diverse mixture with respect to gender and grand divisions of the state. To the extent possible, the membership of the advisory council shall reflect the ethnic composition of the service population. Ex-officio members of the advisory council shall also be appointed by the Commissioner of Human Services and shall be selected from appropriate state departments, commissions and agencies that have responsibilities or programs related to the Families First Program.

(2) The term of a member of the Families First Advisory Council shall be three (3) years with the terms staggered so as to replace no more than one third (1/3) of the members each year. Members of the council may be reappointed after their term expires. Members of the council shall continue in office until the expiration of their term for which they were respectively appointed and until such time as their successors are appointed. Vacancies occurring on the council by reasons of death or resignation shall be filled in the same manner as a regular appointment for the remainder of the unexpired term.

(3) Members shall be reimbursed for their actual expenses for attending meetings of the council. All reimbursement for travel expenses shall be in accordance with the provisions of the comprehensive travel regulations as promulgated by the Department of Finance and Administration and approved by the Attorney General and Reporter.

(4) The duties of the councils shall be to advise the commissioner regarding issues pertaining to the purpose, implementation and evaluation of the Families First Program when requested by the commissioner. Annually, the council shall elect one of its members to serve as chair of the council and one member to serve as vice-chair. A secretary shall be appointed by the commissioner and shall be a staff member of the department. Minutes of each meeting shall be kept and sent to the commissioner and to all members of the council. The chair and vice-chair may be elected to consecutive terms.

(5) From time to time, the commissioner may appoint committees composed of representatives from the public and/or private sectors for such purpose and duration as may be deemed appropriate or required. Members of such committees shall be reimbursed for their actual expenses for attending meetings of their respective committees. All reimbursement for travel expenses shall be in accordance with the provisions of the comprehensive travel regulations as promulgated by the Department of Finance and Administration and approved by the Attorney General and Reporter.

(d) The department shall administer the program of economic assistance to families under Titles IV-A, IV-D and IV-F of the Social Security Act or related federal laws or regulations as they may continue to exist pursuant to federal statutes and regulations on or after the effective date of this act and as such program statutes and regulations may be amended, or pursuant to any waivers that are granted by the federal government from those regulations as a result of the enactment of this legislation.

(e)(1) Acting In accordance with the provisions of the Uniform Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5, the department shall have rulemaking authority to establish any necessary rules for the administration of this part and shall have rulemaking authority to establish any rules to carry out the requirements of any title or part of any title which the department administers and which are necessary to immediately implement the provisions of this part to effect any federal legislative changes.

(2) In order to comply with the effective date set forth within this act, the department may implement its rulemaking authority through promulgation of public necessity rules in accordance with Section 4-5-209. Upon delivering a draft of any such public necessity rules to the Attorney General and Reporter for approval as required by such section, the department shall simultaneously deliver a copy of such draft public necessity rules to the Chair of the Government Operations Committee of the Senate and to the Chair of the Government Operations Committee of the House of Representatives.

(f) The department shall establish by rule the procedures for provision of notice of the eligibility determination to the applicant or recipient as well as the grievance and

appeal procedures which are applicable to meet due process. It is the intent of this section that grievance and appeals procedures available pursuant to this act shall not be more narrow than such procedures available to recipients of assistance upon August 31, 1996. The department shall also establish by rule, administrative procedures through which a recipient shall be granted an extension of temporary assistance, beyond the maximum eighteen (18) month period and the maximum sixty (60) month period set forth in Section 5(d), for "good cause" or based upon the failure of the state to timely provide essential day care, transportation, education, or job training services prescribed within the recipient's personal responsibility plan.

(g) All other agencies of the State of Tennessee shall cooperate with the department in any manner necessary for the administration of this part.

(h) Each governmental entity of the State of Tennessee, directly affected by any permanent rule promulgated by the Department of Human Services to implement the provisions of this act, shall review such permanent rule not later than fourteen (14) calendar days after the rule is filed with the Secretary of State. Prior to such deadline, the affected governmental entity shall submit written comments to the Secretary of State for filing with the applicable rule and for distribution to the Chair of the Government Operations Committee of the Senate and to the Chair of the Government Operations Committee of the House of Representatives. Such written comments shall include, but not be limited to, a description of the impact of such permanent rule upon the existing rules, policies or procedures of the affected governmental entity.

(i) The Commissioner of Human Services shall develop a written plan or statement providing for interagency coordination of services provided under this act, which shall include services provided by the Department of Human Services, Education, Employment Security, Labor and Transportation.

SECTION 9. (a) The Commissioner of Human Services is authorized, pursuant to the requirements of subsections (b) and (c) to immediately implement changes necessary as a result of federal legislation designed to reform welfare programs which are, or may be in the future, administered by the Department of Human Services or other appropriate state agencies. 71-3-158

(b) It is the intent of the General Assembly that any modifications to the state's welfare programs be implemented which are required by federal law or which are necessary to ensure or enhance federal funding of the state's welfare programs or which are necessary for the implementation of such changes. Acting in accordance with Section 4-5-209, the department shall have authority to immediately implement any federal legislative changes by public necessity rules; provided, however, that permanent rules shall be promulgated pursuant to the provisions of the Uniform Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

(c) For purposes of this section, "welfare program" is defined as any federal or state means-tested program administered by the Department of Human Services, or any child support enforcement program administered by the Department of Human Services pursuant to Title IV-D of the Social Security Act, the Carl D. Perkins Vocational and Applied Technology Act authorized by P.L. 101-392, and the Adult Education Act, authorized by P.L. 100-297, as amended by the National Literacy Act of 1991, P.L. 102-73.

(d)(1) The Commissioner of Human Services is authorized to seek and to implement waivers to carry out the provisions of this act to the extent permitted by federal authorities.

