

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1349 Assistance Programs

SPONSOR(S): Children, Families & Seniors Subcommittee, Aloupis

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Children, Families & Seniors Subcommittee	17 Y, 0 N, As CS	Rahming	Brazzell
2) Appropriations Committee			
3) Health & Human Services Committee			

SUMMARY ANALYSIS

Through various partnerships with the federal government, Florida offers low-income families the following programs that provide health, financial, educational, food, and housing assistance:

- Medicaid;
- The temporary cash assistance program (TANF);
- The School Readiness program;
- The Supplemental Nutrition Assistance Program (SNAP); and
- The Housing Choice Voucher Program.

Medicaid covers approximately 3.6 million low-income Floridians. As of June 2020, 46,369 Florida families receive TANF, including 66,261 children and 18,615 adults. About 62 percent of Florida's approximately 1.1 million children younger than age 6 are in the School Readiness program. As of November 2020, 3,510,072 Floridians are participating in SNAP. As of December 2019, 451,000 people in 214,000 Florida households use federal rental assistance to afford modest housing, 70 percent of which are seniors, children, or people with disabilities.

The bill requires the Office of Early Learning (OEL) to coordinate with the University of Florida Anita Zucker Center for Excellence in Early Childhood Studies (Center) to conduct an analysis of recipients of specified assistance programs and develop participant profiles. The bill requires the Center to provide a report of its analysis to the OEL by June 30 of each year. Within 30 days of receiving the report, the OEL is required to submit it to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The bill requires specified agencies to enter into data sharing agreements with the OEL and the Center.

The bill requires that parents who have an intensive services account or an individual training account be given priority for participation in the School Readiness program equal to parents receiving temporary cash assistance benefits. The bill also eliminates certain definitions applicable to the School Readiness program.

The bill may have an indeterminate negative fiscal impact on state government expenditures. The bill has no impact on local governments.

The bill has an effective date of July 1, 2021.

FULL ANALYSIS

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1349a.CFS

DATE: 3/24/2021

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background:

Florida's Assistance Programs

Medicaid

Medicaid is the health care safety net for low-income Floridians. Medicaid is a partnership of the federal and state governments established to provide coverage for health services for eligible persons. The program is administered by the Agency for Health Care Administration (AHCA) and financed by federal and state funds. AHCA delegates certain functions to other state agencies, including the Department of Children and Families (DCF), which makes eligibility determinations.

The structure of each state's Medicaid program varies, but what states must pay for is largely determined by the federal government, as a condition of receiving federal funds.¹ Federal law sets the amount, scope, and duration of services offered in the program, among other requirements. These federal requirements create an entitlement that comes with constitutional due process protections. The entitlement means that two parts of the Medicaid cost equation – people and utilization – are largely predetermined for the states. The federal government sets the minimum mandatory populations to be included in every state Medicaid program. The federal government also sets the minimum mandatory benefits to be covered in every state Medicaid program. These benefits include physician services, hospital services, home health services, and family planning.² States can add benefits, with federal approval. Florida has added many optional benefits, including prescription drugs, ambulatory surgical center services, and dialysis.³

The Florida Medicaid program covers approximately 3.6 million low-income individuals.⁴ Medicaid is the second largest single program in the state, behind public education, representing approximately one-third of the total FY 2020-2021 state budget.⁵

Federal law requires that a State plan provide safeguards that restrict the use or disclosure of information concerning applicants and beneficiaries to purposes directly connected with the administration of the plan.⁶ Currently, conducting an analysis of recipients of specified assistance programs and developing participant profiles based on specified criteria is not directly connected with the administration of the plan.⁷

Temporary Aid for Needy Families

Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996,⁸ the Temporary Aid for Needy Families (TANF) program replaced the welfare programs known as Aid to Families with Dependent Children, the Job Opportunities and Basic Skills Training program, and the Emergency Assistance program. The law ended federal entitlement to assistance and instead created TANF as a block grant that provides federal funds to states, territories, and tribes each year. These funds cover benefits, administrative expenses, and services targeted to needy families. TANF became effective July 1, 1997, and was reauthorized by the Deficit Reduction Act of 2005. States receive block grants to

¹ 42 U.S.C. §§ 1396-1396w-5; 42 C.F.R. Part 430-456 (§§ 430.0-456.725) (2016).

