

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

HOUSE BILL NO. 1642

By: Caldwell

AS INTRODUCED

An Act relating to poor persons; providing for certain findings; defining terms; requiring certain scientific study on welfare benefits; providing procedures; providing for purposes; specifying contents; prohibiting certain penalties; requiring certain determinations; specifying certain information; providing for computation of certain services; requiring a report; providing for content; requiring specific information; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 701 of Title 56, unless there is created a duplication in numbering, reads as follows:

The Legislature of this state finds that:

1. There is no accurate information on the actual levels of government expenditures provided to families receiving assistance under the Aid to Families with Dependent Children (AFDC) program in the state;

2. Families receiving funds under the Aid to Families with Dependent Children may receive benefits simultaneously from over a dozen other welfare programs;

3. Research indicates that the level of welfare benefits may tend to rise the longer a family receives Aid to Families with Dependent Children; and

4. The Legislature authorizes a scientific study of the welfare benefits received by AFDC families within the state from a combination of government sources.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 702 of Title 56, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Average public housing subsidy rate per unit" shall equal the total state public housing operating expenditures, plus total state public housing modernization expenditures, plus total public housing debt service payments (including debt obligations forgiven by the United States Department of Housing and Urban Development) divided by the total number of occupied public housing units;

2. "Basic AFDC household" means a household in which all members belong to the primary AFDC unit;

3. "Low-income food and housing cost" for AFDC households of given size shall equal the average cost of rent, heating, water and electric utilities for households in the AFDC sample population in nonsubsidized housing plus the cost of food for families of that size according to the thrifty Food Plan of the United States Department of Agriculture;

4. "Non-welfare income" means income from sources listed in subsection E of Section 3 of this act;

5. "Mixed AFDC household" means a household which includes a primary AFDC unit and other household members who are not part of the AFDC unit;

6. "Net average public housing subsidy rate per unit" shall equal the average public housing subsidy rate per unit minus:

- a. administrative costs as a percentage of the average public housing subsidy rate per unit, and
- b. tenant rent contribution paid by the AFDC household;

7. "Primary AFDC unit" means each AFDC assistance unit identified for study in the AFDC sample population;

8. "AFDC assistance unit" means recipient children under age seventeen (17) who are receiving AFDC benefits plus any adult recipient living with a dependent recipient child whose needs are taken into account in determining the amount of the AFDC payment. Other persons related to members of the AFDC assistance unit may live in the same household, but if their needs, income and resources are not considered in determining the assistance payment, they are not members of the AFDC unit;

9. "Welfare benefits" means benefits received from programs listed in subsection D of Section 3 of this act; and

10. "Department" means the Department of Human Services.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 703 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. Beginning on July 1, 1993, the Department of Human Services shall initiate a scientific study of the welfare benefits received by families within the state according to the specifications provided in this act.

B. The Department shall study a randomly selected sample of families receiving AFDC. The sample shall be large enough to provide reliable information on each of the subpopulations described in Section 5 of this act.

C. The study shall determine the degree of participation of families in the AFDC program in other welfare programs over a prior twelve-month period.

D. The welfare programs to be covered in the study shall include:

1. Food stamps;
2. Women's, infant's, and children's food program;
3. The school lunch program;
4. The school breakfast program;
5. Medicaid;
6. Public housing;
7. Section 8 housing subsidy program of the United States Department of Housing and Urban Development;
8. Other housing subsidies;
9. Low-income energy assistance;
10. Emergency assistance;
11. Head Start;
12. Child Support Funds, "passed through" to a welfare parent under the AFDC program;
13. Summer youth employment under Title IV of the Job Training Partnership Act;
14. Assistance to adults and youth under Title IIA of the Job Training Partnership Act;
15. Earned income tax credit;
16. Supplemental security income;
17. General Assistance;
18. Social service block grant funds;
19. Any other welfare assistance provided by federal, state or local government.

E. The study shall determine the degree to which families in the AFDC program participate in the following programs or receive income from the following sources:

1. Earnings;
2. Interest income, dividends and capital gains;
3. Social Security;

4. Veteran's benefits;
5. Workmen's compensation;
6. Unemployment insurance;
7. Medicare; and
8. Other sources of income.

F. For the purposes of gathering information, the Department may augment the survey currently conducted by the United States Department of Health and Human Services for the National Integrated Quality Control System.

G. The Department shall determine whether or not each family within the AFDC sample population participated in each of the programs listed in subsection D of this section and the number of months of participation during the time period of the study. The Department shall also determine, for each family, the level of income received through sources described in subsection E of this section.