(2) If waivers which are necessary to implement any or all of the provisions of this act cannot be obtained, or for those counties which may be required by the federal authorities for the evaluation of any waivers granted by

the federal government, the department shall continue to administer, pursuant to the requirements of federal statutes and regulations, the programs of economic assistance to families and children under Titles IV-A, D and F of the Social Security Act as they may continue to exist on or after the effective date of this act to the extent the provisions of this act cannot be implemented by waivers or to the extent that it may be necessary to continue the operation of those programs for the evaluation of the waivers granted by the federal government. The department shall, notwithstanding any law to the contrary, have authority to implement any rules by public necessity rule which are necessary to maintain compliance with any federal law or to maintain federal funding, or to comply with any federal regulation which has not been waived or to comply with any waiver requirements. Provided, however, that the department shall promulgate permanent rules pursuant to a rulemaking hearing as required by § §4-5-201, et seq.

(e) Child support received by the department with respect to recipients of temporary assistance shall be passed on to the recipient in the same manner as was the practice of the department prior to July 1, 1996, with respect to recipients of Aid to Families with Dependent Children. However, the department shall not be required to pass through any portion of child support which by federal law must be paid to the federal government. The department shall seek any available waiver from a requirement that any portion of child support must be paid to the federal government, and, if a waiver is granted, pass the support through to the recipient of temporary assistance as required in this subsection.

SECTION 10. (a) In addition to implementing and administering the Families First Program throughout each of the state's ninety-five (95) counties, the Commissioner of Human Services may establish local demonstration projects in order to study additional, innovative efforts to improve the economic and social circumstances of families in need. Provided, however, the department shall have the authority to seek a waiver for and/or implement only three (3) such additional demonstration projects. These projects shall be: 71-3-159

(1) One intensive counseling project for absent fathers;

(2) One project to preserve families wherein one (1) or both parents suffer chemical addiction; and

(3) One individual development account program as provided in Senate Bill No. 2938/House Bill No. 2891 (Chapter__ of the Public Acts of 1996).

(b) Notwithstanding any provision of Section 9 or this act to the contrary, the department shall not seek a waiver for and/or implement additional demonstration projects, (including a grant diversion program or cashing-out of temporary assistance and/or food stamp benefits), except to the extent specifically authorized by law enacted by the General Assembly after the effective date of this act.

SECTION 11. The Commissioner of Human Services shall have authority to establish a system for distribution of any benefits provided by this part, or under the continued provisions of federal law and regulations as provided under Section 9, by means of an electronic benefits transfer system or by such other means as the commissioner shall determine is appropriate. 71-3-160

SECTION 12. Tennessee Code Annotated, Section 71-5-303, is amended by deleting subsections (2), (4) and (7) in their entireties and by substituting instead the following language as appropriately designated subsections and by designating the remaining subsections accordingly: 71-5-303

( ) "Area manager" means the director or manager of the county or area office of the Department of Human Services.

( ) "Assistance" or "food assistance" means food stamp coupons, free food stamps or food purchase assistance which is issued or transferred by means of food coupons, food stamps, electronic benefits transfer processes or other means as determined by the department to an eligible household or low-income family pursuant to this part.

( ) "Food coupons" or "food stamps" means obligations of the United States government issued or transferred by means of food coupons or food stamps to enable the purchase of food for the eligible household.

SECTION 13. Tennessee Code Annotated, Title 71, Chapter 5, Part 3, is amended by deleting the words "county manager" wherever they appear and by substituting instead the words "area manager". 71-5-303, 71-5-306, 71-5-308--71-5-310, 71-5-313

SECTION 14. Tennessee Code Annotated, Section 71-5-303, is amended by adding the following as new, appropriately designated subsections: 71-5-303

( )(A) "Food stamp program(s)" shall include the program which enables persons determined eligible for the provision of assistance by the governments of the United States or the State of Tennessee pursuant to this part, to purchase foodstuffs and includes food coupons, food stamps, electronic benefits transfer processes or other means as may be approved for this purpose by the department.

(B) The Commissioner of Human Services shall have authority to establish a system for distribution of any benefits provided by this part by means of an electronic benefits transfer system or by such other means as the commissioner shall determine is appropriate.

SECTION 15. Tennessee Code Annotated, Sections 71-5-304(5) and (6), are amended by deleting the words "food stamps" wherever they appear, and by substituting instead the words and punctuation, "food coupons, food stamps or food purchase benefits transferred electronically or by other means". 71-5-304

SECTION 16. Tennessee Code Annotated, Section 71-5-306, is amended by deleting the words "bonus coupons and free food stamps" and by substituting instead the words and punctuation "food coupons, food stamps or food purchase benefits transferred electronically or by other means". 71-5-306

SECTION 17. (a) Tennessee Code Annotated, Section 71-5-133, is amended by adding the words and punctuation "or to recipients of any successor program," after the words "aid to families with dependent children recipients" in subsection (a) and after the words "aid to families with dependent children program" in subsection (b). 71-5-133

(b) Section 71-5-133 is further amended by deleting the words "food stamps" wherever they appear and by substituting instead the words "food assistance pursuant to Title 71, Chapter 5, Part 3".

