

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

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SENATE BILL 113  
Children and Human Resources Committee Substitute Adopted 3/22/01

Short Title: Cabarrus Work Over Welfare.

(Public)

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Sponsors:

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Referred to:

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February 12, 2001

1                                   A BILL TO BE ENTITLED  
2 AN ACT TO EXTEND THE CABARRUS COUNTY WORK OVER WELFARE  
3 PROGRAM.

4 The General Assembly of North Carolina enacts:

5           **SECTION 1.** S.L. 1998-106 reads as rewritten:

6           "Section 1. Notwithstanding any law to the contrary, the Department of Health and  
7 Human Services shall ~~designate~~ continue designation of Cabarrus County as a pilot  
8 county for the purpose of conducting a demonstration ~~Workfare Program~~ welfare  
9 reform program for certain Work First and Food Stamp recipients. Immediately upon  
10 the ratification of this act, the Department shall ~~seek~~ ensure that all federal waivers  
11 necessary to allow this demonstration ~~program~~ program to continue are obtained. To the  
12 extent that this act or the program established pursuant to it conflicts with any State law,  
13 the program supersedes that law.

14           Sec. 2. The Cabarrus County demonstration ~~Workfare~~ Work Over Welfare Program  
15 for certain Work First and Food Stamp recipients shall:

- 16           (1) Provide job opportunities to all able-bodied Work First and Food  
17 Stamp recipients who are required to participate in the Work First  
18 employment ~~program~~ program;
- 19           (2) Create job opportunities in the public, the private, nonprofit, and the  
20 private, for-profit sector, primarily in the human services areas by  
21 allowing Cabarrus County to use grant diversions, consisting of the  
22 Work First benefits and the cash value of Food Stamps that would be  
23 paid to otherwise eligible recipients to match employer funds, to  
24 subsidize the employment of these recipients. Human service area jobs  
25 will meet such socially necessary needs as day care work, nursing  
26 home aide work, and in-home aide work;
- 27           (3) Allow wages paid to these recipients, which contain grant-diverted  
28 funds, to be exempt from income for purposes of determining  
29 eligibility for assistance;

- 1 (4) Structure payment of wages to these recipients such that they will be  
2 considered income, in order to make recipients eligible for the federal  
3 earned income tax credit;
- 4 (5) Create work experience opportunities in the private sector more  
5 realistically to reflect the world of work;
- 6 (6) Require these recipients to participate in the development of an  
7 opportunity ~~contract,~~ agreement outlining the responsibilities of the  
8 recipient and agency, as well as the incentives for compliance and the  
9 sanctions for noncompliance;
- 10 (7) Require all these recipients who participate in the program to pursue  
11 and accept employment, full or part time, subsidized or unsubsidized,  
12 as a condition for continued eligibility for Work First and Food Stamp  
13 assistance;
- 14 (8) Require job search training of all participants;
- 15 (9) Require monitored job search of all participants until employment is  
16 found or until other work activities of up to 40 hours per week are in  
17 place;
- 18 ~~(10) Provide child care by allowing Cabarrus County to use grant  
19 diversions, consisting of the child day care subsidies that would be  
20 paid to otherwise eligible recipients, and transportation as required;~~
- 21 ~~(11)~~ (10) Create a positive work incentive by providing wage incentives to  
22 participants who are in compliance with the ~~program, equal to the first~~  
23 ~~thirty dollars (\$30.00) and one third of the remainder of monthly gross~~  
24 ~~income for a period of up to two years;~~ program by using the job bonus  
25 as outlined in the Work First Policy Manual for both Work First and  
26 Food Stamp benefits;
- 27 ~~(12) Provide enhanced Food Stamp benefits after participants are employed  
28 and are in program compliance by using the thirty dollar (\$30.00) and  
29 one third of the remainder wage incentive as an income exemption;~~
- 30 ~~(13)~~ (11) Provide (i) ~~a pay for performance system that withholds the entire~~  
31 ~~Work First benefits for the household for the month following any~~  
32 ~~month in which it fails to comply with Work First participation~~  
33 ~~requirements and restores these benefits for the month following any~~  
34 ~~month in which it successfully complies with Work First participation~~  
35 ~~requirements, and, to ensure that children in sanctioned households are~~  
36 ~~not harmed, (ii) social worker monitoring and the use of direct vendor~~  
37 ~~payments or assistance from other community resources for rent,~~  
38 ~~utilities, or other basic needs of children, as necessary, during the~~  
39 ~~period in which the household is sanctioned;~~ for a system in which the  
40 Work First cash assistance case is terminated following the first month  
41 of noncompliance, with restoration of assistance after the client agrees  
42 to comply with requirements and files a new application. To ensure  
43 that children in terminated households are not harmed, provide social