² S. 409.905, F.S.

³ S. 409.906, F.S.

⁴ Agency for Health Care Administration (AHCA), *Florida Statewide Medicaid Monthly Enrollment Report*, February 2021, https://ahca.myflorida.com/medicaid/finance/data_analytics/enrollment_report/index.shtml (last visited Mar. 18, 2021).

⁵ Chapter 2020-111, L.O.F.; see also *Fiscal Analysis in Brief: 2020 Legislative Session*, <http://edr.state.fl.us/content/revenues/reports/fiscal-analysis-in-brief/FiscalAnalysisinBrief2020.pdf> (last visited Mar. 18, 2021).

⁶ 42 C.F.R. § 431.300

⁷ AHCA, *Medicaid State Plan Under Title XIX of the Social Security Act Medical Assistance Program*, sections of the State Plan are available at <https://ahca.myflorida.com/medicaid/stateplan.shtml> (last visited Mar. 20, 2021).

⁸ P.L. 104-193.

operate their individual programs and to accomplish the goals of the TANF program. As of June 2020, 46,369 Florida families receive TANF, including 66,261 children and 18,615 adults.⁹

Florida's Temporary Cash Assistance Program

Florida's temporary cash assistance (TCA) program is one of several programs funded with TANF block grant funds. The purpose of the TCA program is to help families with children become self-supporting while allowing children to remain in their own homes. It provides cash assistance to families that meet the technical, income, and asset requirements.¹⁰

Various state agencies and entities work together through a series of contracts or memoranda of understanding to administer the TCA program. The DCF receives the federal TANF block grant and administers the TCA program, monitoring eligibility and dispersing benefits. The Department of Economic Opportunity (DEO) is responsible for financial and performance reporting to ensure compliance with federal and state measures, and for providing training and technical assistance to Local Workforce Development Boards (LWDBs). LWDBs provide information about available jobs, on-the-job training, and education and training services within their respective areas and contract with one-stop career centers.¹¹ CareerSource Florida has planning and oversight responsibilities for all workforce-related programs.

Federal law limits the use or disclosure of information concerning applicants and recipients to specified purposes, including any audit or similar activity.¹² State universities conducting an analysis of recipients of specified assistance programs and developing participant profiles based on specified criteria is not one of the specified purposes.

School Readiness Program

Established in 1999,¹³ the School Readiness program provides subsidies for child care services and early childhood education for children of low-income families; children in protective services who are at risk of abuse, neglect, abandonment, or homelessness; foster children; and children with disabilities.¹⁴ The School Readiness program offers financial assistance for child care to these families while supporting children in the development of skills for success in school. Additionally, the program provides developmental screening and referrals to health and education specialists where needed. These services are provided in conjunction with other programs for young children such as Head Start, Early Head Start, Migrant Head Start, Child Care Resource and Referral and the Voluntary Prekindergarten Education Program.¹⁵

The School Readiness program is a state-federal partnership between Florida's Office of Early Learning (OEL)¹⁶ and the Office of Child Care of the United States Department of Health and Human

⁹ Congressional Research Service (CRS), CRS Report, The Temporary Assistance for Needy Families (TANF) Block Grant: Responses to Frequently Asked Questions, January 25, 2021, available at <https://fas.org/sgp/crs/misc/RL32760.pdf> (last visited Mar. 19, 2021).

¹⁰ Children must be under the age of 18, or under age 19 if they are full time secondary school students. Parents, children and minor siblings who live together must apply together. Additionally, pregnant women may also receive TCA, either in the third trimester of pregnancy if unable to work, or in the 9th month of pregnancy.

¹¹ CareerSource Florida, Inc., *Workforce Innovation and Opportunity Act Annual Report for 2015-2016 Program Year*, https://careersourceflorida.com/wp-content/uploads/2016/10/161003_AnnualReport.pdf (last visited Mar. 18, 2020).

¹² 45 FCR § 205.50.

¹³ Section 1, ch. 99-357, L.O.F.

¹⁴ Ss. 1002.81 and 1002.87, F.S.