SECTION 18. Tennessee Code Annotated, Section 13-28-103(4)(B), is amended by adding the words and punctuation "or any successor program," after the words "aid to families with dependent children," and by deleting the words "food stamps" and by substituting instead the words "food assistance pursuant to Title 71, Chapter 5, Part 3". 13-28-103

SECTION 19. Tennessee Code Annotated, Section 67-6-337, is amended by deleting the section in its entirety and by substituting instead the following language: 67-6-337

There are exempt from the tax imposed by this chapter all sales for which the consideration given is food stamps, food coupons or for which an electronic debit card or other electronic benefits transfer system is used or which utilizes such other means

as the Department of Human Services may approve, and which cards, systems or other means may be issued, authorized or used by the Department of Human Services or the federal government, their agents or contractors to assist persons, on a means-tested basis, to purchase eligible food products in accordance with the laws and regulations issued by the federal government pursuant to the Food Stamp Act of 1964, 7 U.S.C. § 2011, et seq., or the Department of Human Services pursuant to Title 71, Chapter 5, Part 3, or in accordance with any other current enabling legislation or subsequent enabling legislation or regulations authorizing issuance of food coupons, food stamps or the use of any electronics benefits transfer process, including, but not limited to, the use of any electronic debit card system or other such system as the Department of Human Services may approve. If any other consideration other than that provided for in the preceding sentence is used in any sale, that portion of such sale shall be fully taxable.

SECTION 20. Tennessee Code Annotated, Section 71-3-128, is transferred to an appropriately designated section in Title 36, Chapter 5. Part 1. 36-5-112 71-3-128

SECTION 21. Tennessee Code Annotated, Section 71-3-129, is transferred to an appropriately designated section in Title 71, Chapter 1, Part 1. 71-3-129 71-1-130

SECTION 22. Tennessee Code Annotated, Section 71-1-114, is amended by adding the words and punctuation ", or any successor program," after the words "aid to dependent children" in the first sentence. 71-1-114

SECTION 23. (aI) Tennessee Code Annotated, Section 71-1-121, is amended by adding the words and punctuation "or any successor program," after the acronym " AFDC,". 71-1-121

(b) Section 71-1-121 is further amended by deleting the words "food stamps" and by substituting instead the words "food assistance pursuant to Title 71, Chapter 5, Part 3".

SECTION 24. Tennessee Code Annotated, Section 71-1-127, is amended by deleting the section in its entirety. 71-1-127

SECTION 25. Tennessee Code Annotated, Section 71-1-128, is amended by deleting the section in its entirety. 71-1-128

SECTION 26. Tennessee Code Annotated, Title 71, Chapter 3, is amended by deleting Part 2 in its entirety. 71-3-201--71-3-206

SECTION 27. Tennessee Code Annotated, Title 71, Chapter 5, is amended by deleting Part 12 in its entirety and by substituting instead the following; 71-5-1201--71-5-1204

§71-5-1201. The Commissioner of Human Services shall appoint a group of citizens in each county of the state to be known as the Families First Council, whose duty it shall be to assist persons on the temporary assistance program under § 71-3-101, et seq., in their county to move from public assistance to self-sufficiency. The council shall also provide business and industry with information regarding the program and shall seek feedback regarding operation of the program.

§71-5-1202. (a)(1) The members of the Families First Councils shall be appointed for a term of two (2) years and shall be eligible to succeed themselves. The number of members of the Families First Council in each county shall be determined by the Commissioner of Human Services after considering the recipient population and general population and potential job opportunities in a particular county.

(2) The membership shall be determined by the Commissioner of Human Services, but at least sixty percent (60%) of the membership shall be composed of persons actually engaged in business or industry, and

shall further consist of one (1) member who shall be a community religious leader, one (1) member who shall be a person actively engaged in advocacy for low income families, one (1) member who shall be a recipient of temporary assistance and one (1) member who shall be the Department of Human Services area manager for the area. The area manager shall convene meetings no less frequently than once per month. The remaining member or members shall be appointed without regard to occupation.

(b) Members shall serve without compensation or reimbursement.

(c) The council shall meet as soon as possible after its appointment and organize by electing from among its membership a chair, a vice-chair and a secretary.

(d) To the extent possible, the council's makeup should reflect the ethnic and gender composition of the service population.

§71-5-1203. The council shall work in cooperation with the local office of the Departments of Human Services and Employment Security and other state and local agencies to ascertain what services are available to help temporary assistance recipients become self-sufficient and to endeavor to assure that such services are well coordinated. The council shall also determine what job opportunities exist for such individuals and actively solicit the cooperation of local business and industry and the professions in trying to place such persons in gainful employment.

§71-5-1204. The Departments of Human Services and Employment Security and other state and local agencies are authorized and directed to cooperate to the fullest extent possible with such councils and each other so that the purpose of this part may be accomplished.

SECTION 28. (a) Tennessee Code Annotated, Section 71-3-124, is amended by deleting the words "public assistance pursuant to Title IV-A or IV-E of the Social Security Act" in subdivision (a)(1) and by substituting instead the language "public or temporary assistance pursuant to Title IV-A or IV-E of the Social Security Act, or any successor program providing temporary assistance or foster care or adoption assistance". 71-3-124

(b) Tennessee Code Annotated, Section 71-3-124, is further amended by adding the words "or temporary assistance" after the words "public assistance" wherever they appear in subsection (b).

(c) Tennessee Code Annotated, Section 71-3-124, is further amended by adding the words "or recipients of any successor program providing temporary assistance" after the language "aid to families with dependent children (AFDC)" in subsection (d).

(d) Tennessee Code Annotated, Section 71-3-124, is further amended by adding the words "or any successor program providing temporary assistance" after the acronym "AFDC" wherever it is used in subsection (e).

SECTION 29. (a) The department shall appropriately train and supervise all employees and other persons who are responsible for developing, evaluating and managing personal responsibility plans for recipients of temporary assistance. Such training and supervision shall include, but not be limited to, a competency based case management program to measure the effectiveness of each plan and to provide appropriate oversight and implementation. 71-3-161

(b) Any necessary part-time or temporary job counseling and job placement personnel shall be employed as provided by law.

