

SHORT TITLE: Poor persons; creating the Oklahoma Works Initiative,
the Pay for Performance Program and the Self Sufficiency Ladder
Program; effective date; emergency.

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

SENATE BILL NO. 1095

By: Wright

AS INTRODUCED

An Act relating to poor persons; creating the Oklahoma Works Initiative Plan, the Pay for Performance Program and the Self Sufficiency Ladder Program; specifying components of programs; authorizing Department of Human Services to implement plans; requiring certain waiver submission; requiring expediting of waivers; providing for implementation of demonstration projects; 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 229.1 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. Sections 1 through 5 of this act shall be known and may be cited as the "Oklahoma Works Initiative".

B. The Department of Human Services shall, during the planning and implementation of the Pay for Performance Statewide Demonstration Project, request a waiver and seek federal legislation, if necessary, or create a system within federal block grant legislation to allow the state to receive federal funding to operate a new public assistance program called the Oklahoma Works Initiative. The Oklahoma Works Initiative will be designed to replace the Aid to Families with Dependent Children (AFDC) and Job Opportunities and Basic Skills (JOBS) Training programs. If the necessary waivers are granted, or the federal block grant process makes such a program possible without waivers, individuals who meet

the criteria will be eligible to participate in the Oklahoma Works Initiative.

C. The Department shall participate in the planning process which will result in the implementation of the Oklahoma Works Initiative beginning July 1, 1997.

D. The Department shall be responsible for implementing the projects and programs specified in the Oklahoma Works Initiative. The provisions of the Oklahoma Works Initiative shall be implemented to the fullest extent permitted by law in accordance with the terms and conditions granted by the federal government or as a program created within federal block grant legislation.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 229.2 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. In implementing the Oklahoma Works Initiative, the Department of Human Services shall:

1. Expedite the acquisition of any federal waivers necessary to implement the provisions of the Oklahoma Works Initiative through amendments, combined waivers, requests and in any other such manner authorized by federal law and rules;

2. Submit any federal waiver requests and apply for and otherwise seek to obtain any amendments and exemptions from federal statutes and rules as necessary to implement the provisions of the Oklahoma Works Initiative not later than September 1, 1996, for a statewide demonstration of a Pay for Performance Project; and

3. Coordinate with appropriate federal officials and prepare and submit in a timely manner all forms and data required by such federal officials to implement the Oklahoma Works Initiative.

B. Upon receipt of approval of any waivers, exemptions, or amendments from the United States Department of Health and Human

Services or prior to implementation of any of the programs provided for in the Oklahoma Works Initiative, the Commission for Human Services shall promulgate rules for developing any projects and programs provided for in the Oklahoma Works Initiative.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 229.3 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. The Department of Human Services, in accordance with the terms and conditions of a waiver granted by the United States Department of Health and Human Services, or within federal block grant legislation, shall implement a statewide Pay for Performance Program.

B. The Pay for Performance Program shall have the following components:

1. New Aid to Families with Dependent Children (AFDC) applicants shall be required to meet with a financial planning resource specialist. The specialist shall emphasize alternatives to welfare assistance. Failure to meet with the specialist without good cause shall result in denial of AFDC benefits to all members in the immediate family of the applicant;

2. If, after meeting with the financial planning resource specialist, the applicant still wants to apply for AFDC, the applicant shall be immediately referred to Job Opportunities and Basic Skills (JOBS) Training enrollment or orientation. All JOBS training individuals who are nonexempt shall be required to complete a minimum number of hours of JOBS training activities prior to approval for AFDC. These activities shall be limited to enrollment, orientation, individual job search, group job search, job-seeking skills, job readiness, job motivation, job development, and employment counseling. At least one-half (1/2) of the minimum

number of JOBS training activities hours shall include contact with employers;

3. Recipients already on AFDC, as well as all new AFDC applicants, at their first regularly scheduled eligibility review, shall be assigned up to forty (40) hours of JOBS training activities per week, as follows:

