

FISCAL NOTE
Requested by Legislative Council
12/19/2014

Bill/Resolution No.: SB 2062

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2062 relates to changes needed for the Temporary Assistance for Needy Families (TANF) program. Changes in this Bill will remove the asset limitation dollar amount and the consideration to establish an electronic funds transfer system since it has already been implemented

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

SB2062 has no fiscal impact.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

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Agency: Human Services

Telephone: 328-3695

Date Prepared: 12/30/2014

2015 SENATE HUMAN SERVICES

SB 2062

2015 SENATE STANDING COMMITTEE MINUTES

Human Services Committee
Red River Room, State Capitol

SB 2062
1/12/2015
Job #21805

- Subcommittee
 Conference Committee

Donald Mueller



Explanation or reason for introduction of bill/resolution:

Relating to the administration of temporary assistance for needy families.

Minutes:

Attach #1: Testimony of Carol Cartledge

In Support of SB 2062

Carol Cartledge, Director of the Economic Assistance Policy Division for Department of Human Services provided testimony IN FAVOR of SB 2062. (Refer to Attachment #1)

Acronym Definitions: TANF: Temporary Assistance to Needy Families

Senator Warner asks change from the word responsibility to employment, does this diminish of the education responsibility? For most of the people we would see education as a way forward of their skillset.

Ms. Cartledge responded that it does not diminish it. It puts more emphasis on when an individual comes in and they meet with the employment contractor, an employment plan is developed and it's based on the needs of the person; may have to deal with barriers, then to work requirements, which may include education. This puts the emphasis on the plan that is developed in coordination with the individual, and then they are responsible to follow through with that plan.

Chairman Judy Lee ask Ms. Cartledge to explain the year that they can go to school without additional requirements for work (20 hours of work a week, applications for work)

Ms. Cartledge answered an individual must follow through with at least 20-30 hours a week, and that depends on if they have a child under the age of 6 it is going to be 20 hours a week. If they are in education, based on federal rules, they may attend a post secondary for 12 months without any other work requirements. However, what the Department of Human Services has done because of high work participation rate, which is between 60% and 70%, we allow someone to participate in a 2 or 4 year degree to advance their education and become more self sufficient. If not, they can do some of the other work requirements.

Chairman Judy Lee stated that some of the people may have completed some of their requirements for a 4 year degree, so instead of starting over, they could continue.

Ms. Cartledge- that is correct.

Senator Axness stated going back to the change of responsibility to employment, an employment plan may not be an option for an individual, for example, if they have a disability to determine they cannot work and the time it takes for social security disability to be determined, this individual requires temporary assistance, would this requirement for an employment plan prevent them from getting assistance from Department of Human Services?

Cartledge - we do not have another provision under TANF. If someone has an incapacity or disability but they haven't been found disabled by Social Security, we do have good cause exemption when they cannot cooperate with the jobs program.

Chairman Judy Lee stated that with the federal government does allow some who are not able to participate in the jobs program because of a disability, 20%, or other issues, such as caregiver for somebody with a disability. Isn't there a certain percentage (20%) of people because of other circumstances.

Cartledge responded that is correct, and also same 20% if someone has reached their 60 months lifetime limit of TANF and they still have not been found eligible under disability, they can continue for a temporary basis and those are always evaluated by the Department of Human Services.

Senator Warner asked about the liquidity of the debit cards, some concern about blocking small merchants, such as farmers markets, etc. that would prevent the merchant from accepting the debit card.

Ms. Cartledge responded that the debit card can be used at every place a VISA credit card can be used.

Chairman Judy Lee asks if they do not, can they get a certain amount of cash from an ATM card, or change from a grocery store that does accept a VISA card and use that cash at another location that only accepts cash.

Ms. Cartledge responded, yes, they can go to an bank ATM and get cash, or other places with ATM, grocery stores, etc.

V. Chairman Oley Larsen asked if there is a policing deal where a person needs to keep receipts where the cash is actually being used for proper groceries instead of cigarettes or other things.

Ms. Cartledge - we do not audit the debit card; it is like cash. We do get a trail of where they used the cards, such as gas stations, grocery stores, etc. In addition, new federal requirements were put into place in federal fiscal year 2013-2014, where it is required to

monitor if the debit card is being used at a casino or purchase alcohol at a liquor store or a strip club.

Senator Dever asked if TANF has the same restrictions as the SNAP program, but someone needing their debit card may use the cash in paying their rent.

Ms. Carledge - yes, that is correct. If it comes to the attention that someone is misusing the benefit on their card, the Department of Human Services can assign a Protective Payee to make sure the needs of the children are met.

Senator Warner asked if the SNAP card is different than the TANF card.

Ms. Cartledge responded that is correct.

Senator Dever asked if direct deposit is available.

Ms. Cartledge answered that direct deposit is not an option, unless there is a protective payee.

Senator Dever stated that some recipients would deposit the money in their account, especially if using it for rent.

Ms. Cartledge - that is correct, they can also transfer their funds into an account.

V. Chairman Oley Larsen asked to get on this program, do they take into account the persons income or the household income if they are living with someone.