(c) Any additional full-time positions required by the various departments involved in the implementation of this act shall be employed as provided by law.

SECTION 30. On or before January 7, 1998, the Comptroller of the Treasury shall undertake a performance audit of the implementation and impact of the Families First Act and shall report findings and recommendations to the General Welfare, Health and Human Resources Committee of the Senate, to the Government Operations Committee of the Senate, to the Health and Human Resources Committee of the House of Representatives, and to the Government Operations Committee of the House of Representatives. Such report shall also include a comparative summary of the implementation and impact of welfare reform initiatives in other jurisdictions. An implementation progress report shall be submitted by the Department of Human Services to such committees on or before January 7, 1997. 71-3-162

SECTION 31. Notwithstanding any other provision of this act to the contrary, nothing herein shall affect any individual's eligibility for, or receipt of, TennCare coverage. TennCare eligibility shall continue to be governed by the existing TennCare waiver in accordance with Section 71-5-101, et seq., and by federal law; provided, however, that the TennCare Bureau is authorized to seek and implement an amendment to the existing waiver for the purpose of extending transitional TennCare coverage, from twelve (12) to eighteen (18) months, for families who cease to qualify for temporary assistance. 71-3-163

SECTION 32. Tennessee Code Annotated, Section 4-29-219(a), is amended by adding a new item thereto, as follows: 4-29-219

( ) Families First Advisory Council, created by Section 8(c) of this act.

SECTION 33. For purposes of testing a families eligibility for temporary assistance against the motor vehicle resource limit, the department shall use the equity value of the family's interest and shall disregard the first four thousand six hundred dollars ($4,600) thereof. 71-3-164

SECTION 34. Any individual development accounts or other such accounts established for the benefit of recipients under this act or related programs shall be administered as approved by the Treasure of the State of Tennessee, who shall prescribe investment procedures for the corpus of such funds in a manner which he determines in consultation with the Commissioners of Human Services and Finance and Administration; provided, further, that the interest accruing from such accounts shall remain in those accounts and shall be distributed to the recipients, on an equitable basis, in the manner determined by the Treasurer in consultation with the commissioners. 71-3-165

SECTION 35. If any provision or this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 36. This act shall take effect on September 1, 1996. However, this act shall not be implemented until the Commissioner of Finance and Administration certifies to the Chairs of the House and Senate Finance, Ways and Means Committees that the total amount of revenue allocated by the provisions of Senate Bill No. 3177/House Bill No. 3165 (Chapter No. __ of the Public Acts of 1996), for implementation or the Families First Act of 1996 is available for expenditure on the Families First Program. Effective date 9/1/96

Revisions to Public Chapter 950

WEST'S TENNESSEE CODE ANNOTATED
TITLE 71. WELFARE
CHAPTER 3. PROGRAMS AND SERVICES FOR CHILDREN
PART 1--AID TO DEPENDENT CHILDREN--GENERAL PROVISIONS

Copyright © West Group 2002. All rights reserved.

Current through End of 2002 Second Reg Sess.

§ 71-3-154. Eligibility for temporary assistance; work requirements; professional responsibility plan

(a) A family shall be eligible for temporary assistance pursuant to this part if:

(1) A dependent child resides in this state with a caretaker relative in that family, or an individual who applies for temporary assistance is pregnant, or as otherwise defined by the department;

(2) The family meets income standards based upon the standard of need for a family based upon its size and income and based upon resource limits as determined by the department in its rules;

(3) The family members are engaged in full-time or part-time employment, and other training or other work preparation activities as set forth in subsection (g), except as exempted by § § 71-3-151--71-3-165 or by rule of the department;

(4) The caretaker relative has agreed to and complies with a personal responsibility plan as developed by the department in accordance with subsection (h); and

(5) The family or individual of the family is otherwise eligible pursuant to federal or state laws or regulations.

(b)(1) A caretaker relative who becomes ineligible for any reason other than a failure to cooperate with child support obligations shall be eligible for eighteen (18) months of transitional child care assistance and such assistance shall be paid, for any months the caretaker relative is employed, on a sliding fee scale based upon the family's income for so long as federal funding for the temporary assistance to needy families (TANF) block grant program or any related waiver is in effect.

(2) Food stamp assistance shall continue to be available to these families as prescribed by federal or state law or regulations.

(c)(1) Persons who are recipients of temporary assistance and who marry while receiving such assistance shall not be subject to the deprivation standards for dependent children, and the department will apply an income standard which recognizes this circumstance.

(2) If parents of a child who lives in the eligible unit marry while the child and at least one (1) parent are receiving assistance, and while the parents continue to reside together with the child in the home, the parent who may owe a child support arrearage for that child shall be forgiven the state portion of that arrearage as long as those parents remain married. The parent owing the child support arrearage shall remain liable only for the federal portion of the child support arrearage, unless the department is able to obtain a federal waiver to forgive the federal portion. The department is authorized to seek and to implement such a waiver. If the parent owing a child support arrearage leaves the residence of the child, at any time prior to termination of that parent's child support obligation under state law, the parent owing the child support arrearage shall be liable for the entire state and federal child support arrearage amount.

(d)(1)(A) Except as provided in § § 71-3-151--71-3-165 or as otherwise required by federal law, no family shall receive assistance if that family includes an adult who has received assistance as part of the same

family unit under this part for a total of sixty (60) months, whether or not consecutive, unless an exemption is granted pursuant to § 71-3-157(f); provided, that no single continuous period of eligibility shall extend beyond eighteen (18) months, unless an extension is granted pursuant to § 71-3-157(f) or unless an exception for up to six (6) months is granted due to county economic hardship. Economic hardship is considered to exist in any county where the unadjusted unemployment rate for the county of residence, for the month most recently published by the department of labor and workforce development, is more than twice the unadjusted unemployment rate for the state as a whole; provided, however the family receiving assistance must otherwise be in compliance with its personal responsibility plan.

