

NOTICE OF INTENT

Department of Children and Family Services

Economic Stability

**TANF Grant Amounts
(LAC 67:III.1229, 5329, and 5703)**

In accordance with the provisions of the Administrative Procedure Act R.S. 49:953(A), the Department of Children and Family Services (DCFS) proposes to amend LAC 67:III, Subpart 2, Section 1229 Income; Subpart 13, Section 5329 Income; and Subpart 16, Section 5703 Program Administration.

Pursuant to Louisiana's Temporary Assistance for Needy Families (TANF) Block Grant, the department considers these amendments necessary to facilitate the expenditure of TANF funds for FITAP and KCSP.

Amendment of Section 1229 is required to increase the FITAP flat grant amounts. Amendment of Section 5329 is required to update the KCSP child's monthly countable income threshold from \$222 to \$450, and to update the KCSP payment amount from \$222 per month to \$450 per month for each eligible child. Amendment of Section 5703 is required to maintain compliance with Act 209 of the 2021 Regular Session of the Louisiana Legislature, which allows the department more flexibility in the coordination and delivery of services, and removes the requirement to provide workers' compensation and liability insurance coverage for participants engaged in work experience or community service activities.

Title 67

SOCIAL SERVICES

Part III. Economic Stability

Subpart 2. Family Independence Temporary Assistance Program

Chapter 12. Application, Eligibility, and Furnishing

Assistance

Subchapter B. Conditions of Eligibility

§1229. Income

A. - B.2. ...

C. Earned Income Deductions. Each individual in the income unit who has earned income is entitled to the following deductions only:

1. standard deduction of \$120;

2. \$900 time-limited deduction. This deduction is applied for six months when a recipient's earnings exceed the \$120 standard deduction. The months need not be consecutive nor within the same certification periods. The deduction is applicable for a six-month lifetime limit for the individual;

3. dependent care deduction. Recipients may be entitled to a deduction for dependent care for:

a. an incapacitated adult;

b. a child who is ~~not receiving CCAP~~ included in the filing unit; or

c. effective May 1, 2006, the amount charged by a child care provider that exceeds the CCAP maximum for a child in care.

D. Flat Grant Amounts, effective January 1, 2022

Number of Persons	Flat Grant Amount
1	\$122 \$244
2	188 \$376
3	240 \$484
4	284 \$568
5	327 \$654
6	366 \$732
7	402 \$804
8	441 \$882
9	477 \$954
10	512 \$1,024
11	551 \$1,102
12	590 \$1,180
13	630 \$1,260
14	670 \$1,340
15	712 \$1,424
16	757 \$1,514
17	791 \$1,582
18	839 \$1,678
18+	See NOTE 1

NOTE 1: To determine the amount for households exceeding 18 persons, add the flat grant amount for the number in excess of 18 to the flat grant amount for 18 persons and subtract ~~\$50~~ \$100.

E. - G ...

AUTHORITY NOTE: Promulgated in accordance with 42 USC 601 et seq., and 10602(c), R.S. 36:474, R.S. 46:231.1(B), R.S. 46:231.2, P.L. 108-447, Act 16, 2005 Reg. Session, and 7 CFR 273.2(j).

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 25:2449 (December 1999), amended LR 26:1342 (June 2000), LR 26:2831 (December 2000), LR 31:2956 (November 2005), LR 32:1616 (September 2006), LR 32:1912 (October 2006), LR 34:2678 (December 2008), amended by the Department of Children and Family Services, Economic Stability and Self-Sufficiency Section, LR 36:2524 (November 2010), amended by the Department of Children and Family Services, Economic Stability Section, LR 40:1675 (September 2014), LR 42:1651 (October 2016), LR 44:444 (March 2018), LR 47:

Subpart 13. Kinship Care Subsidy Program (KCSP)

Chapter 53. Application, Eligibility, and Furnishing Assistance

Subchapter B. Conditions of Eligibility

§5329. Income

A. - B. ...

C. Income after Pretest. The child is determined eligible for KCSP if the child's monthly countable income is, effective ~~December 1, 2011~~ January 1, 2022, less than ~~\$222~~ \$450. If the child's monthly countable income is, effective ~~December 1, 2011~~ January 1, 2022, ~~\$222~~ \$450 or more, the child is ineligible.

