



H.B. 578

123rd General Assembly
(As Introduced)

**Reps. D. Miller, Barrett, Roberts, J. Beatty, Patton, Allen, Flannery, Bender,
Ford, Krupinski, Sullivan, Britton, Smith**

BILL SUMMARY

- Provides that the sanction under Ohio Works First for the first failure or refusal to comply with a self-sufficiency contract is ineligibility to participate in Ohio Works First until the failure or refusal ceases, regardless of whether that is less than one month.
- Requires a county department of job and family services, in the case of an assistance group under sanction for the first failure or refusal to comply with a self-sufficiency contract, to prorate the assistance group's cash assistance payment on the basis of the number of days in the month that the assistance group complied with the self-sufficiency contract.
- Provides that a member of an assistance group is not to lose eligibility for food stamp benefits on the basis that the assistance group is ineligible to participate in Ohio Works First because of a sanction.
- Provides that an assistance group may participate in Ohio Works First for 60 months without having to leave the program for any amount of time during the 60 months, unless federal law permits participation for a longer period of time.
- Requires the Director of Job and Family Services to declare a moratorium on the time limit for participation in Ohio Works First when the federal government (1) issues a final estimate for a quarter showing that the real gross domestic product (GDP) for that quarter was less than the real GDP for the immediately preceding quarter and (2) for the quarter immediately following that quarter, issues either a preliminary estimate showing that the real GDP was at least 1% less than the real GDP for the immediately preceding quarter or a final estimate showing that the real

GDP was any amount less than the real GDP for the immediately preceding quarter.

- Provides that no month in which a moratorium is in effect applies toward the Ohio Works First time limit and that an assistance group that would be eligible to participate in Ohio Works First if not for the time limit is eligible to participate while the moratorium is in effect.
- Provides that, if an assistance group, because of a moratorium, participates in Ohio Works First for more months than the time limit would otherwise permit, only state and county funds are to be used to pay for the Ohio Works First benefits provided the assistance group for those months.
- Provides that an assistance group under sanction is not participating in Ohio Works First and time spent under sanction does not apply toward the time limit.

CONTENT AND OPERATION

Background

The Ohio Works First Program is a time-limited, income maintenance program for low-income families with children that is operated with federal, state, and county funds. On the federal level, Ohio Works First is known as Temporary Assistance for Needy Families (TANF). It is authorized by Title IV-A of the Social Security Act.

An assistance group is ineligible to participate in Ohio Works First unless each adult member of the assistance group or the minor head of household enters into a written self-sufficiency contract with a county department of job and family services.¹ The contract must set forth the rights and responsibilities of the assistance group as applicants for and participants of Ohio Works First, including the program's work responsibilities and other requirements designed to assist the assistance group in achieving self sufficiency and personal responsibility.

¹ An "assistance group" is a group of individuals treated as a unit for purposes of determining eligibility for and the amount of assistance provided under Ohio Works First. A "minor head of household" is a minor who is a parent of a child included in the same assistance group that does not include an adult.

Sanctions

(sec. 5107.16)

Duration of first sanction

Under current law, if a member of an assistance group fails or refuses, without good cause, to comply in full with a provision of a self-sufficiency contract, the county department of job and family services is required to deny or terminate the assistance group's Ohio Works First eligibility for a certain amount of time. A first sanction lasts at least one payment month. A second sanction continues at least three months. A third or subsequent sanction is applied at least six months. No sanction may end before the failure or refusal to comply in full with a provision of a self-sufficiency contract ceases.

The bill changes the duration of a first sanction. Instead of lasting for the longer of one month or until the failure or refusal to comply in full with a provision of a self-sufficiency contract ceases, the sanction is to end when the failure or refusal ceases, regardless of whether that is less than one month. The county department is required to prorate the assistance group's cash assistance payment on the basis of the number of days in the month that the assistance group complies with the self-sufficiency contract.