¹⁵ Florida Office of Early Learning, *School Readiness Program*, <http://www.floridaearlylearning.com/family-resources/financial-assistance> (last visited Mar. 18, 2020).

¹⁶ In 2013, the Legislature established the Office of Early Learning in the Office of Independent Education and Parental Choice within the Department of Education. The office is administered by an executive director and is fully accountable to the Commissioner of Education but shall independently exercise all powers, duties, and functions prescribed by law, as well as adopt rules for the establishment and operation of the School Readiness Program and the VPK Program. Section 1, ch. 2013-252, L.O.F., *codified at s. 1001.213*, F.S.

Services.¹⁷ It is administered by early learning coalitions (ELCs) at the county or regional level.¹⁸ Florida's OEL administers the program at the state level, including statewide coordination of ELCs.¹⁹

Federal regulations require eligibility for the school readiness program to be based in part on family income.²⁰ Section 1002.82(2)(z), F.S., requires the office to establish eligibility criteria, including limitations based on income and family assets. For purposes of calculating family income for the School Readiness program, Florida law defines "family income" as "the combined gross income, whether earned or unearned, that is derived from any source by all family or household members who are 18 years of age or older who are currently residing together in the same dwelling unit."²¹ Under current law, "earned income" means gross remuneration derived from work, professional service, or self-employment,²² and "unearned income" means income other than earned income.²³

About 62 percent of Florida's approximately 1.1 million children younger than age 6 are in the School Readiness program.²⁴ Currently, ELCs are required to use the following eligibility priority criteria for families applying for school readiness services:²⁵

1. Children younger than age 13 whose parents receive temporary cash assistance and are subject to federal work requirements.
2. At-risk children younger than age 9.
3. Economically disadvantaged children until eligible to enter kindergarten. Their older siblings up to the age they are eligible to enter 6th grade may also be served.
4. Children from birth to kindergarten whose parents are transitioning from the temporary cash assistance work program to employment.
5. At-risk children who are at least age 9 but younger than 13. Those with siblings in priority groups 1-3 are higher priority than other children ages 9-13 in this priority group.
6. Economically disadvantaged children younger than 13. Priority in this category is given to children who have a younger sibling in the School Readiness Program under priority 3.
7. Children younger than 13 whose parents are transitioning from the temporary cash assistance work program to employment.
8. Children who have special needs and current individual educational plans from age 3 until they are eligible to enter kindergarten.
9. Children concurrently enrolled in the federal Head Start Program and VPK, regardless of priorities 1-4.

The DCF's Office of Child Care Regulation, as the agency responsible for the state's child care provider licensing program, inspects all child care providers that provide the School Readiness program for specified health and safety standards.²⁶ The law authorizes a county to designate a local licensing agency to license providers if its licensing standards meet or exceed DCF's standards. Five counties have done this – Broward, Hillsborough, Palm Beach, Pinellas, and Sarasota. Thus, in these five counties the local licensing agency, not the DCF, inspects child care providers that provide the School Readiness program²⁷ for health and safety standards.

Supplemental Nutrition Assistance Program (SNAP)

¹⁷ See U.S. Department of Health and Human Services, *Office of Child Care Fact Sheet*, https://www.acf.hhs.gov/sites/default/files/documents/occ/factsheets_occ.pdf (last visited Mar. 18, 2021).

¹⁸ S. 1002.83, F.S.

¹⁹ S. 1001.213(3), F.S.

²⁰ 45 CFR 98.20(a)(2)(i).

²¹ S. 1002.81(8), F.S.

²² S. 1002.81(6), F.S.

²³ S. 1002.81(15), F.S.

²⁴ Office of Early Learning, School Readiness, <http://www.floridaearlylearning.com/school-readiness#:~:text=There%20are%20approximately%201.1%20million,readiness%20services%20from%207%2C676%20providers>. (last visited Mar. 19, 2021).

²⁵ S. 1002.87, F.S.

²⁶ See ss. 402.301-402.319 and 1002.88, F.S.

²⁷ S. 402.306(1), F.S.

