

JOBS AND TIME LIMITS

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All provisions below apply only to phased-in recipients unless otherwise specified.

I. PROGRAM ENROLLMENT

Current Law

The Family Support Act required a State to make an initial assessment of AFDC applicants with respect to child care needs, skills, prior work experience, and employability. On the basis of this assessment, the State must develop an employability plan for the applicant. The State may require participants to enter into a formal agreement which specifies the participant's obligations under the program and the activities and services provided by the State. The employability plan is not considered a contract. States may require some applicants to undergo job search activities for 8 weeks and an additional 8 weeks for AFDC recipients.

Vision

At the point of the intake process, applicants will learn of their specific responsibilities and expectations regarding the JOBS program and time limits. All States and applicants will now be required to enter into an agreement specifying the responsibilities of each party. This will be accomplished through a mutual responsibility agreement and an employability plan. While the mutual responsibility agreement will outline a general agreement, the employability plan will be focussed on the specific employment-related needs of the applicant. Although these are not legal contracts, these agreements will serve to refocus the direction of the welfare program.

Rationale

States must change the culture of the welfare system by changing the expectations of both applicants and case workers. This can be done by modifying the mission of the welfare system at the point of the intake process to stress the shift from eligibility and benefit determination to employment and access to education and training. The mutual obligations of the State and the participant must be spelled out and enforced. JOBS programs must continue to be utilized as an entity designed to link clients to services in the community.

- (a) All applicants will be required as part of the application process to sign a Mutual Responsibility Agreement with the State specifying the general responsibilities of both the participant and the State agency under the revised transitional assistance program.

ISSUE: Should applicants not in the phased-in group be required to sign a Mutual Responsibility agreement?

- (b) All applicants must also be provided, as part of the application process, with information about the revised JOBS program and the time limit on cash assistance. Each applicant would

be informed of the number of months of cash assistance for which he or she was eligible (e.g., 24 for first-time applicants).

- (c) The Mutual Responsibility Agreement shall not be a legal contract.

2. EMPLOYABILITY PLAN

- (a) Change current Social Security Act language that a State "may" require the participant to enter into an agreement with the State agency to follow the employability plan as developed to "must." (applicable to all recipients, including those not phased-in)
- (b) Add language requiring States to complete the assessment and employability plan within a period of time (e.g., 60 days from date of application) specified by the Secretary of Health and Human Services.
- (c) The employability plan shall specify a time frame for achieving self-sufficiency and the prescribed activities would be designed to enable the participant to obtain employment within this time period.
- (d) Amend section 482(b)(1)(A) by adding "literacy" after the word "skills." (applicable to all recipients, including those not phased-in)

3. JOBS-PREP

Current Law

States must require non-exempt AFDC recipients to participate in the JOBS program to the extent that resources are available. Exemptions under the current JOBS program are for those applicants and recipients who are ill, incapacitated, or of advanced age; needed in the home because of the illness or incapacity of another family member; the caretaker of a child under age 3 (or, at State option, age 1); employed more than 30 hours per week; a dependant child under age 16 or attending a full time educational program; women in the second and third trimester of pregnancy; and residing in an area where the program is not available. The parent of a child under age 6 (but older than the age for an exemption) who is personally providing care for the child may be required to participate only if participation requirements are limited to 20 hours per week and child care is guaranteed. For AFDC-UP families, the exemption relating to the age of a child may only apply to one parent, or to neither parent if child care is guaranteed.

Vision

Under new provisions, a greater number of participants will be JOBS-mandatory. Single-parent and two-parent families will be treated similarly under the new JOBS system. The current exemption policy, which is based on an individual's characteristics, will be replaced with a policy under which persons not yet ready for participation in JOBS will be assigned to the JOBS-Prep phase.

Rationale

In order to change the culture of welfare, it is necessary to stress the importance of full participation in the JOBS program. It is also important to ensure that all welfare recipients who are able to participate in JOBS have such services made available to them by the States. Elimination of exemptions sends a strong message that full participation in JOBS should be the normal flow of events, and not the exception. The JOBS-Prep policy gives States the ability to consider differences in the ability to work and participate in education and training activities.

- (a) Adult recipients (see Teen Parents below for treatment of minor custodial parents) who were not able to work or participate in education or training activities (e.g., due to care of a disabled child) could be assigned to the JOBS-Prep phase either prior to or after entry into the JOBS program. For example, if an individual became seriously ill after entering the JOBS program, he or she would then be placed in JOBS-Prep status.
- (b) Persons in the JOBS-Prep phase would be expected to engage in activities intended to prepare them for employment and/or the JOBS program. The employability plan for a recipient in JOBS-Prep status would detail the steps, such as finding permanent housing or obtaining medical care, needed to enable him or her to enter the JOBS program.

Recipients not likely to ever participate in the JOBS program (e.g., those of advanced age) would not be expected to engage in JOBS-Prep activities. For individuals whose are expected to enter the JOBS program shortly in any event (e.g., mothers of young children), JOBS-Prep services could be provided, when appropriate, to address any outstanding barriers to successful participation in JOBS.

- (c) No funds would be set aside for services to persons in JOBS-Prep status. States could provide services to individuals in the JOBS-Prep phase, using JOBS funds, but would not be required to do so. Likewise, States would not be required to guarantee child care or provide other supportive services for persons in JOBS-Prep status. Persons in JOBS-Prep status would not be subject to sanction for failure to participate in JOBS-Prep activities. In other words, in order to actually require an individual to participate in an activity, a State would have to make him or her JOBS-mandatory.
- (d) States would be required to maintain an employability plan for persons in JOBS-Prep status.
- (e) Persons in JOBS-Prep would not be subject to the time limit, e.g., months in which a recipient was assigned to JOBS-Prep would not count against the two-year limit on cash benefits.

