#### SENATE PROPOSAL OF AMENDMENT

#### H. 790

An act relating to Reach Up eligibility

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Reach Up Asset Limit and Earned Income Counseling \* \* \*

Sec. 1. 33 V.S.A. § 1103 is amended to read:

#### § 1103. ELIGIBILITY AND BENEFIT LEVELS

(a) Financial assistance shall be given for the benefit of a dependent child to the relative or caretaker with whom the child is living unless otherwise provided. The amount of financial assistance to which an eligible person is entitled shall be determined with due regard to the income, resources, and maintenance available to that person and, as far as funds are available, shall provide that person a reasonable subsistence compatible with decency and health. The Commissioner may fix by regulation maximum amounts of financial assistance, and act to insure ensure that the expenditures for the programs shall not exceed appropriations for them consistent with section 101 of this title. In no case may the Department expend State funds in excess of the appropriations for the programs under this chapter.

\* \* \*

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

\* \* \*

(5) The value of assets accumulated from the earnings of adults and children in participating families and from any federal or Vermont earned income tax credit shall be excluded for purposes of determining continuing eligibility for the Reach Up program. The asset limitation shall be increased from \$1,000.00 to \$2,000.00 \$5,000.00 for participating families for the purposes of determining continuing eligibility for the Reach Up program.

\* \* \*

### Sec. 2. 33 V.S.A. § 1107(a) is amended to read:

(a)(1) The Commissioner shall provide all Reach Up services to participating families through a case management model informed by knowledge of the family's home, community, employment, and available resources. Services may be delivered in the district office, the family's home, or community in a way that facilitates progress toward accomplishment of the family development plan. Case management may be provided to other eligible

families. The case manager, with the full involvement of the family, shall recommend, and the Commissioner shall modify as necessary a family development plan established under the Reach First or Reach Up program for each participating family, with a right of appeal as provided by section 1132 of this title. A case manager shall be assigned to each participating family as soon as the family begins to receive financial assistance. If administratively feasible and appropriate, the case manager shall be the same case manager the family was assigned in the Reach First program. The applicant for or recipient of financial assistance, under this chapter, shall have the burden of demonstrating the existence of his or her condition.

- (2) In addition to the services provided pursuant to subsection (b) of this section, the Commissioner shall provide for a mandatory case review for each participating family with a program director or the program director's designee when the family reaches 18 and 36 months of enrollment, respectively, in the Reach Up program to assess whether the participating family:
- (A) is in compliance with a family development plan or work requirement;
  - (B) is properly claiming a deferment, if applicable; and
- (C) has any unaddressed barriers to self-sufficiency and, if so, how those barriers may be better addressed by the Department for Children and Families or other State programs; and
- (D) has additional opportunities to achieve earned income through the program without a corresponding loss of benefits.
- (3) The case manager shall meet with each participating family following any statutory or rule changes affecting the amount of the earned income disregard, asset limitations, or other eligibility or benefit criteria in the Reach Up program to inform the family of the changes and advise the family about ways to maximize the opportunities to achieve earned income without a corresponding loss of benefits.
  - \* \* \* Enhanced Child Care Services Subsidy \* \* \*
- Sec. 3. 33 V.S.A. § 3512 is amended to read:

# § 3512. CHILD CARE SERVICES <del>PROGRAM</del> <u>PROGRAMS</u>; ELIGIBILITY

(a)(1) A child care services program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment or to obtain training leading to employment. Families seeking employment shall not be entitled to participate in the program for a period in excess of one month, unless that period is extended by the Commissioner.

- (b)(2) The subsidy authorized by this section subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the federal poverty guidelines nor more than 100 percent of the state State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment.
- (b)(1) An enhanced child care services subsidy program is established for families participating in the Reach Ahead program.
- (2) The enhanced child care services subsidy program established by this subsection shall be administered by the Department's Child Development Division. The Commissioner shall adopt rules necessary for the administration of the program pursuant to 3 V.S.A. chapter 25.
- (3) The subsidy authorized by this subsection shall be no greater than 100 percent of the subsidy provided in subsection (a) of this section.
- (4) A participating family shall remain eligible for the enhanced child care services subsidy program between 12 and 24 months as long as one or more dependent children of a working parent or parents are receiving child care services. The Commissioner for Children and Families may extend the subsidy beyond 24 months if the Commissioners for Children and Families and of Finance and Management determine jointly that an extension can be accommodated within appropriated resources.
- (5) The enhanced child care services subsidy program shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the program, the program shall be suspended or modified.

### Sec. 4. INTERIM REPORT

The Department for Children and Families shall submit a written report to the Health Care Oversight Committee on or before November 1, 2014 regarding the estimated cost of the enhanced child care services subsidy program and projected caseload reduction savings in the Reach Up program.

### Sec. 5. BUDGET PRESENTATION

The Department for Children and Families shall include as part of its fiscal year 2016 budget presentation to the General Assembly a preliminary estimate of the projected Reach Up program cost reduction associated with caseload estimates below the level appropriated for fiscal year 2015, as well as the parameters and cost projections for the enhanced child care services subsidy established pursuant to 33 V.S.A. § 3512(b).

\* \* \* Asset Limit and Child Care Services Subsidy Offset \* \* \*

Sec. 6. 33 V.S.A. § 1204 is amended to read:

# § 1204. FOOD ASSISTANCE

- (a)(1) An eligible family shall receive monthly food assistance equal to \$100.00 \$50.00 to be applied to the family's electronic benefit transfer (EBT) food account for the first  $\frac{12}{12}$  months after the family has become eligible for Reach Ahead.
- (2) For the seventh 12th through 12th 24th months, the family shall receive a monthly food assistance of \$50.00 \$25.00.

\* \* \*

- (d) The 12th through the 24th months of assistance shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the 12th through the 24th months of assistance, the assistance shall be suspended or modified.
- Sec. 7. 33 V.S.A. § 1205 is amended to read:

# § 1205. REQUIRED SERVICES TO PARTICIPATING FAMILIES

- (a) The Commissioner shall provide participating families Reach Ahead services, case management services if necessary, and referral to any agencies or programs, including workforce development, that provide the services needed by participating families to improve the family's prospects for employment retention. Reach Ahead services shall be provided for 12 24 months.
- (b) A participating family shall be eligible for an enhanced child care services subsidy during its12th through 24th month on the Reach Ahead program pursuant to subsection 3512(b) of this title.

## Sec. 8. REACH AHEAD; GRANDFATHER PROVISION

Notwithstanding 33 V.S.A. § 1204(a), any family within the first six months of its participation in the Reach Ahead program on January 1, 2015 shall continue to receive monthly food assistance equal to \$100.00 until its seventh month of participation in the program, at which time it shall receive monthly food assistance equal to \$50.00 for the remainder of the initial 12-month period.

\* \* \* Effective Dates \* \* \*

#### Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2014, except that:

(1) Secs. 1, 6(a)(1), and 8 shall take effect on January 1, 2015; and

(2) Secs. 3, 6(a)(2) and (d), and 7 shall take effect on July 1, 2015. And that after passage the title of the bill be amended to read:

An act relating to Reach Up eligibility and benefit levels.