(B) Whenever temporary assistance for a family is terminated for any reason other than the family's successful transition to economic self-sufficiency, the department of human services shall promptly so notify the department of health. Upon receiving such notification, the department of health shall take appropriate actions to monitor and protect the safety and well-being of the children within such family. Such departmental actions shall include, but not necessarily be limited to, one or more in-home visits with such children within thirty (30) days of the termination of such temporary assistance. Such in-home visits shall be performed by a nurse, medical social worker or other health professional. In appropriate cases, the department of health shall make a referral to the department of children's services.

(C) The department of human services may extend temporary assistance if the department of health, with the concurrence of the department of human services and child protective services, certifies that such assistance is needed in order to prevent a child's loss of housing, heat, light or water, or to prevent removal of a child from the custody of the child's parent.

(2) As to a child who was not the head of a household or who was not married to the head of a household, the sixty-month time limit and the eighteen-month time limit stated in subdivision (d)(1) shall not begin to run during the time that the child was a member of a family receiving assistance under this part.

(3)(A) In the case of a minor parent, the sixty-month time limit and the eighteen-month time limit stated in subdivision (d)(1) shall not begin to run until that minor parent reaches eighteen (18) years of age and has graduated from high school, or until the class of which the minor parent is a member, when the minor parent reaches eighteen (18) years of age, graduates from high school.

(B) Such person shall also be exempt from the work requirements of subsection (g) during the periods stated in subdivision (3)(A).

(4) The sixty-month time limit and the eighteen-month time limit stated in subdivision (d)(1) shall not begin to run to a person who functions at or below grade level 8.9 as determined by testing certified by the department of education for adult basic education purposes, so long as such person is enrolled at least twenty (20) hours per week in a departmentally approved G.E.D. program and is making satisfactory progress as judged by the teacher and the department's case manager, until a person has obtained and functions at a level greater than a grade level above 8.9, as determined by testing certified by the department of education for adult basic education purposes.

(5) A family shall be eligible for temporary assistance beyond the eighteen- month time limit and the sixty-month time limit stated in subdivision (d)(1) if:

(A) The family does not contain an adult;

(B) The caretaker relative is over sixty (60) years of age;

(C) The caretaker relative is caring for a disabled child relative or disabled adult relative, based upon criteria set forth in the department's rules;

(D) The caretaker relative is disabled, based upon criteria set forth in the department's rules; or

(E) As otherwise required by federal law.

(e) No payment of assistance shall be made to an individual who has not reached eighteen (18) years of age, who is not married, who has a child who is at least sixteen (16) weeks of age in such person's care, and who has not successfully completed a high school education or its equivalent unless the individual participates in:

(1) Educational activities directed toward the attainment of a high school diploma or its equivalent; or

(2) An alternative educational or training program that has been approved by the department.

(f)(1) Except as provided in subdivision (f)(2), if a person applying for assistance under this chapter is under eighteen (18) years of age, has never married, and is either pregnant or has the applicant's child in the applicant's care, the applicant is not eligible for assistance if:

(A) The applicant and the applicant's child or children do not live in a place maintained by the applicant's parent, legal guardian, or other adult relative as such person's own home or other suitable living arrangement as otherwise defined by rule of the department; and

(B) The department determines after investigation that the physical or emotional health or safety of the person applying for assistance or the dependent child or children would not be jeopardized if the applicant and the dependent child or children were required to live in one of the situations described in subdivision (f)(1)(A).

(2) Subdivision (f)(1) does not apply if:

(A) The person applying for assistance has no parent, legal guardian or other adult relative whose whereabouts are known;

(B) No parent, legal guardian or other adult relative of the person applying for assistance allows the person to live in the home of that parent, legal guardian or other adult relative as determined by the department's verification; or

(C) The department otherwise determines that there is good cause not to apply subdivision (f)(1).

(g) All family members who are not otherwise exempt pursuant to rule of the department and who receive temporary assistance pursuant to this part shall engage in full-time or part-time employment, and other training or other work preparation activities consisting of:

(1) Employment;

(2) Work experience activities;

(3) On-the-job training;

(4) Job search and job readiness assistance;

(5) Community service programs;

(6) Vocational educational training not to exceed twelve (12) months with respect to any individual;

(7) Job skills training related directly to employment;

(8) Education directly related to employment or adult education when a person is participating in a departmentally approved adult basic education program and is making satisfactory progress as judged by the teacher and the department's case manager, in the case of a recipient who has not received a high school diploma or certificate of high school equivalency;

(9) Satisfactory attendance at secondary school, in the case of a recipient who:

(A) Has not completed secondary school; and

(B) Is a dependent child or a head of a household who is nineteen (19) years of age or younger;

(10) Other postsecondary education or training leading to a degree or certificate for up to the approved time limit, as reflected in the personal responsibility plan, when the education or training meets state accreditation, demand occupation, quality and placement standards, in the case of a recipient who:

(A) Presents evidence satisfactory to the department that tuition arrangements have been made with the institution from personal funds, private grants or federal or state tuition assistance programs;

(B) Engages in such education or training on a full-time basis as defined by the institution;

(C) Maintains a collegiate grade point average of at least 2.0, except that a recipient falling below 2.0 shall have one (1) academic term to regain the required average; or, if attending a non-collegiate institution, maintains academic standards equivalent to those of the state technology centers as determined by the department;

(D) Continues otherwise to make satisfactory progress toward completion as defined by the institution; and

(E) Concurrently engages in paid employment, including work study, in an amount sufficient to ensure that the recipient's combined participation in education, training and/or employment averages at least (40) hours each week.