- a. the total number of hours assigned pursuant to the Community Work Experience Program (CWEP) and the food stamp optional workfare program, per month, shall not exceed the combined amount of the AFDC grant and the food stamp allotment, divided by the federal minimum wage,
- b. to the extent that CWEP positions are available, applicants will be placed in these positions prior to being placed in a training or educational program, and
- c. the food stamp allotment will be reduced by the federal minimum wage for each uncompleted hour of assigned JOBS training activity that has not been taken into account in reducing the AFDC grant;

4. Pay will be based on the hours of assigned JOBS training activity that any recipient completes. If, in any given case, not enough hours are completed to equal the amount that the AFDC grant would formerly have been, only the number of hours actually completed will be paid. Three percent (3%) of the total pay will be withheld from the recipient's pay as a co-payment for the Medicaid "premium" that is paid on behalf of the recipient and the dependent children;

5. Participation in the Pay for Performance Program for providing temporary assistance to needy families shall be limited to

three (3) consecutive years, or a total of five (5) years for any participant; and

6. The Pay for Performance Program shall emphasize the importance of work as a basic building block of self-sufficiency by requiring one hundred sixty (160) hours of work activity prior to the recipient becoming eligible for training or educational programs.

C. In cases where it is determined that emergency assistance is necessary, the applicant may be placed on food stamps without delay, or provided with food and clothing items which would assist them in completing the JOBS training activities requirements.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 229.4 of Title 56, unless there is created a duplication in numbering, reads as follows:

The Department of Human Services, in accordance with the terms and conditions of a waiver granted by the United States Department of Health and Human Services, or within federal block grant legislation, shall implement:

1. A statewide program to allow the state to receive federal funding to pilot a program in child day care which allows a recipient of Aid to Families with Dependent Children (AFDC) to place a dependent child with a relative. The relative who is providing such care shall receive one-third (1/3) of the rate for licensed day care; and

2. A statewide demonstration project or program which would result in a more gradual rate of increase in the income-based child day care co-payment requirements.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 229.5 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Works Initiative will provide families in need of temporary assistance with a Self Sufficiency Ladder. The Self Sufficiency Ladder consists of: unsubsidized employment, subsidized employment, community service jobs and a transition program. Participation in each phase of the program, other than unsubsidized employment, will be time-limited so that a participant must move up to the next phase and into self-sufficiency within prescribed parameters.

B. The Self Sufficiency Ladder Components are:

1. Unsubsidized employment, meaning individuals entering the Oklahoma Works Initiative shall always be first guided to the best available immediate job opportunity in the private sector. The Oklahoma Works Initiative agency shall emphasize matching every participant's capabilities with the best work options which are currently available, rather than diverting them to extended education and training programs;

2. Subsidized employment, meaning subsidized jobs will be available on a trial basis with the use of a wage subsidy to business for the purpose of offsetting some of the initial additional costs of new employee training supervision. Subsidized trial jobs shall be designed to eliminate reasons for limited use in related existing programs, such as AFDC work supplementation. The wage subsidy shall be a fixed amount, and shall be for a limited duration. Most trial jobs will be expected to become permanent;

3. Community service jobs, meaning community service jobs shall be available for those who need to practice work habits and skills necessary to be hired by a private business. Community service jobs shall be designed to provide actual goods and services to others. Community service jobs shall not be granted as an entitlement to participants, but will be offered only where, in the judgment of the

Oklahoma Works Initiative agency, private employment is not realistic for a given individual. Community service jobs shall be limited to a fixed duration; and

4. Transition, meaning a program component designed for participation by those who are determined to be unable to perform independent self-sustaining work even in a community service job. In order to receive cash benefits, transition participants shall engage in work activities consistent with their capabilities, shall participate in other activities consistent with their capabilities, and shall participate in other activities designed to move them toward greater work ability. These other services may include education, specialized skill training for the developmentally disabled, or other services depending on the situation of the participant.

SECTION 6. This act shall become effective July 1, 1996.

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.

45-2-2111

CJ