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SENATE FILE 516  
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO SSB 203)

Passed Senate, <sup>(P. 849)</sup> Date 3-31-97 Passed House, Date 4-10-97 <sup>(P. 1167)</sup>  
Vote: Ayes 47 Nays 0 Vote: Ayes 89 Nays 0  
Approved April 16, 1997

A BILL FOR

1 An Act revising public assistance provisions involving the family  
2 investment, job opportunities and basic skills, food stamp,  
3 and medical assistance programs administered by the department  
4 of human services, amending certain child support provisions,  
5 providing for fraudulent practices, and providing effective  
6 dates.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

Section 1. Section 234.12, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The provisions of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 115, shall not apply to an applicant for or recipient of food stamp benefits in this state. However, the department of human services may apply contingent eligibility requirements as provided under state law and allowed under federal law.

Sec. 2. NEW SECTION. 239B.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Applicant" means a person who files an application for participation in the family investment program under this chapter.
2. "Assistance" means a family investment program payment.
3. "Child" means an unmarried person who is less than eighteen years of age or an unmarried person who is eighteen years of age and is engaged full-time in completing high school graduation or equivalency requirements in a manner which is reasonably expected to result in completion of the requirements prior to the person reaching nineteen years of age.
4. "Department" means the department of human services.
5. "Family" means a family unit that includes at least one child and at least one parent or other specified relative of the child.
6. "Family investment agreement" means the agreement developed with a participant in accordance with section 239B.8.
7. "Family investment program" means the family investment program under this chapter.
8. "Limited benefit plan" means a period of time in which a participant or member of a participant's family is either

1 eligible for reduced assistance only or ineligible for any  
2 assistance under the family investment program, in accordance  
3 with section 239B.9.

4 9. "Minor parent" means an applicant or participant parent  
5 who is less than eighteen years of age and has never been  
6 married.

7 10. "Participant" means a person who is receiving full or  
8 partial family investment program assistance.

9 11. "PROMISE JOBS program" or "JOBS program" means the  
10 promoting independence and self-sufficiency through employment  
11 job opportunities and basic skills program created in section  
12 239B.17.

13 12. "Specified relative" means a person who is or was at  
14 any time, one of the following relatives of an applicant or  
15 participant child, by means of blood relationship, marriage,  
16 or adoption, or is a spouse of one of the following relatives:

- 17 a. Parent.
- 18 b. Grandparent.
- 19 c. Great-grandparent.
- 20 d. Great-great-grandparent.
- 21 e. Stepparent of the child, but not the parent of the  
22 stepparent.
- 23 f. Sibling.
- 24 g. Stepsibling.
- 25 h. Sibling by at least the half blood.
- 26 i. Uncle or aunt by at least the half blood.
- 27 j. Great-uncle or great-aunt.
- 28 k. Great-great-uncle or great-great-aunt.
- 29 l. First cousin.
- 30 m. Nephew or niece.
- 31 n. Second cousin.

32 Sec. 3. NEW SECTION. 239B.2 CONDITIONS OF ELIGIBILITY.

33 Within available funding, the department shall make  
34 assistance available to eligible families under the family  
35 investment program. At a minimum, a family shall meet all of

1 the following conditions of eligibility:

2 1. APPLICATION. An application for the program is made to  
3 the department. The application shall be in writing or  
4 reduced to writing in the manner and upon the form prescribed  
5 by the department. The application shall be made by the  
6 specified relative with whom the child resides or will reside,  
7 and shall contain the information required on the application  
8 form. One application may be made for several children of the  
9 same family if the children reside or will reside with the  
10 same specified relative.

11 2. INCOME AND RESOURCES. The family meets income and  
12 resource guidelines established by the department to attain or  
13 retain financial eligibility. In determining a family's  
14 income and resources, the department shall consider the income  
15 and resources of the child, the child's parent, the child's  
16 stepparent living with the child, or any other specified  
17 relative with whom the child resides or will reside available  
18 to the family unless specifically exempted as provided in  
19 section 239B.7 or by rule or unless otherwise provided by  
20 federal law. A family's failure to meet the income or  
21 resource guidelines shall result in denial of the family's  
22 eligibility for the program.

23 3. UNEMPLOYMENT. A determination of eligibility for a  
24 family with an unemployed parent shall not include  
25 consideration of either parent's number of hours of employment  
26 except to establish the date assistance would begin in  
27 accordance with rules. However, both parents must enter into  
28 and participate in a family investment agreement and  
29 participate in JOBS program activities unless good cause not  
30 to participate is established in accordance with rules. For  
31 the purposes of this chapter, an applicant family with a  
32 parent who is partially or totally unemployed under any of the  
33 following circumstances shall not be considered to be  
34 unemployed:

35 a. The period of unemployment is less than thirty days

1 prior to commencing participation under this chapter.

2 b. The parent is partially or totally unemployed due to a  
3 work stoppage which exists because of a labor dispute at the  
4 factory, establishment, or other premises at which the parent  
5 is or was last employed.

6 c. At any time during the thirty-day period prior to  
7 commencing participation under this chapter, the parent has  
8 not been available for employment, has not actively sought  
9 employment, or has without good cause refused any bona fide  
10 offer of employment or training for employment. Any of the  
11 following reasons for refusing employment or training are not  
12 good cause:

13 (1) Unsuitable or unpleasant work or training, if the  
14 parent is able to perform the work or training without unusual  
15 danger to the parent's health.

16 (2) The amount of wages or compensation, unless the wages  
17 for employment are below the amount customary for the same  
18 work in the community.

19 d. The parent has not registered for work with the state  
20 employment service established pursuant to section 96.12, or  
21 after registration has failed to report at an employment  
22 office in accordance with regulations prescribed pursuant to  
23 section 96.4, subsection 1.

24 e. The parent is eligible but refuses to apply for or to  
25 draw upon unemployment benefits.

26 f. The parent or family fails to meet other requirements  
27 adopted by the department applicable to the applicant parent  
28 or family. The other requirements shall be limited to those  
29 necessary to meet federal requirements and may be in addition  
30 to or in lieu of the requirements of this subsection, for  
31 eligibility under this chapter to children whose parents are  
32 partially or totally unemployed.

33 4. FAMILY INVESTMENT AGREEMENT. Unless exempt as provided  
34 in section 239B.8, a family which is eligible for the program  
35 shall enter into a family investment agreement with the

1 department. A family must comply with the conditions in the  
2 agreement in order to attain or retain eligibility.

3 5. PROVISION OF INFORMATION. The family provides  
4 requested information to the department. The department shall  
5 adopt rules specifying the conditions under which an applicant  
6 or participant family is denied eligibility for family  
7 investment program assistance for failure to provide requested  
8 information.

9 6. COOPERATION WITH CHILD SUPPORT REQUIREMENTS. The  
10 department shall provide for prompt notification of the  
11 department's child support recovery unit if assistance is  
12 provided to a child whose parent is absent from the home. An  
13 applicant or participant shall cooperate with the child  
14 support recovery unit and the department as provided in 42  
15 U.S.C. § 608(a)(2) unless the applicant or participant  
16 qualifies for good cause or other exception as determined by  
17 the department in accordance with the best interest of the  
18 child and with standards prescribed by rule. If a specified  
19 relative with whom a child is residing fails to comply with  
20 these cooperation requirements, a sanction shall be imposed as  
21 defined by rule in accordance with state and federal law.

22 7. PERIODIC REVIEWS. As a condition of eligibility, the  
23 department may require periodic reports from a participant  
24 concerning the participant's income, resources, family  
25 composition, and other circumstances. If the participant's  
26 circumstances change, the participant's assistance may be  
27 continued, renewed, suspended, changed in amount, or entirely  
28 withdrawn, as determined in accordance with rule.

29 8. OUT-OF-STATE ASSISTANCE. Assistance shall be paid to a  
30 participant residing temporarily out-of-state if the  
31 participant retains residency in this state and remains  
32 otherwise eligible for assistance. The department shall  
33 periodically redetermine the eligibility of a participant who  
34 is temporarily residing out-of-state.

35 Sec. 4. NEW SECTION. 239B.3 CASH ASSISTANCE.

1 1. a. Within available funding, the department shall  
2 provide an ongoing cash assistance grant under the family  
3 investment program to a family eligible under section 239B.2.

4 b. For an eligibility decision involving an applicant  
5 family with a specified relative, within thirty days of the  
6 date of an application, the department shall issue a notice of  
7 the department's decision to the specified relative.

8 2. For an applicant or participant family, the department  
9 shall calculate and pay the cash assistance grant on a monthly  
10 basis, taking into consideration all of the following:

11 a. The income and resources of the family.

12 b. Whether the family has entered into a limited benefit  
13 plan.

14 c. The size of the family.

15 d. Available funding.

16 3. The department may pay cash assistance and other cash  
17 benefits paid under this chapter by warrant, through a direct  
18 deposit to a financial institution of a participant, or  
19 through an electronic benefits transfer.

20 4. The department may pay, from funds appropriated for  
21 this purpose, a maximum of four hundred dollars toward funeral  
22 expenses on the death of a child who is a participant or has  
23 been authorized to participate in the family investment  
24 program, provided both of the following conditions apply:

25 a. The decedent does not leave an estate which may be  
26 probated with sufficient proceeds to allow for payment of the  
27 funeral expenses.

28 b. Payments which are due the decedent's estate or  
29 beneficiary by reason of the liability of a life insurance,  
30 death or funeral benefit company, association, or society, or  
31 in the form of United States social security, railroad  
32 retirement, or veterans' benefits upon the death of the  
33 decedent, are deducted from the department's payment under  
34 this section.

35 Sec. 5. NEW SECTION. 239B.4 DEPARTMENTAL ROLE.

1 1. The department is the state entity designated to  
2 administer federal funds received for purposes of the family  
3 investment program and the JOBS program under this chapter,  
4 including, but not limited to, the funding received under the  
5 federal temporary assistance for needy families block grant as  
6 authorized under the federal Personal Responsibility and Work  
7 Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193,  
8 and as such is the lead agency in preparing and filing state  
9 plans, state plan amendments, and other reports required by  
10 federal law.

11 2. The department is responsible for a management  
12 information system, eligibility determination, participant  
13 grant calculations and issuance of payments, contracting for  
14 services, provision of an appeal or resolution process to  
15 applicants and participants, determining the suitability of a  
16 family home maintained by a specified relative applicant or  
17 participant, and other activities as necessary to administer  
18 the family investment program and the JOBS program.

19 3. The department may adopt rules pursuant to chapter 17A  
20 as necessary to administer this chapter.

21 Sec. 6. NEW SECTION. 239B.5 COMPLIANCE WITH FEDERAL LAW.

22 1. If, as a condition of receiving federal funding for the  
23 family investment program, federal law requires the  
24 implementation and administration of certain activities which  
25 are in conflict with state law, the department shall request  
26 enactment of an amendment to the conflicting state law as  
27 necessary to maintain the federal funding.

28 2. The department may submit waiver requests to the United  
29 States department of health and human services as necessary to  
30 implement and administer any provision under this chapter, or  
31 to implement any subsequent initiative that requires a waiver  
32 from federal law.

33 3. a. The provisions of the federal Personal  
34 Responsibility and Work Opportunity Reconciliation Act of  
35 1996, Pub. L. No. 104-193, § 115, shall not apply to an

1 applicant or participant.

2 b. However, unless exempt for good cause under rules  
3 adopted by the department for this purpose, an applicant or  
4 participant convicted under federal or state law of a felony  
5 offense, which has as an element the possession, use, or  
6 distribution of a controlled substance, as defined in 21  
7 U.S.C. § 802(6), shall be required to participate in drug  
8 rehabilitation activities or to fulfill other requirements to  
9 verify that the applicant or participant does not illegally  
10 possess, use, or distribute a controlled substance.

11 Sec. 7. NEW SECTION. 239B.6 ASSIGNMENT OF SUPPORT RIGHTS  
12 OR BENEFITS.

13 1. An assignment of support rights to the department is  
14 created by either of the following:

15 a. An applicant and other persons covered by an  
16 application are deemed to have assigned to the department at  
17 the time of application all rights to periodic support  
18 payments to the extent of the amount of assistance received by  
19 the applicant and by other persons covered by the application.

20 b. A determination that a child or another person covered  
21 by an application is eligible for assistance under this  
22 chapter creates an assignment by operation of law to the  
23 department of all rights to periodic support payments not to  
24 exceed the amount of assistance received by the child and  
25 other persons covered by the application.

26 2. An assignment takes effect upon determination that an  
27 applicant or another person covered by an application is  
28 eligible for assistance under this chapter, applies to both  
29 current and accrued support obligations, and terminates when  
30 an applicant or another person covered by an application  
31 ceases to receive assistance under this chapter, except with  
32 respect to the amount of unpaid support obligations accrued  
33 under the assignment. If an applicant or another person  
34 covered by an application ceases to receive assistance under  
35 this chapter and the applicant or other person covered by the

1 application receives a periodic support payment, subject to  
2 limitations under federal law, the department is entitled only  
3 to that amount of the periodic support payment above the  
4 current periodic support obligation.

5 3. Assistance paid or payable under this chapter is not  
6 transferable or assignable at law or in equity, and none of  
7 the assistance paid or payable is subject to execution, levy,  
8 attachment, garnishment, or other legal process, or to the  
9 operation of any bankruptcy or insolvency law.

10 Sec. 8. NEW SECTION. 239B.7 INCOME AND RESOURCE  
11 EXEMPTIONS, DEDUCTIONS, AND DISREGARDS.

12 In determining a family's income and resources for purposes  
13 of the family's initial and continuing eligibility for  
14 assistance and for determining grant amounts, the provisions  
15 of this section shall apply to the family and individual  
16 family members.

17 1. WORK EXPENSE DEDUCTION. If an individual's earned  
18 income is considered by the department, the individual shall  
19 be allowed a work expense deduction equal to twenty percent of  
20 the earned income. The work expense deduction is intended to  
21 include all work-related expenses other than child day care.  
22 These expenses shall include but are not limited to all of the  
23 following: taxes, transportation, meals, uniforms, and other  
24 work-related expenses. However, the work expense deduction  
25 shall not be allowed for an individual who is subject to a  
26 sanction for failure to comply with family investment program  
27 requirements.

28 2. WORK-AND-EARN INCENTIVE. If an individual's earned  
29 income is considered by the department, the individual shall  
30 be allowed a work-and-earn incentive. The incentive shall be  
31 equal to fifty percent of the amount of earned income  
32 remaining after all other deductions are applied. The  
33 department shall disregard the incentive amount when  
34 considering the earned income available to the individual.  
35 The incentive shall not have a time limit. The work-and-earn

1 incentive shall not be withdrawn as a penalty for failure to  
2 comply with family investment program requirements.

3 3. CHILD DAY CARE DEDUCTION. A family shall be allowed a  
4 child day care deduction as specified in rules. A family with  
5 a stepparent shall be allowed a child day care deduction for  
6 any children of the stepparent or the parent, subject to the  
7 limits provided in applicable rules.

8 4. EMPLOYMENT EARNINGS DISREGARD. If an individual begins  
9 employment but was unemployed for at least twelve months  
10 before beginning employment and timely reports the earnings  
11 from the employment, the earnings shall be subject to an  
12 income disregard. This income disregard shall apply in  
13 determining the individual's eligibility and cash grant levels  
14 under the family investment program during the individual's  
15 first four months of employment. To be eligible for the  
16 income disregard, the employment must commence following the  
17 date of the individual's application for the family investment  
18 program. The department shall adopt rules defining the term  
19 "unemployed" for the purposes of this subsection. The income  
20 disregard shall not be withdrawn as a penalty for failure to  
21 comply with family investment program requirements.

