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89-334

H 1245 GENERAL BILL/CS/1ST ENG by Health & Rehabilitative Services: Davis; Press; Mims and others (Similar CS/S 1468, Compare H 115, CS/H 324, H 1591, S 395, S 724, CS/S 752) Social Welfare Reform; provides budget authority & release for certain revenues: amends provision re Florida Employment Opportunity Act; provides budget authority & release for certain agencies participating in said act; modifies employment & training program for certain public assistance recipients; revises support services, to include child care, transportation, counseling, & medical care, etc. Amends Chs. 230, 240, 409, creates 216.286, 409.186. Effective Date: 10/01/90 except ss. 1 & 5 on 07/05/89. 03/23/89 HOUSE Prefiled 03/27/89 HOUSE Referred to Health & Rehabilitative Services; Appropriations 04/04/89 HOUSE Introduced, referred to Health & Rehabilitative Services; Appropriations -HJ 118; Subreferred to Subcommittee on Social, Economic and Developmental Services 04/05/89 HOUSE On subcommittee agenda-Health & Rehabilitative Services, 04/07/89, 10:15 am, 314-HOB-Discussed 04/11/89 HOUSE On subcommittee agenda-Health & Rehabilitative Services, 04/13/89, 8:00 am, 415-HOB 04/13/89 HOUSE Subcommittee Recommendation: Favorable as a proposed CS 04/21/89 HOUSE On Committee agenda—Health & Rehabilitative Services. 04/25/89, 8:30 am, 314-HOB-Not considered 04/25/89 HOUSE On Committee agenda-Health & Rehabilitative Services. 04/27/89, 2:30 pm, 21-HOB 04/27/89 HOUSE Preliminary Committee Action by Health & Rehabilitative Services: Favorable as a CS 05/10/89 HOUSE Comm. Report: CS by Health & Rehabilitative Services -HJ 458; CS read first time -HJ 457; Now in Appropriations -HJ 458 05/22/89 HOUSE On Committee agenda—Appropriations, 05/22/89, 10:00 am, 21-HOB; Preliminary Committee Action by Appropriations: Favorable; Comm. Report: Favorable by Appropriations, placed on Calendar -HJ 598 05/24/89 HOUSE Placed on Special Order Calendar; Read second time; Amendments adopted; Read third time; CS passed as amended; YEAS 114 NAYS 0 -HJ 625 05/25/89 SENATE In Messages 05/29/89 SENATE Received, referred to Health and Rehabilitative Services; Commerce; Appropriations -SJ 501 05/30/89 SENATE Withdrawn from Health and Rehabilitative Services; Commerce; Appropriations; Substituted for CS/SB 1468; Read second time -SJ 610 05/31/89 SENATE Placed on Special Order Calendar -SJ 618; CS passed; YEAS 38 NAYS 0 -SJ 656 05/31/89 Ordered enrolled 06/20/89 Signed by Officers and presented to Governor 07/05/89 Approved by Governor; Chapter No. 89-334

NOTES: Above bill history from Division of Legislative Information's *FINAL LEGISLATIVE BILL INFORMATION, 1989 SESSIONS.* Staff Analyses for bills amended beyond final committee action may not be in accordance with the enacted law. Journal page numbers (HJ & SJ) refer to daily Journals and may not be the same as final bound Journals. STORAGE NAME: h1245f.hrs\bb\sg DATE: June 7, 1989

HOUSE OF REPRESENTATIVES COMMITTEE ON HEALTH & REHABILITATIVE SERVICES FINAL STAFF ANALYSIS & ECONOMIC IMPACT STATEMENT

BILL 1: Committee Substitute for House Bill 1245

RELATING TO: Welfare Reform

SPONSOR(S): House HRS Committee & Representative Davis

EFFECTIVE DATE: October 1, 1990 or earlier as permitted by the Family Support Act of 1988

DATE BECAME LAW: July 5, 1989

CHAPTER 1: 89-334, Laws of Florida

COMPANION BILL(S):

OTHER COMMITTEES OF REFERENCE: (1) Appropriations

(2)

I. SUMMARY:

→ A. PRESENT SITUATION:

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In 1987, the Florida Legislature enacted 409.029, F.S., the Florida Employment Opportunity Act. This law provided for an expanded employment and training program for AFDC and Food Stamp applicants and recipients, mandated coordination of employment and training with several departments and local education and training agencies, and called for a special program for teen parents aged 14-19.