1 worker monitoring and the use of direct vendor payments or assistance  
2 from other community resources for rent, utilities, or other basic needs  
3 of children as necessary, during the period in which assistance for the  
4 household is terminated. This period of social worker monitoring shall  
5 coincide with the period of time that the household would have been,  
6 as a Work First case, under a three-month pay-for-performance  
7 sanction system and shall not exceed three months from the date of  
8 termination.

9 ~~(14) (12) Provide automatic Medicaid coverage for children and pregnant adults~~  
10 ~~of sanctioned families by transferring the children administratively to~~  
11 ~~the Medicaid for Indigent Children (MIC) Program and by transferring~~  
12 ~~the pregnant adults administratively to the Medicaid for Pregnant~~  
13 ~~Women (MPW) Program. Provide for all individuals to be evaluated~~  
14 ~~for ongoing Medicaid any time Work First terminates.~~

15 (13) Require that a recipient who voluntarily terminates employment  
16 without good cause be ineligible for Work First until the individual  
17 returns to work, provided work opportunities are available. Provide  
18 employment services for 30 days to assist the individual in obtaining  
19 employment;

20 (14) Require applicants for Work First to meet with child support staff  
21 within 10 days of application. Failure or refusal to pursue child support  
22 without good cause is grounds for denial of benefits;

23 (15) Provide that a recipient who is convicted of felony fraudulent  
24 misrepresentation under G.S. 108A-39(b) shall be permanently  
25 disqualified from participation in the Work First program;

26 (16) Provide that an applicant may be eligible for a one-time Work First  
27 diversion payment in an amount not exceeding one thousand two  
28 hundred dollars (\$1,200). Applicants receiving the diversion payment  
29 shall not be eligible for ongoing Work First benefits for a period of  
30 three months from the date of receipt of the diversion payment.  
31 Individuals receiving a diversion payment must attend budgetary  
32 counseling and may be required to have a protective payee for the  
33 diversion payment;

34 (17) Provide that the period of exemption from participation in employment  
35 services for a parent of a newborn child is three months. If a recipient  
36 returns to work within six weeks of childbirth, the recipient may  
37 reclaim the remainder of the three-month exemption if the recipient  
38 chooses not to continue working during the initial six-week period;

39 (18) In ongoing Work First cases, require family reassessment of service  
40 needs when the family circumstance changes due to an able-bodied,  
41 financially responsible adult moving into the home. Family  
42 reassessment may result in benefit diversion, change in services, or  
43 termination from Work First program participation."

1       Sec. 3. This act shall be funded by Cabarrus County using ~~the available~~ grant  
2 diversions and administrative transfers, ~~transfers prescribed in Section 2 of this act,~~  
3 together with federal and State administrative funding allocated to Cabarrus County for  
4 the public assistance programs.

5       Sec. 4. The Department of Health and Human Services shall evaluate the Cabarrus  
6 County Demonstration Project and report to the General Assembly and to the Joint  
7 Legislative Public Assistance Commission on or before September 1, ~~1998~~.2002.

8       Sec. 5. This act becomes effective July 1, 1995 and shall expire on July 1,  
9 ~~2001~~.2003."

10       **SECTION 2.** This act is effective when it becomes law.