22 5. INCOME CONSIDERATION. If an individual has timely  
23 reported an absence of income to the department, consideration  
24 of the individual's income shall cease beginning in the first  
25 month the income is absent. However, this provision shall not  
26 apply to an individual who has quit employment without good  
27 cause as defined in rules.

28 6. INTEREST INCOME. Interest income shall be disregarded.

29 7. INDIVIDUAL DEVELOPMENT ACCOUNT DEPOSITS. The  
30 department shall disregard as income any moneys an individual  
31 deposits in an individual development account established  
32 pursuant to chapter 541A.

33 8. MOTOR VEHICLE DISREGARD. The department shall  
34 disregard the first three thousand eight hundred eighty-nine  
35 dollars in equity value of a motor vehicle. Beginning July 1,

1 1997, and continuing in succeeding fiscal years, the motor  
2 vehicle equity value disregarded by the department shall be  
3 increased by the latest increase in the consumer price index  
4 for used vehicles during the previous state fiscal year. This  
5 disregard shall be applicable to each adult and to each  
6 working individual in a family who is nineteen years of age or  
7 younger. The amount of a motor vehicle's equity in excess of  
8 the amount of the motor vehicle disregard shall apply to the  
9 resource limitation established in subsection 10.

10 9. RESOURCE LIMITATION.

11 a. The resource limitation for an applicant family for the  
12 family investment program shall be two thousand dollars.

13 b. The resource limitation for a participant family shall  
14 be five thousand dollars.

15 c. The department shall disregard not more than ten  
16 thousand dollars of a self-employed individual's tools of the  
17 trade or capital assets in considering the individual's  
18 resources.

19 10. INDIVIDUAL DEVELOPMENT ACCOUNT EARNINGS AND BALANCE.

20 The department shall disregard any earnings and the balance of  
21 an individual development account established pursuant to  
22 chapter 541A in considering an individual's resources.

23 Sec. 9. NEW SECTION. 239B.8 FAMILY INVESTMENT  
24 AGREEMENTS.

25 The department shall establish a policy regarding the  
26 implementation of family investment agreements which limits  
27 the period of eligibility for the family investment program  
28 based upon the requirements of a family's plan for self-  
29 sufficiency. The policy shall require a family's plan to be  
30 specified in a family investment agreement between the family  
31 and the department. The department shall adopt rules to  
32 administer the policy. The components of the policy shall  
33 include but are not limited to all of the following:

34 1. PARTICIPATION -- EXEMPTIONS. A parent living in a home  
35 with a child for whom an application for family investment

1 program assistance has been made or for whom the assistance is  
2 provided, and all other individual members of the family whose  
3 needs are included in the assistance shall be subject to a  
4 family investment agreement unless any of the following  
5 conditions exists:

6 a. The individual is completely unable to participate in  
7 any agreement option due to disability.

8 b. The individual is less than sixteen years of age and is  
9 not a parent.

10 c. The individual is sixteen through eighteen years of  
11 age, is not a parent, and is attending elementary or secondary  
12 school, or the equivalent level of vocational or technical  
13 school, on a full-time basis.

14 2. AGREEMENT OPTIONS. A family investment agreement shall  
15 require an individual to participate in one or more of the  
16 options enumerated in this subsection. An individual's level  
17 of participation in one or more of the options shall be  
18 equivalent to the level of commitment required for full-time  
19 employment or shall be significant so as to move the  
20 individual's level of participation toward that level. The  
21 department shall adopt rules for each option defining  
22 requirements and establishing assistance provisions for child  
23 day care, transportation, and other support services. The  
24 options shall include but are not limited to all of the  
25 following:

26 a. Full-time or part-time employment.

27 b. Active job search.

28 c. Participation in the JOBS program.

29 d. Participation in other education or training  
30 programming.

31 e. Participation in a family development and self-  
32 sufficiency grant program under section 217.12 or other family  
33 development program.

34 f. Work experience placement.

35 g. Unpaid community service. Community service shall be

1 authorized in any nonprofit association which has been  
2 determined under section 501(c)(3) of the Internal Revenue  
3 Code to be exempt from taxation or in any government agency.  
4 Upon request, the department shall provide a listing of  
5 potential community service placements to an individual.  
6 However, an individual shall locate the individual's own  
7 placement and perform the number of hours required by the  
8 agreement. The individual shall file a monthly report with  
9 the department which is signed by the director of the  
10 community service placement verifying the community service  
11 hours performed by the individual during that month. The  
12 department shall develop a form for this purpose.

13 h. Any other arrangement which would strengthen the  
14 individual's ability to be a better parent, including but not  
15 limited to participation in a parenting education program.  
16 Parental leave from employment shall be authorized for a  
17 parent of a child who is less than three months of age. An  
18 opportunity to participate in a parental education program  
19 shall also be authorized for such a parent. An individual who  
20 is not a parent that is nineteen years of age or younger must  
21 simultaneously participate in at least one other option  
22 enumerated in this subsection.

23 3. LIMITED BENEFIT PLAN. If a participant fails to comply  
24 with the provisions of the participant's family investment  
25 agreement during the period of the agreement, the limited  
26 benefit plan provisions of section 239B.9 shall apply.

27 4. COMPLETION OF AGREEMENT.

28 a. Upon the completion of the terms of the agreement,  
29 family investment program assistance to a participant family  
30 covered by the agreement shall cease or be reduced in  
31 accordance with rules.

32 b. However, if the period in which a participant family is  
33 without cash assistance is one month or less and the  
34 participant family has not become exempt from JOBS program  
35 participation at the time the participant family reapplies for

1 cash assistance, the participant family's family investment  
2 agreement shall be reinstated at the time the participant  
3 family reapplies. The reinstated agreement may be revised to  
4 accommodate changed circumstances present at the time of  
5 reapplication.

6 c. The department shall adopt rules to administer this  
7 subsection and to determine when a family is eligible to  
8 reenter the family investment program.

9 5. CONTRACTS. The department may contract with the  
10 department of workforce development, department of economic  
11 development, or any other entity to provide services relating  
12 to a family investment agreement.

13 6. CONFIDENTIAL INFORMATION DISCLOSURE. The department  
14 may disclose confidential information described in section  
15 217.30, subsection 1, to other state agencies or to any other  
16 entity which is not subject to the provisions of chapter 17A  
17 and is providing services to a participant family who is  
18 subject to a family investment agreement, if necessary in  
19 order for the participant family to receive the services. The  
20 department shall adopt rules establishing standards for  
21 disclosure of confidential information if disclosure is  
22 necessary in order for a participant to receive services.

23 Sec. 10. NEW SECTION. 239B.9 LIMITED BENEFIT PLAN.

24 1. GENERAL PROVISIONS. If a participant responsible for  
25 signing and fulfilling the terms of a family investment  
26 agreement, as defined by the director of human services in  
27 accordance with section 239B.8, chooses not to sign or fulfill  
28 the terms of the agreement, the participant's family, or the  
29 individual participant shall enter into a limited benefit  
30 plan. A limited benefit plan shall apply for the period of  
31 time specified in this section. The first month of the  
32 limited benefit plan is the first month after the month in  
33 which timely and adequate notice of the limited benefit plan  
34 is given to the participant as defined by the director of  
35 human services. A participant who is exempt from the JOBS

1 program but who volunteers for the program is not subject to  
2 imposition of a limited benefit plan. The elements of a  
3 limited benefit plan shall be specified in the department's  
4 rules.

5 2. PLAN APPLIED. The department shall apply the limited  
6 benefit plan to the participants responsible for the family  
7 investment agreement and other members of the participant's  
8 family as follows:

9 a. PARENT. If the participant responsible for the family  
10 investment agreement is a parent or a specified relative, for  
11 a first limited benefit plan, the participant's family is  
12 eligible for up to three months of reduced assistance based on  
13 the needs of the children only. At the end of the three-month  
14 period of reduced assistance, the family becomes ineligible  
15 for assistance for a six-month period. For a second or  
16 subsequent limited benefit plan chosen by the same participant  
17 a six-month period of ineligibility applies beginning with the  
18 effective date of the limited benefit plan. If the family  
19 reapplies for assistance after a six-month ineligibility  
20 period, eligibility shall be established in the same manner as  
21 for any other new applicant. A limited benefit plan imposed  
22 in error shall not be considered a first limited benefit plan.

23 b. NEEDY RELATIVE PAYEE. If the participant choosing a  
24 limited benefit plan is a needy relative who acts as payee  
25 when the parent is in the home but is unable to act as payee,  
26 or is a dependent child's stepparent whose needs are included  
27 in the assistance because of incapacity or caregiving, the  
28 limited benefit plan shall apply only to the individual  
29 participant choosing the plan. The individual participant  
30 choosing the limited benefit plan is ineligible for nine  
31 months from the effective date of the limited benefit plan.  
32 For a second or subsequent limited benefit plan chosen by the  
33 same individual participant, a six-month period of  
34 ineligibility applies beginning with the effective date of the  
35 limited benefit plan.

1 c. MINOR PARENT LIVING WITH ADULT PARENT OR SPECIFIED  
2 RELATIVE. If the participant family includes a minor parent  
3 living with the minor parent's adult parent or specified  
4 relative who receives family investment program assistance and  
5 both individuals are responsible for developing a family  
6 investment agreement, each individual is responsible for a  
7 separate family investment agreement, and the limited benefit  
8 plan shall be applied as follows:

9 (1) If the adult parent or specified relative chooses the  
10 limited benefit plan, the requirements of the limited benefit  
11 plan shall apply to the entire participant family, even though  
12 the minor parent has not chosen the limited benefit plan.  
13 However, the minor parent may reapply for assistance as a  
14 minor parent living with self-supporting parents or living  
15 independently and continue in the family investment agreement  
16 process.

17 (2) If the minor parent chooses the limited benefit plan,  
18 the requirements of the limited benefit plan shall apply to  
19 the minor parent and any child of the minor parent.

20 d. MINOR PARENT -- ONLY CHILD. If the minor parent is the  
21 only child in the adult parent or specified relative's home  
22 and the minor parent chooses the limited benefit plan,  
23 assistance shall not be paid to the adult parent or specified  
24 relative in this instance.

25 e. CHILDREN WHO ARE MANDATORY JOBS PROGRAM PARTICIPANTS.  
26 If the participant family includes children who are mandatory  
27 JOBS program participants, the children shall not have a  
28 separate family investment agreement but shall be asked to  
29 sign the family investment agreement applicable to the family  
30 and to carry out the responsibilities of that family  
31 investment agreement. A limited benefit plan shall be applied  
32 as follows:

33 (1) If the parent or specified relative responsible for a  
34 family investment agreement meets the responsibilities of the  
35 family investment agreement but a child who is a mandatory

1 JOBS program participant chooses an individual limited benefit  
2 plan, the family is eligible for reduced assistance during the  
3 child's limited benefit plan. However, the child, as part of  
4 the family, is ineligible for nine months for a first limited  
5 benefit plan and six months for a second or subsequent limited  
6 benefit plan.

7 (2) If the child who chooses a limited benefit plan under  
8 subparagraph (1) is the only child in the participant family,  
9 assistance shall not be paid to the adult parent, parents, or  
10 specified relative in this instance.

11 f. EXEMPT PARENT. If a participant family includes a  
12 parent, parents, or specified relative who are exempt from  
13 JOBS program participation and children who are mandatory JOBS  
14 program participants, the children are responsible for  
15 completing a family investment agreement. If a child who is a  
16 mandatory JOBS program participant chooses the limited benefit  
17 plan, the limited benefit plan shall be applied in the manner  
18 provided in paragraph "e".

19 g. TWO PARENTS. If the participant family includes two  
20 parents, a limited benefit plan shall be applied as follows:

21 (1) If only one parent of a child in the family is  
22 responsible for a family investment agreement and that parent  
23 chooses the limited benefit plan, the limited benefit plan  
24 cannot be ended by the voluntary participation in a family  
25 investment agreement by the exempt parent. However, the  
26 exempt parent may continue to be included in the participant  
27 family's grant during the three-month reduced assistance  
28 period by volunteering to participate in the JOBS family  
29 investment program-unemployed parent work program. If a  
30 second or subsequent limited benefit plan is chosen by either  
31 parent, the family becomes ineligible for a six-month period  
32 beginning with the effective date of the limited benefit plan.

33 (2) If both parents of a child in the family are  
34 responsible for a family investment agreement, both parents  
35 shall sign the agreement. If either parent chooses the

1 limited benefit plan, the limited benefit plan cannot be ended  
2 by the participation of the other parent in a family  
3 investment agreement. However, the other parent may continue  
4 to be included in the family's grant during the three-month  
5 reduced assistance period by participating in the JOBS family  
6 investment program-unemployed parent work program. If a  
7 second or subsequent limited benefit plan is chosen by either  
8 parent, the family becomes ineligible for a six-month period  
9 beginning with the effective date of the limited benefit plan.

10 (3) If the parents from a two-parent family in a limited  
11 benefit plan separate, the limited benefit plan shall follow  
12 only the parent who chose the limited benefit plan and any  
13 children in the home of that parent.

14 3. PLAN CHOSEN. A participant shall be considered to have  
15 chosen a limited benefit plan under any of the following  
16 circumstances:

17 a. A participant who does not establish an orientation  
18 appointment with the JOBS program or who fails to keep or  
19 reschedule an orientation appointment shall receive a reminder  
20 letter which informs the participant that those who do not  
21 attend orientation have elected to choose a limited benefit  
22 plan. A participant who chooses not to respond to the  
23 reminder letter within ten calendar days from the mailing date  
24 shall receive notice establishing the effective date of the  
25 limited benefit plan, the beginning date of the period of  
26 reduced assistance, and the beginning and ending dates of the  
27 six-month period of ineligibility. If a participant is deemed  
28 to have chosen a limited benefit plan, timely and adequate  
29 notice provisions, as determined by the director of human  
30 services, shall apply.

31 b. A participant who chooses not to sign the family  
32 investment agreement after attending a JOBS program  
33 orientation shall enter into a limited benefit plan as  
34 described in paragraph "a".

35 c. A participant who has signed a family investment

1 agreement but then chooses a limited benefit plan under  
2 circumstances defined by the director of human services.

3 4. RECONSIDERATION. A participant who chooses a limited  
4 benefit plan may reconsider that choice as follows:

5 a. A participant who chooses a first limited benefit plan  
6 rather than sign a family investment agreement shall have the  
7 entire three-month period of reduced assistance following the  
8 effective date of the limited benefit plan to reconsider and  
9 begin development of the family investment agreement. The  
10 participant may contact the department or the appropriate JOBS  
11 program office anytime during the first three months of the  
12 limited benefit plan to begin the reconsideration process.  
13 Although family investment program assistance shall not begin  
14 until the participant signs a family investment agreement  
15 during the JOBS program orientation and assessment process,  
16 retroactive assistance shall be issued as defined by the  
17 director of human services. A limited benefit plan imposed in  
18 error shall not be considered a first limited benefit plan.

19 b. A participant who signs a family investment agreement  
20 but does not carry out the family investment agreement  
21 responsibilities shall be deemed to have chosen a limited  
22 benefit plan and shall not be allowed to reconsider that  
23 choice.

24 c. A participant who chooses a second or subsequent  
25 limited benefit plan shall not be allowed to reconsider that  
26 choice.

27 5. WELL-BEING VISIT. If a participant has chosen a  
28 limited benefit plan, a qualified social services professional  
29 shall attempt to visit with the participant to inquire into  
30 the family's well-being. The visit shall be performed as an  
31 extension of the family investment program and the family  
32 investment agreement philosophy of supporting families as they  
33 move toward self-sufficiency. The department may contract for  
34 these services. The visit shall be made in accordance with  
35 the following:

1 a. For a participant in a first limited benefit plan who  
2 has the reconsideration option, a qualified social services  
3 professional, as defined by the director of human services,  
4 shall inquire into the well-being of the family during month  
5 two of the period of reduced assistance. If the participant  
6 who is responsible for a family investment agreement indicates  
7 a desire to develop a family investment agreement, the  
8 qualified social services professional shall assist the  
9 participant in establishing an appointment with the  
10 appropriate JOBS program office.