D. ~~Payment Amount. Payment Amount. Effective December 1, 2011, payment amount is \$222 per month for each eligible child.~~

1. Effective January 1, 2022, the KCSP basic assistance payment amount is \$450 per month for each eligible child.

2. ...

AUTHORITY NOTE: Promulgated in accordance with 42 U.S.C. 601 et seq. and 10602(c), R.S. 36:474, R.S. 46:231.1.B, R.S. 46:237, and P.L. 108-447, Act 16, 2005 Reg. Session, 7 CFR 273.2(j).

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 26:353 (February 2000), amended LR 26:2832 (December 2000), LR 31:2958 (November 2005), LR 32:1617 (September 2006), LR 32:1913 (October 2006), repromulgated LR 32:2098 (November 2006), amended by the Department of Children and Family Services, Economic Stability and Self-Sufficiency Section, LR 36:2537 (November 2010), LR 38:1390 (June 2012), amended by the Department of Children and Family Services, Economic Stability Section, LR 45:1443 (October 2019), LR 47:

Subpart 16. Strategies to Empower People (STEP) Program

Chapter 57 Strategies to Empower People (STEP) Program

Subchapter A. Designation and Authority of State Agency

§5703. Program Administration

A. The Department of Children and Family Services (DCFS) shall develop, implement, and administer STEP as the employment program for work-eligible recipients of the Family Independence Temporary Assistance Program (FITAP) in accordance with the provisions of the Federal Welfare Reform Act and make available to eligible FITAP recipients the allowable work, training, and education activities of the STEP Program.

B. Prior to receipt of FITAP, a work-eligible participant shall be notified in writing of program expectations and participant responsibilities. When possible, notification may be delivered via e-mail or other electronic means, and notification delivered in this manner shall be deemed to satisfy the written notification requirement established in this Chapter.

C. DCFS ~~shall~~ may collaborate with the Louisiana Workforce Commission (LWC) to identify and coordinate employment services for the program. Employment services ~~shall~~ may be delivered pursuant to performance-based contracts between the department and LWC, other government agencies, or any community partner.

D. A grievance procedure is available for resolving displacement complaints by regular employees or their representatives relating to STEP participants. A grievance procedure is also available for resolving complaints by, or on behalf of, STEP participants in a work-related activity. This grievance procedure hears complaints relating to on-the-job working conditions and workers' compensation coverage.

~~E. The secretary shall provide workers' compensation and liability insurance coverage for participants engaged in work experience or community service activities.~~

AUTHORITY NOTE: Promulgated in accordance with P.L. 104-193, R.S. 46:231, R.S. 46:460, and Act 58, 2003 Reg. Session.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 30:497 (March 2004), amended by the Department of Children and Family Services, Economic Stability Section, LR 40:1676 (September 2014), LR 47:

Family Impact Statement

The proposed rule is not anticipated to have an adverse impact on family formation, stability, and autonomy as described in R.S. 49:972. This rule is anticipated to help alleviate poverty for those participating in the program.

Poverty Impact Statement

The proposed rule is not anticipated to have a significant negative impact on poverty as described in R.S. 49:973.

Small Business Impact Statement

The proposed rule is not anticipated to have an adverse impact on small businesses as defined in the Regulatory Flexibility Act.

Provider Impact Statement

The proposed rule is not anticipated to have an impact on providers of services funded by the state as described in HCR 170 of the 2014 Regular Legislative Session.

Public Comments

All interested persons may submit written comments through, October 26, 2021, to Shavana Howard, Assistant Secretary of Family Support, Department of Children and Family Services, P.O. Box 94065, Baton Rouge, LA 70804.

Public Hearing

A virtual public hearing on the proposed Rule will be held at 11 a.m. on October 26, 2021, by the Department of Children and Family Services. All interested persons will be afforded an opportunity to submit data, views, or arguments via PC, Mac, Linux, iOS or Android at <https://stateofladcfs.zoom.us/j/81245514862?pwd=MlJHR3J6YzlaUmFHQW51czdLV0RKZz09> using password 725878; via telephone by dialing (713) 353-0212 and entering conference code 430033. To find local AT&T numbers visit <https://www.teleconference.att.com/servlet/glbAccess?process=1&accessNumber=USA7133530212&accessCode=430033>. Individuals with disabilities who require special services should contact the DCFS Appeals Unit at least seven working days in advance of the hearing. For assistance, call (225) 342-4120 (Voice and TDD).

