

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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SENATE BILL 319  
State Government, Local Government, and Veterans' Affairs Committee  
Substitute Adopted 4/29/03  
House Committee Substitute Favorable 6/4/03

Short Title: Cabarrus Work Over Welfare Changes.

(Local)

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Sponsors:

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Referred to:

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March 6, 2003

A BILL TO BE ENTITLED

AN ACT AMENDING THE CABARRUS COUNTY DEMONSTRATION WORK  
OVER WELFARE PROGRAM.

The General Assembly of North Carolina enacts:

**SECTION 1.** S.L. 1998-106, as amended by S.L. 2001-354, reads as  
rewritten:

"Section 1. Notwithstanding any law to the contrary, the Department of Health and  
Human Services shall continue designation of Cabarrus County as a pilot county for the  
purpose of conducting a demonstration welfare reform program for certain Work First  
and Food Stamp recipients. Immediately upon the ratification of this act, the  
Department shall ensure that all federal waivers necessary to allow this demonstration  
program to continue are obtained. To the extent that this act or the program established  
pursuant to it conflicts with any State law, the program supersedes that law.

Sec. 2. The Cabarrus County demonstration Work Over Welfare Program for certain  
Work First and Food Stamp recipients shall:

- (1) Provide job opportunities to all able-bodied Work First and Food  
Stamp recipients who are required to participate in the Work First  
employment program;
- (2) Create job opportunities in the public, the private, nonprofit, and the  
private, for-profit sector, ~~primarily in the human services areas~~ sectors  
by allowing Cabarrus County to use grant diversions, consisting of the  
Work First benefits and the cash value of Food Stamps that would be  
paid to otherwise eligible recipients to match employer funds, to  
subsidize the employment of these recipients. ~~Human service area jobs  
will meet such socially necessary needs as day care work, nursing  
home aide work, and in home aide work;~~ recipients;

- 1 (3) Allow wages paid to these recipients, which contain grant-diverted  
2 funds, to be exempt from income for purposes of determining  
3 eligibility for assistance;
- 4 (4) Structure payment of wages to these recipients such that they will be  
5 considered income, in order to make recipients eligible for the federal  
6 earned income tax credit;
- 7 (5) Create work experience opportunities in the private sector more  
8 realistically to reflect the world of work;
- 9 (6) Require these recipients to participate in the development of an  
10 opportunity agreement outlining the responsibilities of the recipient  
11 and agency, as well as the incentives for compliance and the sanctions  
12 for noncompliance;
- 13 (7) Require all these recipients who participate in the program to pursue  
14 and accept employment, full or part time, subsidized or unsubsidized,  
15 as a condition for continued eligibility for Work First and Food Stamp  
16 assistance;
- 17 (8) Require job search training of all ~~participants;~~participants who are  
18 assessed as needing it;
- 19 (9) Require monitored job search of all participants until employment is  
20 found or until other work activities of up to 40 hours per week are in  
21 place;
- 22 (10) Create a positive work incentive by providing wage incentives to  
23 participants who are in compliance with the program by using the job  
24 bonus as outlined in the Work First Policy Manual for ~~both Work First~~  
25 ~~and Food Stamp benefits;~~Work First benefits;
- 26 (11) Provide for a system in which the Work First cash assistance case is  
27 terminated following the first month of noncompliance, with  
28 restoration of assistance after the client agrees to comply with  
29 requirements and files a new application. To ensure that children in  
30 terminated households are not harmed, provide social worker  
31 monitoring and the use of direct vendor payments or assistance from  
32 other community resources for rent, utilities, or other basic needs of  
33 children as necessary, during the period in which assistance for the  
34 household is terminated. This period of social worker monitoring shall  
35 ~~coincide with the period of time that the household would have been,~~  
36 ~~as a Work First case, under a three month pay for performance~~  
37 ~~sanction system and shall not exceed three months from the date of~~  
38 ~~termination.~~termination, unless, in the judgment of the social worker,  
39 there is reason to monitor for a longer period of time;
- 40 (12) Provide for all individuals to be evaluated for ongoing Medicaid and  
41 children to be evaluated for Health Choice eligibility any time Work  
42 First terminates. This act shall not alter any individual's eligibility for  
43 Medicaid or Health Choice as set out in State and Federal law or  
44 ~~regulation.~~regulation;

- 1 (13) Require that a recipient who voluntarily terminates employment  
2 without good cause be ineligible for Work First until the individual  
3 returns to work, provided work opportunities are available. Provide  
4 employment services for 30 days to assist the individual in obtaining  
5 employment;
- 6 (14) Require applicants for Work First to meet with child support staff  
7 within 10 days of application. Failure or refusal to pursue child support  
8 without good cause is grounds for denial of benefits;
- 9 (15) Provide that an applicant may be eligible for a one-time Work First  
10 benefit diversion payment in an amount not exceeding one thousand  
11 two hundred dollars (\$1,200). Applicants receiving the benefit  
12 diversion payment shall not be eligible for ongoing Work First benefits  
13 for a period of three months from the date of receipt of the benefit  
14 diversion payment. Individuals receiving a diversion payment must  
15 attend budgetary counseling and may be required to have a protective  
16 payee for the benefit diversion payment;
- 17 (16) Provide that the period of exemption from participation in employment  
18 services for a parent of a newborn child is three months. If a recipient  
19 returns to work within six weeks of childbirth, the recipient may  
20 reclaim the remainder of the three-month exemption if the recipient  
21 chooses not to continue working during the initial six-week period;
- 22 (17) In ongoing Work First cases, require family reassessment of service  
23 needs when the family circumstance changes due to an able-bodied,  
24 financially responsible adult moving into the home. Family  
25 reassessment may result in benefit diversion, change in services, or  
26 termination from Work First program participation;
- 27 (18) Not sanction individuals who demonstrate that they cannot meet  
28 program requirements because necessary child care is not  
29 ~~available~~.available;
- 30 (19) Assist children in Work First child-only cases, where the children are  
31 living with relatives other than the biological parents, in securing  
32 permanent stable homes through adoption by allowing federal funds  
33 for Work First cash assistance to be transferred from the TANF Block  
34 Grant to the Social Services Block Grant to be used to pay for home  
35 studies, attorney fees, and other adoptions expenses, as well as an  
36 ongoing cash payment for the adoptive family, similar to cash  
37 payments received through Adoption Assistance.

38 Sec. 3. This act shall be funded by Cabarrus County using available grant diversions  
39 and administrative transfers, together with federal and State administrative funding  
40 allocated to Cabarrus County for the public assistance programs.

41 Sec. 4. The Department of Health and Human Services shall evaluate the Cabarrus  
42 County Demonstration Project and report to the General Assembly and to the Joint  
43 Legislative Public Assistance Commission on or before September 1, 2002.

1       Sec. 5. This act becomes effective July 1, 1995 and shall expire on September 30,  
2       2003, 1995."

3       **SECTION 2.** This act is effective when it becomes law.