11 b. For a participant in a first limited benefit plan who  
12 does not enter into the family investment agreement process  
13 during the three-month reconsideration period, a qualified  
14 social services professional shall make another inquiry as to  
15 the well-being of the family during month four of the limited  
16 benefit plan.

17 c. A participant who signs the family investment agreement  
18 but does not carry out family investment agreement  
19 responsibilities and, consequently, has chosen a first limited  
20 benefit plan, shall not be allowed to reconsider that choice.  
21 However, a social services professional shall inquire as to  
22 the well-being of the family during month four of the limited  
23 benefit plan.

24 d. A participant who has chosen a second or subsequent  
25 limited benefit plan shall not be allowed to reconsider that  
26 choice. However, a qualified social services professional  
27 shall make inquiry into the well-being of the family during  
28 month two of the limited benefit plan.

29 6. APPEAL. A participant has the right to appeal the  
30 establishment of the limited benefit plan only once, except  
31 for a first limited benefit plan two opportunities to appeal  
32 shall be available. A participant in a first limited benefit  
33 plan has the right to appeal the limited benefit plan at the  
34 time the department issues timely and adequate notice  
35 establishing the limited benefit plan, or at the time the

1 department issues the subsequent notice that establishes the  
2 six-month period of ineligibility. A participant who has  
3 chosen a second or subsequent limited benefit plan has the  
4 right to appeal only at the time the department issues the  
5 timely and adequate notice that establishes the six-month  
6 period of ineligibility. However, if the reason for the  
7 appeal is based on an incorrect grant computation, an error in  
8 determining the composition of the family, or another worker  
9 error, a hearing shall be granted, regardless of the person's  
10 limited benefit plan status.

11 Sec. 11. NEW SECTION. 239B.10 MINOR AND YOUNG PARENTS --  
12 OTHER REQUIREMENTS.

13 1. LIVING ARRANGEMENT. Unless any of the following  
14 conditions apply, a minor parent shall be required to live  
15 with the minor's parent or legal guardian:

16 a. The parent or guardian of the minor parent is deceased,  
17 missing, or living in another state.

18 b. The minor parent's health or safety would be  
19 jeopardized if the minor parent is required to live with the  
20 parent or guardian.

21 c. The minor parent is in foster care.

22 d. The minor parent is participating in the job corps solo  
23 parent program or independent living program.

24 e. Other good cause exists, which is identified in rules  
25 adopted by the department for this purpose, for the minor  
26 parent to participate in the family investment program while  
27 living apart from the minor parent's parent or guardian.

28 2. FAMILY DEVELOPMENT. A minor parent who is a  
29 participant and is not required to live with the minor  
30 parent's parent or guardian pursuant to subsection 1 shall be  
31 required to participate in a family development program  
32 identified in rules adopted by the department.

33 3. PARENTING CLASSES. Participant parents who are  
34 nineteen years of age or younger shall be required to attend  
35 parenting classes.

1 4. EDUCATION. The department shall require, subject to  
2 the availability of child day care for a minor parent's  
3 children, that a minor parent must either have graduated from  
4 high school or have received a high school equivalency  
5 diploma, or be engaged full-time in completing high school  
6 graduation or equivalency requirements.

7 5. EARNINGS DISREGARD. In determining family investment  
8 program eligibility and calculating the amount of assistance,  
9 the department shall disregard earnings of an applicant or a  
10 participant who is nineteen years of age or younger who is  
11 engaged full-time in completing high school graduation or  
12 equivalency requirements.

13 6. FAMILY PLANNING. The department shall do all of the  
14 following with newly eligible and existing participant  
15 parents:

16 a. Discuss orally and in writing the financial  
17 implications of newly born children on the participant's  
18 family.

19 b. Discuss orally and in writing the available family  
20 planning resources.

21 c. Include family planning counseling as an optional  
22 component of the JOBS program.

23 d. Include the participant's family planning objectives in  
24 the family investment agreement.

25 Sec. 12. NEW SECTION. 239B.11 FAMILY INVESTMENT PROGRAM  
26 ACCOUNT.

27 1. An account is established in the state treasury to be  
28 known as the family investment program account under control  
29 of the department to which shall be credited all funds  
30 appropriated by the state for the payment of assistance and  
31 JOBS program expenditures. All other moneys received at any  
32 time for these purposes, including child support revenues,  
33 shall be deposited into the account as provided by law. All  
34 assistance and JOBS program expenditures under this chapter  
35 shall be paid from the account.

1 2. A diversion program subaccount is created within the  
2 family investment program account. The subaccount may be used  
3 to provide incentives to divert applicants' participation in  
4 the family investment program if the applicants would  
5 otherwise be eligible for assistance. Incentives may be  
6 provided in the form of payment or services with a focus on  
7 helping applicants to obtain or retain employment. The  
8 diversion program subaccount may also be used for payments to  
9 participants as necessary to cover the expenses of removing  
10 barriers to employment.

11 Sec. 13. NEW SECTION. 239B.12 IMMUNIZATION.

12 1. To the extent feasible, the department shall determine  
13 the immunization status of children receiving assistance under  
14 this chapter. The status shall be determined in accordance  
15 with the immunization recommendations adopted by the Iowa  
16 department of public health under section 139.9, including the  
17 exemption provisions in section 139.9, subsection 4. If the  
18 department determines a child is not in compliance with the  
19 immunization recommendations, the department shall refer the  
20 child's parent or guardian to a local public health agency for  
21 immunization services for the child and other members of the  
22 child's family.

23 2. The department of human services shall cooperate with  
24 the Iowa department of public health to establish an  
25 interagency agreement allowing the sharing of pertinent client  
26 data, as permitted under federal law and regulation, for the  
27 purposes of determining immunization rates of participants,  
28 evaluating family investment program efforts to encourage  
29 immunizations, and developing strategies to further encourage  
30 immunization of participants.

31 Sec. 14. NEW SECTION. 239B.13 NEEDY RELATIVE PAYEE --  
32 PROTECTIVE PAYEE -- VENDOR PAYMENT.

33 1. The department may provide for a needy relative to act  
34 as a payee when the parent of a participant family is in the  
35 home but is unable to act as the payee.

1        2. The department may order the cash assistance under this  
2 chapter to be paid to a protective payee if it has been  
3 demonstrated that the specified relative with whom the child  
4 is residing is unable to manage the assistance in the best  
5 interest of the child. Protective payment of cash assistance  
6 shall not be made beyond a period of two years. The  
7 department may petition the district court sitting in probate  
8 to establish, pursuant to chapter 633, a conservatorship over  
9 a participant. If a conservatorship is established, the  
10 participant's cash assistance shall be paid to the  
11 conservator. In addition to the cash assistance, an amount  
12 not to exceed ten dollars per case per month may be allowed  
13 for conservatorship or guardianship fees if authorized by  
14 court order. The department may pay cash assistance or other  
15 cash benefits to a third party if the department determines  
16 that a third-party payment is essential to assure the proper  
17 use of the assistance or benefits.

18        Sec. 15. NEW SECTION. 239B.14 FRAUDULENT PRACTICES --  
19 RECOVERY.

20        1. An individual who obtains, or attempts to obtain, or  
21 aids or abets an individual to obtain, by means of a willfully  
22 false statement or representation, by knowingly failing to  
23 disclose a material fact, or by impersonation, or any  
24 fraudulent device, any assistance or other benefits under this  
25 chapter to which the individual is not entitled, commits a  
26 fraudulent practice.

27        2. An individual who commits a fraudulent practice under  
28 this section is personally liable for the amount of assistance  
29 or other benefits fraudulently obtained. The amount of the  
30 assistance or other benefits may be recovered from the  
31 offender or the offender's estate in an action brought or by  
32 claim filed in the name of the state and the recovered funds  
33 shall be deposited in the family investment program account.  
34 The action or claim filed in the name of the state shall not  
35 be considered an election of remedies to the exclusion of

1 other remedies.

2 Sec. 16. NEW SECTION. 239B.15 COUNTY ATTORNEY TO  
3 ENFORCE.

4 Violations of law relating to the family investment program  
5 shall be prosecuted by county attorneys. Area prosecutors of  
6 the office of the attorney general shall provide prosecution  
7 assistance.

8 Sec. 17. NEW SECTION. 239B.16 APPEAL -- JUDICIAL REVIEW.

9 If an applicant's application is not acted upon within a  
10 reasonable time, if it is denied in whole or in part, or if a  
11 participant's assistance or other benefits under this chapter  
12 are modified, suspended, or canceled under a provision of this  
13 chapter, the applicant or participant may appeal to the  
14 department of human services which shall request the  
15 department of inspections and appeals to conduct a hearing.  
16 Upon completion of a hearing, the department of inspections  
17 and appeals shall issue a decision which is subject to review  
18 by the department of human services. Judicial review of the  
19 actions of the department of human services may be sought in  
20 accordance with chapter 17A. Upon receipt of a notice of the  
21 filing of a petition for judicial review, the department of  
22 human services shall furnish the petitioner with a copy of any  
23 papers filed in support of the petitioner's position, a  
24 transcript of any testimony taken, and a copy of the  
25 department's decision.

26 Sec. 18. NEW SECTION. 239B.17 PROMISE-JOBS PROGRAM.

27 1. PROGRAM ESTABLISHED. The promoting independence and  
28 self-sufficiency through employment -- job opportunities and  
29 basic skills program is established for applicants and  
30 participants of the family investment program. The  
31 requirements of the JOBS program shall vary as provided in the  
32 family investment agreement applicable to a family. The  
33 department of workforce development, department of economic  
34 development, department of education, and all other state,  
35 county, and public educational agencies and institutions

1 providing vocational rehabilitation, adult education, or  
2 vocational or technical training shall assist and cooperate in  
3 the JOBS program. The departments, agencies, and institutions  
4 shall make agreements and arrangements for maximum cooperation  
5 and use of all available resources in the program. By mutual  
6 agreement the department of human services may delegate any of  
7 the department of human services' powers and duties under this  
8 chapter to the department of workforce development or to the  
9 department of economic development.

10 2. PROGRAM ACTIVITIES. The JOBS program shall include,  
11 but is not limited to, provision of the following activities:

12 a. Placing applicants and participants in employment and  
13 on-the-job training.

14 b. Institutional and work experience training for  
15 applicants and participants for whom the training is likely to  
16 lead to regular employment.

17 c. Special work projects for applicants and participants  
18 for whom a job in the regular economy cannot be found.

19 d. Incentives, opportunities, services, and other benefits  
20 to aid applicants and participants.

21 Sec. 19. NEW SECTION. 239B.18 JOBS PROGRAM  
22 PARTICIPATION.

23 Except for participants who are exempt from the requirement  
24 to enter into a family investment agreement under section  
25 239B.8, a participant in the family investment program shall  
26 participate in JOBS program activities as provided in the  
27 participant's family investment agreement. A participant who  
28 is exempt may voluntarily participate in the JOBS program.

29 Sec. 20. NEW SECTION. 239B.19 JOBS PROGRAM AVAILABILITY.

30 1. Within available funding, the department shall make  
31 JOBS program services and benefits available to individuals  
32 who are participating in the JOBS program.

33 2. An individual's efforts under the JOBS program to  
34 attain a certificate of general educational development, high  
35 school diploma, or adult basic literacy where the individual

1 has not previously received the certification shall be  
2 optional except as otherwise required by this chapter or by  
3 federal law. The department shall provide incentives to  
4 encourage optional efforts to attain such certifications.

5 3. When needed, arrangements shall be made for the care of  
6 children during the absence from the home of an individual  
7 participating in the JOBS program.

8 Sec. 21. NEW SECTION. 239B.20 JOBS PROGRAM HEALTH AND  
9 SAFETY.

10 The director shall establish and maintain reasonable  
11 standards for health, safety, and other conditions under the  
12 JOBS program.

13 Sec. 22. NEW SECTION. 239B.21 JOBS PROGRAM -- WORKERS'  
14 COMPENSATION LAW APPLICABLE.

15 A participant, with respect to employment performed under  
16 the JOBS program, shall be covered by the workers'  
17 compensation law or shall otherwise be provided with  
18 comparable protection.

19 Sec. 23. NEW SECTION. 239B.22 JOBS PROGRAM --  
20 PARTICIPANT NOT STATE EMPLOYEE.

21 A participant shall not be deemed to be an employee of the  
22 state or any of its political subdivisions by reason of  
23 participation in the JOBS program. However, this section  
24 shall not prevent the participant from having the status of an  
25 employee for the purposes of workers' compensation.

26 Sec. 24. NEW SECTION. 239B.23 CHILD DAY CARE PROVISIONS.

27 The following provisions involving child day care benefits  
28 shall apply to individuals who no longer receive family  
29 investment program assistance due to employment:

30 1. Eligibility for transitional child care benefits for a  
31 period of twenty-four months.

32 2. The department shall automatically determine an  
33 individual's eligibility for other child day care benefits if  
34 the individual is not eligible for transitional child care or  
35 eligibility for transitional child care benefits is exhausted.

1     Sec. 25. Section 249A.2, Code 1997, is amended by adding  
2 the following new subsection:

3     NEW SUBSECTION. 4A. "Family investment program" means the  
4 family investment program eligibility requirements  
5 administered by the department under chapter 239, Code 1997,  
6 as applicable to either of the two populations receiving  
7 assistance under federal waivers and as in effect on July 16,  
8 1996.

9     Sec. 26. Section 249A.3, subsection 1, paragraphs b, e, f,  
10 and m, Code 1997, are amended to read as follows:

11     b. Is ~~a recipient of~~ an individual who is eligible for the  
12 family investment program ~~payments under chapter 239~~ or is an  
13 individual who would be eligible for unborn child payments  
14 under the family investment program, as authorized by Title  
15 IV-A of the federal Social Security Act, if the family  
16 investment program ~~under chapter 239~~ provided for unborn child  
17 payments during the entire pregnancy.

18     e. Is a pregnant woman whose pregnancy has been medically  
19 verified and who qualifies under either of the following:

20         (1) The woman would be eligible for ~~a cash payment~~  
21 assistance under the family investment program ~~under chapter~~  
22 ~~239~~, if the child were born and living with the woman in the  
23 month of payment.

24         (2) The woman meets the income and resource requirements  
25 of the family investment program ~~under chapter 239~~, provided  
26 the unborn child is considered a member of the household, and  
27 the woman's family is treated as though deprivation exists.

28     f. Is a child who is less than seven years of age and who  
29 meets the income and resource requirements of the family  
30 investment program ~~under chapter 239~~.

31     m. Is an individual or family who is ineligible for the  
32 family investment program ~~under chapter 239~~ because of  
33 requirements that do not apply under Title XIX of the federal  
34 Social Security Act.

35     Sec. 27. Section 249A.3, subsection 1, Code 1997, is

1 amended by adding the following new paragraphs:

2 NEW PARAGRAPH. r. Is an individual who is no longer  
3 eligible for the family investment program due to earned  
4 income. The department shall provide transitional medical  
5 assistance to the individual for the maximum period allowed  
6 for federal financial participation under federal law.

7 NEW PARAGRAPH. s. Is an individual who is no longer  
8 eligible for the family investment program due to the receipt  
9 of child or spousal support. The department shall provide  
10 transitional medical assistance to the individual for the  
11 maximum period allowed for federal financial participation  
12 under federal law.