 8/18/21
Marketa Garner Walters
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person Preparing Statement:	<u>James Vidacovich</u>	Department:	<u>Children and Family Services</u>
Phone:	<u>(225) 342-0495</u>	Office:	<u>Economic Stability</u>
Return Address:	<u>627 N. 4th Street, P.O. Box 94065 Baton Rouge, LA 70804</u>	Rule Title:	<u>TANF Grant Amounts</u>
		Date Rule Takes Effect:	<u>January 1, 2022</u>

SUMMARY

(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

In FY 22, the Department of Children and Family Services (DCFS) will incur \$5,832,637 in Federal Funds costs from TANF associated with this rule change. This cost will be annualized in future fiscal year. Additionally, there will be a one-time cost of \$1,172 (Federal) in FY 22 associated with the publication of this rule.

Family Independence Temporary Assistance Program (FITAP) Cash Benefits (\$2,765,847 increase)

The proposed rule change doubles the maximum monthly benefit for FITAP recipients. As of October 2020, there were 2,197 FITAP cases (5,553 recipients) with an average monthly benefit of \$209.82 per case, for total benefit payments of \$460,975 per month or \$5,531,695 per year. The effect of the proposed rule increases the average monthly benefit per case to \$419.64. The total estimated cost of the increase is \$2,765,847 in FY 22, which will be annualized to \$5,531,695 in future fiscal years.

Kinship Care Subsidy Program (KCSP) (\$3,094,416 increase)

The proposed rule also increases the maximum kinship care monthly subsidy amount from \$222 to \$450. As of October 2020, there were 2,262 recipients with a monthly benefit of \$222 per recipient, for total benefit payments of \$515,736 per month or \$6,188,832 per year. The effect of the proposed rule increases the monthly benefit per case by \$228. The total estimated cost of the increase is \$3,094,416 in FY 22, which will be annualized to \$6,188,832 in future fiscal years.

Workers' Compensation coverage (\$27,626 decrease)

The proposed rule removes the requirement that DCFS must pay for workers' compensation and liability insurance coverage for FITAP recipients. Historically, DCFS incurred \$27,626 in expenses per year associated with paying for this coverage.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will not impact revenue collections for state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

Implementation of this proposed rule will have an economic benefit for FITAP and Kinship Care Subsidy recipients given that this will result in increased payments to these recipients. Families that receive FITAP cash assistance will receive on average an additional \$209.82 in monthly benefits. Kinship Care Subsidy recipients will receive an additional \$228 in monthly subsidy payments.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

Implementation of this proposed rule change is not expected to have an effect on competition and employment.

<u>Shavana Howard</u>	9/7/2021 5:31 PM CDT	<u>Alvin M. Boston</u>
Signature of Agency Head or Designee	Date	LEGISLATIVE FISCAL OFFICER OR DESIGNEE
<u>Shavana Howard, Assistant Secretary of Family Support</u>		<u>9/9/21</u>
Typed Name & Title of Agency Head or Designee		DATE OF SIGNATURE
<u>Eric Horent</u>		
DCFS Undersecretary		

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The Department of Children and Family Services (DCFS) proposes to amend LAC 67:III, Subpart 2, Section 1229 Income; Subpart 13, Section 5329 Income; and Subpart 16, Section 5703 Program Administration to increase the FITAP flat grant amount, raise the KCSP child's monthly countable income threshold, increase the KCSP payment amount, and to amend Strategies to Empower People (STEP) Program to maintain compliance with Act 209 of the 2021 Regular Session of the Louisiana Legislature, which allows the department more flexibility in the coordination and delivery of services, and removes the requirement to provide workers' compensation and liability insurance coverage for participants engaged in work experience or community service activities.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

Action is required in this matter to facilitate the expenditure of TANF funds.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

Yes. The source of funding is federal funds from the TANF Block Grant.