EXAMPLE:

An individual applies for cash assistance in January of 1996. She and her caseworker design an employability plan in March of 1996 and she begins participating in the JOBS program activities in the plan. In September 1996, her father becomes seriously ill and she is needed in the home to care for him. At that point, she is placed in the JOBS-Prep phase. Her father's condition improves and by August 1997 he no longer requires full-time care. As of August 1997, she is eligible for 16 more months of cash assistance. She re-enters the JOBS program and reaches the 24-

month time limit in November 1998. At that point, however, she is only four months from completing her Licensed Practical Nurse (LPN) training. She is then granted a 4-month extension to finish her LPN training.

- (f) The criteria for JOBS-Prep status would be the following:
- (1) A parent of a child under one, provided the child was conceived prior to the family's most recent application for assistance, would be assigned to the JOBS-Prep phase. A parent of a child conceived after the most recent application for assistance would be placed in JOBS-Prep for a twelve-week period following the birth of the child (consistent with the Family and Medical Leave Act).
(Under current law, parents of a child under three, under one at State option, are exempted from JOBS participation, and no distinction is made between children conceived before and children conceived after application for assistance)
 - (2) Illness, including mental illness, incapacity or advanced age;
(Definition of illness and possibly of incapacity would be tightened by regulation)
[see specifications on substance abuse for discussion of the approach for persons with drug or alcohol problems]
 - (3) Needed in the home to care for another member of the household who is ill or incapacitated;
(Same as current law)
 - (4) Third trimester of pregnancy; and
(Under current law, pregnant women are exempted from JOBS participation for both the second and third trimesters)
 - (5) Living in a remote area (i.e., more than two hours round-trip travel time from the nearest JOBS program site or activity).
(Same as current law, CFR 250.30.5)
- (g) States would be permitted, in addition, to place up to 5% of all adult recipients and minor custodial parents in JOBS-Prep for good cause as determined by the State. The percentage would be specified in statute.
- (h) Recipients who met the criteria for placement in the JOBS-Prep phase would be permitted to volunteer for the JOBS program. Such a volunteer who was participating in JOBS would be subject to the time limit but would be permitted to opt out--return to the JOBS-Prep phase--at any time, provided he or she still met the JOBS-Prep criteria.
- (i) A State would be required to promptly inform a recipient of any change in his or her status with respect to JOBS participation and/or the time limit (e.g., movement from the JOBS-Prep phase into the JOBS program).

4. DEFINITION OF TIME LIMIT

Current Law

The AFDC program provides cash assistance to households in which needy children have been deprived of parental support (Section 401, Social Security Act), including two-parent households in which the principal earner is unemployed (AFDC-UP program, Section 407). Operating within broad Federal guidelines, States set standards used to determine need and payment. In order to be eligible for AFDC, the household's gross income cannot exceed 185 percent of the State's need standard (Section 402(a)), its countable income must be less than the need standard, and the total value of its assets must be below the limit set by the State.

The cash assistance is provided to, and accounts for the needs of, the parent(s) or other caretaker relative, as well as the dependent children (Section 402(a) and others, Social Security Act). Some States (those which did not have an AFDC-UP program in place as of September 26, 1988) are permitted to place a type of time limit on participation in the AFDC-UP program, restricting eligibility for AFDC-UP to 6 months in any 12-month period (Section 407(b)). Thirteen states presently impose time limits on AFDC-UP eligibility. Under current law, however, no other type of time limits may be placed on participation in the AFDC program.

Vision

Most of the people who enter the welfare system do not stay on AFDC for many years consecutively. It is much more common for recipients to move in and out of the welfare system, staying a relatively brief period each time. Two out of every three persons who enter the welfare system leave within two years and fewer than one in five spends five consecutive years on AFDC. Half of those who leave welfare, however, return within two years, and three of every four return at some point in the future. Most recipients use the AFDC program not as a permanent alternative to work, but as temporary assistance during times of economic difficulty.

While persons who remain on AFDC for long periods at a time represent only a modest percentage of all people who ever enter the system, however, they represent a high proportion of those on welfare at any given time. Although many face very serious barriers to employment, including physical disabilities, others are able to work but are not moving in the direction of self-sufficiency. Most long-term recipients are not on a track toward obtaining employment that will enable them to leave AFDC.

The proposal would impose, on adults, a cumulative time limit of two years on the receipt of cash assistance, with deferrals of and extensions to the time limit to be granted under certain circumstances. Months in which a recipient was working part-time would not count against the time limit. The two-year limit would be renewable—once an individual left welfare, he or she would begin to earn back eligibility for assistance.

The two-year time limit is part of the overall effort to shift the focus of the welfare system from disbursing funds to promoting self-sufficiency through work. This time limit gives both recipient and the welfare agency a structure that necessitates steady progress in the direction of employment and economic independence. As discussed elsewhere, recipients who reach the two-year time limit without

finding a private sector job will be offered publicly subsidized work assignments to enable them to support their families.

- (a) The time limit would be a limit of 24 on the cumulative number of months of cash assistance an adult could receive before being subject to the work requirement (see Teen Parents for treatment of custodial parents under 19). Months in which an individual was receiving assistance but was in JOBS-Prep rather than in JOBS would not count against the 24-month time limit.
- (b) The time limit, as indicated in (a) above, would generally be linked to JOBS participation. Recipients required to participate in JOBS would be subject to the time limit. Conversely, the clock would not run for persons assigned to JOBS-Prep status.
- (c) States would be required to update each adult recipient every month as to the number of months of eligibility remaining for him or her.