Effect on eligibility for food stamp benefits

Continuing law provides for an assistance group to continue to receive certain benefits if the assistance group would be participating in Ohio Works First if not for a sanction. This includes publicly funded child day-care and the opportunity, to the extent permitted by federal labor law, to participate in work activities, developmental activities, and alternative work activities in accordance with Ohio Works First's work requirements. The bill provides that a member of an assistance group is not to lose eligibility for food stamp benefits on the basis that the assistance group is ineligible to participate in Ohio Works First because of a sanction.

Time limits

(secs. 5107.18 and 5107.181)

Duration of time limit

Federal TANF law requires, with certain exceptions, that states deny assistance under TANF to families that include an adult who has received aid under

any state TANF program funded with federal funds for 60 months.² This restriction applies whether or not the assistance was received in consecutive months. States may use state funds, however, to provide benefits to children or families after the time limit makes them ineligible to receive federal TANF funds.

The Ohio Works First Program divides the 60-month time limit into three components: a 36-month period of initial eligibility, then 24 months of ineligibility, and, finally, 24 months of possible additional eligibility. For an assistance group to be eligible for the additional 24 months of eligibility, a county department of job and family services must determine that good cause exists. Good cause may include losing employment, inability to find employment, divorce, domestic violence considerations, and unique personal circumstances. The assistance group must provide the county department verification acceptable to the county department of whether any members of the assistance group had employment during the period the assistance group was not participating in Ohio Works First and the amount and sources of the assistance group's income during that period. If the county department is satisfied that good cause exists, the assistance group may reapply to participate in Ohio Works First for 24 additional months.

The bill eliminates the three separate components to the time limit and provides instead that an assistance group may participate in Ohio Works First for 60 months without having to leave the program for any amount of time during the 60 months. The 60-month time limit is to apply unless federal law permits participation for a longer period of time.³

Time limit moratorium

The bill establishes a new exception to the eligibility time limit based on the nation's real gross domestic product (GDP) as measured by the Bureau of Economic Analysis in the United States Department of Commerce.⁴ The Bureau measures the real GDP for each calendar quarter and issues an advance, preliminary, and final estimate of the real GDP for each quarter. The advance estimate is issued in the first month following the quarter for which the estimate is made. The preliminary

² *An example of an exception is that the number of months an individual receives TANF while a minor and not the head of a household or married to the head of a household is not counted toward the time limit when the individual becomes pregnant or a parent.*

³ *As discussed above, federal law limits TANF eligibility to 60 months.*

⁴ *GDP is the market value of all final goods and services produced by resources located in the United States, regardless of who owns those resources. Real GDP is the value of GDP measured in terms of dollars of fixed purchasing power.*

estimate is issued one month later. The final estimate is issued in the third month following the quarter for which the estimate is made.

The Director of Job and Family Services is required to declare a moratorium on the time limit when the Bureau does both of the following:

(1) Issues a final estimate for a quarter showing that the real GDP for that quarter was less than the real GDP for the immediately preceding quarter;

(2) For the quarter immediately following that quarter, issues either a preliminary estimate showing that the real GDP was at least 1% less than the real GDP for the immediately preceding quarter or a final estimate showing that the real GDP was any amount less than the real GDP for the immediately preceding quarter.

A moratorium is to begin the month immediately following the month in which the second of the two conditions for issuing the moratorium occurs. The moratorium is to end the month immediately following the month in which the Bureau either issues a final estimate for a quarter showing that the real GDP for that quarter was at least 1% higher than the real GDP for the immediately preceding quarter or issues final estimates for two consecutive quarters showing that the real GDP for those quarters was any amount higher than their immediately preceding quarters. No month in which a moratorium is in effect applies toward the Ohio Works First time limit. An assistance group that would be eligible to participate in Ohio Works First if not for the time limit is eligible to participate while the moratorium is in effect.

The bill provides that if an assistance group, because of a moratorium, participates in Ohio Works First for more months than the time limit would otherwise permit, only state and county funds are to be used to pay for the Ohio Works First benefits provided the assistance group for those months.

Effect of sanction

The bill provides that an assistance group under sanction is not participating in Ohio Works First and time spent under sanction does not apply toward the 60-month eligibility time limit.

HISTORY

| ACTION | DATE | JOURNAL ENTRY |
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| Introduced | 02-16-00 | p. 1618 |

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