1. Data concerning participation or nonparticipation in each welfare program and the given number of months of receipt of benefits shall be verified for each family in the AFDC sample by an examination of records of the government office within the state which operates each assistance program.

2. Data concerning income sources specified in Subsection E of this section will be verified by an examination of state and federal tax records.

3. No penalty or recovery of prior wrongful payment shall be invoked upon a family in the AFDC sample because of any inappropriate or unlawful provision of governmental aid which is discovered as a result of the study authorized by this act.

H. The study shall determine and verify the rental, heating, water and electric utility payments made by each household in the sample.

I. The study shall seek to determine the length of time which each family in the AFDC sample has received AFDC benefits including previous intermittent periods of AFDC receipt, prior to the current enrollment.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 704 of Title 56, unless there is created a duplication in numbering, reads as follows:

The study shall determine the cost to the taxpayer of welfare benefits provided to families with the AFDC sample population.

A. For AFDC and food stamps benefits the actual dollar value provided to each family in the AFDC sample will be recorded.

B. For programs other than AFDC and food stamps for which it is infeasible to determine an exact dollar value of benefits to each sample family, an average benefit cost per recipient or per household within the state may be estimated.

1. To determine the cost of Medicaid services to AFDC families within the state, the Department will estimate separate average costs of Medicaid services for nonelderly, nondisabled adults and for children. The cost of Medicaid services for each AFDC unit within the sample will be determined by the number of adult and child recipients in the unit. In each month an AFDC recipient enrolled in Medicaid will be deemed to receive a benefit equal to the average monthly costs Medicaid for individuals of that age group within the state, even though the individual may have received no medical services in that particular month.

2. To determine the cost of Medicare services to AFDC households, the Department will estimate average costs for Medicare services for elderly adults in the state. In each month an AFDC household member enrolled in Medicare shall be deemed to receive a Medicare benefit equal to the average monthly cost of Medicare for elderly individuals within the state.

3. The cost of direct government subsidies to the federal Section 8 housing subsidy program shall equal the program contract rent minus tenant rent contributions paid by the AFDC sample family.

4. To determine a per unit public housing subsidy rate, operating subsidies, modernization costs, debt service obligations and any other public housing costs will be included. If it is difficult to determine the subsidy rate for specific public housing units, the statewide net average public housing subsidy rate per unit may be used.

5. The cost of school lunch and breakfast programs shall equal the cost of a free or reduced price meal, as appropriate, multiplied by average normal attendance during the school year.

6. For the AFDC, food stamps, Medicaid, low-income energy assistance program, the federal Section 8 housing subsidy program, and public housing programs, average administrative costs per recipient or per recipient household shall be determined separately.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 705 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. After collecting and analyzing data on the AFDC sample population, the Department shall issue a report on the cost of combined welfare benefits to AFDC families within the state.

B. The report shall include separate information on the following groups within the AFDC sample population:

1. All AFDC households; and

2. Basic AFDC households which received AFDC benefits during the full twelve-month study period and had no non-welfare income.

C. For each of the groups listed in subsection A of this section, the report will distinguish:

1. The percent which were basic AFDC households;

2. The percent which were mixed AFDC households;

3. Average household size of basic AFDC households; and

4. Average household size of mixed AFDC households, including the average number of household members who do not belong to the primary AFDC unit.

D. For purposes of the calculations listed in subsections F and G of this section, the data for each family in the AFDC sample will be limited to those months of the survey period in which the family received AFDC benefits.

E. For each of the subgroups listed in subsection A of this section, the report will describe:

1. Percentage of the group which received benefits from each of the programs listed in Section 3 of this act;

2. For each program listed in Section 3 of this act, the average monthly dollar value of benefits received by those AFDC families participating in that program;

3. Percentage of the group which received income from each of the sources listed in subsection E of Section 3 of this act; and

4. For each of the sources listed in subsection E of Section 3 of this act, the average income received by families in AFDC sample population.

F. For each subgroup listed in subsection B of this section, the Department will report:

1. The average monthly value of the combined welfare benefits excluding administrative costs;

2. The average monthly value of combined welfare benefits including administrative costs;

3. The average monthly value of combined welfare benefits including administrative costs and all non-welfare income.

G. For AFDC mixed households, the report will describe each of the figures described in subsections D and E of this section separately for:

1. Members of the primary AFDC unit; and

2. Other household members.

H. For each subgroup listed in subsection B of this section, the Department will compare the average monthly value of combined welfare benefits amount families which have received AFDC benefits for less than two (2) years with those who have received AFDC benefits for more than two (2) years.

SECTION 6. This act shall become effective July 1, 1993.

SECTION 7. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-1-5612

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