5. APPLICABILITY OF TIME LIMITS

- (a) The time limit would apply to parents (for treatment of teen parents, see Teen Parents below). A record of the number of months of eligibility for cash assistance remaining would be kept for each individual subject to the time limit. Caretaker relatives would not be subject to the time limit.

6. TWO-PARENT FAMILIES

- (a) In a two-parent family, both parents would be subject to the time limit, provided neither parent was placed in JOBS-Prep status. If one parent had reached the time limit and the other had not, the parent who had reached the time limit would be required to enter the WORK program. If the parent who had reached the limit declined to participate in the WORK program, that parent would be removed from the assistance unit, but the family would still be eligible for the remainder of the benefit (the other parent and the children's portion) until the other parent's clock struck 24.
- (b) A parent in a two-parent family who had reached the time limit but declined to enter the WORK program would not be considered part of the assistance unit for the purpose of calculating either the AFDC benefit or the earnings supplement (if the other parent did enter the WORK program). If such a parent subsequently reversed course and entered the WORK program, he or she would be considered part of the assistance unit for the purpose of determining the supplement and would also be eligible for a WORK assignment. As discussed in the WORK specifications, a State would not be required to provide WORK assignments to both parents in a two-parent family.

EXAMPLE:

A single father with two children who came onto the rolls twelve months ago marries a woman with no children and no prior welfare receipt. Both are required to participate in JOBS. Twelve months later, the father reaches the time limit, but refuses to enter the WORK program. At that point, the father is removed from the assistance unit. The mother continues to participate in JOBS and the family receives the mother and children's share of the benefit. Twelve months later, the mother reaches the time limit. At that point, she decides to enter the WORK program and is assigned to a 20-hour per week WORK position. For purposes of calculating the earnings supplement, the assistance unit consists of the mother and the children, even though the father is still in the home. Three months later, the father changes his mind and enters the WORK program. The State refers the father to a placement agency, rather than assigning him to a WORK slot. He is now considered part of the assistance unit for the purpose of calculating the family's earnings supplement.

Under current law, the second parent in a two-parent family is not exempted from participation in JOBS. If, however, under the proposed law a State chose to place the second parent in JOBS-Prep status (e.g., for good cause rather than under one of the specified criteria), the second parent would not be subject to the time limit. The second parent would then be counted toward any relevant cap on the number of adult recipients (and minor parents) a State would be permitted to place in the JOBS-Prep phase.

RATIONALE:

While the provision described above might be interpreted to favor two-parent families over single-parent households, its intent is actually to equalize treatment of one and two-parent families. Applying the time limit to a parent in a two-parent family who did not have access to JOBS services (due to placement in JOBS-Prep) but not to a single parent assigned to JOBS-Prep would constitute, to some extent, a bias against two-parent families.

NOTE: If a second parent who would otherwise be placed in JOBS-Prep status volunteered for the JOBS program, that second parent would be subject to the time limit, as with any other volunteer.

- (c) With respect to the phase-in, both parents in a two-parent family would be considered subject to the new rules if the principal earner were in the phased-in group. If the parents subsequently separated, both would still be subject to the new rules.

7. TEEN PARENTS

- (a) All custodial parents under 19 who had not completed high school or the equivalent (e.g., a GED program) would be required to participate in the JOBS program, with education as the presumed activity. The 24-month time clock, however, would not begin to run until a custodial parent turned 18. In other words, months of receipt as a custodial parent before the age of 18 would not be counted against the time limit.
- (b) Custodial parents under 19 who had a child under one but who had not completed high school would be required to participate in JOBS, rather than placed in JOBS-Prep status. Such parents would be expected to return to school as rapidly as possible following the birth of the child. Custodial parents under 19 with a young child could be placed in JOBS-Prep only for a period of up to twelve weeks following the birth of the child. States would be permitted to

assign custodial parents under 19 to JOBS-Prep status in exceptional circumstances, for example, in the event of a serious illness which precludes school attendance.

- (c) Nineteen-year-old custodial parents would be subject to the same rules with respect to placement in JOBS-Prep status and to the time limit as all other adult recipients. Education would, as under current law, be the presumed activity for nineteen-year-old custodial parents who had not completed high school or the equivalent and were required to participate in JOBS.
- (d) Individuals who were eligible for and receiving services under the Individuals with Disabilities Education Act would receive an automatic extension up to age 21 if needed to complete high school. These extensions would not be counted against the cap on extensions.
- (e) States would be required to provide comprehensive case management services to all custodial parents under 20 who had not completed high school or the equivalent.

ISSUE: Should comprehensive case management services be provided to nineteen-year-old custodial parents who had not completed high school or the equivalent, or should such services be provided only through age eighteen?

[see Promote Parental Responsibility and Prevent Teen Pregnancy specifications for a discussion of all provisions in the plan concerning teen parents, including further detail on comprehensive case management.]

8. JOBS SERVICES AVAILABLE TO PARTICIPANTS

Current Law

A range of services and activities must be offered by States under the current JOBS program, but States are not required to implement JOBS uniformly in all parts of the State and JOBS programs vary widely among States. The services which must be included are: educational activities, including high school and equivalent education, basic literacy, and English proficiency; jobs skills training; job readiness activities; job development and job placement; and supportive services to the extent that these services are necessary for participation in JOBS. Supportive services include child care under a variety of circumstances, and transportation and work related expenses. States must also offer at least 2 of the following services: group and individual job search; on-the-job training (OJT); work supplementation programs (WSP); and community work experience programs (CWEP). There is a need to expand the definition and range of services available under JOBS. States would maintain the flexibility to determine the mix of JOBS services available and required for participants.