> The Federal Family Support Act of 1988 (FSA), P.L. 100-485, consolidated various federal activities into an omnibus welfare reform bill. The major provisions of the Act, require amendments to the Florida Employment Opportunity Act. These provisions include the Job Opportunities and Basic Skills Training Program (JOBS), the provisions for extended transitional child care benefits and transitional medical assistance, the establishment of a two parent AFDC-Unemployed Parent (AFDC-UP) program and mandatory guidelines to establish child support awards.

> Currently, salary reimbursements to state agencies for hiring Job Training Partnership Act (JTPA) and Project Independence participants under special training reimbursement agreements are required to be deposited as revenue to General Revenue Unallocatted. Absent other compensating mechanisms, the monetary incentive for state agencies to participate in the program are eliminated.

Presently, states are allowed the option of establishing a two parent, AFDC Unemployed Parent Program. Florida has not implemented this provision. The Family Support Act requires states to establish a two parent (AFDC-UP) program by October 1, 1990.

The Florida Legislature establishes both the payment standard and need standard for the Aid to Families with Dependent Children (AFDC) program. The payment standard is the figure on which the actual client payment is based and is set by the Legislature. The Department of Health and Rehabilitative Services (HRS) was sued by Jacksonville Area Legal Aid in 1981, alleging that HRS violated Chapter 409.185, F.S., which requires the standard of need to be "the full money value required by the state...as essential for applicants and recipients." In 1987, the court ordered HRS to use the standard of need determined by the Federal Poverty Income guidelines until such time as the Florida Legislature set a valid standard of need.

Finally, the current payment error rate in the AFDC program is 8.1%, which is causing the state to face \$8.6 million in federal financial sanctions (\$1.7 million for each percentage point in excess of the 3% tolerance level). These errors are largely caused by two factors: unreasonably complex policy and budgeting methodology and client fraud and failure to report income.

HRS provides the following information on employment and training (Project Independence) services to AFDC and Food Stamp Recipients.

1988-89 Appropriations: \$28,778,704 Administrative Cost: \$18,154,170 (includes \$6.1 million for Project Independence contracts) Number of staff: HRS LES 478 61 (AFDC) 37 (Food Stamps) 14 492 98 Total Number of clients served annually: 106,864 (1987-88) Number of placements 1987-88: 22,270 (AFDC) 9,300 (Food Stamps) 31,570 1987-88 Welfare cost avoidance: \$53.9 million (@ \$2,420 per placement; \$926 GR) 1988-89 Welfare cost avoidance (based on 30,000 goal): \$53.2 million 1987-88 FS cost avoidance: \$3.4 million (@ \$365 per placement; all trust fund) 1988-89 FS Cost avoidance: \$2.9 million

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B. EFFECT OF PROPOSED CHANGES:

Committee Substitute for House Bill 1245 creates s. 216.286, F.S., to provide a mechanism for providing incentives for facilitating the placement of JTPA and Project Independence participants in state agencies. Committee Substitute for House Bill 1245 also amends Chapter 409, F.S., to bring it into compliance with the Family Support Act, makes provisions for options left to the state's discretion, and adds other welfare reform provisions to the administration of the public assistance program.

