

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 706
Second Edition Engrossed 5/3/95

Short Title: Cabarrus County Workfare.

(Local)

Sponsors: Senator Hartsell.

Referred to: Appropriations

April 13, 1995

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE CABARRUS COUNTY TO ESTABLISH AN AID TO
2 FAMILIES WITH DEPENDENT CHILDREN (AFDC) AND FOOD STAMP
3 WORKFARE PILOT PROGRAM AND AN ADJUNCT DEMONSTRATION
4 PROGRAM MODIFYING THE JOBS PROGRAM.
5

6 The General Assembly of North Carolina enacts:

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

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

16 (1) Provide job opportunities to all able-bodied AFDC and Food Stamp
17 recipients who:

- 18 a. Are not eligible for the JOBS program;
19 b. Are between the ages of 18 and 64;

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

1 time necessary to come into compliance, second sanction period – four
2 months, third and subsequent sanctions – eight months; and

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

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

- 10 (1) Require AFDC recipients who are mandated JOBS participants to
11 pursue and accept employment, full or part time, subsidized or
12 unsubsidized, as part of their job plan. The maximum number of hours
13 delegated to job activities, including employment, shall be 40 hours per
14 week. AFDC recipients who are JOBS eligible and who are caring for
15 children under five years of age shall, in this program, not be limited to
16 20 hours per week;

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

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

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

27 Sec. 3. The Department of Human Resources shall evaluate the Cabarrus
28 County Demonstration Project and report to the General Assembly on or before March 1,
29 1997.

30 Sec. 4. This act becomes effective July 1, 1995 and shall expire on July 1,
31 1997.