Vision

The definition of satisfactory participation in the JOBS program will be broadened to include activities that are important to helping individuals achieve self-sufficiency. States will have broad latitude in determining which services are provided. Additionally, job search activities will be emphasized to promote work and employment.

All provisions below, with the possible exception of any initial job search requirement under (a)(2), would apply to all recipients, including those not phased-in and not subject to the time limit.

(a) Amend job search rules to accomplish the following:

(1) Require States to include job search among the JOBS services offered;

(2) Extend permissible period of initial job search from 8 weeks to 12;

Option One: Require all persons to perform job search from the date of application.

Option Two: Require all job-ready persons to perform job search from the date of application. States would have to enroll a certain percentage of applicants in job search.

Option Three: Same as Options One or Two, except that the job-search requirement would kick in after eligibility determination, rather than after application.

Option Four: Require job search to be the first activity in the employability plan.

Option Five: State discretion

ISSUE: Should the same initial job search requirements be applied to recipients not in the phased-in group?

(3) Remove the requirement that job search after initial job-search period may only be required in combination with education and training; and

(4) Clarify the rules so as to limit job search to 4 months in any 12-month period. Initial job search would be counted against the 4-month limit, but the 45-90 days of job search required immediately before the end of the 2-year time limit, (see Transition to Work/WORK) would not.

(b) Eliminate the requirement that States expend 55 percent of JOBS funds on services to the target groups.

(c) Change the anti-displacement language to permit work supplementation participants to be assigned to established unfilled vacancies in the private sector.

(d) Limit Alternative Work Experience to 90 days within any 12-month period (*by regulation*).

(e) Amend section 482(d)(1)(A) by replacing "basic and remedial education to achieve a basic literacy level" with "employment-oriented education to achieve literacy levels needed for economic self-sufficiency."

9. PART-TIME WORK

[Detailed specifications awaiting resolution of key questions]

10. JOBS PARTICIPATION

Current Law

Under the Family Support Act of 1988 which established the JOBS program, certain minimum participation standards were established for fiscal years 1990-1995 for the AFDC caseload. States face a reduced federal match rate if those standards are not met. In FY 1993 at least 11% of the non-exempt caseload in each State must participate in JOBS. The standards increase to 15% for FY 1994 and 20% for FY 1995. There are no standards specified after FY 1995. There is a need to extend and increase minimum participation standards beyond 1995 in order to implement JOBS and transform the welfare system from an income support system into a work support system.

Vision

In order for the JOBS program to become the centerpiece of government assistance, the JOBS program must experience a dramatic expansion of both services and participants. Under the provisions of the new transitional assistance program, JOBS participation will be greatly expanded and increased participation rates will be phased-in until States reach a full-participation model. States will be given flexibility in designing systems to achieve these objectives.

- (a) The participation standard would be increased from the current level (20% in FY 1995) to 45 percent for phased-in recipients required to participate in JOBS. The 20 percent participation standard would be extended with respect to JOBS-mandatory recipients not phased-in (there are no participation standards in current law for FY 96 and beyond). For example, if the phase-in of the new rules began with adult recipients and minor parents born in 1972 or later, States would be required to meet a 45 percent participation standard for mandatory recipients born in 1972 or later and a 20 percent participation standard for mandatory recipients born before 1972.

All of the provisions below would apply to both phased-in and non-phased-in recipients.

- (b) Alter the definition of participation such that an individual enrolled half-time in a degree-granting post-secondary educational institution who was making satisfactory academic progress (as defined by the Higher Education Act) would be considered to be participating satisfactorily in JOBS, even if such a person were scheduled for fewer than 20 hours of class per week. *(by regulation)*
- (c) Broaden the definition of JOBS participation to include participation in activities, other than the optional and mandatory JOBS services, which are consistent with the individual's employability plan. *(again, by regulation)*

- (d) The broadened definition of participation would include participation in the Small Business Administration Microloan Demonstration program or another *structured* self-employment program. As above, satisfactory participation in a structured self-employment program would meet the JOBS participation requirement, even if the scheduled hours of the self-employment program were fewer than 20 per week. *(by regulation)*

11. ANNUAL ASSESSMENT

- (a) States would be required to conduct an assessment of all adult recipients and minor parents, including both those in the JOBS-Prep phase and those in JOBS, on at least an annual basis to evaluate progress toward achieving the goals in the employability plan. This assessment could be integrated with the annual eligibility redetermination (see Reinvent Government Assistance specifications). Persons in JOBS-Prep status found to be ready for participation in employment and training could be assigned to the JOBS program following the assessment. Conversely, persons in the JOBS program discovered to be facing very serious obstacles to participation could be placed in the JOBS-Prep phase.
- (b) The assessment would entail an evaluation of the extent to which the State was providing the services called for in the employability plan. In instances in which the State was found not to be delivering the specified education, training and/or supportive services, the agency would be required to document that failure and establish a plan to ensure that the services would be delivered from that point forward.

12. SANCTIONS

Current Law

The sanction for non-compliance under the current JOBS program is the loss of the non-compliant individual's share of the grant, until the failure to comply ceases. In the event of subsequent non-compliance, the sanction is a minimum of 3 months for the second failure to comply, and a minimum of 6 months for all subsequent non-compliance. The State, however, cannot sanction an individual for refusing to accept an offer of employment, if that employment would result in a net loss of income to the family.

