

Amend SB 285 by inserting the following new SECTIONS, appropriately numbered, and renumber the remaining sections appropriately:

SECTION _____. (a) Section 31.0031, Human Resources Code, is amended by amending Subsection (g) and adding Subsection (h) to read as follows:

(g) In this section:

(1) "Caretaker [,~~"caretaker~~] relative" means a person who is listed as a relative eligible to receive assistance under 42 U.S.C. Section 602(a).

(2) "Payee" means a person who resides in a household with a dependent child and who is within the degree of relationship with the child that is required of a caretaker, but whose needs are not included in determining the amount of financial assistance provided for the person's household.

(h) The department shall require each payee to sign a bill of responsibilities that defines the responsibilities of the state and of the payee. The responsibility agreement must require that a payee comply with the requirements of Subsections (d)(1), (2), (5), (6), and (7).

(b) Beginning September 1, 2003, the Texas Department of Human Services shall require each payee of financial assistance under Chapter 31, Human Resources Code, to enter into a responsibility agreement that complies with the requirements of Section 31.0031, Human Resources Code, as amended by this section, to continue receiving that assistance. Each payee of financial assistance under Chapter 31, Human Resources Code, who received that assistance on behalf of a dependent child before September 1, 2003, must enter into a responsibility agreement that complies with the requirements of Section 31.0031, Human Resources Code, as amended by this section, not later than the date of the first eligibility review that occurs after September 1, 2003. The department may not enforce the terms of the new agreement until the payee has an opportunity to enter into the agreement.

SECTION _____. Section 31.0031(c), Human Resources Code, is amended to read as follows:

(c) The department shall adopt rules governing sanctions and

penalties under this section to or for:

(1) a person who fails to cooperate ~~[comply]~~ with each applicable requirement of the responsibility agreement prescribed by this section; and

(2) the family of a person who fails to cooperate with each applicable requirement of the responsibility agreement.

SECTION _____. (a) Sections 31.0032, 31.0033, and 31.0034, Human Resources Code, are amended to read as follows:

Sec. 31.0032. PAYMENT OF ASSISTANCE FOR PERFORMANCE ~~[PENALTIES AND SANCTIONS]~~. (a) Except as provided by Section 231.115, Family Code, ~~[as added by Chapter 911, Acts of the 75th Legislature, Regular Session, 1997,]~~ if after an investigation the department or the Title IV-D agency determines that a person is not cooperating ~~[complying]~~ with a requirement of the responsibility agreement required under Section 31.0031, the department ~~[immediately]~~ shall immediately apply a sanction terminating the total amount of financial assistance provided under this chapter to or for the person and the person's family ~~[apply appropriate sanctions or penalties regarding the assistance provided to or for that person under this chapter]~~.

(a-1) The department shall apply a sanction or penalty imposed under Subsection (a) for a period ending when the person demonstrates cooperation with the requirement of the responsibility agreement for which the sanction was imposed or for a one-month period, whichever is longer.

(b) The department shall immediately notify the caretaker relative, second parent, or payee receiving the financial assistance if the department will not make the financial assistance payment for the period prescribed by the Subsection (a-1) because of a person's failure to cooperate with the requirements of the responsibility agreement during a month ~~[whether sanctions will be applied under this section]~~.

(c) To the extent allowed by federal law, the Health and Human Services Commission or any health and human services agency, as defined by Section 531.001, Government Code, may deny medical assistance for a person who is eligible for financial assistance but to whom that assistance is not paid because of the person's

failure to cooperate. Medical assistance to the person's family may not be denied for the person's failure to cooperate. Medical assistance may not be denied to a person receiving assistance under this chapter who is under the age 19, a pregnant adult, or any other person who may not be denied medical assistance under federal law.

(d) Except as provided by Subsection (c), this [This] section does not prohibit the Texas Workforce Commission, the Health and Human Services Commission, or any health and human services agency, as defined by Section 531.001, Government Code, [department] from providing [medical assistance,] child care, or any other related social or support services for an individual who is eligible for financial assistance but to whom that assistance is not paid because of the individual's failure to cooperate [subject to sanctions or penalties under this chapter].

(e) The department by rule shall establish procedures to determine whether a person has cooperated with the requirements of the responsibility agreement.

Sec. 31.0033. GOOD CAUSE ~~[NONCOMPLIANCE]~~ HEARING FOR FAILURE TO COOPERATE. (a) If the department or Title IV-D agency determines that a person has failed to cooperate with the requirements of the responsibility agreement under Section 31.0031 ~~[penalties and sanctions should be applied under Section 31.0032]~~, the person determined to have failed to cooperate ~~[not complied]~~ or, if