13 Sec. 28. Section 249A.3, subsection 2, paragraph c, Code  
14 1997, is amended to read as follows:

15 c. Individuals who are receiving care in an institution  
16 for mental diseases, and who are under twenty-one years of age  
17 and whose income and resources are such that they are eligible  
18 for the family investment program ~~under chapter 239~~, or who  
19 are sixty-five years of age or older and who meet the  
20 conditions for eligibility in paragraph "a" of this  
21 subsection.

22 Sec. 29.

23 1. Chapters 239 and 249C, Code 1997, are repealed.

24 2. Section 249A.17, Code 1997, is repealed.

25 Sec. 30. UNEMPLOYED PARENT PROGRAM. The department of  
26 human services shall simplify family investment program  
27 eligibility criteria applicable to families with an unemployed  
28 parent in order to be consistent with the criteria applicable  
29 to other families. The simplification shall reduce from  
30 thirty days to seven days the period required before  
31 assistance can be granted to a family with an unemployed  
32 parent. The department shall apply the provisions of this  
33 section effective January 1, 1998.

34 Sec. 31. FAMILY OR DOMESTIC VIOLENCE. The department of  
35 human services shall consider options for implementing special

1 family and domestic violence provisions authorized under the  
2 federal Personal Responsibility and Work Opportunity  
3 Reconciliation Act of 1996, Pub. L. No. 104-193. The options  
4 considered shall include screening, identification, provision  
5 of services, and waiving of program requirements for a family  
6 investment program applicant or participant who is or has been  
7 a victim of family or domestic violence if the violence is  
8 deemed to have impaired the applicant's or participant's  
9 ability to participate in the PROMISE JOBS program. The  
10 department shall work with the welfare reform advisory group  
11 or an associated work group in considering the options. The  
12 department may implement the provisions by adopting  
13 administrative rules or may propose implementation legislation  
14 for consideration by the general assembly in the 1998  
15 legislative session.

16 Sec. 32. CODE EDITOR.

17 1. The Code editor shall revise references in the Code to  
18 any section in chapter 239 to instead refer to the appropriate  
19 section in chapter 239B. The references revised by the Code  
20 editor pursuant to this section shall take effect July 1,  
21 1997. The reference changes considered by the Code editor  
22 shall include but are not limited to the following: sections  
23 217.30, 234.6, 239A.1, 239A.3, 252B.3, 252B.4, 252B.5,  
24 252B.20, 252C.1, 252D.8, 252E.1, 422.9, 541A.2, and 598.22A.

25 2. If the Code editor deems the revisions to be  
26 appropriate, the Code editor shall revise references to the  
27 "job opportunities and basic skills program" to instead refer  
28 to the "promoting independence and self-sufficiency through  
29 employment job opportunities and basic skills program" and to  
30 comparable references in chapter 239B, as enacted by this Act.  
31 The reference revisions shall include but are not limited to  
32 the following sections: 84A.6, 217.30, 239A.1, and 541A.2.

33 3. In lieu of revising a reference under this section, the  
34 Code editor may instead submit a coordinating amendment in a  
35 Code editor's bill for the 1998 or 1999 legislative session.

1     Sec. 33. ADMINISTRATIVE RULES. Administrative rules of  
2 the department of human services in effect on the effective  
3 date of this Act which provide for medical assistance  
4 eligibility based upon receipt of assistance under the family  
5 investment program shall be deemed to apply the definition of  
6 family investment program in section 249A.2, subsection 4A, as  
7 enacted by this Act.

8     Sec. 34. EFFECTIVE DATE. This division of this Act, being  
9 deemed of immediate importance, takes effect upon enactment.

10                                   DIVISION II

11     Sec. 35. Section 239B.7, subsection 4, as enacted by this  
12 Act, is amended by striking the subsection.

13     Sec. 36. EFFECTIVE DATE AND APPLICABILITY. This division  
14 of this Act takes effect October 1, 1997. However, the  
15 earnings disregard under section 239B.7, subsection 4, as  
16 enacted in this Act, shall remain applicable for the full  
17 period of time for those individuals who are eligible for the  
18 employment earnings disregard as of September 30, 1997.

19                                   EXPLANATION

20     This bill revises provisions of the family investment and  
21 job opportunities and basic skills programs administered by  
22 the department of human services, amends certain child support  
23 provisions, provides for fraudulent practices, amends related  
24 medical assistance provisions, and provides effective dates.

25     The bill includes provisions allowed under the federal  
26 Personal Responsibility and Work Opportunity Reconciliation  
27 Act of 1996. The bill amends Code section 234.12 and new Code  
28 section 239B.5 to provide for continued food stamp and family  
29 investment program (FIP) benefits for persons with a felony  
30 drug conviction. The continued food stamp benefits may be  
31 subject to continued eligibility requirements. The continued  
32 FIP benefits are subject to participation in drug  
33 rehabilitation or other requirements to verify avoidance of  
34 illegal drugs.

35     New Code chapter 239B recreates the family investment

1 program. The chapter takes effect upon enactment.

2 New Code section 239B.1 provides definitions, including the  
3 terms applicant, assistance, child, department of human  
4 services, family, family investment program, family investment  
5 agreement, limited benefit plan, minor parent, participant,  
6 and specified relative.

7 The term "PROMISE JOBS program" or "JOBS program" is  
8 defined as a modified acronym for the promoting independence  
9 and self-sufficiency through employment job opportunities and  
10 basic skills program created by the bill.

11 New Code section 239B.2 sets out conditions of eligibility  
12 for the program, including application and periodic review  
13 requirements, income and resources used to determine initial  
14 and continuing eligibility, restriction on parent unemployment  
15 status, requirements for a participant family to enter into a  
16 family investment agreement with the department, requirements  
17 to provide information to the department, provisions for a  
18 limited benefit plan if certain requirements are not met,  
19 provisions for cooperation with child support recovery, and  
20 payment when a participant is temporarily out of the state.

21 New Code section 239B.3 directs the department to provide  
22 cash assistance and other benefits under the chapter. The  
23 department is to take into consideration various circumstances  
24 such as family size, income, and resources in calculating a  
25 cash assistance grant for a family. The program is to provide  
26 a maximum \$400 funeral expense benefit under certain  
27 conditions for children who participate in the program.

28 New Code section 239B.4 designates the department of human  
29 services to administer federal funds, develop and file state  
30 plans as required by federal law, and perform other  
31 administrative functions associated with the program.

32 New Code section 239B.5, if required as a condition of  
33 receiving federal funding, authorizes the department to to  
34 request enactment of amendments to state law as necessary to  
35 administer activities which are in conflict with state law.

1 In addition, the department is authorized to submit waiver  
2 requests to the federal government as necessary to implement  
3 the chapter or any subsequent initiative.

4 New Code section 239B.6 provides that an applicant for  
5 assistance under the program is deemed to have assigned to the  
6 department of human services the applicant's rights to current  
7 and accrued support payments to the extent of the amount of  
8 the assistance received. Assistance provided under the  
9 chapter cannot be transferred or assigned at law or equity and  
10 is not subject to other legal processes to transfer the  
11 assistance to another.

12 New Code section 239B.7 delineates income and resource  
13 exemptions, deductions, and disregards to be used by the  
14 department for purposes of a family's initial and continuing  
15 eligibility for family investment program assistance and for  
16 determining assistance amounts.

17 New Code section 239B.8 requires family investment  
18 agreements between the department and family investment  
19 program participants and delineates specific requirements  
20 applicable to the agreements.

21 New Code section 239B.9 establishes limited benefit plan  
22 sanctions for family investment program participants who do  
23 not comply with requirements involving family investment  
24 agreements.

25 New Code section 239B.10 establishes special provisions for  
26 minor and young parents and for family planning requirements.

27 New Code section 239B.11 creates a family investment  
28 program account in the state treasury for funds received by  
29 the program. A diversion program subaccount is also created  
30 for funding to provide incentives for diversion of applicants  
31 from FIP and of participants to remove barriers to employment.

32 New Code section 239B.12 establishes immunization  
33 provisions applicable to children receiving family investment  
34 program assistance.

35 New Code section 239B.13 authorizes the department to

1 provide for participation by a child as part of an eligible  
2 group headed by a specified relative and to pay cash  
3 assistance to a protective payee for a period of up to two  
4 years. In addition, the department may petition the court to  
5 appoint a conservator over a program participant to receive  
6 the cash assistance.

7 New Code section 239B.14 establishes that an individual who  
8 attempts or succeeds in fraudulently obtaining assistance or  
9 other benefits under the program commits a fraudulent practice  
10 crime and provides that the perpetrator is personally liable  
11 for the amount fraudulently obtained.

12 New Code section 239B.15 requires the county attorney to  
13 prosecute law violations under new Code chapter 239B and  
14 requires the area prosecutors of the attorney general to  
15 assist in prosecutions.

16 New Code section 239B.16 provides for administrative  
17 hearings by the department of inspections and appeals in the  
18 event an application is not acted upon in a reasonable time,  
19 or is denied in whole or in part, or benefits are modified,  
20 suspended, or cancelled. Judicial review of the department's  
21 actions is subject to chapter 17A, the administrative  
22 procedures Act.

23 The bill provides for repeal and reenactment of the  
24 provisions of Code chapter 249C, relating to the jobs  
25 opportunities and basic skills (JOBS) program for recipients  
26 under the family investment program, as part of new Code  
27 chapter 239B.

28 New Code section 239B.17 establishes the promoting  
29 independence and self-sufficiency through employment-job  
30 opportunities and basic skills (PROMISE-JOBS) program. The  
31 program is to be applied as provided in a participant family's  
32 family investment agreement. The departments of workforce  
33 development, economic development, and education, and other  
34 public programs and agencies are to cooperate with the  
35 program. The department of human services may delegate

1 responsibilities to the department of workforce development or  
2 economic development.

3 New Code section 239B.18 delineates exceptions to required  
4 participation in the JOBS program.

5 New Code section 239B.19 provides that eligibility for the  
6 program is contingent upon available funding and the person  
7 having entered into a family investment agreement with the  
8 department under the family investment program. In addition,  
9 this section provides that unless otherwise provided, high  
10 school and other basic education requirements are optional.  
11 Provision for care of children while a parent participates in  
12 the JOBS program is addressed.

13 New Code section 239B.20 requires the director of human  
14 services or the director's designee to establish and maintain  
15 reasonable standards for health, safety, and other conditions  
16 under the JOBS program.

17 New Code section 239B.21 provides that participants in the  
18 JOBS program are to be covered by the workers' compensation  
19 law or comparable protection for work performed under the JOBS  
20 program.

21 New Code section 239B.22 provides that a participant is not  
22 to be considered an employee of the state or a political  
23 subdivision for the person's participation in the JOBS  
24 program.

25 New Code section 239B.23 provides for 24 months of  
26 transitional child day care benefits to persons who no longer  
27 receive family investment program assistance due to  
28 employment.

29 The bill includes a number of amendments to Code chapter  
30 249A, the medical assistance program. The amendments provide  
31 that if a person would be eligible for medical assistance  
32 based upon eligibility for the family investment program or  
33 related requirements, the applicable eligibility requirements  
34 are those in effect for the program as of July 1, 1996. The  
35 bill revises Code chapter 249A references to Code chapter 239.

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2 group headed by a specified relative and to pay cash  
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32 based upon eligibility for the family investment program or  
33 related requirements, the applicable eligibility requirements  
34 are those in effect for the program as of July 1, 1996. The  
35 bill revises Code chapter 249A references to Code chapter 239.

1 In addition, the bill repeals Code section 249A.17 which  
2 requires 12 months or more of medical assistance coverage for  
3 certain persons who leave the aid to families with dependent  
4 children program (the predecessor to Iowa's family investment  
5 program) due to earned income. The bill includes new  
6 subsections providing for transitional medical assistance for  
7 an individual who loses family investment program eligibility  
8 due to earned income or receipt of child or spousal support.

9 The bill includes a provision that administrative rules of  
10 the department of human services which provide for medical  
11 assistance eligibility based upon receipt of assistance under  
12 the family investment program shall be deemed to apply to the  
13 family investment program eligibility requirements in effect  
14 as of July 16, 1996.

15 The bill repeals Code chapter 239, the current family  
16 investment program chapter, and Code chapter 249C, the current  
17 work and training program for persons receiving public  
18 assistance.

19 The department of human services is directed to simplify  
20 FIP eligibility criteria applicable to families with an  
21 unemployed parent to be consistent with criteria applicable to  
22 other families. The simplification is to reduce from 30 to 7  
23 days the waiting period for assistance. The change is to  
24 begin January 1, 1998. The department is to consider options  
25 for relaxing or waiving FIP program requirements for FIP  
26 applicants or recipients who are victims of family or domestic  
27 violence. This option is allowed under federal law providing  
28 the block grant funding for FIP.

29 The Code editor is directed to revise codified references  
30 to sections of chapter 239 to instead refer to appropriate  
31 sections of new chapter 239B. The Code editor may either make  
32 the revisions editorially in the Code of Iowa or submit the  
33 revisions in a Code editor's bill.

34 Division II of the bill eliminates an earnings disregard  
35 provision applicable under FIP to individuals who were

1 unemployed for 12 months and report earnings to the  
2 department. The disregard applies to the first four months of  
3 employment income. The provision is eliminated effective  
4 October 1, 1997, but would remain applicable to those  
5 individuals eligible for the disregard as of September 30,  
6 1997.

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SENATE FILE 516  
FISCAL NOTE

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The estimate for Senate File 516 is hereby submitted as a fiscal note pursuant to Joint Rule 17 and as a correctional impact statement pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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Senate File 516 revises provisions of the Family Investment and Promise Jobs Programs administered by the Department of Human Services, amends certain child support provisions, provides for fraudulent practices, amends related Medical Assistance Program provisions and provides for effective dates.

FISCAL EFFECT:

The fiscal effect of SF 516 is no net change in General Fund expenditures compared to the current level, but the legislation makes several policy changes which have a funding impact on the Department of Human Services budget. There are three changes contained in the legislation which have a fiscal impact. They are:

1. Elimination of the work transition period.
2. Creation of a diversion pilot project.
3. Changing the waiting period for benefits for the Unemployed Parent Program under the Family Investment Program (FIP).

Elimination of the work transition period, which allows an individual earning less than \$1,200 in a year to disregard up to four months income in determining Family Investment Program eligibility, would save approximately \$700,000 in FY 1998.

The diversion pilot project is intended to provide assistance (cash or services) to an applicant who would otherwise be FIP eligible to avoid an individual entering the FIP Program. The diversion pilot project is estimated to have an estimated General Fund cost of \$500,000.

Changing the waiting period for the Unemployed Parent Program has an estimated FY 1998 General Fund cost of \$150,000. The change in the waiting period would make the Unemployed Parent Program requirements the same as for the remainder of the FIP recipients.

Not included in SF 516 is the recommendation for providing seed funding in the amount of \$50,000 (maximum grant of \$5,000 per institution) to provide incentives for community organizations to set up Individual Development Accounts for FIP recipients. The reallocation of funding for these items has been approved as part of funding discussions of the Human Services Appropriations Subcommittee.

CORRECTIONAL IMPACT:

PAGE 2 , FISCAL NOTE, SENATE FILE 516

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-2-

There is no correctional impact to SF 516 because the legislation codifies requirements currently in the Iowa Administrative Code.

Source: Department of Human Services

(LSB 1846sv, LCS)

FILED MARCH 20, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

## SENATE FILE 516

S-3224

1 Amend Senate File 516 as follows:

2 1. Page 5, line 2, by striking the words "attain  
3 or".