- C. SECTION-BY-SECTION ANALYSIS:
 - **SECTION 1.** Creates s. 216.286, F.S., to authorize the Executive Office of the Governor to establish budget authority and releases for certain revenues generated by state agencies hiring Project Independence and Job Training Partnership Act clients using salary reimbursement agreements. Funds released to the agencies could only be used for nonrecurring purposes. This change would allow HRS to reimburse state agencies that hire program participants. This would facilitate the placement of participants in state agencies.
 - **SECTION 2.** Amends s. 230.645, F.S., to exempt postsecondary students enrolled in an exployment and training program under s. 409.029 from the payment of fee for instruction.
- **SECTION 3.** Amends s. 240.35, F.S., to exempt community college students enrolled in an employment and training program under s. 409.029 from the payment of the fee for registration, matriculation, and laboratory fees.

SECTION 4. Amends section 409.029, F.S., as described below.

<u>Subsection 2</u> Expands the teen parent population to include persons under 20 years of age who are high school dropouts and at risk of dropping out and who are AFDC applicants and recipients. Requires the department's employment and training program to target certain groups of AFDC recipients and requires giving priority for service to AFDC applicants and recipients in accordance with federal law and regulations.

<u>Subsection 3</u> Redefines teen parent as any person less than 20 years of age who is pregnant or already a parent to comply with the FSA.

<u>Subsection 4</u> Requires the Department of Labor and Employment Security to report to HRS information on a guarterly basis concerning AFDC and food stamp recipients in job training. Requires educational reports regarding services to Project Independence clients to be submitted by local school districts and community colleges rather than the Department

> of Education as there is no statewide information system for collecting this data. The FSA requires reports concerning the state's employment and training program.

> Requires the department to complete a strategic plan concerning the needs of pregnant teenagers, teenage parents and their children who participate in the program. The plan will identify needed resources and programs for this population.

 $\frac{Subsection 5}{to the FSA.}$ Makes technical and language changes to conform

<u>Subsection 6</u> Provides intent regarding the nature of the activities participants will undertake so that it allows for increased levels of economic independence and growth.

Allows participants to take part in a full-time educational activity to meet participation requirements and receive support services while participating in the educational activity.

Makes technical and language changes to conform to the FSA.

<u>Subsection 7</u> Provides clarifying language consistent with the FSA which outlines various options for paying child care, requires that reimbursement for child care shall not exceed local market rates, and encourages contracting with licensed child care centers or family day care home networks.

Requires that licensed child care or registered family day care be provided when an AFDC participant requests this type of care. When registered family day care is provided, the participant must approve the home prior to the placement of the child in the home. Contains procedures when the participant does not approve the placement of the child in the registered family day care home and allows the department to sanction the participant who continuously disapproves the department's child care arrangements without good cause.

Requires transitional child care for three months (current policy) until April 1, 1990 when transitional care must be extended from three to twelve months to comply with the FSA. It further provides for establishing a sliding fee scale for AFDC recipients. The fee scale proposed is to ease the transition for women who leave welfare for employment. After the termination of transitional child care benefits, families will continue to receive subsidized care on the same basis as provided to non-AFDC income eligible clients.

Requires that every post-partum teenage mother participant be encouraged to have a post-partum medical examination prior to returning to school. Exempts the mother from participation if it is determined that she has health problems.

Makes technical and language changes in other support

services that can be provided to participants to conform to the FSA.

Subsection 8

Makes technical and language changes to conform to the FSA.

Adds language requiring custodial parents under the age of 20 who do not have a high school diploma or its equivalent to participate in an educational activity to conform with the requirements of the FSA.

Provides for lowering the caretaker exemption based on the age of the child to age one subject to the appropriation of funds. This is a state option under the FSA.

Allows a custodial parent to be exempt from participation for up to 90 days after the birth of the child. Requires a medical examination prior to participation for the custodial parent of a child 90 days or younger. Requires that an infant less than 90 days old be examined by a department approved health professional prior to the teenage mother's voluntary participation. Exempts AFDC recipient from participation in her last trimester of pregnancy, except that pregnant teenagers shall participate in part-time educational activities with emphasis on child development and parenting skills.

