

## **BILL ANALYSIS**

Senate Research Center

H.B. 1005  
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Health & Human Services  
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Engrossed

### **DIGEST AND PURPOSE**

Under current federal welfare law, states are required to achieve certain work participation rates for recipients of Temporary Assistance for Needy Families program (TANF). Beginning in 2002, the required rate for single-parent families will increase to 50 percent, and the required rate for two-parent families will increase to 90 percent. Because this population includes families living in areas where unemployment is high and is often composed of immigrant workers who are only able to work six months out of the year, local workforce development boards may have difficulty achieving the 90 percent work participation rate for two-parent families. Given that two-parent families only constitute a small percentage of TANF families, boards are providing more intensive and costly services to the smallest portion of their caseload. This creates inequity for all TANF recipients, and the failure to meet work participation rates results in financial penalties to the state.

When federal welfare reform legislation was passed in 1995, many areas of the state had not developed workforce services and currently some rural "minimum service counties" still have underdeveloped workforce services. Some TANF recipients are approaching their lifetime allotment of financial assistance under TANF without having received workforce services.

H.B. 1005 provides for a state funding system that is separate from TANF to provide financial assistance and workforce services to two-parent families and individuals in areas defined by the Texas Workforce Commission as minimum service counties.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Health and Human Services Commission, the Texas Department of Human Services, and the Texas Workforce Commission in SECTION 1 (Section 34.003, Human Resources Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title 2C, Human Resources Code, by adding Chapter 34, as follows:

#### **CHAPTER 34. STATE TEMPORARY ASSISTANCE AND SUPPORT SERVICES PROGRAM**

Sec. 34.001. DEFINITIONS. Defines "related support services" and "temporary assistance."

Sec. 34.002. DEVELOPMENT AND IMPLEMENTATION OF STATE PROGRAM; FUNDING. (a) Requires the Health and Human Services Commission, the Texas Department of Human Services (department), and the Texas Workforce Commission, with the participation of local workforce development boards, to jointly develop and implement a state program of temporary assistance and related support services that is distinct from the financial assistance program authorized by Chapter 31.

(b) Authorizes temporary assistance and related support services to be provided under

the state program only to certain persons.

(c) Authorizes temporary assistance and related support services provided under the state program to be funded only with state money.

Sec. 34.003. RULES. (a) Requires the Health and Human Services Commission, the department, and the Texas Workforce Commission to adopt all rules necessary for implementation of the state program, including rules regarding eligibility, work requirements, work exemptions, time limits, and related support services.

(b) Requires the rules to be designed to result in a state program that is substantively identical to the financial assistance program authorized by Chapter 31, except to the extent that programmatic differences are appropriate because of the populations served by those programs and the sources of funding for those programs.

(c) Requires the Health and Human Services Commission, the department, and the Texas Workforce Commission to form an interagency work group to develop the rules required under this section. Requires the interagency work group to provide for participation in development of the rules by representatives of local workforce development boards.

Sec. 34.004. PROCEDURES APPLICABLE TO PERSONS RESIDING IN MINIMUM SERVICE COUNTIES. Requires the Health and Human Services Commission, the department, and the Texas Workforce Commission to develop and implement procedures to perform certain duties.

Sec. 34.005. ELIGIBILITY FOR MEDICAL ASSISTANCE. Provides that a recipient of temporary assistance and related support services under the state program is eligible for medical assistance under Chapter 32 in the same manner as a person receiving financial assistance under Chapter 31.

Sec. 34.006. REPORT. Requires the Health and Human Services Commission, the department, and the Texas Workforce Commission to monitor implementation and operation of the state program and, not later than December 1 of each year, jointly report to the governor, the legislature, and the Legislative Budget Board on the status and use of the state program. Requires the report required to be submitted not later than December 1, 2004, to include certain information.

SECTION 2. Requires that notwithstanding Section 34.006, Human Resources Code, as added by this Act, the Health and Human Services Commission, the Texas Department of Human Services, and the Texas Workforce Commission submit the report required by that section beginning with the report due not later than December 1, 2002.

SECTION 3. Requires a state agency affected by a provision of this Act to request a waiver or authorization and authorizes the agency to delay implementing that provision until the waiver or authorization is granted, if the agency determines before implementing any provision of this Act that a waiver or authorization from a federal agency is necessary.

SECTION 4. Effective date: September 1, 2001.