4 2. Page 7, by striking lines 22 through 27 and  
5 inserting the following:

6 "1. If, as a condition of receiving federal funds  
7 for the family investment program, federal law  
8 requires implementation and administration of certain  
9 activities during a period when the general assembly  
10 is not in session, the department shall proceed to  
11 implement and administer those provisions, even if in  
12 conflict with other existing state law. However, the  
13 period of implementation authorized under this  
14 subsection shall end upon the adjournment of the  
15 regular session of the general assembly immediately  
16 following the commencement of the period of  
17 implementation."

18 3. Page 13, by striking line 20, and inserting  
19 the following: "is not a parent who is nineteen years  
20 of age or younger or a parent of a child who is less  
21 than three months of age shall".

22 4. Page 28, by striking lines 3 through 8 and  
23 inserting the following:

24 "NEW SUBSECTION. 4A. "Family investment program"  
25 means the family investment program eligibility  
26 requirements under chapter 239B, except to the extent  
27 federal law requires application of the eligibility  
28 requirements under chapter 239, Code 1997, as in  
29 effect on July 16, 1996."

30 5. Page 31, line 9, by inserting after the word  
31 "enactment." the following: "However, the department  
32 of human services shall implement the following  
33 provisions on or after the date indicated:

34 1. The department shall include a second cousin as  
35 a specified relative as provided in section 239B.1,  
36 subsection 12, paragraph "n", as enacted in this Act,  
37 beginning July 1, 1997.

38 2. The department shall phase in the required  
39 participation in a family investment agreement for  
40 individuals who meet the conditions described in  
41 paragraph "a" or "b". The phase-in shall be  
42 implemented in a manner so that the required  
43 participation applies to all family investment program  
44 participants on or before July 1, 1998. The phase-in  
45 of the required participation applies to individuals  
46 who meet either of the following conditions:

47 a. The individual is a parent or specified  
48 relative of a child who is less than three months of  
49 age and began caring for the child before a referral  
50 of the individual to the job opportunities and basic

S-3224

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Page 2

1 skills program.

2 b. The individual is working thirty hours or more  
3 per week and began working before a referral of the  
4 individual to the job opportunities and basic skills  
5 program."

6 6. By renumbering as necessary.

By MAGGIE TINSMAN

S-3224 FILED MARCH 25, 1997

*adopted*

*3/31/97*

*(p. 849)*



1 DIVISION I

2 Section 1. Section 234.12, Code 1997, is amended by adding  
3 the following new unnumbered paragraph:

4 NEW UNNUMBERED PARAGRAPH. The provisions of the federal  
5 Personal Responsibility and Work Opportunity Reconciliation  
6 Act of 1996, Pub. L. No. 104-193, § 115, shall not apply to an  
7 applicant for or recipient of food stamp benefits in this  
8 state. However, the department of human services may apply  
9 contingent eligibility requirements as provided under state  
10 law and allowed under federal law.

11 Sec. 2. NEW SECTION. 239B.1 DEFINITIONS.

12 As used in this chapter, unless the context otherwise  
13 requires:

14 1. "Applicant" means a person who files an application for  
15 participation in the family investment program under this  
16 chapter.

17 2. "Assistance" means a family investment program payment.

18 3. "Child" means an unmarried person who is less than  
19 eighteen years of age or an unmarried person who is eighteen  
20 years of age and is engaged full-time in completing high  
21 school graduation or equivalency requirements in a manner  
22 which is reasonably expected to result in completion of the  
23 requirements prior to the person reaching nineteen years of  
24 age.

25 4. "Department" means the department of human services.

26 5. "Family" means a family unit that includes at least one  
27 child and at least one parent or other specified relative of  
28 the child.

29 6. "Family investment agreement" means the agreement  
30 developed with a participant in accordance with section  
31 239B.8.

32 7. "Family investment program" means the family investment  
33 program under this chapter.

34 8. "Limited benefit plan" means a period of time in which  
35 a participant or member of a participant's family is either

1 eligible for reduced assistance only or ineligible for any  
2 assistance under the family investment program, in accordance  
3 with section 239B.9.

4 9. "Minor parent" means an applicant or participant parent  
5 who is less than eighteen years of age and has never been  
6 married.

7 10. "Participant" means a person who is receiving full or  
8 partial family investment program assistance.

9 11. "PROMISE JOBS program" or "JOBS program" means the  
10 promoting independence and self-sufficiency through employment  
11 job opportunities and basic skills program created in section  
12 239B.17.

13 12. "Specified relative" means a person who is or was at  
14 any time, one of the following relatives of an applicant or  
15 participant child, by means of blood relationship, marriage,  
16 or adoption, or is a spouse of one of the following relatives:

- 17 a. Parent.
- 18 b. Grandparent.
- 19 c. Great-grandparent.
- 20 d. Great-great-grandparent.
- 21 e. Stepparent of the child, but not the parent of the  
22 stepparent.
- 23 f. Sibling.
- 24 g. Stepsibling.
- 25 h. Sibling by at least the half blood.
- 26 i. Uncle or aunt by at least the half blood.
- 27 j. Great-uncle or great-aunt.
- 28 k. Great-great-uncle or great-great-aunt.
- 29 l. First cousin.
- 30 m. Nephew or niece.
- 31 n. Second cousin.

32 Sec. 3. NEW SECTION. 239B.2 CONDITIONS OF ELIGIBILITY.

33 Within available funding, the department shall make  
34 assistance available to eligible families under the family  
35 investment program. At a minimum, a family shall meet all of

1 the following conditions of eligibility:

2 1. APPLICATION. An application for the program is made to  
3 the department. The application shall be in writing or  
4 reduced to writing in the manner and upon the form prescribed  
5 by the department. The application shall be made by the  
6 specified relative with whom the child resides or will reside,  
7 and shall contain the information required on the application  
8 form. One application may be made for several children of the  
9 same family if the children reside or will reside with the  
10 same specified relative.

11 2. INCOME AND RESOURCES. The family meets income and  
12 resource guidelines established by the department to attain or  
13 retain financial eligibility. In determining a family's  
14 income and resources, the department shall consider the income  
15 and resources of the child, the child's parent, the child's  
16 stepparent living with the child, or any other specified  
17 relative with whom the child resides or will reside available  
18 to the family unless specifically exempted as provided in  
19 section 239B.7 or by rule or unless otherwise provided by  
20 federal law. A family's failure to meet the income or  
21 resource guidelines shall result in denial of the family's  
22 eligibility for the program.

23 3. UNEMPLOYMENT. A determination of eligibility for a  
24 family with an unemployed parent shall not include  
25 consideration of either parent's number of hours of employment  
26 except to establish the date assistance would begin in  
27 accordance with rules. However, both parents must enter into  
28 and participate in a family investment agreement and  
29 participate in JOBS program activities unless good cause not  
30 to participate is established in accordance with rules. For  
31 the purposes of this chapter, an applicant family with a  
32 parent who is partially or totally unemployed under any of the  
33 following circumstances shall not be considered to be  
34 unemployed:

35 a. The period of unemployment is less than thirty days

1 prior to commencing participation under this chapter.

2 b. The parent is partially or totally unemployed due to a  
3 work stoppage which exists because of a labor dispute at the  
4 factory, establishment, or other premises at which the parent  
5 is or was last employed.

6 c. At any time during the thirty-day period prior to  
7 commencing participation under this chapter, the parent has  
8 not been available for employment, has not actively sought  
9 employment, or has without good cause refused any bona fide  
10 offer of employment or training for employment. Any of the  
11 following reasons for refusing employment or training are not  
12 good cause:

13 (1) Unsuitable or unpleasant work or training, if the  
14 parent is able to perform the work or training without unusual  
15 danger to the parent's health.

16 (2) The amount of wages or compensation, unless the wages  
17 for employment are below the amount customary for the same  
18 work in the community.

19 d. The parent has not registered for work with the state  
20 employment service established pursuant to section 96.12, or  
21 after registration has failed to report at an employment  
22 office in accordance with regulations prescribed pursuant to  
23 section 96.4, subsection 1.

24 e. The parent is eligible but refuses to apply for or to  
25 draw upon unemployment benefits.

26 f. The parent or family fails to meet other requirements  
27 adopted by the department applicable to the applicant parent  
28 or family. The other requirements shall be limited to those  
29 necessary to meet federal requirements and may be in addition  
30 to or in lieu of the requirements of this subsection, for  
31 eligibility under this chapter to children whose parents are  
32 partially or totally unemployed.

33 4. FAMILY INVESTMENT AGREEMENT. Unless exempt as provided  
34 in section 239B.8, a family which is eligible for the program  
35 shall enter into a family investment agreement with the

1 department. A family must comply with the conditions in the  
\*2 agreement in order to retain eligibility.

3 5. PROVISION OF INFORMATION. The family provides  
4 requested information to the department. The department shall  
5 adopt rules specifying the conditions under which an applicant  
6 or participant family is denied eligibility for family  
7 investment program assistance for failure to provide requested  
8 information.

9 6. COOPERATION WITH CHILD SUPPORT REQUIREMENTS. The  
10 department shall provide for prompt notification of the  
11 department's child support recovery unit if assistance is  
12 provided to a child whose parent is absent from the home. An  
13 applicant or participant shall cooperate with the child  
14 support recovery unit and the department as provided in 42  
15 U.S.C. § 608(a)(2) unless the applicant or participant  
16 qualifies for good cause or other exception as determined by  
17 the department in accordance with the best interest of the  
18 child and with standards prescribed by rule. If a specified  
19 relative with whom a child is residing fails to comply with  
20 these cooperation requirements, a sanction shall be imposed as  
21 defined by rule in accordance with state and federal law.

22 7. PERIODIC REVIEWS. As a condition of eligibility, the  
23 department may require periodic reports from a participant  
24 concerning the participant's income, resources, family  
25 composition, and other circumstances. If the participant's  
26 circumstances change, the participant's assistance may be  
27 continued, renewed, suspended, changed in amount, or entirely  
28 withdrawn, as determined in accordance with rule.

29 8. OUT-OF-STATE ASSISTANCE. Assistance shall be paid to a  
30 participant residing temporarily out-of-state if the  
31 participant retains residency in this state and remains  
32 otherwise eligible for assistance. The department shall  
33 periodically redetermine the eligibility of a participant who  
34 is temporarily residing out-of-state.

35 Sec. 4. NEW SECTION. 239B.3 CASH ASSISTANCE.

1 1. a. Within available funding, the department shall  
2 provide an ongoing cash assistance grant under the family  
3 investment program to a family eligible under section 239B.2.

4 b. For an eligibility decision involving an applicant  
5 family with a specified relative, within thirty days of the  
6 date of an application, the department shall issue a notice of  
7 the department's decision to the specified relative.

8 2. For an applicant or participant family, the department  
9 shall calculate and pay the cash assistance grant on a monthly  
10 basis, taking into consideration all of the following:

11 a. The income and resources of the family.

12 b. Whether the family has entered into a limited benefit  
13 plan.

14 c. The size of the family.

15 d. Available funding.

16 3. The department may pay cash assistance and other cash  
17 benefits paid under this chapter by warrant, through a direct  
18 deposit to a financial institution of a participant, or  
19 through an electronic benefits transfer.

20 4. The department may pay, from funds appropriated for  
21 this purpose, a maximum of four hundred dollars toward funeral  
22 expenses on the death of a child who is a participant or has  
23 been authorized to participate in the family investment  
24 program, provided both of the following conditions apply:

25 a. The decedent does not leave an estate which may be  
26 probated with sufficient proceeds to allow for payment of the  
27 funeral expenses.

28 b. Payments which are due the decedent's estate or  
29 beneficiary by reason of the liability of a life insurance,  
30 death or funeral benefit company, association, or society, or  
31 in the form of United States social security, railroad  
32 retirement, or veterans' benefits upon the death of the  
33 decedent, are deducted from the department's payment under  
34 this section.

35 Sec. 5. NEW SECTION. 239B.4 DEPARTMENTAL ROLE.

1 1. The department is the state entity designated to  
2 administer federal funds received for purposes of the family  
3 investment program and the JOBS program under this chapter,  
4 including, but not limited to, the funding received under the  
5 federal temporary assistance for needy families block grant as  
6 authorized under the federal Personal Responsibility and Work  
7 Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193,  
8 and as such is the lead agency in preparing and filing state  
9 plans, state plan amendments, and other reports required by  
10 federal law.

11 2. The department is responsible for a management  
12 information system, eligibility determination, participant  
13 grant calculations and issuance of payments, contracting for  
14 services, provision of an appeal or resolution process to  
15 applicants and participants, determining the suitability of a  
16 family home maintained by a specified relative applicant or  
17 participant, and other activities as necessary to administer  
18 the family investment program and the JOBS program.

19 3. The department may adopt rules pursuant to chapter 17A  
20 as necessary to administer this chapter.

21 Sec. 6. NEW SECTION. 239B.5 COMPLIANCE WITH FEDERAL LAW.

22 1. If, as a condition of receiving federal funds for the  
23 family investment program, federal law requires implementation  
24 and administration of certain activities during a period when  
25 the general assembly is not in session, the department shall  
26 proceed to implement and administer those provisions, even if  
27 in conflict with other existing state law. However, the  
28 period of implementation authorized under this subsection  
29 shall end upon the adjournment of the regular session of the  
30 general assembly immediately following the commencement of the  
31 period of implementation.

32 2. The department may submit waiver requests to the United  
33 States department of health and human services as necessary to  
34 implement and administer any provision under this chapter, or  
35 to implement any subsequent initiative that requires a waiver

1 from federal law.

2 3. a. The provisions of the federal Personal  
3 Responsibility and Work Opportunity Reconciliation Act of  
4 1996, Pub. L. No. 104-193, § 115, shall not apply to an  
5 applicant or participant.

6 b. However, unless exempt for good cause under rules  
7 adopted by the department for this purpose, an applicant or  
8 participant convicted under federal or state law of a felony  
9 offense, which has as an element the possession, use, or  
10 distribution of a controlled substance, as defined in 21  
11 U.S.C. § 802(6), shall be required to participate in drug  
12 rehabilitation activities or to fulfill other requirements to  
13 verify that the applicant or participant does not illegally  
14 possess, use, or distribute a controlled substance.

15 Sec. 7. NEW SECTION. 239B.6 ASSIGNMENT OF SUPPORT RIGHTS  
16 OR BENEFITS.

17 1. An assignment of support rights to the department is  
18 created by either of the following:

19 a. An applicant and other persons covered by an  
20 application are deemed to have assigned to the department at  
21 the time of application all rights to periodic support  
22 payments to the extent of the amount of assistance received by  
23 the applicant and by other persons covered by the application.

24 b. A determination that a child or another person covered  
25 by an application is eligible for assistance under this  
26 chapter creates an assignment by operation of law to the  
27 department of all rights to periodic support payments not to  
28 exceed the amount of assistance received by the child and  
29 other persons covered by the application.

30 2. An assignment takes effect upon determination that an  
31 applicant or another person covered by an application is  
32 eligible for assistance under this chapter, applies to both  
33 current and accrued support obligations, and terminates when  
34 an applicant or another person covered by an application  
35 ceases to receive assistance under this chapter, except with

1 respect to the amount of unpaid support obligations accrued  
2 under the assignment. If an applicant or another person  
3 covered by an application ceases to receive assistance under  
4 this chapter and the applicant or other person covered by the  
5 application receives a periodic support payment, subject to  
6 limitations under federal law, the department is entitled only  
7 to that amount of the periodic support payment above the  
8 current periodic support obligation.

9 3. Assistance paid or payable under this chapter is not  
10 transferable or assignable at law or in equity, and none of  
11 the assistance paid or payable is subject to execution, levy,  
12 attachment, garnishment, or other legal process, or to the  
13 operation of any bankruptcy or insolvency law.