The Food and Nutrition Service (FNS), under the U.S. Department of Agriculture (USDA), administers the Supplemental Nutrition Assistance Program (SNAP).²⁸ SNAP offers nutrition assistance to millions of eligible, low-income individuals and families, in the form of funds to purchase “eligible food,”²⁹ and provides economic benefits to communities by reducing poverty and food insecurity.³⁰

The federal government funds 100% of the benefit amount. However, FNS and states share the administrative costs of the program. Federal laws, regulations, and waivers provide states with various policy options to better target benefits to those most in need, streamline program administration and field operations, and coordinate SNAP activities with those of other programs.³¹

The amount of benefits, or allotment, for which a household qualifies depends on the number of individuals in the household and the household’s net income. To calculate a household’s allotment, 30% of its net income is subtracted from the maximum allotment for that household size.³² This is because SNAP households are expected to spend about 30% of their own resources on food.³³ As of November 2020, 3,510,072 Floridians are participating in SNAP.³⁴

The federal government restricts the use or disclosure of information obtained from SNAP applicants or recipient households to specified entities and for specified reasons.³⁵ State universities are not one of the specified entities, and conducting an analysis of recipients of specified assistance programs and developing participant profiles based on specified criteria is not one of the specified reasons for use or disclosure.

Housing Choice Voucher Program

The Housing Choice Voucher Program (HCVP) “is the federal government’s major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.”³⁶ The U.S. Department of Housing and Urban Development (HUD) oversees the HCVP,³⁷ but the program “is generally administered by State or local governmental entities called public housing agencies (PHAs).”³⁸ HUD provides funding to the PHAs, which then contract with a landlord to subsidized rent on behalf of the program participant.³⁹ Housing units receiving HCVP funding must meet and maintain certain housing quality standards.⁴⁰ To be eligible for the HCVP, the applicant must be a low-income family⁴¹ with “the family’s income not exceeding 50% of the median income for the county or metropolitan area.”⁴²

²⁸ U.S. Department of Agriculture, Food and Nutrition, *A Short History of SNAP*, <https://www.fns.usda.gov/snap/short-history-snap> (last visited Mar. 18, 2021).

²⁹ The Food and Nutrition Act of 2008 defines eligible food as any food or food product intended for human consumption except alcoholic beverages, tobacco, hot foods and hot food products prepared for immediate consumption, with some exceptions. 7 USC § 2012(k).

³⁰ For a detailed overview of SNAP, see Randy Alison Aussenberg, *Supplemental Nutrition Assistance Program (SNAP): A Primer on Eligibility and Benefits*, CONGRESSIONAL RESEARCH SERVICE, Dec. 29, 2014, available at <https://fas.org/sqp/crs/misc/R42505.pdf> (last visited Mar. 18, 2021).

³¹ U.S. Department of Agriculture, Food and Nutrition, *State Options Report: Supplemental Nutrition Assistance Program*, (11th ed.), Sept. 2013, available at http://www.fns.usda.gov/sites/default/files/snap/11-State_Options.pdf (last visited Mar. 18, 2021).

³² U.S. Department of Agriculture Food and Nutrition Service, *SNAP Eligibility*, <https://www.fns.usda.gov/snap/recipient/eligibility> (last visited Mar. 18, 2021).

³³ *Id.*

³⁴ FNS, *SNAP Data Tables*, available at <https://fns-prod.azureedge.net/sites/default/files/resource-files/29SNAPcurrPP-3.pdf> (last visited Mar. 19, 2021).

³⁵ 7 C.F.R. § 272.1.

³⁶ *Housing Choice Vouchers Fact Sheet*, U.S. Department of Housing and Urban Development, https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet (last visited Mar. 18, 2021).

³⁷ See 42 U.S.C. s. 1437.

³⁸ 24 C.F.R. § 982.1.

³⁹ *Id.*

⁴⁰ See 24 C.F.R. § 982.401.

⁴¹ 24 C.F.R. § 982.201.

⁴² U.S. Department of Housing and Urban Development, *Housing Choice Vouchers Fact Sheet*, https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet (last visited Mar. 18, 2020).