For sanctioned two-parent families, both parents' shares of the total benefit are deducted from the family's grant, unless the second parent is participating satisfactorily in the JOBS program.

Vision

Under these provisions, States would gain some flexibility regarding sanction policy but much of the current sanction policy would remain intact.

- (a) Program Interactions:
1. Sanctioned families would still have access to other available services, including JOBS activities, child care and Medicaid.

2. Sanctioned months would be counted against the time limit on cash benefits.

- (b) Change the statute such that for sanctioned two-parent families, the second parent's share of the benefit would not also be deducted from the grant, unless the second parent were also required to participate in JOBS and were similarly non-compliant. (applicable to all two-parent families, including those not phased-in)

13. TRANSITION TO WORK/WORK

- (a) Persons would be required to engage in job search during a period of not less than 45 days (up to 90 days, at State option) before taking a WORK assignment. In most cases, the job search would be performed during the 45-90 days immediately preceding the end of the time limit.
- (b) States would have the option of providing additional months of cash assistance to individuals who found employment just as their eligibility for cash assistance ended, if necessary to tide them over until the first paycheck.

EXAMPLE:

January is the last month in which a recipient is eligible for cash benefits. At the end of January, he finds a job. He will not, however, receive his first paycheck until the end of February. The State would have the option of issuing a benefit check for the month of February, even though he reached the time limit in January.

- (c) At State option, persons who had left the JOBS program for work would still be eligible for selected JOBS services, including case management.

14. EXTENSIONS

- (a) States would be required to grant extensions to persons who reached the time limit without having had adequate access to the services specified in the employability plan. In instances in which a State failed to substantially provide the services, including child care, called for in the employability plan, the recipient would be eligible for an extension equal to the number of months needed to complete the activities in the employability plan (up to a limit of 24 months). States would be required to take the results of the annual assessment(s) into account in determining if services were delivered satisfactorily. [Office of the General Counsel is developing language for this provision]
- (b) Persons enrolled in a structured learning program (including, but not limited to, those created under the School-to-Work Opportunities Act) would be granted an extension up to age 22 for completion of such a program. A structured learning program would be defined as a program that begins at the secondary school level and continues into a post-secondary program and is designed to lead to a degree and/or recognized skills certificate. Such extensions would not count against the cap on extensions (see below).
- (c) States would also be permitted, but not required, to grant extensions of the time limit under the circumstances listed below, up to 10% of all adult recipients and minor parents required to

participate in JOBS. Persons granted extensions due to State failure to deliver services, as discussed above, would be included under the cap.

- (1) For completion of a GED program (extension limited to 12 months).
 - (2) For completion of a certificate-granting training program or educational activity, including post-secondary education or a structured microenterprise program, expected to enhance employability or income. The extension is contingent on the individual's making satisfactory academic progress (extension limited to 24 months).
 - (3) For some persons who are learning disabled, illiterate or who face other substantial barriers to employment. This would include a seriously learning disabled person whose employability plan to date has been designed to overcome that obstacle and who consequently has not yet obtained the job skills training needed to secure employment (extension not limited in duration).
- (d) States would be required to continue providing supportive services as needed to persons who had received extensions of the time limit.
- (e) A State would be permitted, in the event of unusual circumstances, to apply to the Secretary to have its cap on extensions raised.

15. EARNING BACK ELIGIBILITY

- (a) Persons who had left the cash assistance program would earn back eligibility for months of cash assistance at a rate of one month of cash assistance eligibility for every four months during which the individual did not receive cash assistance and was not in the WORK program. The total months of assistance for which a person was eligible at any time could never exceed 24.

EXAMPLE:

An individual applies for assistance for the first time in January 1997, is not deferred from the JOBS program and enters a JTPA in-class vocational training program in March 1997. She obtains a private sector position and leaves the JOBS program in December of 1997. At that point, she is eligible for 13 months of cash assistance. Two years later, she is laid off from her job and is unable to find another. She re-applies for assistance in February 2000, 26 months after leaving welfare. At this point, she has earned back 6.5 months of cash assistance (26 total months divided by 4), which, when added to the original 13 months, gives her 19.5 months of eligibility remaining.

- (b) Persons who left the WORK program would also be able to earn back months of cash assistance, just as described in (a).
- (c) States would be able to assign persons re-entering the JOBS program to work activities (e.g., CWEP, Work Supplementation) within the JOBS program, when appropriate.

WR- SPECS
(JOBS)

JOBS, TIME LIMITS, WORK AND CHILD CARE

Provisions in this section apply specifically to Indian tribes and Alaska Native organizations.

JOBS AND TIME LIMITS

1. NEW TRIBAL JOBS FUNDING FORMULA

Current Law

Under current law, funding for Indian tribes who operate a JOBS program is based on the number of adult Tribal members who receive AFDC who reside within the tribe's designated service area. Funding for Alaska Native organizations is based on the number of adult Alaska Natives who receive AFDC who reside within the boundaries of the region the organization represents. Indians living on the same reservation are currently subject to either the Tribal JOBS program or the State JOBS program depending on Tribal affiliation. Indians living in Alaska who are not Alaska Natives are subject to the State's JOBS program.

Tribal JOBS grantees currently receive funding based on a count of just under 31,000 adult Tribal members who receive AFDC. It is estimated that the adult AFDC population for all reservations (including those where a Tribal JOBS program does not exist) is 58,000.

Vision

All Native Americans living within the designated service area of an Indian tribe or Alaska Native organization would be subject to the tribal JOBS program regardless of tribal affiliation, if the tribe elects to run a JOBS program.