14 Sec. 8. NEW SECTION. 239B.7 INCOME AND RESOURCE  
15 EXEMPTIONS, DEDUCTIONS, AND DISREGARDS.

16 In determining a family's income and resources for purposes  
17 of the family's initial and continuing eligibility for  
18 assistance and for determining grant amounts, the provisions  
19 of this section shall apply to the family and individual  
20 family members.

21 1. WORK EXPENSE DEDUCTION. If an individual's earned  
22 income is considered by the department, the individual shall  
23 be allowed a work expense deduction equal to twenty percent of  
24 the earned income. The work expense deduction is intended to  
25 include all work-related expenses other than child day care.  
26 These expenses shall include but are not limited to all of the  
27 following: taxes, transportation, meals, uniforms, and other  
28 work-related expenses. However, the work expense deduction  
29 shall not be allowed for an individual who is subject to a  
30 sanction for failure to comply with family investment program  
31 requirements.

32 2. WORK-AND-EARN INCENTIVE. If an individual's earned  
33 income is considered by the department, the individual shall  
34 be allowed a work-and-earn incentive. The incentive shall be  
35 equal to fifty percent of the amount of earned income

1 remaining after all other deductions are applied. The  
2 department shall disregard the incentive amount when  
3 considering the earned income available to the individual.  
4 The incentive shall not have a time limit. The work-and-earn  
5 incentive shall not be withdrawn as a penalty for failure to  
6 comply with family investment program requirements.

7 3. CHILD DAY CARE DEDUCTION. A family shall be allowed a  
8 child day care deduction as specified in rules. A family with  
9 a stepparent shall be allowed a child day care deduction for  
10 any children of the stepparent or the parent, subject to the  
11 limits provided in applicable rules.

12 4. EMPLOYMENT EARNINGS DISREGARD. If an individual begins  
13 employment but was unemployed for at least twelve months  
14 before beginning employment and timely reports the earnings  
15 from the employment, the earnings shall be subject to an  
16 income disregard. This income disregard shall apply in  
17 determining the individual's eligibility and cash grant levels  
18 under the family investment program during the individual's  
19 first four months of employment. To be eligible for the  
20 income disregard, the employment must commence following the  
21 date of the individual's application for the family investment  
22 program. The department shall adopt rules defining the term  
23 "unemployed" for the purposes of this subsection. The income  
24 disregard shall not be withdrawn as a penalty for failure to  
25 comply with family investment program requirements.

26 5. INCOME CONSIDERATION. If an individual has timely  
27 reported an absence of income to the department, consideration  
28 of the individual's income shall cease beginning in the first  
29 month the income is absent. However, this provision shall not  
30 apply to an individual who has quit employment without good  
31 cause as defined in rules.

32 6. INTEREST INCOME. Interest income shall be disregarded.

33 7. INDIVIDUAL DEVELOPMENT ACCOUNT DEPOSITS. The  
34 department shall disregard as income any moneys an individual  
35 deposits in an individual development account established

1 pursuant to chapter 541A.

2 8. MOTOR VEHICLE DISREGARD. The department shall  
3 disregard the first three thousand eight hundred eighty-nine  
4 dollars in equity value of a motor vehicle. Beginning July 1,  
5 1997, and continuing in succeeding fiscal years, the motor  
6 vehicle equity value disregarded by the department shall be  
7 increased by the latest increase in the consumer price index  
8 for used vehicles during the previous state fiscal year. This  
9 disregard shall be applicable to each adult and to each  
10 working individual in a family who is nineteen years of age or  
11 younger. The amount of a motor vehicle's equity in excess of  
12 the amount of the motor vehicle disregard shall apply to the  
13 resource limitation established in subsection 10.

14 9. RESOURCE LIMITATION.

15 a. The resource limitation for an applicant family for the  
16 family investment program shall be two thousand dollars.

17 b. The resource limitation for a participant family shall  
18 be five thousand dollars.

19 c. The department shall disregard not more than ten  
20 thousand dollars of a self-employed individual's tools of the  
21 trade or capital assets in considering the individual's  
22 resources.

23 10. INDIVIDUAL DEVELOPMENT ACCOUNT EARNINGS AND BALANCE.

24 The department shall disregard any earnings and the balance of  
25 an individual development account established pursuant to  
26 chapter 541A in considering an individual's resources.

27 Sec. 9. NEW SECTION. 239B.8 FAMILY INVESTMENT  
28 AGREEMENTS.

29 The department shall establish a policy regarding the  
30 implementation of family investment agreements which limits  
31 the period of eligibility for the family investment program  
32 based upon the requirements of a family's plan for self-  
33 sufficiency. The policy shall require a family's plan to be  
34 specified in a family investment agreement between the family  
35 and the department. The department shall adopt rules to

1 administer the policy. The components of the policy shall  
2 include but are not limited to all of the following:

3 1. PARTICIPATION -- EXEMPTIONS. A parent living in a home  
4 with a child for whom an application for family investment  
5 program assistance has been made or for whom the assistance is  
6 provided, and all other individual members of the family whose  
7 needs are included in the assistance shall be subject to a  
8 family investment agreement unless any of the following  
9 conditions exists:

10 a. The individual is completely unable to participate in  
11 any agreement option due to disability.

12 b. The individual is less than sixteen years of age and is  
13 not a parent.

14 c. The individual is sixteen through eighteen years of  
15 age, is not a parent, and is attending elementary or secondary  
16 school, or the equivalent level of vocational or technical  
17 school, on a full-time basis.

18 2. AGREEMENT OPTIONS. A family investment agreement shall  
19 require an individual to participate in one or more of the  
20 options enumerated in this subsection. An individual's level  
21 of participation in one or more of the options shall be  
22 equivalent to the level of commitment required for full-time  
23 employment or shall be significant so as to move the  
24 individual's level of participation toward that level. The  
25 department shall adopt rules for each option defining  
26 requirements and establishing assistance provisions for child  
27 day care, transportation, and other support services. The  
28 options shall include but are not limited to all of the  
29 following:

30 a. Full-time or part-time employment.

31 b. Active job search.

32 c. Participation in the JOBS program.

33 d. Participation in other education or training  
34 programming.

35 e. Participation in a family development and self-

1 sufficiency grant program under section 217.12 or other family  
2 development program.

3 f. Work experience placement.

4 g. Unpaid community service. Community service shall be  
5 authorized in any nonprofit association which has been  
6 determined under section 501(c)(3) of the Internal Revenue  
7 Code to be exempt from taxation or in any government agency.  
8 Upon request, the department shall provide a listing of  
9 potential community service placements to an individual.  
10 However, an individual shall locate the individual's own  
11 placement and perform the number of hours required by the  
12 agreement. The individual shall file a monthly report with  
13 the department which is signed by the director of the  
14 community service placement verifying the community service  
15 hours performed by the individual during that month. The  
16 department shall develop a form for this purpose.

17 h. Any other arrangement which would strengthen the  
18 individual's ability to be a better parent, including but not  
19 limited to participation in a parenting education program.  
20 Parental leave from employment shall be authorized for a  
21 parent of a child who is less than three months of age. An  
22 opportunity to participate in a parental education program  
23 shall also be authorized for such a parent. An individual who  
24 is not a parent who is nineteen years of age or younger or a  
25 parent of a child who is less than three months of age shall  
26 simultaneously participate in at least one other option  
27 enumerated in this subsection.

28 3. LIMITED BENEFIT PLAN. If a participant fails to comply  
29 with the provisions of the participant's family investment  
30 agreement during the period of the agreement, the limited  
31 benefit plan provisions of section 239B.9 shall apply.

32 4. COMPLETION OF AGREEMENT.

33 a. Upon the completion of the terms of the agreement,  
34 family investment program assistance to a participant family  
35 covered by the agreement shall cease or be reduced in

1 accordance with rules.

2 b. However, if the period in which a participant family is  
3 without cash assistance is one month or less and the  
4 participant family has not become exempt from JOBS program  
5 participation at the time the participant family reapplies for  
6 cash assistance, the participant family's family investment  
7 agreement shall be reinstated at the time the participant  
8 family reapplies. The reinstated agreement may be revised to  
9 accommodate changed circumstances present at the time of  
10 reapplication.

11 c. The department shall adopt rules to administer this  
12 subsection and to determine when a family is eligible to  
13 reenter the family investment program.

14 5. CONTRACTS. The department may contract with the  
15 department of workforce development, department of economic  
16 development, or any other entity to provide services relating  
17 to a family investment agreement.

18 6. CONFIDENTIAL INFORMATION DISCLOSURE. The department  
19 may disclose confidential information described in section  
20 217.30, subsection 1, to other state agencies or to any other  
21 entity which is not subject to the provisions of chapter 17A  
22 and is providing services to a participant family who is  
23 subject to a family investment agreement, if necessary in  
24 order for the participant family to receive the services. The  
25 department shall adopt rules establishing standards for  
26 disclosure of confidential information if disclosure is  
27 necessary in order for a participant to receive services.

28 Sec. 10. NEW SECTION. 239B.9 LIMITED BENEFIT PLAN.

29 1. GENERAL PROVISIONS. If a participant responsible for  
30 signing and fulfilling the terms of a family investment  
31 agreement, as defined by the director of human services in  
32 accordance with section 239B.8, chooses not to sign or fulfill  
33 the terms of the agreement, the participant's family, or the  
34 individual participant shall enter into a limited benefit  
35 plan. A limited benefit plan shall apply for the period of

1 time specified in this section. The first month of the  
2 limited benefit plan is the first month after the month in  
3 which timely and adequate notice of the limited benefit plan  
4 is given to the participant as defined by the director of  
5 human services. A participant who is exempt from the JOBS  
6 program but who volunteers for the program is not subject to  
7 imposition of a limited benefit plan. The elements of a  
8 limited benefit plan shall be specified in the department's  
9 rules.

10 2. PLAN APPLIED. The department shall apply the limited  
11 benefit plan to the participants responsible for the family  
12 investment agreement and other members of the participant's  
13 family as follows:

14 a. PARENT. If the participant responsible for the family  
15 investment agreement is a parent or a specified relative, for  
16 a first limited benefit plan, the participant's family is  
17 eligible for up to three months of reduced assistance based on  
18 the needs of the children only. At the end of the three-month  
19 period of reduced assistance, the family becomes ineligible  
20 for assistance for a six-month period. For a second or  
21 subsequent limited benefit plan chosen by the same participant  
22 a six-month period of ineligibility applies beginning with the  
23 effective date of the limited benefit plan. If the family  
24 reapplies for assistance after a six-month ineligibility  
25 period, eligibility shall be established in the same manner as  
26 for any other new applicant. A limited benefit plan imposed  
27 in error shall not be considered a first limited benefit plan.

28 b. NEEDY RELATIVE PAYEE. If the participant choosing a  
29 limited benefit plan is a needy relative who acts as payee  
30 when the parent is in the home but is unable to act as payee,  
31 or is a dependent child's stepparent whose needs are included  
32 in the assistance because of incapacity or caregiving, the  
33 limited benefit plan shall apply only to the individual  
34 participant choosing the plan. The individual participant  
35 choosing the limited benefit plan is ineligible for nine

1 months from the effective date of the limited benefit plan.  
2 For a second or subsequent limited benefit plan chosen by the  
3 same individual participant, a six-month period of  
4 ineligibility applies beginning with the effective date of the  
5 limited benefit plan.

6 c. MINOR PARENT LIVING WITH ADULT PARENT OR SPECIFIED  
7 RELATIVE. If the participant family includes a minor parent  
8 living with the minor parent's adult parent or specified  
9 relative who receives family investment program assistance and  
10 both individuals are responsible for developing a family  
11 investment agreement, each individual is responsible for a  
12 separate family investment agreement, and the limited benefit  
13 plan shall be applied as follows:

14 (1) If the adult parent or specified relative chooses the  
15 limited benefit plan, the requirements of the limited benefit  
16 plan shall apply to the entire participant family, even though  
17 the minor parent has not chosen the limited benefit plan.  
18 However, the minor parent may reapply for assistance as a  
19 minor parent living with self-supporting parents or living  
20 independently and continue in the family investment agreement  
21 process.

22 (2) If the minor parent chooses the limited benefit plan,  
23 the requirements of the limited benefit plan shall apply to  
24 the minor parent and any child of the minor parent.

25 d. MINOR PARENT -- ONLY CHILD. If the minor parent is the  
26 only child in the adult parent or specified relative's home  
27 and the minor parent chooses the limited benefit plan,  
28 assistance shall not be paid to the adult parent or specified  
29 relative in this instance.

30 e. CHILDREN WHO ARE MANDATORY JOBS PROGRAM PARTICIPANTS.  
31 If the participant family includes children who are mandatory  
32 JOBS program participants, the children shall not have a  
33 separate family investment agreement but shall be asked to  
34 sign the family investment agreement applicable to the family  
35 and to carry out the responsibilities of that family

1 investment agreement. A limited benefit plan shall be applied  
2 as follows:

3 (1) If the parent or specified relative responsible for a  
4 family investment agreement meets the responsibilities of the  
5 family investment agreement but a child who is a mandatory  
6 JOBS program participant chooses an individual limited benefit  
7 plan, the family is eligible for reduced assistance during the  
8 child's limited benefit plan. However, the child, as part of  
9 the family, is ineligible for nine months for a first limited  
10 benefit plan and six months for a second or subsequent limited  
11 benefit plan.

12 (2) If the child who chooses a limited benefit plan under  
13 subparagraph (1) is the only child in the participant family,  
14 assistance shall not be paid to the adult parent, parents, or  
15 specified relative in this instance.

16 f. EXEMPT PARENT. If a participant family includes a  
17 parent, parents, or specified relative who are exempt from  
18 JOBS program participation and children who are mandatory JOBS  
19 program participants, the children are responsible for  
20 completing a family investment agreement. If a child who is a  
21 mandatory JOBS program participant chooses the limited benefit  
22 plan, the limited benefit plan shall be applied in the manner  
23 provided in paragraph "e".

24 g. TWO PARENTS. If the participant family includes two  
25 parents, a limited benefit plan shall be applied as follows:

26 (1) If only one parent of a child in the family is  
27 responsible for a family investment agreement and that parent  
28 chooses the limited benefit plan, the limited benefit plan  
29 cannot be ended by the voluntary participation in a family  
30 investment agreement by the exempt parent. However, the  
31 exempt parent may continue to be included in the participant  
32 family's grant during the three-month reduced assistance  
33 period by volunteering to participate in the JOBS family  
34 investment program-unemployed parent work program. If a  
35 second or subsequent limited benefit plan is chosen by either

1 parent, the family becomes ineligible for a six-month period  
2 beginning with the effective date of the limited benefit plan.

3 (2) If both parents of a child in the family are  
4 responsible for a family investment agreement, both parents  
5 shall sign the agreement. If either parent chooses the  
6 limited benefit plan, the limited benefit plan cannot be ended  
7 by the participation of the other parent in a family  
8 investment agreement. However, the other parent may continue  
9 to be included in the family's grant during the three-month  
10 reduced assistance period by participating in the JOBS family  
11 investment program-unemployed parent work program. If a  
12 second or subsequent limited benefit plan is chosen by either  
13 parent, the family becomes ineligible for a six-month period  
14 beginning with the effective date of the limited benefit plan.

15 (3) If the parents from a two-parent family in a limited  
16 benefit plan separate, the limited benefit plan shall follow  
17 only the parent who chose the limited benefit plan and any  
18 children in the home of that parent.

19 3. PLAN CHOSEN. A participant shall be considered to have  
20 chosen a limited benefit plan under any of the following  
21 circumstances:

22 a. A participant who does not establish an orientation  
23 appointment with the JOBS program or who fails to keep or  
24 reschedule an orientation appointment shall receive a reminder  
25 letter which informs the participant that those who do not  
26 attend orientation have elected to choose a limited benefit  
27 plan. A participant who chooses not to respond to the  
28 reminder letter within ten calendar days from the mailing date  
29 shall receive notice establishing the effective date of the  
30 limited benefit plan, the beginning date of the period of  
31 reduced assistance, and the beginning and ending dates of the  
32 six-month period of ineligibility. If a participant is deemed  
33 to have chosen a limited benefit plan, timely and adequate  
34 notice provisions, as determined by the director of human  
35 services, shall apply.