(h)(1) As a condition of eligibility, an applicant for or recipient of temporary assistance must agree to a personal responsibility plan developed by the department in direct consultation with the applicant or recipient. The maximum time limits set forth within subsection (d) for receipt of temporary assistance shall not begin to run until such time as the department has presented the applicant or recipient with the personal responsibility plan designed specifically for the applicant or recipient. For each applicant or recipient who is not exempt from the work requirements set forth in subsection (g), the personal responsibility plan shall prescribe an individualized, time- limited, goal-oriented set of work activities and supportive assistance designed to provide the applicant or recipient with an opportunity to gain economic self-sufficiency. To the extent such services are necessarily required both by the individual circumstances of the applicant or recipient and by the specific activities prescribed within the personal responsibility plan, the plan shall provide for transportation and child care services. Each such plan shall prescribe other services and activities selected to meet the specific needs of the applicant or recipient, such as life skills training, job skills training, development of work objectives, job search and job readiness assistance, adult basic education, vocational education, and/or other services and activities selected to address the specific needs of the applicant or recipient. At least once each six (6) months throughout the period of continuous temporary assistance provided pursuant to § § 71-3-154(d) and 71-3- 157(f), the department shall monitor and evaluate the personal responsibility plan to promote the recipient's success in gaining self-sufficiency.

(2)(A) The personal responsibility plan shall require participation in personal responsibility activities including, but not limited to, full-time or part-time employment, and other training or other work preparation activities as set forth in subsection (g).

(B) The personal responsibility plan shall also require, but shall not be limited to, as a condition of eligibility or continued eligibility for temporary assistance, that the parent or other caretaker relative, regardless of age or disabling status enter a plan which requires:

(i) The children in the family attend school or, where available, kindergarten;

(ii) The children in the family receive immunizations and health checks; and

(iii) The parent or caretaker relative cooperate in the establishment and enforcement of child support,

including, but not limited to, the naming of the father of a child for purposes of paternity establishment unless good cause not to cooperate exists, as defined by the department.

(C) The plan may also require that the parents or caretaker relative attend life skills training.

(D)(i) Unless exempt, refusal or failure to engage in full-time or part-time employment, and other training or other work preparation activities as set forth in subsection (g), without good cause, or the failure to cooperate in the establishment or enforcement of child support without good cause, shall result in denial of eligibility for, or termination of, temporary assistance for the entire family unit.

(ii) Failure to comply with the personal responsibility plan as required under subdivisions (h)(2)(B)(i) and (ii), without good cause shall result in a percentage reduction with regard to the temporary assistance payment in the amount of twenty percent (20%) until such time as compliance occurs.

(3) The work requirements shall be excused for:

(A) A parent or caretaker relative who proves to the satisfaction of the department the existence of such person's temporary incapacity or permanent disability;

(B) A parent or caretaker relative who proves to the satisfaction of the department that such person must provide personal care for a disabled relative child or adult relative living in the home;

(C) A woman for four (4) months after the birth of a child;

(D) A person who is over sixty (60) years of age;

(E) A parent or caretaker relative, who functions at or below grade level 8.9 as determined by testing certified by the department of education for adult basic education purposes, providing such parent or caretaker relative is enrolled at least twenty (20) hours per week in a departmentally approved G.E.D. program and is making satisfactory progress as judged by the teacher and the department's case manager. However, such parent or caretaker relative may elect to hold part-time employment in addition to enrolling and remaining within such G.E.D. program or may elect to hold full-time employment in lieu of enrolling or remaining within such G.E.D. program; or

(F) A non-parental caretaker relative who chooses not to be included in the assistance group; and

(G) Such other exemptions as may be required by federal law, as well as such other exemptions as may be established by rule of the department in order to promote the purposes of § § 71-3-151--71-3-165.

(4) If, without good cause, a recipient of temporary assistance fails to comply with a child support or work plan requirement imposed by § § 71-3-151-- 71-3-165 or prescribed within the personal responsibility plan, then the family shall be subject to appropriate sanction by the department, which may include suspension of temporary assistance pending compliance with the requirement. If subsequent to the imposition of such sanction the recipient without good cause fails again to comply with such requirement, then the family shall be subject to termination of temporary assistance until there is compliance with the requirement or until the passage of three (3) months, whichever is greater.

(i) The maximum payment standard for a family shall not be increased for a child who is born to a caretaker relative of a temporary assistance unit who, as determined by the statement of a physician, becomes pregnant while receiving temporary assistance, or as otherwise defined by regulation of the department; provided, that if the family loses eligibility for any reason other than a failure to cooperate with the department or a failure to comply with the personal responsibility plan and if the family subsequently becomes eligible again for temporary assistance, then the department shall base the maximum payment standard on the actual size of the family unit including each child.

(j) No payment of temporary assistance shall be made to an individual for ten (10) years from the date of conviction, guilty plea or plea of nolo contendere of that individual in a federal or state court for having

made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from two (2) or more states under the temporary assistance program under this part, TennCare or any program of medical services under Title XIX of the Social Security Act, the Food Stamp Act of 1977, or under the supplemental security income program under Title XVI of the Social Security Act.

(k)(1) No payment of assistance shall be made to an individual who is fleeing to avoid prosecution or custody or confinement after conviction under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which an individual flees, or which, in the case of the state of New Jersey, is a high misdemeanor under the laws of such state, or who is violating a condition of probation or parole imposed by federal or state law.