FITAP Cash Benefits (\$2,765,847 increase)

The proposed rule change doubles the maximum monthly benefit for FITAP recipients. As of October 2020, there were 2,197 FITAP cases (5,553 recipients) with an average monthly benefit of \$209.82 per case, for total benefit payments of \$460,975 per month or \$5,531,695 per year. The effect of the proposed rule increases the average monthly benefit per case to \$419.64. The total estimated cost of the increase is \$2,765,847 in FY 22, which will be annualized to \$5,531,695 in future fiscal years.

Kinship Care Subsidy (\$3,094,416 increase)

The proposed rule also increases the maximum kinship care monthly subsidy amount from \$222 to \$450. As of October 2020, there were 2,262 recipients with a monthly benefit of \$222 per recipient, for total benefit payments of \$515,736 per month or \$6,188,832 per year. The effect of the proposed rule increases the monthly benefit per case by \$228. The total estimated cost of the increase is \$3,094,416 in FY 22, which will be annualized to \$6,188,832 in future fiscal years.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) X NO. If no, provide justification as to why this rule change should be published at this time

Although the proposed revisions will result in an increase in the expenditure of federal funds for programmatic costs, these costs will be funded using the department's annual operating budget appropriated by the Legislature for the TANF program. The administrative cost of publishing rulemaking is routinely included in the department's annual operating budget appropriated by the Legislature.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 22	FY 23	FY 24
Personal Services	\$0	\$0	\$0
Operating Expenses	\$1,172 (rulemaking)	\$0	\$0
Professional Services	\$5,832,637	\$11,692,900	\$11,692,900
Other Charges	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Major Repair & Constr.	\$0	\$0	\$0
Total	\$5,833,809	\$11,692,900	\$11,692,900
Positions (#)			

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

FITAP Cash Benefits (\$2,765,847 increase)

The proposed rule change doubles the maximum monthly benefit for FITAP recipients. As of October 2020, there were 2,197 FITAP cases (5,553 recipients) with an average monthly benefit of \$209.82 per case, for total benefit payments of \$460,975 per month or \$5,531,695 per year. The effect of the proposed rule increases the average monthly benefit per case to \$419.64. The total estimated cost of the increase is \$2,765,847 in FY 22, which will be annualized to \$5,531,695 in future fiscal years.

Kinship Care Subsidy (\$3,094,416 increase)

The proposed rule also increases the maximum kinship care monthly subsidy amount from \$222 to \$450. As of October 2020, there were 2,262 recipients with a monthly benefit of \$222 per recipient, for total benefit payments of \$515,736 per month or \$6,188,832 per year. The effect of the proposed rule increases the monthly benefit per case by \$228. The total estimated cost of the increase is \$3,094,416 in FY 22, which will be annualized to \$6,188,832 in future fiscal years.

Workers' Compensation coverage (\$27,626 decrease)

The proposed rule removes the requirement that DCFS must pay for workers' compensation and liability insurance coverage for FITAP recipients. Historically, DCFS incurred \$27,626 in expenses per year associated with paying for this coverage.

Additionally, there will be a one-time cost of \$1,172 (Federal) in FY 22 associated with the publication of this rule.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 22	FY 23	FY 24
State General Fund	\$0	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Dedicated	\$0	\$0	\$0
Federal Funds	\$5,833,809	\$11,692,900	\$11,692,900
Other (Specify)	\$0	\$0	\$0
Total	\$5,833,809	\$11,692,900	\$11,692,900

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes. The increase in the expenditure of federal TANF funds for programmatic costs will be funded using the department's annual operating budget appropriated by the Legislature for the TANF program. The administrative cost of publishing rulemaking is routinely included in the department's annual operating budget appropriated by the Legislature.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There are no estimated costs or savings to local governmental units resulting from this rule.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

There will be no impact on local governmental units.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

Revenue Increase/Decrease	FY 22	FY 23	FY 24
State General Fund	\$0	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Dedicated Funds *	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0
Total	\$0	\$0	\$0

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

Implementation of this rule will have no effect on state or local revenue collections.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS

A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

Implementation of this proposed rule will have an economic benefit for FITAP and Kinship Care Subsidy recipients given that this will result in increased payments to these recipients.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

Families that receive FITAP cash assistance will receive on average an additional \$209.82 in monthly benefits. Kinship Care Subsidy recipients will receive an additional \$228 in monthly subsidy payments.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

This rule will not have a significant impact on competition for employment in the public and private sectors.