Rationale

Programs operated by the Department of Labor and the Bureau of Indian Affairs for Indians do not use Tribal affiliation to establish program funding or eligibility.

Drafting Specifications

- a. All Indians, living within the designated service area of an Indian tribe or within the boundaries of the region served by an Alaska Native organization which is a JOBS grantee, would be included in determining the amount of the grantee's JOBS funds.
- b. An Indian is one who meets the definition of Indian as given in section 4(d) of the Indian Self-Determination and Education Assistance Act.

2. NEW JOBS APPLICATION PERIOD

Current Law

Under current law, Indian tribes and Alaska Native organizations had until April 13, 1989 to apply and until October 1, 1990 to begin operating a JOBS program. Indian tribes who did not meet these deadlines are prohibited from submitting applications to operate JOBS programs.

Vision

Indian tribes who did not meet the application deadline for JOBS would be given additional opportunity to do so.

Rationale

The window in which Indian tribes had to apply for JOBS was very limited. Other Federally funded formula grant programs available to Indian tribes do not have similar restrictions.

Drafting Specifications

- (a) All federally recognized Indian tribes not operating a JOBS program may submit applications and plans to do so.
- (b) There would be no new application deadline.
- (c) New applications/plans would have to be submitted by July 1 of each year, with the effective date of approved plans to be October 1.
- (d) An Indian tribe or Alaska Native organization who terminates or has its JOBS program terminated will be eligible to reapply for JOBS after a five year period. Such Indian tribe or Alaska Native organization can reapply by July 1 of the fifth year by submitting an application and plan, with the effective date of an approved plan to be October 1. (This to prevent a Tribal grantee from frequently entering and leaving the program.)
- (e) The current restriction that an Indian tribe must have a reservation to be eligible to operate a JOBS program would be retained.

3. FUNDING SET-ASIDE FOR TRIBAL JOBS GRANTEES

Current Law

Currently, funding for Indian tribes who operate a JOBS program is based on the number of adult Tribal members who receive AFDC who reside within the tribe's designated service area. Funding for Alaska Native organizations is based on the number of adult Alaska Natives who receive AFDC who reside within the boundaries of the region the organization represents. Yearly, Tribal grantees (includes Alaska Native organizations) and the State in which they are located must reach an agreement on the number of Tribal members who receive AFDC who reside within the grantee's designated service area. Any amount due a grantee by this agreement is deducted from the JOBS funding allocated to the State.

Although in some cases it does not cause problems, States and Indian tribes/Alaska Native organizations have found it difficult to come to agreement on the number of adult Tribal members who receive AFDC.

Vision

A set-aside of 2% out of total JOBS funds would be established to distribute to Indian tribes and Alaska Native organizations to provide JOBS.

The proposed percentage set-aside for Tribal JOBS grantees was determined based on two assumptions. First, that Indian tribes who do not currently operate a JOBS program will be given the opportunity to do so. Second, that all Indians, not just Tribal members, will determine Tribal funding. Using these assumptions, it is estimated that almost 2% (58,000 individuals) of the eligible adult AFDC population are Indians living on or near reservations or in areas served by Alaska Native organizations.

Rationale

Additional funding for the tribal JOBS grantees would make up for the lack of matching funds. States spent approximately \$1,395 per JOBS participant from Federal and State matching funds in FY 93. Indian tribes spent approximately \$935 per JOBS participant, all from federal funds as tribes are not required to provide matching funds.

Establishing a set-aside in lieu of the current funding formula would benefit both the Indian tribes, Alaska Native organizations and the States. States would not have any vested interest in the number of adult AFDC recipients who are Indians residing within a Tribal grantee's designated service area as the numbers would not have an impact on the States' JOBS allocations.

Funding for Indian tribes in the Child Care and Development Block Grant (CCDBG) program is a set-aside of the total allocated CCDBG funds.

Drafting Specifications

- (a) Allocate a set aside of 2% of the total JOBS allocation to Indian tribes and Alaska Native organizations.
- (b) Each grantee's share of the set aside would be determined by its percentage share of the entire adult Indian AFDC population which is living on or near reservations or within the boundaries of the region represented by an Alaska Native organization.
- (c) Provide for a periodic review of the percentage set-aside to ensure that it is based on an accurate percentage of adult AFDC recipients who are Indians living in the designated service area of a grantee. Provide for an automatic adjustment of the set-aside based on the results of this review.
- (d) The remainder of the funding issued to an Indian tribe or Alaska Native organization who wishes to terminate or who have their programs terminated after the start of a fiscal year would revert to the State in which the Indian tribe or Alaska Native organization is located. This is because the State would then be responsible for serving the AFDC recipients who had been subject to the Tribal program.
- (e) An Indian tribe or Alaska Native organization would be permitted to reallocate up to 10% of its JOBS allotment to its WORK program, and vice versa.

4. CARRY-OVER OF FUNDS

Current Law

States, Indian tribes and Alaska Native organizations are currently prohibited from carrying over

federal funds awarded in one fiscal year to the next fiscal year. All federal funds received in a fiscal year must be obligated by the end of the same fiscal year. Indian tribes and Alaska Native organizations have sometimes had to shut down their JOBS programs because new fiscal year funding is often not received until November. Unlike States which are in a position to use their own resources for operating JOBS pending the issuance of grant awards, Indian tribes and Alaska Native organizations do not have this luxury. States also have the advantage of the Cash Management Improvement Act (CMIA) which does not apply to Indian tribes and Alaska Native organizations. CMIA says that the Federal government must pay interest to States if States are forced to use State funds for something for which Federal funds are normally used. Thus, for example, States were issued a portion of their fiscal year 1994 JOBS funds a month before Indian tribes and Alaska Native organizations were issued any funds.

