

By: Perry

S.B. No. 643

A BILL TO BE ENTITLED

AN ACT

relating to a pilot program for assisting certain recipients of public benefits to gain permanent self-sufficiency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.02241 to read as follows:

Sec. 531.02241. PILOT PROGRAM FOR SELF-SUFFICIENCY OF CERTAIN PERSONS RECEIVING FINANCIAL ASSISTANCE OR SUPPLEMENTAL NUTRITION ASSISTANCE BENEFITS. (a) In this section:

(1) "Financial assistance benefits" means money payments under the federal Temporary Assistance for Needy Families program operated under Chapter 31, Human Resources Code, or under the state temporary assistance and support services program operated under Chapter 34, Human Resources Code.

(2) "Living wage" means an amount of money, determined by a market-based calculation that uses geographically specific expenditure data, that is sufficient to meet a family's minimum necessary spending on basic needs, including food, child care, health insurance, housing, and transportation.

(3) "Self-sufficiency" means being employed in a position that pays a living wage, having financial savings in an amount that is equal to at least \$1,000 per member of a family's household, and owing only a reasonable amount of harmful or unsecure debt.

1           (4) "Slow reduction scale" means a graduated plan for  
2 reducing financial assistance or supplemental nutrition assistance  
3 benefits that correlates with a phase of the pilot program's  
4 progressive stages toward self-sufficiency.

5           (5) "Supplemental nutrition assistance benefits"  
6 means money payments under the supplemental nutrition assistance  
7 program operated under Chapter 33, Human Resources Code.

8           (b) The commission shall develop and implement a pilot  
9 program for assisting not more than 500 eligible families to gain  
10 permanent self-sufficiency and no longer require financial  
11 assistance, supplemental nutrition assistance, or other  
12 means-tested public benefits. If the number of families  
13 participating in the program during a year reaches capacity for  
14 that year as determined by the commission, the number of families  
15 that may be served under the program in the following year may be  
16 increased by 20 percent.

17           (c) The pilot program will test extending, for at least 24  
18 months but not more than 60 months, financial assistance and  
19 supplemental nutrition assistance benefits by deferring the  
20 application of income and asset limit eligibility requirements for  
21 continuation of the benefits and reducing the benefits using a slow  
22 reduction scale. The amount of any income limit requirement that is  
23 applied must be in an amount that does not exceed the amount, based  
24 on a participating family's makeup and the living wage in the  
25 family's geographical area of residence, determined to be necessary  
26 for the purposes of the program. The deferral of the application of  
27 any asset limit requirement must allow the family to have assets in

1 an amount that is equal to or less than \$1,000 per member of the  
2 family's household.

3 (d) The pilot program must be designed to allow social  
4 services providers, public benefit offices, and other community  
5 partners to refer potential participating families to the program.

6 (e) A family is eligible to participate in the pilot program  
7 established under this section if the family:

8 (1) includes one or more members who are recipients of  
9 financial assistance or supplemental nutrition assistance  
10 benefits, at least one of whom is:

11 (A) at least 18 but not more than 62 years of age;  
12 and

13 (B) willing, and physically and legally able, to  
14 be employed; and

15 (2) has a total household income that is less than a  
16 living wage based on the family's makeup and geographical area of  
17 residence.

18 (f) The pilot program must be designed to assist eligible  
19 participating families in attaining self-sufficiency by:

20 (1) identifying eligibility requirements for the  
21 continuation of financial assistance or supplemental nutrition  
22 assistance benefits, the application of which may be deferred for a  
23 limited period and that, if applied, would impede self-sufficiency;

24 (2) implementing strategies, including deferring the  
25 application of the eligibility requirements identified in  
26 Subdivision (1), to remove barriers to self-sufficiency; and

27 (3) moving eligible participating families through

1 progressive stages toward self-sufficiency that include the  
2 following phases:

3 (A) an initial phase in which a family moves out  
4 of an emergent crisis by securing housing, medical care, and  
5 financial assistance and supplemental nutrition assistance  
6 benefits, as necessary;

7 (B) a second phase in which:

8 (i) the family moves toward stability by  
9 securing employment and, if necessary, child care and by  
10 participating in services that build the financial management  
11 skills necessary to meet financial goals; and

12 (ii) the family's financial assistance and  
13 supplemental nutrition assistance benefits are reduced according  
14 to the following scale:

15 (a) on reaching 25 percent of the  
16 family's living wage, the amount of benefits is reduced by 10  
17 percent;

18 (b) on reaching 50 percent of the  
19 family's living wage, the amount of benefits is reduced by 25  
20 percent; and

21 (c) on reaching 75 percent of the  
22 family's living wage, the amount of benefits is reduced by 50  
23 percent;

24 (C) a third phase in which the family:

25 (i) transitions to self-sufficiency by  
26 securing employment that pays a living wage, reducing debt, and  
27 building savings; and

1                   (ii) becomes ineligible for financial  
2 assistance and supplemental nutrition assistance benefits on  
3 reaching 100 percent of the family's living wage; and

4                   (D) a final phase in which the family attains  
5 self-sufficiency by retaining employment that pays a living wage,  
6 amassing at least \$1,000 per member of the family's household, and  
7 having manageable debt so that the family will no longer be  
8 dependent on financial assistance, supplemental nutrition  
9 assistance, or other means-tested public benefits for at least six  
10 months following the date the family stops participating in the  
11 program.

