

SUBJECT: Job training and support services for parents not receiving TANF benefits

COMMITTEE: Human Services — favorable, without amendment

VOTE: 5 ayes — Rose, J. Davis, Naishtat, Parker, Pierson

0 nays

1 present not voting — S. King

3 absent — Eissler, Herrero, Hughes

SENATE VOTE: On final passage, March 28 — 30-0, on Local and Uncontested Calendar

WITNESSES: *(On House companion bill, HB 2904 by Harper-Brown:)*
For — Celia Hagert, Center for Public Policy Priorities; Jodie Smith, Texans Care for Children; *(Registered, but did not testify:)* Alison Dieter, Gray Panthers; Deena Perkins, Caritas of Austin; Mary Katherine Stout, Texas Public Policy Foundation)

Against — None

On — Diane Rath, Texas Workforce Commission

BACKGROUND: Human Resources Code, ch. 31 governs aid to families with dependent children and Labor Code, ch. 302 governs workforce development efforts. Temporary Assistance for Needy Families (TANF) is a program that provides financial and medical assistance to needy dependent children and the parents or relatives with whom they are living. The Health and Human Services Commission (HHSC) processes eligibility for TANF benefits, and the Texas Workforce Commission (TWC) provides job training and support services for TANF recipients.

Parents in Texas may receive TANF benefits for one, two, or three years at a time, depending upon their level of education and job experience and may not receive more than 60 months of TANF benefits in a lifetime. Parents who have exhausted the time limit on their benefits or are otherwise ineligible for TANF may continue to receive benefits on behalf

of a child, but only in the amount designated for the child. A parent in Texas who is not eligible for TANF cannot receive job training and support services from TWC.

The federal Deficit Reduction Act (DRA) of 2005 reauthorized the TANF program and implemented new work participation requirements that states must meet for TANF state programs to continue receiving full federal TANF funding. With the enactment of the DRA, work participation requirements include the work participation rate of parents who are not eligible for TANF but have children who receive TANF assistance. If Texas does not meet work participation requirements, the state could face a penalty of up to \$64 million a year in federal TANF funds.

DIGEST:

SB 589 would revise Human Resources Code, ch. 31 and Labor Code, ch. 302 to allow a nonrecipient parent to receive job training and support services from TWC. A nonrecipient parent would be defined as an adult or minor parent who was not a recipient of financial assistance under TANF, but whose child did receive TANF cash assistance. A nonrecipient parent would not include:

- a minor parent who was not the head of household;
- a person who was ineligible for financial assistance because of the person's immigration status; or
- a parent caring for a disabled family member living in the home if the family member did not attend school full-time and the need for the care was supported by medical documentation.

Nonrecipient parents could enter TANF employment programs. HHSC would assist in assessing nonrecipient parent needs when they entered an employment program and in developing a plan for the nonrecipient parent to transition that person's family to self-sufficiency. HHSC would be required to furnish employment statistics on nonrecipient parents to the federal government upon request.

TWC would provide employment services to nonrecipient parents to the same extent that services were provided to TANF recipients. Supportive services, such as transportation to work, also would be provided to overcome barriers to maintaining employment. Local employment boards could provide financial incentives to contracted employment services firms for providing services to nonrecipient parents that led to better employment outcomes.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

NOTES:

The fiscal note indicates there would be no impact to general revenue because all program costs for the projected 6,000 additional clients would be covered by federal TANF funds. The total cost to federal funds in fiscal 2008-09 would be \$76.5 million.

The companion bill, HB 2904 by Harper-Brown, was heard and left pending in the Human Services Committee on April 26.