Requires all applicants and recipients to participate in employment and training. Custodial parents under 20 years of age required to participate in an educational activity. An AFDC applicant or receipient whose youngest child is less than 3 years of age, but not under 1 year of age, must participate in employjent and training activities subject to the appropriation of funds. AFDC recipients that have a child under 6 years of age are limited to no more than 20 hours per week. Participiants may volunteer for more than 20 hours per week.

Expands treatment resources for AFDC recipients with substance abuse problems and allows for treatment to constitute participation in the employment and training program. This is a policy change not required by the FSA but would facilitate the department's attempt to pay for treatment with FSA dollars.

Subsection 9

Defines custodial parents under the age of 20 without a high school diploma or its equivalent as not job ready to conform to the FSA. Other participants, except those under 20 years of age without a high school diploma or equivalency are considered job ready.

Requires assessment after unsupervised job search for the job-ready who do not find employment during job search to

conform to the FSA.

Allows volunteers a choice between participation in job search or being referred to assessment after orientation. This is an option of the FSA.

Requires AFDC recipients under 20 years of age to participate on a full-time basis in an educational activity directed to attainment of a high school degree. It allows HRS to provide employment and training activities for AFDC recipients who are 18 or 19 years of age and fail to make good progress or attend school. Allows HRS to establish criteria to exempt those under 18 from participation in educational activities.

Makes technical and language changes to conform to the FSA.

Allows HRS to provide employment and training services to non-custodial parent. This policy change is not required by the FSA but would facilitate obtaining a federal waiver to allow this.

Requires employment and training services to be provided to two parent families (AFDC-UP), establishes participation requirements, payment methods, and spouse participation requirements to conform to the FSA.

Exempts from participation the spouse of the principal earner who is personally providing care for a child under three years of age. When the youngest child is under six years of age, the spouse of the principal earner is not required to participate for more than 20 hours per week, unless allowed by federal law or regulation.

Requires food stamp applicants, unless they are exempt, to attend orientation to employment and training as a condition of eligibility. This policy change is not required by the FSA.

<u>Subsection 10</u> Delineates case management and associated activities. Requires local school districts and community colleges to provide periodic reports on client progress.

<u>Subsection 11</u> Provides additional areas that must be assessed in the development of the participant's employment plan.

Makes technical and language changes to conform to the FSA.

<u>Subsection 12</u> Stipulates that an employment plan shall not be considered a contract. Allows HRS to establish an agreement between participant and HRS which is separate from the employment plan.

<u>Subsection 13</u> Requires HRS to make reasonable efforts to resolve disputes when a mandatory participant fails to meet program requirements prior to imposing a sanction.

Requires the Department of HRS to appoint a protective payee for any custodial parent under 20 years of age who is an AFDC grant payee who fails to comply with program requirements for the first time. The protective payee is appointed until the participant complies with program requirements but no more than 90 days from written notice of failure to comply. No reduction in the AFDC amount is allowed for these 90 days. When the custodial parent under 20 years of age continues to fail to comply with program requirements after 90 days the department is required to remove the individual's needs from the AFDC grant in accordance with federal law, federal regulations and department rules. It allows the HRS Department to request a federal waiver no later than 10/1/89, to implement the protective payee provision.

Makes technical and language changes to conform to the FSA.

<u>Subsection 14</u> Is not listed in the bill since there are no changes to current law.

<u>Subsection 15</u> Allows HRS to conduct or contract for an evaluation of the program.

Provides for a longitudinal tracking, based on random sample, of program participants at 90 days, 6 months, 1 year and 2 years after their initial employment period.

<u>Subsection 16</u> Requires HRS to file rules necessary to carry out the provisions of this act prior to October 1, 1990.