Ms. Cartledge answered it first looks at the household; the household has to consist of a caretaker and a dependent deprived child. It then looks to see who has to be included in the household. For example, the spouse, and children are included in the household, including if the children have siblings. If there is a boyfriend in the household and they do not have a child in common, then the boyfriends income is not included.

V. Chairman Oley Larsen asked as a scenario, if living in minot and a welder and I'm with a women, she can get her payments under her case, because he will not be included.

Ms. Cartledge - that is correct, because they have no children in common.

V. Chairman Oley Larsen stated there is no policing and TANF benefits are provided without consideration of the boyfriend.

Ms. Cartledge - if it does come to our attention that the boyfriend is contributing to the household money on a regular basis, it does get counted. This rarely comes to our attention.

Chairman Judy Lee indicated a case where they were denied due to employer refusing to sign off the paperwork showing proof that the client had applied for work.

Ms. Cartledge - if that does come to our attention, then we do investigate as a fraud case, and we follow up with that information.

Chairman Judy Lee stated that if there is a follow-up with employers, I would recommend having the discussion with them, and that the employer report it for possible fraud.

V. Chairman Oley Larsen they can work 20-30 hours a week, but if they work 40 hours a week, does it kick them off the program?

Ms. Cartledge responded that it really is income, not hours. There is also a 6-month transitional assistance if they reach income thresholds so there is not a cliff affect.

V. Chairman Oley Larsen works with people in the service industry, and someone hires a bunch of people under the green card and they'll work forever, but other certain group of people indicate that they will not work more than 20-30 hours or they will lose those benefits. Isn't there a transitional program that helps through this, staggering their increased income affect.

Ms. Cartledge answered that there is an income disregard for the first so many months, the policy looks at 50% of their income, and then scale down, to transitional program, to provide assistance to stop the "cliff" affect.

Chairman Judy Lee what kinds of numbers do we have in TANF

Ms. Cartledge responded that today TANF caseload is estimated at 1,350 cases. 15 years ago, 5000, 10 years ago 3,075 (2004). It has dropped dramatically, especially with the opportunities in ND.

Chairman Judy Lee discussed Welfare Reform and the support to enable the families become self sufficient. The federal rules that were supported by the state statutes really was intended to give a family a hand up.

Senator Dever what is the minority representation on TANF?

Ms. Cartledge indicated she did not know, but could provide that information.

Senator Dever stated his curiosity since the state's unemployment is below 3% but on reservations it would be much higher. Is it true that eligibility beyond 60 months is still in place for counties that have a higher than average unemployment.

Ms. Cartledge responded that reservation counties may be exempt if their unemployment rate is greater than 50%. We have 2-to-3 counties that fall into that category. They are exempt from the lifetime limit, but they still must do the jobs work requirements.

Chairman Judy Lee stated that includes hunting on the reservation as a work opportunity.

V. Chairman Oley Larsen stated that this a benefit that we allow people. For TANF, would we be against random drug testing, not to get rid of the benefit, but to seek treatment.

Ms. Cartledge - Under TANF, if someone has a substance abuse issue, we do require them to go through treatment through their employment plan, and if they don't follow through, they lose their benefit.

V. Chairman Oley Larsen how does this come to your attention?

Ms. Cartledge indicated that this usually comes to their attention through employment counselors, and many of the communities are small enough that either the employment contractor will discover that the individual has an issue or interested family members or interested citizens will identify the issue, and then action is taken from that.

End of Ms. Cartledge Testimony and questions (27:59)

OPPOSED

No one opposed.

NEUTRAL

No one testified Neutral.

Closed the public hearing for SB 2062.

Moved by Senator Dever for "Do Pass" SB 2062, seconded by Senator Axness.

Roll call Vote: 6 Yeas, 0 No, 0 Absent

Senator Dever will carry SB 2062.

Date: 01/12 2015
 Roll Call Vote #: 1

**2015 SENATE STANDING COMMITTEE
 ROLL CALL VOTES**
 BILL/RESOLUTION NO. SB 2062

Senate Human Services Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
- Other Actions: Reconsider _____

Motion Made By Dever Seconded By Axness

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee (Chairman)	✓		Senator Tyler Axness	✓	
Senator Oley Larson (V-Chair)	✓		Senator John M. Warner	✓	
Senator Howard C. Anderson, Jr.	✓				
Senator Dick Dever	✓				

Total (Yes) 6 No 0

Absent _____

Floor Assignment Dever

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2062: Human Services Committee (Sen. J. Lee, Chairman) recommends DO PASS
(6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2062 was placed on the
Eleventh order on the calendar.

2015 HOUSE HUMAN SERVICES

SB 2062

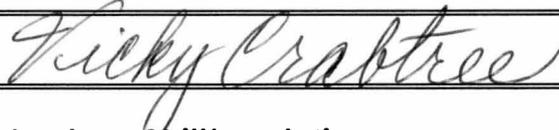
2015 HOUSE STANDING COMMITTEE MINUTES

Human Services Committee
Fort Union Room, State Capitol

SB 2062
3/4/2015
Job 24296

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Administration of temporary assistance for needy families

Minutes:

Testimony 1

Chairman Weisz opened the hearing on SB 2062.