Without timely grant awards and without forward funding, Indian tribes and Alaska Native organizations either had to cease the program or use other limited tribal funds in the interim.

Vision

The JOBS programs operated by Indian tribes and Alaska Native organizations will not have to cease operation at the beginning of a fiscal year due to the non-timely issuance of new grant awards.

Rationale

The Job Training Partnership Act program under the Department of Labor has authority for forward funding. JTPA grantees are permitted to carry over a maximum of 20% of funds from one program year to the next.

Drafting Specifications

- (a) *Indian tribes and Alaska Native organizations who operate JOBS programs would be permitted to carry over no more than 20% of the funds awarded in one fiscal year into the next fiscal year.*

5. JOBS FUNDS FOR ECONOMIC DEVELOPMENT

Current Law

Under current law, JOBS funds cannot be used to build/improve infrastructure which is so badly needed by Indian tribes and in areas served by Alaska Native organizations. JOBS funds cannot be combined with economic development funds to write proposals, make capital expenditures, etc. Indian tribes and Alaska Native organizations can apply for grants from ACF's Administration for Native Americans that if received can be used to support these activities. What Indian tribes and Alaska Native organizations can and what some do is to use JOBS funds to train individuals to work in economic development enterprises.

Vision

Allowing tribal JOBS grantees to denote a portion of their JOBS funds to economic development would give them additional opportunity to help their clients move towards self-sufficiency.

Rationale

Without the leveraging of Federal funds for economic development, there will be fewer employment opportunities for Native Americans.

Drafting Specifications

- (a) Upon approval by the Secretary, Indian tribes and Alaska Native organizations would be permitted to use no more than \$5,000 or 10%, whichever is less, of their JOBS funds on economic development related projects.
- (b) All economic development related projects that use JOBS funds must involve the training of JOBS participants for related jobs:

6. JOBS-PREP

All provisions in the earlier discussion on JOBS-Prep apply except for the following.

Drafting Specifications

- (a) Indian tribes and Alaska Native organizations who operate a JOBS program will be responsible for the determination as to whether an AFDC recipient is to be assigned to the JOBS-Prep phase.

7. EXTENSIONS

Vision

Tribal JOBS grantees will not be held to the same limitation on the granting of extensions to time limited AFDC benefits as will be the States.

Rationale

Many reservations and areas served by Alaska Native organizations suffer from lower literacy rates and higher unemployment than most areas of the country.

Drafting Specifications

- (a) The total number of extensions would be limited to 25% of the number of persons participating in the Tribal JOBS program.

WORK

1. INDIAN TRIBES AND ALASKA NATIVE ORGANIZATIONS TO OPERATE THEIR OWN WORK PROGRAMS

Current Law

Refer to this section under the general discussion of the WORK program.

Vision

Tribal AFDC recipients would be subject to the requirement to participate in JOBS just as they are now. They would also be subject to time limits.

Indian tribes and Alaska Native organizations would have the option to run JOBS. An Indian tribe or Alaska Native organization that operates JOBS would be required to operate a WORK program also. Indian tribes and Alaska Native organizations are responsible for determinations of JOBS-Prep status and extensions; however, there may be additional extensions because of unique tribal circumstances. tribal members subject to tribal JOBS/WORK programs are excluded from any State program measures.

The Tribal WORK program will have to look different from the State WORK program because of the proposed funding formula. The portion of the WORK funding based on a diversion of AFDC grants would be difficult and complicated to accomplish because of the State's continued responsibility for AFDC funds and the need for extremely close coordination between the State and the Indian tribe or Alaska Native organization. Therefore, it is envisioned that the tribal WORK program will more closely resemble a Community Work Experience Program (CWEP) than a work for wages model (i.e., a tribal member would continue to receive cash assistance, but would be required to participate in a WORK activity). Indian tribes and Alaska Native organizations would be able to use WORK allocation to create job opportunities.

Rationale

Since the Indian tribes and Alaska Native organizations would have to be involved in the development of WORK assignments on the reservation, it follows that the Indian tribes and Alaska Native organizations be given the administration of the WORK program. Keeping the WORK program at the tribal level will allow for a continuum of activity. It also advances tribal self-determination and provides for a more holistic framework for addressing the needs of Native Americans.

Drafting Specifications

- (a) Indian tribes and Alaska Native organizations which operate a JOBS program would apply to administer a WORK program. Any application will have to be approved by the Secretary.
- (b) Indian tribes and Alaska Native organizations who do not want to operate a WORK program could not continue to operate a JOBS program.
- (c) Funding for the tribal WORK program would be a percentage set-aside of the total WORK allocation.

- (d) An Indian tribe or Alaska Native organization would be permitted to reallocate up to 10% of its JOBS allotment to its WORK program, and vice versa.
- (e) An Indian tribe or Alaska Native organization would not be required to match Federal funds.
- (f) The WORK program set forth in the application of a Indian tribe or Alaska Native organization under this part need not meet any requirement of the State WORK program that the Secretary determines is inappropriate with respect to a tribal WORK program.
- (g) The Secretary shall develop appropriate data collection requirements.
- (h) Appropriate performance measures will be developed.