1 b. A participant who chooses not to sign the family  
2 investment agreement after attending a JOBS program  
3 orientation shall enter into a limited benefit plan as  
4 described in paragraph "a".

5 c. A participant who has signed a family investment  
6 agreement but then chooses a limited benefit plan under  
7 circumstances defined by the director of human services.

8 4. RECONSIDERATION. A participant who chooses a limited  
9 benefit plan may reconsider that choice as follows:

10 a. A participant who chooses a first limited benefit plan  
11 rather than sign a family investment agreement shall have the  
12 entire three-month period of reduced assistance following the  
13 effective date of the limited benefit plan to reconsider and  
14 begin development of the family investment agreement. The  
15 participant may contact the department or the appropriate JOBS  
16 program office anytime during the first three months of the  
17 limited benefit plan to begin the reconsideration process.  
18 Although family investment program assistance shall not begin  
19 until the participant signs a family investment agreement  
20 during the JOBS program orientation and assessment process,  
21 retroactive assistance shall be issued as defined by the  
22 director of human services. A limited benefit plan imposed in  
23 error shall not be considered a first limited benefit plan.

24 b. A participant who signs a family investment agreement  
25 but does not carry out the family investment agreement  
26 responsibilities shall be deemed to have chosen a limited  
27 benefit plan and shall not be allowed to reconsider that  
28 choice.

29 c. A participant who chooses a second or subsequent  
30 limited benefit plan shall not be allowed to reconsider that  
31 choice.

32 5. WELL-BEING VISIT. If a participant has chosen a  
33 limited benefit plan, a qualified social services professional  
34 shall attempt to visit with the participant to inquire into  
35 the family's well-being. The visit shall be performed as an

1 extension of the family investment program and the family  
2 investment agreement philosophy of supporting families as they  
3 move toward self-sufficiency. The department may contract for  
4 these services. The visit shall be made in accordance with  
5 the following:

6 a. For a participant in a first limited benefit plan who  
7 has the reconsideration option, a qualified social services  
8 professional, as defined by the director of human services,  
9 shall inquire into the well-being of the family during month  
10 two of the period of reduced assistance. If the participant  
11 who is responsible for a family investment agreement indicates  
12 a desire to develop a family investment agreement, the  
13 qualified social services professional shall assist the  
14 participant in establishing an appointment with the  
15 appropriate JOBS program office.

16 b. For a participant in a first limited benefit plan who  
17 does not enter into the family investment agreement process  
18 during the three-month reconsideration period, a qualified  
19 social services professional shall make another inquiry as to  
20 the well-being of the family during month four of the limited  
21 benefit plan.

22 c. A participant who signs the family investment agreement  
23 but does not carry out family investment agreement  
24 responsibilities and, consequently, has chosen a first limited  
25 benefit plan, shall not be allowed to reconsider that choice.  
26 However, a social services professional shall inquire as to  
27 the well-being of the family during month four of the limited  
28 benefit plan.

29 d. A participant who has chosen a second or subsequent  
30 limited benefit plan shall not be allowed to reconsider that  
31 choice. However, a qualified social services professional  
32 shall make inquiry into the well-being of the family during  
33 month two of the limited benefit plan.

34 6. APPEAL. A participant has the right to appeal the  
35 establishment of the limited benefit plan only once, except

1 for a first limited benefit plan two opportunities to appeal  
2 shall be available. A participant in a first limited benefit  
3 plan has the right to appeal the limited benefit plan at the  
4 time the department issues timely and adequate notice  
5 establishing the limited benefit plan, or at the time the  
6 department issues the subsequent notice that establishes the  
7 six-month period of ineligibility. A participant who has  
8 chosen a second or subsequent limited benefit plan has the  
9 right to appeal only at the time the department issues the  
10 timely and adequate notice that establishes the six-month  
11 period of ineligibility. However, if the reason for the  
12 appeal is based on an incorrect grant computation, an error in  
13 determining the composition of the family, or another worker  
14 error, a hearing shall be granted, regardless of the person's  
15 limited benefit plan status.

16 Sec. 11. NEW SECTION. 239B.10 MINOR AND YOUNG PARENTS --  
17 OTHER REQUIREMENTS.

18 1. LIVING ARRANGEMENT. Unless any of the following  
19 conditions apply, a minor parent shall be required to live  
20 with the minor's parent or legal guardian:

21 a. The parent or guardian of the minor parent is deceased,  
22 missing, or living in another state.

23 b. The minor parent's health or safety would be  
24 jeopardized if the minor parent is required to live with the  
25 parent or guardian.

26 c. The minor parent is in foster care.

27 d. The minor parent is participating in the job corps solo  
28 parent program or independent living program.

29 e. Other good cause exists, which is identified in rules  
30 adopted by the department for this purpose, for the minor  
31 parent to participate in the family investment program while  
32 living apart from the minor parent's parent or guardian.

33 2. FAMILY DEVELOPMENT. A minor parent who is a  
34 participant and is not required to live with the minor  
35 parent's parent or guardian pursuant to subsection 1 shall be

1 required to participate in a family development program  
2 identified in rules adopted by the department.

3 3. PARENTING CLASSES. Participant parents who are  
4 nineteen years of age or younger shall be required to attend  
5 parenting classes.

6 4. EDUCATION. The department shall require, subject to  
7 the availability of child day care for a minor parent's  
8 children, that a minor parent must either have graduated from  
9 high school or have received a high school equivalency  
10 diploma, or be engaged full-time in completing high school  
11 graduation or equivalency requirements.

12 5. EARNINGS DISREGARD. In determining family investment  
13 program eligibility and calculating the amount of assistance,  
14 the department shall disregard earnings of an applicant or a  
15 participant who is nineteen years of age or younger who is  
16 engaged full-time in completing high school graduation or  
17 equivalency requirements.

18 6. FAMILY PLANNING. The department shall do all of the  
19 following with newly eligible and existing participant  
20 parents:

21 a. Discuss orally and in writing the financial  
22 implications of newly born children on the participant's  
23 family.

24 b. Discuss orally and in writing the available family  
25 planning resources.

26 c. Include family planning counseling as an optional  
27 component of the JOBS program.

28 d. Include the participant's family planning objectives in  
29 the family investment agreement.

30 Sec. 12. NEW SECTION. 239B.11 FAMILY INVESTMENT PROGRAM  
31 ACCOUNT.

32 1. An account is established in the state treasury to be  
33 known as the family investment program account under control  
34 of the department to which shall be credited all funds  
35 appropriated by the state for the payment of assistance and

1 JOBS program expenditures. All other moneys received at any  
2 time for these purposes, including child support revenues,  
3 shall be deposited into the account as provided by law. All  
4 assistance and JOBS program expenditures under this chapter  
5 shall be paid from the account.

6 2. A diversion program subaccount is created within the  
7 family investment program account. The subaccount may be used  
8 to provide incentives to divert applicants' participation in  
9 the family investment program if the applicants would  
10 otherwise be eligible for assistance. Incentives may be  
11 provided in the form of payment or services with a focus on  
12 helping applicants to obtain or retain employment. The  
13 diversion program subaccount may also be used for payments to  
14 participants as necessary to cover the expenses of removing  
15 barriers to employment.

16 Sec. 13. NEW SECTION. 239B.12 IMMUNIZATION.

17 1. To the extent feasible, the department shall determine  
18 the immunization status of children receiving assistance under  
19 this chapter. The status shall be determined in accordance  
20 with the immunization recommendations adopted by the Iowa  
21 department of public health under section 139.9, including the  
22 exemption provisions in section 139.9, subsection 4. If the  
23 department determines a child is not in compliance with the  
24 immunization recommendations, the department shall refer the  
25 child's parent or guardian to a local public health agency for  
26 immunization services for the child and other members of the  
27 child's family.

28 2. The department of human services shall cooperate with  
29 the Iowa department of public health to establish an  
30 interagency agreement allowing the sharing of pertinent client  
31 data, as permitted under federal law and regulation, for the  
32 purposes of determining immunization rates of participants,  
33 evaluating family investment program efforts to encourage  
34 immunizations, and developing strategies to further encourage  
35 immunization of participants.

1     Sec. 14. NEW SECTION. 239B.13 NEEDY RELATIVE PAYEE --  
2 PROTECTIVE PAYEE -- VENDOR PAYMENT.

3     1. The department may provide for a needy relative to act  
4 as a payee when the parent of a participant family is in the  
5 home but is unable to act as the payee.

6     2. The department may order the cash assistance under this  
7 chapter to be paid to a protective payee if it has been  
8 demonstrated that the specified relative with whom the child  
9 is residing is unable to manage the assistance in the best  
10 interest of the child. Protective payment of cash assistance  
11 shall not be made beyond a period of two years. The  
12 department may petition the district court sitting in probate  
13 to establish, pursuant to chapter 633, a conservatorship over  
14 a participant. If a conservatorship is established, the  
15 participant's cash assistance shall be paid to the  
16 conservator. In addition to the cash assistance, an amount  
17 not to exceed ten dollars per case per month may be allowed  
18 for conservatorship or guardianship fees if authorized by  
19 court order. The department may pay cash assistance or other  
20 cash benefits to a third party if the department determines  
21 that a third-party payment is essential to assure the proper  
22 use of the assistance or benefits.

23     Sec. 15. NEW SECTION. 239B.14 FRAUDULENT PRACTICES --  
24 RECOVERY.

25     1. An individual who obtains, or attempts to obtain, or  
26 aids or abets an individual to obtain, by means of a willfully  
27 false statement or representation, by knowingly failing to  
28 disclose a material fact, or by impersonation, or any  
29 fraudulent device, any assistance or other benefits under this  
30 chapter to which the individual is not entitled, commits a  
31 fraudulent practice.

32     2. An individual who commits a fraudulent practice under  
33 this section is personally liable for the amount of assistance  
34 or other benefits fraudulently obtained. The amount of the  
35 assistance or other benefits may be recovered from the

1 offender or the offender's estate in an action brought or by  
2 claim filed in the name of the state and the recovered funds  
3 shall be deposited in the family investment program account.  
4 The action or claim filed in the name of the state shall not  
5 be considered an election of remedies to the exclusion of  
6 other remedies.

7 Sec. 16. NEW SECTION. 239B.15 COUNTY ATTORNEY TO  
8 ENFORCE.

9 Violations of law relating to the family investment program  
10 shall be prosecuted by county attorneys. Area prosecutors of  
11 the office of the attorney general shall provide prosecution  
12 assistance.

13 Sec. 17. NEW SECTION. 239B.16 APPEAL -- JUDICIAL REVIEW.

14 If an applicant's application is not acted upon within a  
15 reasonable time, if it is denied in whole or in part, or if a  
16 participant's assistance or other benefits under this chapter  
17 are modified, suspended, or canceled under a provision of this  
18 chapter, the applicant or participant may appeal to the  
19 department of human services which shall request the  
20 department of inspections and appeals to conduct a hearing.  
21 Upon completion of a hearing, the department of inspections  
22 and appeals shall issue a decision which is subject to review  
23 by the department of human services. Judicial review of the  
24 actions of the department of human services may be sought in  
25 accordance with chapter 17A. Upon receipt of a notice of the  
26 filing of a petition for judicial review, the department of  
27 human services shall furnish the petitioner with a copy of any  
28 papers filed in support of the petitioner's position, a  
29 transcript of any testimony taken, and a copy of the  
30 department's decision.

31 Sec. 18. NEW SECTION. 239B.17 PROMISE-JOBS PROGRAM.

32 1. PROGRAM ESTABLISHED. The promoting independence and  
33 self-sufficiency through employment -- job opportunities and  
34 basic skills program is established for applicants and  
35 participants of the family investment program. The

1 requirements of the JOBS program shall vary as provided in the  
2 family investment agreement applicable to a family. The  
3 department of workforce development, department of economic  
4 development, department of education, and all other state,  
5 county, and public educational agencies and institutions  
6 providing vocational rehabilitation, adult education, or  
7 vocational or technical training shall assist and cooperate in  
8 the JOBS program. The departments, agencies, and institutions  
9 shall make agreements and arrangements for maximum cooperation  
10 and use of all available resources in the program. By mutual  
11 agreement the department of human services may delegate any of  
12 the department of human services' powers and duties under this  
13 chapter to the department of workforce development or to the  
14 department of economic development.

15 2. PROGRAM ACTIVITIES. The JOBS program shall include,  
16 but is not limited to, provision of the following activities:

17 a. Placing applicants and participants in employment and  
18 on-the-job training.

19 b. Institutional and work experience training for  
20 applicants and participants for whom the training is likely to  
21 lead to regular employment.

22 c. Special work projects for applicants and participants  
23 for whom a job in the regular economy cannot be found.

24 d. Incentives, opportunities, services, and other benefits  
25 to aid applicants and participants.

26 Sec. 19. NEW SECTION. 239B.18 JOBS PROGRAM  
27 PARTICIPATION.

28 Except for participants who are exempt from the requirement  
29 to enter into a family investment agreement under section  
30 239B.8, a participant in the family investment program shall  
31 participate in JOBS program activities as provided in the  
32 participant's family investment agreement. A participant who  
33 is exempt may voluntarily participate in the JOBS program.

34 Sec. 20. NEW SECTION. 239B.19 JOBS PROGRAM AVAILABILITY.

35 1. Within available funding, the department shall make

1 JOBS program services and benefits available to individuals  
2 who are participating in the JOBS program.

3 2. An individual's efforts under the JOBS program to  
4 attain a certificate of general educational development, high  
5 school diploma, or adult basic literacy where the individual  
6 has not previously received the certification shall be  
7 optional except as otherwise required by this chapter or by  
8 federal law. The department shall provide incentives to  
9 encourage optional efforts to attain such certifications.

10 3. When needed, arrangements shall be made for the care of  
11 children during the absence from the home of an individual  
12 participating in the JOBS program.

13 Sec. 21. NEW SECTION. 239B.20 JOBS PROGRAM HEALTH AND  
14 SAFETY.

15 The director shall establish and maintain reasonable  
16 standards for health, safety, and other conditions under the  
17 JOBS program.

18 Sec. 22. NEW SECTION. 239B.21 JOBS PROGRAM -- WORKERS'  
19 COMPENSATION LAW APPLICABLE.

20 A participant, with respect to employment performed under  
21 the JOBS program, shall be covered by the workers'  
22 compensation law or shall otherwise be provided with  
23 comparable protection.

24 Sec. 23. NEW SECTION. 239B.22 JOBS PROGRAM --  
25 PARTICIPANT NOT STATE EMPLOYEE.

26 A participant shall not be deemed to be an employee of the  
27 state or any of its political subdivisions by reason of  
28 participation in the JOBS program. However, this section  
29 shall not prevent the participant from having the status of an  
30 employee for the purposes of workers' compensation.

31 Sec. 24. NEW SECTION. 239B.23 CHILD DAY CARE PROVISIONS.

32 The following provisions involving child day care benefits  
33 shall apply to individuals who no longer receive family  
34 investment program assistance due to employment:

35 1. Eligibility for transitional child care benefits for a

1 period of twenty-four months.

2 2. The department shall automatically determine an  
3 individual's eligibility for other child day care benefits if  
4 the individual is not eligible for transitional child care or  
5 eligibility for transitional child care benefits is exhausted.