12           (g) A person from a family that wishes to participate in the  
13 pilot program must attend an in-person intake meeting with a  
14 program case manager. During the intake meeting the case manager  
15 shall:

16                   (1) determine whether:

17                           (A) the person's family meets the eligibility  
18 requirements under Subsection (e); and

19                           (B) the application of income or asset limit  
20 eligibility requirements for continuation of financial assistance  
21 and supplemental nutrition assistance benefits may be deferred  
22 under the program;

23                   (2) review the family's demographic information and  
24 household financial budget;

25                   (3) assess the family members' current financial and  
26 career situations;

27                   (4) collaborate with the person to develop and

1 implement strategies for removing barriers to the family attaining  
2 self-sufficiency, including deferring the application of income  
3 and asset limit eligibility requirements for continuation of  
4 financial assistance and supplemental nutrition assistance  
5 benefits; and

6 (5) if the person's family is determined to be eligible  
7 for and chooses to participate in the program, schedule a follow-up  
8 meeting to further assess the family's crisis, review available  
9 referral services, and create a service plan.

10 (h) The pilot program must provide each participating  
11 family with holistic, wraparound case management services,  
12 including the strategic use of financial assistance and  
13 supplemental nutrition assistance benefits, to ensure that goals  
14 included in the family's service plan are achieved. A  
15 participating family must be assigned a program case manager who  
16 shall:

17 (1) if the family is determined to be eligible,  
18 provide the family with a verification of the deferred application  
19 of asset and income limits described by Subsection (c), allowing  
20 the family to continue receiving financial assistance and  
21 supplemental nutrition assistance benefits on a slow reduction  
22 scale;

23 (2) assess, at the follow-up meeting scheduled under  
24 Subsection (g)(5), the family's crisis, review available referral  
25 services, and create a service plan; and

26 (3) during the initial phase of the program, create  
27 medium- and long-term goals consistent with the strategies

1 developed under Subsection (g)(4).

2 (i) The pilot program must operate for at least 24 months.

3 The program shall also include 16 additional months for:

4 (1) planning and designing the program before the  
5 program begins operation;

6 (2) recruiting eligible families to participate in the  
7 program;

8 (3) randomly placing each participating family in one  
9 of at least three research groups, including:

10 (A) a control group;

11 (B) a group consisting of families for whom the  
12 application of income and asset limits is deferred; and

13 (C) a group consisting of families for whom the  
14 application of income and asset limits is deferred and who receive  
15 wraparound case management services under the program; and

16 (4) after the program begins operation, collecting and  
17 sharing data that allows for:

18 (A) obtaining participating families'  
19 eligibility and identification data before a family is randomly  
20 placed in a research group under Subdivision (3);

21 (B) conducting surveys or interviews of  
22 participating families to obtain information that is not contained  
23 in records related to a family's eligibility for financial  
24 assistance, supplemental nutrition assistance, or other  
25 means-tested public benefits;

26 (C) providing quarterly reports for not more than  
27 60 months after a participating family is enrolled in the pilot

1 program regarding the program's effect on the family's labor market  
2 participation and income and need for means-tested public benefits;

3 (D) assessing the interaction of the program's  
4 components with the desired outcomes of the program using data  
5 collected during the program and data obtained from state agencies  
6 concerning means-tested public benefits; and

7 (E) a third party to conduct a rigorous  
8 experimental impact evaluation of the pilot program.

9 (j) The commission shall develop and implement the pilot  
10 program with the assistance of the Texas Workforce Commission,  
11 local workforce development boards, faith-based and other relevant  
12 public or private organizations, and any other entity or person the  
13 commission determines appropriate.

14 (k) The commission shall monitor and evaluate the pilot  
15 program in a manner that allows for promoting research-informed  
16 results of the program.

17 (l) On the conclusion of the pilot program but not later  
18 than 48 months following the date the last participating family is  
19 enrolled in the program, the commission shall report to the  
20 legislature on the results of the program. The report must include:

21 (1) an evaluation of the program's effect on  
22 participating families in achieving self-sufficiency and no longer  
23 requiring means-tested public benefits;

24 (2) the impact to this state on the costs of the  
25 financial assistance and supplemental nutrition assistance  
26 programs and of the child care services program operated by the  
27 Texas Workforce Commission;



1           (3) a cost-benefit analysis of the program; and

2           (4) recommendations on the feasibility and  
3 continuation of the program.

4           (m) During the operation of the pilot program, the  
5 commission shall provide to the legislature additional reports  
6 concerning the program that the commission determines to be  
7 appropriate.

8           (n) The executive commissioner and the Texas Workforce  
9 Commission may adopt rules to implement this section.

10           (o) This section expires September 1, 2026.

11           SECTION 2. If before implementing any provision of this Act  
12 a state agency determines that a waiver or authorization from a  
13 federal agency is necessary for implementation of that provision,  
14 the agency affected by the provision shall request the waiver or  
15 authorization and may delay implementing that provision until the  
16 waiver or authorization is granted.

17           SECTION 3. This Act takes effect immediately if it receives  
18 a vote of two-thirds of all the members elected to each house, as  
19 provided by Section 39, Article III, Texas Constitution. If this  
20 Act does not receive the vote necessary for immediate effect, this  
21 Act takes effect September 1, 2019.