CHILD CARE

1. ALLOCATE JOBS AND TRANSITIONAL CHILD CARE FUNDS TO TRIBES AND ALASKA NATIVE ORGANIZATIONS

Current Law

Under current law, States are the only entities eligible to administer title IV-A child care funds. Participants in Tribal JOBS programs who need child care have to be referred to the State IV-A agencies in order to receive needed child care.

Although data is not collected on the extent that title IV-A child care is used by Tribal JOBS participants, anecdotal information from Tribal JOBS directors seems to indicate that Tribal JOBS participants do not always get their child care needs taken care of through the State. Potential child care providers on reservations are often intimidated or unable to provide necessary information to the State in order to meet State requirements. Indian tribes and Alaska Native organizations that receive Child Care and Development Block Grant (CCDBG) funds sometimes use these funds to pay the cost of the child care to avoid dealing with the State. By using CCDBG funds to pay for the child care needed by Tribal JOBS participants, the Indian tribe or Alaska Native organization cannot use the funds to serve the child care needs of others who qualify.

Vision

Indian tribes and Alaska Native organizations would not have to rely the State IV-A agencies to guarantee the child care needed by Tribal JOBS participants and transitional child care. Funding the Tribal JOBS grantees to guarantee child care makes it easier for these entities to ensure that Tribal child care needs are met.

Rationale

Indian tribes and Alaska Native organizations who currently rely on the use of CCDBG to provide child care that is the responsibility of the State IV-A agency will be able to use CCDBG funds for their intended purpose once JOBS and transitional child care funds are available to them. The amount of child care funding that would be available to the Indian tribes and Alaska Native organizations from JOBS and transitional child care and CCDBG should be sufficient to meet the

child care needs without the additional funding provided by At-Risk Child Care. Therefore, it is not being recommended to fund the Indian tribes and Alaska Native organizations directly for the At-Risk Child Care program at this time. However, we are adding a provision to give the Secretary authority to determine that there is a need in the future and to allocate funds to tribal programs at that time.

Drafting Specifications

- (a) Upon an approved application, all Indian tribes and Alaska Native organizations that operate a JOBS/WORK program would be allowed to administer title IV-A JOBS and transitional child care funds.
- (b) Indian tribes and Alaska Native organizations would not be required to match Federal funds.
- (c) The JOBS and transitional child care program set forth in the application of an Indian tribe or Alaska Native organization under this part need not meet any requirement of the JOBS and transitional child care programs that the Secretary determines is inappropriate with respect to such tribal JOBS and transitional child care program.
- (d) The Secretary shall develop appropriate data collection requirements.
- (e) Appropriate performance measures will be developed.
- (f) The Secretary has the authority to conduct a study of the use of JOBS and transitional child care by Indian tribes and Alaska Native organizations to determine if child care needs are being met. If there are unmet child care needs, the Secretary has the authority to award At-Risk child care funds to Indian tribes and Alaska Native organizations through a set-aside.

MISCELLANEOUS

1. TECHNICAL ASSISTANCE, DEMONSTRATIONS AND EVALUATIONS

Current Law

The three year contract awarded in 1990 to provide technical assistance to Tribal JOBS grantees expired last year. Tribal JOBS grantees are not eligible to operate demonstration projects. And evaluations of the Tribal JOBS programs have not been done.

Vision

To gain more thorough information about what makes a successful Tribal or Alaska Native JOBS program, evaluation is needed just as it is for State programs.

Rationale

Welfare reform will be a major force in Indian country. Whatever form welfare reform will take, Indian tribes and Alaska Native organizations will need ongoing technical assistance to understand and implement necessary changes to their JOBS programs.

Most Tribal (including areas served by Alaska Native organizations) environments are sufficiently different from State environments to warrant the involvement of a certain number of Indian tribes or Alaska Native organizations in demonstration projects. A demonstration project may further allow an Indian tribe or Alaska Native organization to design and implement a program that tests innovative approaches that suits the unique circumstances of that Indian tribe, Alaska Native organization or of Indian country.

Drafting Specifications

- (a) Indian tribes and Alaska Native organizations would be eligible to submit applications for demonstration projects related to welfare reform, such as combining JOBS and WORK into a block grant.
- (b) Any contract awarded for the provision of technical assistance following the passage of welfare reform legislation must specify that Indian tribes and Alaska Native organizations receive a fair share of the technical assistance.
- (c) Amend the qualifying entities that can apply for Job Opportunities for Low-Income Individuals (JOLI) demonstration grants (authorized by section 505 of the Family Support Act) to include Tribal governments and Alaska Native organizations.

ADDITIONAL CONSIDERATION

1. EXCLUSIONS/DEFERRALS

This discussion is included for consideration in any further discussion on how to treat areas of high unemployment in the context of time-limited AFDC benefits.

There is a very real lack of employment opportunities on many reservations and in areas served by Alaska Native organizations. Although seasonal employment is available on some reservations, there are not as many opportunities to work year-round. Without a large expansion of opportunities for full-time, non-seasonal work, individuals more than willing to work will be unable to do so.

Time-limiting cash assistance for those subject to the JOBS program operated by an Indian tribe or Alaska Native organization would necessitate the creation of many WORK assignments. If AFDC recipients who reside in areas of high unemployment in the States are excluded from time-limited benefits, AFDC recipients subject to a Tribal JOBS program should be specifically mentioned.

Drafting Specifications

- (a) Specifically include reservations and areas represented by Alaska Native organizations in any designation of areas of high unemployment to be excluded from time-limited AFDC benefits.
- (b) Limit the exclusion from time-limited AFDC benefits to AFDC recipients subject to a JOBS program operated by an Indian tribe or Alaska Native organization whose unemployment rate is 50% or more.