(2)(A) Pursuant to the option granted the state by 21 U.S.C. § 862a(d), an individual convicted under federal or state law of a felony involving possession, use or distribution of a controlled substance shall be exempt from the prohibition contained in 21 U.S.C. § 862a(a)against eligibility for Families First program benefits for such convictions, if such person, as determined by the department:

(i)(*a*) is currently participating in a substance abuse treatment program approved by the Department of Human Services;

(*b*) is currently enrolled in a substance abuse treatment program approved by the Department of Human Services, but is subject to a waiting list to receive available treatment, and the individual remains enrolled in the treatment program and enters the treatment program at the first available opportunity;

(*c*) has satisfactorily completed a substance abuse treatment program approved by the Department of Human Services; or

(*d*) is determined by a treatment provider licensed by the Department of Health, Division of Alcohol and Drug Abuse Services, not to need substance abuse treatment according to TennCare guidelines; and

(ii) is complying with, or has already complied with, all obligations imposed by the criminal court, including any substance abuse treatment obligations.

(B) Eligibility based upon the factors in subdivision (A) must be based upon documentary or other evidence satisfactory to the department, and the applicant must meet all other factors of program eligibility, including, specifically, being accountable for the requirements of the personal responsibility plan required by this part.

(C) Notwithstanding the provisions of subdivisions (A) or (B) to the contrary, no person convicted of a Class A felony for violating a provision of Title 39, Chapter 17, Part 4, shall be eligible for the exemptions provided by this subdivision.

(l) No payment of assistance pursuant to this part shall be made for an illegal alien in a family.

(m)(1) Upon expiration of the period of continuous temporary assistance provided pursuant to § § 71-3-154(d) and 71-3-157(f), a family shall not again be eligible for temporary assistance for three (3) months; provided, that if the family was employed upon the expiration of the period of continuous temporary assistance, and if the family was in compliance with requirements imposed by § § 71-3-151--71-3-165 and the personal responsibility plan, then the family may become eligible for temporary assistance without any waiting period if employment is subsequently lost through no fault of its own and if eligibility requirements are met.

(2) If prior to expiration of the period of continuous temporary assistance provided pursuant to § § 71-3-154(d) and 71-3-157(f), the family loses eligibility for reasons other than a child support or work plan sanction, then the family may become eligible for temporary assistance without any waiting period if eligibility requirements are met.

1996 Pub.Acts, c. 950, § 5, eff. Sept. 1, 1996; 1999 Pub.Acts, c. 520, § 47, eff. June 17, 1999; 2000 Pub.Acts, c. 981, § 76, eff. July 1, 2000.

Amended by 2002 Pub.Acts, c. 715, § 1, eff. July 1, 2002.

Copyright © West Group 2002. All rights reserved.

Current through End of 2002 Second Reg Sess.

§ 71-5-1204. Cooperation; other departments

The departments of human services and labor and workforce development and other state and local agencies are authorized and directed to cooperate to the fullest extent possible with such councils and each other so that the purpose of this part may be accomplished.

1996 Pub.Acts, c. 950, § 27, eff. Sept. 1, 1996; 1999 Pub.Acts, c. 520, § 47, eff. June 17, 1999.

WEST'S TENNESSEE CODE ANNOTATED
TITLE 71. WELFARE
CHAPTER 5. PROGRAMS AND SERVICES FOR POOR PERSONS
PART 12--FAMILIES FIRST COUNCILS

Copyright © West Group 2002. All rights reserved.

Current through End of 2002 Second Reg Sess.

§ 71-5-1203. Duties; aid to temporary assistance recipients; gainful employment

The council shall work in cooperation with the local office of the departments of human services and labor and workforce development and other state and local agencies to ascertain what services are available to help temporary assistance recipients become self-sufficient and to endeavor to assure that such services are well coordinated. The council shall also determine what job opportunities exist for such individuals and actively solicit the cooperation of local business and industry and the professions in trying to place such persons in gainful employment.

1996 Pub.Acts, c. 950, § 27, eff. Sept. 1, 1996; 1999 Pub.Acts, c. 520, § 47, eff. June 17, 1999.

WEST'S TENNESSEE CODE ANNOTATED
TITLE 71. WELFARE
CHAPTER 3. PROGRAMS AND SERVICES FOR CHILDREN
PART 1--AID TO DEPENDENT CHILDREN--GENERAL PROVISIONS

Copyright © West Group 2002. All rights reserved.

Current through End of 2002 Second Reg Sess.

§ 71-3-157. Administration by department of human services; advisory council; rulemaking authority

(a) The department shall administer the Families First Program established by § § 71-3-151--71-3-165.

(b) The commissioner has the authority to organize the department in any manner necessary as permitted by law, to establish any necessary county or district or regional offices and to appoint area and district managers and directors in those offices or in the department's state office, and to establish any necessary internal policies and procedures for the proper administration of the Families First Program and for the provision of temporary assistance, child support, jobs programs and other related support services.

(c)(1) The commissioner of human services shall establish a Families First advisory council having fifteen (15) members to act in an advisory capacity on any matter within the jurisdiction of the Families First Program. The commissioner has the authority to appoint eleven (11) members and the remaining four (4) members shall be appointed by the speakers of the senate and house of representatives. Appointees to the council may include, but not be limited to, representatives of local government, private nonprofit organizations, business and industry, organized labor, religious groups, at least one (1) consumer of services, and local families first councils shall be represented by at least one (1) individual. The members of the council shall be appointed with a conscious intention of reflecting a diverse mixture with respect to gender and grand divisions of the state. To the extent possible, the membership of the advisory council shall reflect the ethnic composition of the service population. Ex-officio members of the advisory council shall also be appointed by the commissioner of human services and shall be selected from appropriate state departments, commissions and agencies that have responsibilities or programs related to the Families First Program.