SECTION 5. Amends section 409.185, F.S., to allow HRS access to automated files of other state agencies to secure information on client eligibility and reduce fraud in financial assistance programs. This change is not required by the FSA, but allows HRS to establish the statutory basis for the FLORIDA information system, which will automate much of the manual eligibility determination task, to access other agency files. Establishes the AFDC standard of need at the federal poverty level, in compliance with a court ruling.

SECTION 6. Creates section 409.186, F.S., which allows HRS to simplify AFDC, food stamp, and medical assistance eligibility policies, subject to federal approval. This change is not required by the FSA but provides the statutory framework to pursue federal waivers to improve efficiency.

SECTION 7. Amends section 409.255, F.S., to extend AFDC <u>eligibility</u> to two parent families where one parent is unemployed; to limit eligibility to six months per year; require upfront employment and training program participation; and to allow HRS to devise alternative payment strategies for these families. This change is an option of the FSA.

SECTION 8. Amends section 409.266, F.S., to do the following:

- Extend medical assistance for twelve months, to the maximum extent allowable by federal law, after an AFDC recipient loses cash assistance because of earned income as required by the FSA.
- Allow HRS to adopt federal options on provision of the assistance.
- Allow HRS access to the automated files of other state agencies to secure information on client eligibility and reduce fraud in medical assistance programs.

SECTION 9. Provides effective dates.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

- A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS: FY 89-90 FY 90-91
 - 1. Non-recurring or First Year Start-Up Effects:

Department of Health and		
Rehabilitative Services		
Operating Captial Outlay	0	122,779

2. Recurring or Annualized Continuation Effects:

Absent Parent Program*

Department of Health and Rehabilitative Services		
Grants in Aid-Cild Day Care	\$3,031,366	12,125,462
	0	1,530,790
	0	463,998
	0	4,430,127
	0	221,988
	0	_6,631,788
	3,031,366	25,404,153

3. Long Run Effects Other Than Normal Growth:

The Department of Education could expect to earn FEFP for serving Project Independence clients in its Pre-Kindergarten program.

With improved working relationships with the Job Training Partnership Act additional services may be provided to HRS to serve Project Independence clients.

Anticipated greater welfare cost avoidance because of increased participation of absent parents and increased participation of teen parents.

4. Appropriations Consequences:

Expenditures:		
General Revenue Fund	0	5,939,957
Ťrust Funds	3,031,366	19,586.975
Total	3,031,366	25,526,932

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

- Non-recurring or First Year Start-Up Effects:
 N/A
- <u>Recurring or Annualized Continuation Effects:</u>
 N/A
- Long Run Effects Other Than Normal Growth:
 N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

127

2. Direct Private Sector Benefits:

Private sector employers will benefit from trained, job ready employees and will realize savings by using TRADE, or grant diversion, customized and on-the-job training incentives.

3. <u>Effects on Competition, Private Enterprise, and Employment</u> <u>Markets:</u>

N/A

N/A

D. FISCAL COMMENTS:

III. LONG RANGE CONSEQUENCES:

The purpose of this legislation is to assist individuals to move from dependence on public assistance to productive work. If the program is successful it has the potential of reducing the demand for public assistance. HRS is required to evaluate the effectiveness of these programs in achieving this purpose.

The Family Support Act holds the potential for dramatically

> increasing federal funds available for child care for families participating in the program. These families would normally be served by the subsidized child care program. The subsidized child care program has changed from an exclusively federally and locally funded program to a program increasingly dependent on state general revenue. Federal share of the program cost has declined from 75% in 1971 to 57% today. The state now covers 35% of the cost while local dollars provide 8% of the cost. The department projects that the state could generate approximately \$29 million in federal funds for child care through the FSA. The department projects serving 24,666 children by 1991.

This bill is congruent with the following goal and policy objective as delineated in Chapter 187, F.S.:

(3), (b), 9.: Actively develop job opportunities, community work experience programs, and job training programs for persons receiving governmental financial assistance.