Carol Cartledge: Director of Economic Assistance for DHS introduced and testified in support of the bill. (See Testimony #1)

Chairman Weisz: You indicated you aligned the asset limit with the Medicaid. Is that in code or by rule?

Cartledge: I'll find out.

Rep. Fehr: I was wondering what the Medicaid asset level is.

Cartledge: The asset limit is \$3,000 for one, \$6,000 for two and additional \$25 for each additional household member.

NO OPPOSITION

Chairman Weisz closed the hearing on SB 2062.

Chairman Weisz: Maggie would you please come forward. Committee you all have 2062?

Maggie Anderson: Director of DHS. The asset limits for the Medicaid program are set forth in Administrative Code. It is Chapter 750202.1-26. The last time that was updated was April of 2012 and the general authority we have to implement that is in 500616 and 5024.1. In that section we set forward the \$3,000 for one and \$6,000 for two and additional \$25 for each household member. There is a mention of the \$3,000 limit in 5024.1 which is the Medicaid chapter. That has to do with the funeral set aside. When we reference the amount people can set aside for funeral expenses we reference back to \$3,000 limit from this section and say it can be in combination.

House Human Services Committee
SB 2062
March 4, 2015
Page 2

Rep. Fehr: I motion a Do Pass on SB 2062.

Rep. Porter: Second.

ROLL CALL VOTE: 11 y 0 n 2 absent

MOTION CARRIED

Bill Carrier: Rep. B. Anderson

Date: 3-4-15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2062**

House Human Services Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Fehr Seconded By Rep. Porter

Representatives	Yes	No	Representatives	Yes	No
Chairman Weisz	✓		Rep. Mooney	✓	
Vice-Chair Hofstad	✓		Rep. Muscha	✓	
Rep. Bert Anderson	✓		Rep. Oversen	A	
Rep. Dick Anderson	✓				
Rep. Rich S. Becker	✓				
Rep. Damschen	✓				
Rep. Fehr	✓				
Rep. Kiefert	✓				
Rep. Porter	✓				
Rep. Seibel	✓				

Total (Yes) 11 No 0

Absent 2

Floor Assignment Rep. B Anderson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2062: Human Services Committee (Rep. Weisz, Chairman) recommends DO PASS
(11 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2062 was placed on the
Fourteenth order on the calendar.

2015 TESTIMONY

SB 2062

SB 2062 #1

J# 21805

01/12/15

Testimony
Senate Bill 2062 – Department of Human Services
Senate Human Services Committee
Senator Lee, Chairman
January 12, 2015

Chairman Lee, members of the Senate Human Services Committee, I am Carol Cartledge, Director of the Economic Assistance Policy Division, for the Department of Human Services (Department). I am here today to support Senate Bill 2062, which was introduced at the request of the Department.

The Department is requesting an amendment to North Dakota Century Code Section 50-09-29 requirements for the administration of Temporary Assistance for Needy Families (TANF). The requested changes are as follows:

- Line 24 on page 1 and lines 1 and 2 on Page 2 – Removes the asset limit dollar amounts. The Department aligned the TANF asset limit with the Medicaid asset limit. When this was done, this language change was missed.
- Line 15 on page 2 - Removes the requirement that the Department consider implementing an electronic fund transfer system because it already has implemented this provision. Benefits are distributed monthly on a debit card through a vendor.
- Proposes the following changes based on federal changes to the TANF work requirements that place emphasis on work first. The TANF adult must sign and follow through with an employment plan. The employment plan includes the consequences of noncompliance.

- Line 2 on page 3 – Removes “responsibility” and replaces it with “employment.”
- Line 4 on page 3 - Removes “in developing an” and added “with the terms of the.”
- Line 5 on page 3 – Removes “responsibility” and replaces it with “employment.”

The Department does not anticipate any negative consequences as a result of the proposed changes.

This concludes my testimony and I would be happy to answer any questions.

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Testimony
Senate Bill 2062 – Department of Human Services
House Human Services Committee
Representative Weisz, Chairman
March 4, 2015

Chairman Weisz, members of the House Human Services Committee, I am Carol Cartledge, Director of the Economic Assistance Policy Division, for the Department of Human Services (Department). I am here today to support Senate Bill 2062, which was introduced at the request of the Department.

Through Senate Bill 2062, the Department is requesting an amendment to North Dakota Century Code Section 50-09-29 requirements for the administration of Temporary Assistance for Needy Families (TANF). The requested changes are as follows:

- Line 24 on page 1 and lines 1 and 2 on Page 2 – Removes the asset limit dollar amounts. The Department aligned the TANF asset limit with the Medicaid asset limit. When this was done, this language change was missed.
- Line 15 on page 2 - Removes the requirement that the Department consider implementing an electronic fund transfer system because it already has implemented this provision. Benefits are distributed monthly on a debit card through a vendor.
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This concludes my testimony and I would be happy to answer any questions.