(2) The term of a member of the Families First advisory council shall be three (3) years with the terms staggered so as to replace no more than one third (1/3) of the members each year. Members of the council may be reappointed after their terms expire. Members of the council shall continue in office until the expiration of their terms for which they were respectively appointed and until such time as their successors are appointed. Vacancies occurring on the council by reasons of death or resignation shall be filled in the same manner as a regular appointment for the remainder of the unexpired term.

(3) Members shall be reimbursed for their actual expenses for attending meetings of the council. All reimbursement for travel expenses shall be in accordance with the provisions of the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

(4) The duties of the council shall be to advise the commissioner regarding issues pertaining to the purpose, implementation and evaluation of the Families First Program when requested by the commissioner. Annually, the council shall elect one (1) of its members to serve as chair of the council and one (1) member to serve as vice chair. A secretary shall be appointed by the commissioner and shall be a staff member of the department. Minutes of each meeting shall be kept and sent to the commissioner and to all members of the council. The chair and vice chair may be elected to consecutive terms.

(5) From time to time, the commissioner may appoint committees composed of representatives from the public and/or private sectors for such purpose and duration as may be deemed appropriate or required. Members of such committees shall be reimbursed for their actual expenses for attending meetings of their respective committees. All reimbursement for travel expenses shall be in accordance with the provisions of the comprehensive travel regulations as promulgated by the department of finance and administration and

approved by the attorney general and reporter.

(d) The department shall administer the program of economic assistance to families under Titles IV-A, IV-D and IV-F of the Social Security Act or related federal laws or regulations as they may continue to exist pursuant to federal statutes and regulations on or after September 1, 1996, and as such program statutes and regulations may be amended, or pursuant to any waivers that are granted by the federal government from those regulations as a result of the enactment of this legislation.

(e)(1) Acting in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, the department shall have rulemaking authority to establish any necessary rules for the administration of this part and shall have rulemaking authority to establish any rules to carry out the requirements of any title or part of any title which the department administers and which are necessary to immediately implement the provisions of this part to effect any federal legislative changes.

(2) In order to comply with this section's September 1, 1996, effective date, the department may implement its rulemaking authority through promulgation of public necessity rules in accordance with § 4-5-209. Upon delivering a draft of any such public necessity rules to the attorney general and reporter for approval as required by such section, the department shall simultaneously deliver a copy of such draft public necessity rules to the chair of the government operations committee of the senate and to the chair of the government operations committee of the house of representatives.

(f) The department shall establish by rule the procedures for provision of notice of the eligibility determination to the applicant or recipient as well as the grievance and appeal procedures which are applicable to meet due process. It is the intent of this section that grievance and appeals procedures available pursuant to § § 71-3-151--71-3-165 and chapter 5, part 12 of this title shall not be more narrow than such procedures available to recipients of assistance upon August 31, 1996. The department shall also establish by rule, administrative procedures through which a recipient shall be granted an extension of temporary assistance, beyond the maximum eighteen-month period and the maximum sixty-month period set forth in § 71-3-154(d), for "good cause" or based upon the failure of the state to timely provide essential child care, transportation, education or job training services prescribed within the recipient's personal responsibility plan.

(g) All other agencies of the state shall cooperate with the department in any manner necessary for the administration of this part.

(h) Each governmental entity of the state, directly affected by any permanent rule promulgated by the department of human services to implement the provisions of § § 71-3-151--71-3-165 and chapter 5, part 12 of this title, shall review such permanent rule not later than fourteen (14) calendar days after the rule is filed with the secretary of state. Prior to such deadline, the affected governmental entity shall submit written comments to the secretary of state for filing with the applicable rule and for distribution to the chair of the government operations committee of the senate and to the chair of the government operations committee of the house of representatives. Such written comments shall include, but not be limited to, a description of the impact of such permanent rule upon the existing rules, policies or procedures of the affected governmental entity.

(i) The commissioner of human services shall develop a written plan or statement providing for interagency coordination of services provided under § § 71-3-151--71-3-165 and chapter 5, part 12 of this title, which shall include services provided by the departments of human services, education, labor and workforce development, and transportation.

1996 Pub.Acts, c. 950, § 8, eff. Sept. 1, 1996; 1999 Pub.Acts, c. 520, § 47, eff. June 17, 1999; 2000 Pub.Acts, c. 981, § 68, eff. July 1, 2000.

Copyright © West Group 2002. All rights reserved.

Current through End of 2002 Second Reg Sess.

§ 71-5-1202. Members; meetings

(a)(1) The members of the Families First councils shall be appointed for a term of two (2) years and shall be eligible to succeed themselves. The number of members of the Families First council in each county shall be determined by the commissioner of human services after considering the recipient population and general population and potential job opportunities in a particular county.

(2) The membership shall be determined by the commissioner of human services, but at least sixty percent (60%) of the membership shall be composed of persons actually engaged in business or industry, and shall further consist of one (1) member who shall be a community religious leader, one (1) member who shall be a person actively engaged in advocacy for low income families, one (1) member who shall be a recipient of temporary assistance and one (1) member who shall be the department of human services area manager for the area. The area manager shall convene meetings no less frequently than once per quarter. The remaining member or members shall be appointed without regard to occupation.

(b) Members shall serve without compensation or reimbursement.

(c) The council shall meet as soon as possible after its appointment and organize by electing from among its membership a chair, a vice chair and a secretary.

(d) To the extent possible, the council's makeup should reflect the ethnic and gender composition of the service population.

1996 Pub.Acts, c. 950, § 27, eff. Sept. 1, 1996; 1999 Pub.Acts, c. 388, § 1, eff. June 14, 1999.