IV. COMMENTS:

Except for transitional child care services which must be provided by April 1, 1990, the state does not have to implement the Family Support Act (FSA) until October 1, 1990. Early implementation, however, would allow the state to take advantage of the enhanced match for the full-time Job Opportunities and Basic Skills Training Program (JOBS) staff--60 percent federal participation versus 50 percent currently--and of the ability to earn federal match on General Revenue allocated to Title XX child care for Project Independence clients.

This bill is congruent with the 1989 - 90 Legislative Issues Conference concerning the need for Florida to have a trained and educated labor force.

V. <u>SIGNATURES:</u>

SUBSTANTIVE COMMITTEE: Pre:parea by:

SECOND COMMITTEE OF REFERENCE: Prepared by: Staff Director: _Judy C. Justice

Staff Director:

APPROPRIATIONS: Prepared by:

Staff Director:

REVISED:	BILL NO. <u>CS/SB 1468</u>
DATE: <u>May 10, 1989</u>	Page <u>1</u>
SENATE STAFF ANALYSIS AND	ECONOMIC IMPACT STATEMENT
ANALYST STAFF DIRECTOR 1. Morton Whiddon William Staff Director	REFERENCE ACTION 1. HRS Fav/CS 2. AP
Welfare Reform	CS/SB 1468 by

I. SUMMARY:

A. Present Situation:

In 1987, Florida enacted s. 409.029, F.S., the Florida Employment Opportunity Act. This law, embodied in the Project Independence program, provides a means by which Aid to Families with Dependent Children (AFDC) and food stamp recipients receive education, training and support services needed to prepare them for employment. The Departments of Health and Rehabilitative Services (HRS), Labor and Employment Security, and Education work cooperatively in this endeavor, with HRS as the lead agency for the implementation of this law. A teenage parent program is also included in s. 409.029, F.S., but is currently operating on a voluntary basis due to a legal challenge.

Weinstock, Ros-Lehtinen and

Weinstein

According to HRS, 106,864 clients were served in the 1987-88 Fiscal Year; 31,570 persons were placed in jobs. Appropriations in 1988-89 Fiscal Year totaled \$28,778,704. Estimated cost avoidance for 1988-89, based on a goal of 30,000 placements, is \$53.9 million (includes general revenue and federal funds) for AFDC savings and \$2.9 million for food stamp savings.

The Federal Family Support Act (FSA), PL 100-485, consolidated various federal activities into an omnibus welfare reform bill. While Florida's system served as a model for this federal legislation, several major provisions of the FSA require changes to Florida Statutes. These provisions include the Job Opportunities and Basic Skills Training program (JOBS), the provisions for extended transitional child care and medical care and the establishment and implementation of a two parent AFDC-Unemployed Parent (AFDC-UP) program. Florida's current benefits are 3 months of child care and 4 months of medical assistance. There is currently an AFDC-UP program in s. 409.255, F.S., that has never received funding.

Private businesses who hire Project Independence participants receive monetary incentives for these employees. However, salary reimbursements to state agencies for hiring Job Training Partnership Act and Project Independence participants under these special training reimbursement agreements are required to be deposited into General Revenue unallocated. The monetary incentive for hiring participants is not available to state agencies.

The Legislature currently establishes both the payment standard and the need standard for the AFDC program. The payment standard is the figure on which the actual client payment is based. In 1987, as the result of a court case, HRS was ordered to use the standard of need determined by the Federal Poverty Income guidelines until such time as the Florida Legislature set a valid standard of need. ATE: <u>May 10, 1989</u>

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The current payment error rate in the AFDC program is 8.1%, well above the 3% tolerance level set by the federal government. Florida faces \$8.6 million in federal financial sanctions due to this error rate. These errors are caused primarily by exceedingly complex policy and budgeting methodology as well as client fraud and failure to report income.