There are two different types of assistance under the HCVP: tenant-based and project-based.⁴³ Tenant-based assistance is an arrangement where the unit is selected by the family, wherever they wish to live, and the PHA pays the landlord a subsidy and the family pays the difference between the rent price and subsidy. In project-based assistance, “rental assistance is paid for families living in specific housing developments or units.”⁴⁴

As of December 2019, 451,000 people in 214,000 Florida households use federal rental assistance to afford modest housing, 70 percent of which are seniors, children, or people with disabilities.⁴⁵

Individual Training Accounts

The Workforce Innovation and Opportunity Act (WIOA), signed into law on July 22, 2014, requires that employment training services be provided to adults and dislocated workers through the use of Individual Training Accounts (ITA), which allow participants to choose among eligible providers. An ITA is sometimes referred to as Intensive Service Account. These accounts are used by the state’s workforce program, CareerSource Florida, Inc., to assist persons with job referral and placement.

Effect of the Proposed Bill

The bill requires the OEL to coordinate with the University of Florida Anita Zucker Center for Excellence in Early Childhood Studies (Center) to conduct an analysis of recipients of:

- Medicaid;
- The temporary cash assistance program;
- The School Readiness program;
- The Supplemental Nutrition Assistance Program; and
- The Housing Choice Voucher Program.

The analysis must include a review of:

- Eligibility, including:
 - Criteria for eligibility;
 - Frequency of eligibility determinations;
 - The number of families receiving multiple program services out of the total number of eligible families; and
 - The process used to establish and document eligibility and disbursement policies.

The bill requires the Center, through its analysis, to develop participant profiles based on specified criteria. The bill also requires each agency responsible for the administration of the specified assistance programs to:

- Enter into a data sharing agreement with the OEL and the Center by September 1, 2021;
- Submit a program services data file containing specified information to the Center by November 1, 2021; and
- By November 1, 2022, submit a supplemental data file to the Center containing specified information.

The bill also requires the Center to provide a report of its analysis to the OEL by June 30 in 2022 and 2023. Within 30 days of receiving the report, the OEL is required to submit it to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The section of law with these requirements expires on June 30, 2023.

⁴³ 24 C.F.R. § 982.201.

⁴⁴ *Id.*

⁴⁵ Center on Budget and Policy Priorities, *Federal Rental Assistance Fact Sheets*, <https://www.cbpp.org/research/housing/federal-rental-assistance-fact-sheets#FL> (last visited Mar. 19, 2021).

Federal laws related to the use or disclosure of information on applicants and beneficiaries of assistance programs may limit or prevent the implementation of the bill's provisions on information sharing by state agencies. Limitations regarding the accessibility of individual federal income tax information may also prove to be problematic for determining the number of families receiving services and using the Earned Income Tax Credit.

The bill requires that parents who have an intensive services account or an individual training account be given priority for participation in the School Readiness program equal to parents receiving TCA benefits.

The bill also deletes the "earned income" and "unearned income" definitions from s. 1002.81, F.S. This means that the statute will no longer specify how family income is calculated for purposes of eligibility for the School Readiness program, giving OEL more flexibility in establishing eligibility criteria.

B. SECTION DIRECTORY:

Section 1: Amends s. 1002.81, F.S., relating to definitions.

Section 2: Amends s. 1002.87, F.S., relating to School readiness program; eligibility and enrollment.

Section 3: Creates an unnumbered section of law, relating to analyzing assistance programs data.

Section 4: Provides an effective date of July 1, 2021.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not confer rulemaking authority nor require the promulgation of rules.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill requires state agencies to submit data files by November 1, 2022, and annually thereafter. However, the section of the bill requiring the submission expires within a year after November 1, 2022.

The bill also requires the OEL to submit the report to the Legislature within 30 days after receiving it from the Anita Zucker Center. However, the section of law with that requirement expires on June 30, 2023, which is the deadline for the OEL's receipt of the second report from the Anita Zucker Center, and thus the OEL would no longer be required by law to forward it to the Legislature.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 23, 2021, the Children, Families & Seniors Subcommittee adopted an amendment to HB 1349 and reported the bill favorably as a committee substitute. The amendment removes the requirement for the Auditor General to conduct performance audits.

The analysis is drafted to the committee substitute as passed by the Children, Families & Seniors Subcommittee.