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HOUSE BILL 583

By Terry

AN ACT to amend Tennessee Code Annotated, Title 3; Title 4; Title 9; Title 12; Title 13; Title 33; Title 49; Title 63; Title 68 and Title 71, relative to temporary assistance for needy families (TANF) funds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act is known and may be cited as the "Pathways to Prosperity Act."

SECTION 2. Tennessee Code Annotated, Section 71-3-104(a), is amended by designating the existing language as subdivision (1) and adding the following as a new subdivision:

(2)

- (A) To the extent permitted by federal law and in compliance with federal guidance, the department shall promulgate rules to create a two-year pilot program, utilizing temporary assistance for needy families' funds, establishing an optional alternative temporary assistance pathway, and offering enhanced cash assistance for families with individuals actively pursuing a degree, professional certification, or other educational advancement.
- (B) In addition to any additional requirements established by the department by rule pursuant to this subdivision (a)(2), subdivision (a)(1) and the eligibility requirements otherwise provided in this part apply.
- (C) Notwithstanding § 71-3-105(f)(2), the maximum enhanced grant amounts for families participating in the alternative temporary assistance pathway must be established by the department by rule and not exceed two hundred percent (200%) of the maximum grant amounts authorized under § 71-3-105(f)(2).

(D) The pilot program concludes two (2) years from the effective date of the rules promulgated pursuant to this subdivision (a)(2).

SECTION 3. Tennessee Code Annotated, Section 71-3-104(b), is amended by adding the following as a new subdivision:

(4)

- (A) The department shall implement a work reimbursement program, utilizing temporary assistance for needy families' funds, to assist employed individuals receiving temporary assistance in maintaining employment and achieving economic stability by reimbursing certain expenses incurred due to employment.
- (B) A family with an eligible adult, who is working and whose earned income, including self-employment income, is used to determine the amount of the temporary assistance grant, is eligible for the work reimbursement program with the following exceptions:
 - (i) The family must not contain a mandatory member who is disqualified or ineligible;
 - (ii) The family must not have been sanctioned two (2) or more times within the last twelve (12) months; and
 - (iii) The family must not have received a diversion payment within the last six (6) months.
- (C) The department shall implement an educational incentive program, utilizing temporary assistance for needy families' funds, to provide incentive payments to temporary assistance recipients, complying with the work component requirement, who achieve certain educational milestones in furtherance of achieving economic stability.

- 2 - 001713

SECTION 4. The annual cost of the two-year pilot program authorized under Section 2 of this act must not exceed the amount of the state's annual federal temporary assistance for needy families' block grant award.

SECTION 5. The commissioner of human services may promulgate rules to effectuate this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 6. For purposes of promulgating rules, Sections 2, 4, and 5 take effect upon becoming a law, the public welfare requiring it. Section 3 of this act takes effect October 1, 2021, the public welfare requiring it. Section 1 and the remaining sections of this act take effect upon becoming a law, the public welfare requiring it.

- 3 - 001713