B. Effect of Proposed Changes:

Committee Substitute for Senate Bill 1468 proposes amendments to the Florida Employment Opportunity Act and AFDC and Medicaid sections of Chapter 409, F.S., to bring them into compliance with the Family Support Act; makes provisions for options left at the state's discretion; and adds other provisions which enhance or simplify public assistance programs.

- Child care benefits to Project Independence participants are extended from 3 months to up to 12 months as required by the FSA. Provisions regarding participant choice in the selection of child care are added.

- Medicaid benefits to Project Independence participants are extended from 4 months to up to 12 months as required by the FSA.

- An AFDC-UP program is proposed which requires participation in Project Independence by the principal wage earner and requires participation by the spouse if child care can be provided. This program is limited to 6 months of a 12 month period with exceptions allowed.

- Provisions related to the teenage parent program are added which include specification that teenage parents with a child 90 days of age or older are mandatory participants. Post partum medical examinations for the teenage mother shall be provided, when requested, prior to participation in required educational activities. Educational activities are mandatory and may include teenage parent programs, child development training programs or teachers for the home-bound. Prior to participation, examinations for infants of teenage mothers are required if the infant is less than 90 days old at the time of participation and provided upon request if the infant is 90 days old or older at that time.

child development training programs or teachers for the homebound.

- A strategic plan is required by October 1, 1990 which addresses current programs for teenage parents, options available for this population and barriers related to programs designed to meet the specific needs of teenage parents and their children.

- The Florida Employment Opportunity Act is targeted to specified groups at greatest risk of long term welfare dependency as required by the FSA.

- State agencies receiving incentive payments are authorized to request the Governor's Office to transfer these payments for non-recurring purposes into the accounts into which they were originally deposited.

- Lowering the age of exemption from 3 to 1 is authorized subject to the appropriation of funds.

- Treatment for alcohol and drug abuse is specified as constituting participation in the employment and training program.

- Food stamp applicants are required to attend orientation for the employment and training program unless distance is prohibitive.

DATE: <u>May 10, 1989</u>

Page <u>3</u>

- Procedures to be taken by the department prior to imposing a sanction are outlined.

Reporting requirements are provided.

- Numerous technical changes are made which conform Florida's law with the federal Family Support Act.

- The federal poverty level is identified as the need standard, consistent with court order.

- Provision for simplification of procedures and requirements related to eligibility for public assistance programs are made.

- Project Independence participants are exempted from payment of fees at postsecondary educational institutions.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

None.

B. Government:

According to HRS, costs associated with the extended child care provisions and with anticipated program growth are \$4,076,773 in General Revenue in Fiscal Year 1989-90. Additional General Revenue expenditures of \$2,875,161 are projected for Fiscal Year 1990-91. However, for these expenditures, \$4,591,689 and \$29,734,891 will be the minimum federal draw down for Fiscal Years 1989-90 and 1990-91, respectively.

For Fiscal Year 1990-91, costs associated with implementation of the AFDC-UP program are approximately \$8 million. This includes \$6.6 million in payment costs and costs for 49 positions to administer the program.

For Fiscal Year 1990-91, costs associated with increased medical benefits for the AFDC-UP program are \$4.4 million (\$1,797,821 in General Revenue, \$2,439,826 from the Medical Care Trust Fund and \$192,480 from the Public Medical Assistance Trust Fund).

Costs projected for Fiscal Year 1990-91 for the employment and training component of the AFDC-UP program are 26 positions and \$950,004.

Total appropriations consequences for 1989-90 are projected at \$4,076,773 General Revenue and \$4,591,689 from trust funds for a total of \$8,668,462. For 1990-91, 75 positions, \$8,815,117 General Revenue and \$37,196,405 are projected for a total cost of \$46,011,522.

The Department of Education estimates the post secondary fees exempted for Project Independence clients will total \$46,666.

III. <u>COMMENTS:</u>

None.

IV. <u>AMENDMENTS:</u>

None.