

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 706

Short Title: Cabarrus Cnty. Workfare.

(Local)

Sponsors: Senator Hartsell.

Referred to: Children and Human Resources

April 13, 1995

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE CABARRUS COUNTY TO ESTABLISH AN AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) AND FOOD STAMP WORKFARE PILOT PROGRAM AND AN ADJUNCT DEMONSTRATION PROGRAM MODIFYING THE JOBS PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any law to the contrary, the Department of Human Resources shall designate Cabarrus County as a pilot county for the purpose of conducting a demonstration Workfare Program for certain Aid to Families with Dependent Children (AFDC) and Food Stamp recipients. Immediately upon the ratification of this act, the Department shall seek all federal waivers necessary to allow this demonstration program. To the extent that this act or the program established pursuant to it conflicts with any State law, the program supersedes that law.

Sec. 2. (a) The Cabarrus County demonstration Workfare Program for certain AFDC and Food Stamp recipients shall:

- (1) Provide job opportunities to all able-bodied AFDC and Food Stamp recipients who:
  - a. Are not eligible for the JOBS program;
  - b. Are between the ages of 18 and 64;
  - c. Are not caring for a child under one year of age;

- 1 d. Are working less than 30 hours per week; and  
2 e. Are not full-time high school students or the equivalent;
- 3 (2) Create job opportunities in the public, the private, nonprofit, and the  
4 private, for-profit sector, primarily in the human services areas by  
5 allowing Cabarrus County to use grant diversions, consisting of the  
6 AFDC benefits and the cash value of Food Stamps that would be paid to  
7 otherwise eligible recipients to match employer funds, to subsidize the  
8 employment of these recipients. Human service area jobs will meet  
9 such socially necessary needs as day care work, nursing home aide  
10 work, and in-home aide work;
- 11 (3) Allow wages paid to these recipients, which contain grant-diverted  
12 funds, to be exempt from income for purposes of determining eligibility  
13 for assistance;
- 14 (4) Structure payment of wages to these recipients such that they will be  
15 considered income, in order to make recipients eligible for the federal  
16 earned income tax credit;
- 17 (5) Create work experience opportunities in the private sector more  
18 realistically to reflect the world of work;
- 19 (6) Require these recipients to participate in the development of an  
20 opportunity contract, outlining the responsibilities of the recipient and  
21 agency, as well as the incentives for compliance and the sanctions for  
22 noncompliance;
- 23 (7) Require all these recipients who participate in the program to pursue and  
24 accept employment, full or part time, subsidized or unsubsidized, as a  
25 condition for continued eligibility for AFDC and Food Stamp  
26 assistance;
- 27 (8) Require job search training of all participants;
- 28 (9) Require monitored job search of all participants until employment is  
29 found or until other work activities of up to 40 hours per week are in  
30 place;
- 31 (10) Provide child care and transportation to participants as required;
- 32 (11) Create a positive work incentive by providing wage incentives to  
33 participants who are in compliance with the program, equal to the first  
34 thirty dollars (\$30.00) and one-third of the remainder of monthly gross  
35 income for a period of up to two years;
- 36 (12) Provide enhanced Food Stamp benefits after participants are employed  
37 and are in program compliance by using the thirty dollar (\$30.00) and  
38 one-third of the remainder wage incentive as an income exemption;
- 39 (13) Provide time-limited sanctions, or withholding of benefits, of all AFDC  
40 and Food Stamp benefits for noncompliance, beginning with the first  
41 sanction period equal to the time necessary to come into compliance,  
42 second sanction period – four months, third and subsequent sanctions –  
43 eight months; and

1           (14) Provide automatic Medicaid coverage for children and pregnant adults  
2           of sanctioned families by transferring the children administratively to  
3           the Medicaid for Indigent Children (MIC) Program and by transferring  
4           the pregnant adults administratively to the Medicaid for Pregnant  
5           Women (MPW) Program.

6           (b) An adjunct program to the demonstration program prescribed in subsection (a)  
7 of this section shall:

8           (1) Require AFDC recipients who are mandated JOBS participants to  
9           pursue and accept employment, full or part time, subsidized or  
10           unsubsidized, as part of their job plan. The maximum number of hours  
11           delegated to job activities, including employment, shall be 40 hours per  
12           week. AFDC recipients who are JOBS eligible and who are caring for  
13           children under five years of age shall, in this program, not be limited to  
14           20 hours per week;

15           (2) Require AFDC recipients who are potential JOBS participants to engage  
16           in job search until either employment is found or they become JOBS  
17           eligible; and

18           (3) Ensure that sanctions for noncompliance and provision of Medicaid  
19           coverage shall be as provided in subdivisions (13) and (14) of  
20           subsection (a) of this section.

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

25           Sec. 4. This act becomes effective July 1, 1995.