6 Sec. 25. Section 249A.2, Code 1997, is amended by adding  
7 the following new subsection:

8 NEW SUBSECTION. 4A. "Family investment program" means the  
9 family investment program eligibility requirements under  
10 chapter 239B, except to the extent federal law requires  
11 application of the eligibility requirements under chapter 239,  
12 Code 1997, as in effect on July 16, 1996.

13 Sec. 26. Section 249A.3, subsection 1, paragraphs b, e, f,  
14 and m, Code 1997, are amended to read as follows:

15 b. Is a-recipient-of an individual who is eligible for the  
16 family investment program payments-under-chapter-239 or is an  
17 individual who would be eligible for unborn child payments  
18 under the family investment program, as authorized by Title  
19 IV-A of the federal Social Security Act, if the family  
20 investment program under-chapter-239 provided for unborn child  
21 payments during the entire pregnancy.

22 e. Is a pregnant woman whose pregnancy has been medically  
23 verified and who qualifies under either of the following:

24 (1) The woman would be eligible for a cash payment  
25 assistance under the family investment program under-chapter  
26 239, if the child were born and living with the woman in the  
27 month of payment.

28 (2) The woman meets the income and resource requirements  
29 of the family investment program under-chapter-239, provided  
30 the unborn child is considered a member of the household, and  
31 the woman's family is treated as though deprivation exists.

32 f. Is a child who is less than seven years of age and who  
33 meets the income and resource requirements of the family  
34 investment program under-chapter-239.

35 m. Is an individual or family who is ineligible for the

1 family investment program ~~under chapter-239~~ because of  
2 requirements that do not apply under Title XIX of the federal  
3 Social Security Act.

4 Sec. 27. Section 249A.3, subsection 1, Code 1997, is  
5 amended by adding the following new paragraphs:

6 NEW PARAGRAPH. r. Is an individual who is no longer  
7 eligible for the family investment program due to earned  
8 income. The department shall provide transitional medical  
9 assistance to the individual for the maximum period allowed  
10 for federal financial participation under federal law.

11 NEW PARAGRAPH. s. Is an individual who is no longer  
12 eligible for the family investment program due to the receipt  
13 of child or spousal support. The department shall provide  
14 transitional medical assistance to the individual for the  
15 maximum period allowed for federal financial participation  
16 under federal law.

17 Sec. 28. Section 249A.3, subsection 2, paragraph c, Code  
18 1997, is amended to read as follows:

19 c. Individuals who are receiving care in an institution  
20 for mental diseases, and who are under twenty-one years of age  
21 and whose income and resources are such that they are eligible  
22 for the family investment program ~~under chapter-239~~, or who  
23 are sixty-five years of age or older and who meet the  
24 conditions for eligibility in paragraph "a" of this  
25 subsection.

26 Sec. 29.

27 1. Chapters 239 and 249C, Code 1997, are repealed.

28 2. Section 249A.17, Code 1997, is repealed.

29 Sec. 30. UNEMPLOYED PARENT PROGRAM. The department of  
30 human services shall simplify family investment program  
31 eligibility criteria applicable to families with an unemployed  
32 parent in order to be consistent with the criteria applicable  
33 to other families. The simplification shall reduce from  
34 thirty days to seven days the period required before  
35 assistance can be granted to a family with an unemployed

1 parent. The department shall apply the provisions of this  
2 section effective January 1, 1998.

3 Sec. 31. FAMILY OR DOMESTIC VIOLENCE. The department of  
4 human services shall consider options for implementing special  
5 family and domestic violence provisions authorized under the  
6 federal Personal Responsibility and Work Opportunity  
7 Reconciliation Act of 1996, Pub. L. No. 104-193. The options  
8 considered shall include screening, identification, provision  
9 of services, and waiving of program requirements for a family  
10 investment program applicant or participant who is or has been  
11 a victim of family or domestic violence if the violence is  
12 deemed to have impaired the applicant's or participant's  
13 ability to participate in the PROMISE JOBS program. The  
14 department shall work with the welfare reform advisory group  
15 or an associated work group in considering the options. The  
16 department may implement the provisions by adopting  
17 administrative rules or may propose implementation legislation  
18 for consideration by the general assembly in the 1998  
19 legislative session.

20 Sec. 32. CODE EDITOR.

21 1. The Code editor shall revise references in the Code to  
22 any section in chapter 239 to instead refer to the appropriate  
23 section in chapter 239B. The references revised by the Code  
24 editor pursuant to this section shall take effect July 1,  
25 1997. The reference changes considered by the Code editor  
26 shall include but are not limited to the following: sections  
27 217.30, 234.6, 239A.1, 239A.3, 252B.3, 252B.4, 252B.5,  
28 252B.20, 252C.1, 252D.8, 252E.1, 422.9, 541A.2, and 598.22A.

29 2. If the Code editor deems the revisions to be  
30 appropriate, the Code editor shall revise references to the  
31 "job opportunities and basic skills program" to instead refer  
32 to the "promoting independence and self-sufficiency through  
33 employment job opportunities and basic skills program" and to  
34 comparable references in chapter 239B, as enacted by this Act.  
35 The reference revisions shall include but are not limited to

1 the following sections: 84A.6, 217.30, 239A.1, and 541A.2.

2 3. In lieu of revising a reference under this section, the  
3 Code editor may instead submit a coordinating amendment in a  
4 Code editor's bill for the 1998 or 1999 legislative session.

5 Sec. 33. ADMINISTRATIVE RULES. Administrative rules of  
6 the department of human services in effect on the effective  
7 date of this Act which provide for medical assistance  
8 eligibility based upon receipt of assistance under the family  
9 investment program shall be deemed to apply the definition of  
10 family investment program in section 249A.2, subsection 4A, as  
11 enacted by this Act.

12 Sec. 34. EFFECTIVE DATE. This division of this Act, being  
13 deemed of immediate importance, takes effect upon enactment.  
14 However, the department of human services shall implement the  
15 following provisions on or after the date indicated:

16 1. The department shall include a second cousin as a  
17 specified relative as provided in section 239B.1, subsection  
18 12, paragraph "n", as enacted in this Act, beginning July 1,  
19 1997.

20 2. The department shall phase in the required  
21 participation in a family investment agreement for individuals  
22 who meet the conditions described in paragraph "a" or "b".  
23 The phase-in shall be implemented in a manner so that the  
24 required participation applies to all family investment  
25 program participants on or before July 1, 1999. The phase-in  
26 of the required participation applies to individuals who meet  
27 either of the following conditions:

28 a. The individual is a parent or specified relative of a  
29 child who is less than three months of age and began caring  
30 for the child before a referral of the individual to the job  
31 opportunities and basic skills program.

32 b. The individual is working thirty hours or more per week  
33 and began working before a referral of the individual to the  
34 job opportunities and basic skills program.

35

DIVISION II

1     Sec. 35. Section 239B.7, subsection 4, as enacted by this  
2 Act, is amended by striking the subsection.

3     Sec. 36. EFFECTIVE DATE AND APPLICABILITY. This division  
4 of this Act takes effect October 1, 1997. However, the  
5 earnings disregard under section 239B.7, subsection 4, as  
6 enacted in this Act, shall remain applicable for the full  
7 period of time for those individuals who are eligible for the  
8 employment earnings disregard as of September 30, 1997.

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## SENATE FILE 516

H-1655

1 Amend Senate File 516, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 32, by inserting after line 8 the  
4 following:

## "DIVISION III

5  
6 Sec. \_\_\_\_ . Section 239B.12, subsection 1, as  
7 enacted by this Act, is amended by striking the  
8 subsection and inserting in lieu thereof the  
9 following:

10 1. a. The department shall require immunizations  
11 of children who are preschool age and are a member of  
12 a family receiving assistance under this chapter. The  
13 department shall adopt rules setting forth the  
14 immunization requirements which shall be in accordance  
15 with the immunization recommendations adopted by the  
16 Iowa department of public health under section 139.9,  
17 including the exemption provisions in section 139.9,  
18 subsection 4. The rules shall specify the types of  
19 immunizations required, the age groupings to which the  
20 requirements apply, and other provisions. The rules  
21 shall also include exemptions for good cause or for  
22 factors beyond the control of the child's parent,  
23 guardian, or custodian. The exemptions shall be in  
24 addition to those established by the Iowa department  
25 of public health.

26 b. Unless exempt by rule, a participant family  
27 which is not in compliance with an immunization  
28 requirement shall be subject to sanction. The  
29 sanction shall be a deduction from cash benefit  
30 assistance payable to the participant family in an  
31 amount equivalent to twenty-five percent of the  
32 applicable family investment program payment standard.  
33 The sanction shall apply until the participant family  
34 complies with the immunization requirement.

35 Sec. \_\_\_\_ . Section 239B.12, subsection 2, as  
36 enacted by this Act, is amended to read as follows:

37 2. The department of human services shall  
38 cooperate with the Iowa department of public health to  
39 establish an interagency agreement allowing the  
40 sharing of pertinent client data, as permitted under  
41 federal law and regulation, for the purposes of  
42 determining immunization rates of participants,  
43 evaluating family investment program efforts to  
44 ~~encourage~~ require immunizations, and developing  
45 strategies to further encourage immunization of  
46 participants.

47 Sec. \_\_\_\_ . EFFECTIVE DATE. This division of this  
48 Act takes effect July 1, 1998."

By BODDICKER of Cedar

H-1655 FILED APRIL 9, 1997

*Withdrawn*  
*4-10-97*  
*(P. 1167)*

Tinsman, Chair  
Boettger  
Redwine  
Hammond  
Szymoniak

SSB 203  
Human Resources

Succeeded By  
SENATE FILE HF 516  
BY (PROPOSED COMMITTEE ON  
HUMAN RESOURCES BILL BY  
CHAIRPERSON BOETTGER)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act revising provisions of the family investment and job  
2 opportunities and basic skills programs administered by the  
3 department of human services, amending certain child support  
4 provisions, providing for fraudulent practices, and providing  
5 an effective date.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 239B.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise  
3 requires:

4 1. "Applicant" means a person who files an application for  
5 participation in the family investment program under this  
6 chapter.

7 2. "Assistance" means a family investment program payment.

8 3. "Child" means an unmarried person who is less than  
9 eighteen years of age or an unmarried person who is eighteen  
10 years of age and is engaged full-time in completing high  
11 school graduation or equivalency requirements in a manner  
12 which is reasonably expected to result in completion of the  
13 requirements prior to the person reaching nineteen years of  
14 age.

15 4. "Department" means the department of human services.

16 5. "Family" means a family unit that includes at least one  
17 child and at least one parent or other specified relative of  
18 the child.

19 6. "Family investment agreement" means the agreement  
20 developed with a participant in accordance with section  
21 239B.8.

22 7. "Family investment program" means the family investment  
23 program under this chapter.

24 8. "Limited benefit plan" means a period of time in which  
25 a participant or member of a participant's family is either  
26 eligible for reduced assistance only or ineligible for any  
27 assistance under the family investment program, in accordance  
28 with section 239B.9.

29 9. "Minor parent" means an applicant or participant parent  
30 who is less than eighteen years of age and has never been  
31 married.

32 10. "Participant" means a person who is receiving full or  
33 partial family investment program assistance.

34 11. "PROMISE JOBS program" or "JOBS program" means the  
35 promoting independence and self-sufficiency through employment

1 job opportunities and basic skills program created in section  
2 239B.17.

3 12. "Specified relative" means a person who is or was at  
4 any time, one of the following relatives of an applicant or  
5 participant child, by means of blood relationship, marriage,  
6 or adoption, or is a spouse of one of the following relatives:

- 7 a. Parent.
- 8 b. Grandparent.
- 9 c. Great-grandparent.
- 10 d. Great-great-grandparent.
- 11 e. Stepparent of the child, but not the parent of the  
12 stepparent.
- 13 f. Sibling.
- 14 g. Stepsibling.
- 15 h. Sibling by at least the half blood.
- 16 i. Uncle or aunt by at least the half blood.
- 17 j. Great-uncle or great-aunt.
- 18 k. Great-great-uncle or great-great-aunt.
- 19 l. First cousin.
- 20 m. Nephew or niece.

21 Sec. 2. NEW SECTION. 239B.2 CONDITIONS OF ELIGIBILITY.

22 Within available funding, the department shall make  
23 assistance available to eligible families under the family  
24 investment program. At a minimum, a family shall meet all of  
25 the following conditions of eligibility:

26 1. APPLICATION. An application for the program is made to  
27 the department. The application shall be in writing or  
28 reduced to writing in the manner and upon the form prescribed  
29 by the department. The application shall be made by the  
30 specified relative with whom the child resides or will reside,  
31 and shall contain the information required on the application  
32 form. One application may be made for several children of the  
33 same family if the children reside or will reside with the  
34 same specified relative.

35 2. INCOME AND RESOURCES. The family meets income and

1 resource guidelines established by the department to attain or  
2 retain financial eligibility. In determining a family's  
3 income and resources, the department shall consider the income  
4 and resources of the child, the child's parent, the child's  
5 stepparent living with the child, or any other specified  
6 relative with whom the child resides or will reside available  
7 to the family unless specifically exempted as provided in  
8 section 239B.7 or by rule or unless otherwise provided by  
9 federal law. A family's failure to meet the income or  
10 resource guidelines shall result in denial of the family's  
11 eligibility for the program.

12 3. UNEMPLOYMENT. A determination of eligibility for a  
13 family with an unemployed parent shall not include  
14 consideration of either parent's number of hours of employment  
15 except to establish the date assistance would begin in  
16 accordance with rules. However, both parents must enter into  
17 and participate in a family investment agreement and  
18 participate in JOBS program activities unless good cause not  
19 to participate is established in accordance with rules. For  
20 the purposes of this chapter, an applicant family with a  
21 parent who is partially or totally unemployed under any of the  
22 following circumstances shall not be considered to be  
23 unemployed:

24 a. The period of unemployment is less than thirty days  
25 prior to commencing participation under this chapter.

26 b. The parent is partially or totally unemployed due to a  
27 work stoppage which exists because of a labor dispute at the  
28 factory, establishment, or other premises at which the parent  
29 is or was last employed.

30 c. At any time during the thirty-day period prior to  
31 commencing participation under this chapter, the parent has  
32 not been available for employment, has not actively sought  
33 employment, or has without good cause refused any bona fide  
34 offer of employment or training for employment. Any of the  
35 following reasons for refusing employment or training are not

1 good cause:

2 (1) Unsuitable or unpleasant work or training, if the  
3 parent is able to perform the work or training without unusual  
4 danger to the parent's health.

5 (2) The amount of wages or compensation, unless the wages  
6 for employment are below the amount customary for the same  
7 work in the community.

8 d. The parent has not registered for work with the state  
9 employment service established pursuant to section 96.12, or  
10 after registration has failed to report at an employment  
11 office in accordance with regulations prescribed pursuant to  
12 section 96.4, subsection 1.

13 e. The parent is eligible but refuses to apply for or to  
14 draw upon unemployment benefits.

15 f. The parent or family fails to meet other requirements  
16 adopted by the department applicable to the applicant parent  
17 or family. The other requirements shall be limited to those  
18 necessary to meet federal requirements and may be in addition  
19 to or in lieu of the requirements of this subsection, for  
20 eligibility under this chapter to children whose parents are  
21 partially or totally unemployed.

22 4. FAMILY INVESTMENT AGREEMENT. Unless exempt as provided  
23 in section 239B.8, a family which is eligible for the program  
24 shall enter into a family investment agreement with the  
25 department. A family must comply with the conditions in the  
26 agreement in order to attain or retain eligibility.

27 5. PROVISION OF INFORMATION. The family provides  
28 requested information to the department. The department shall  
29 adopt rules specifying the conditions under which an applicant  
30 or participant family is denied eligibility for family  
31 investment program assistance for failure to provide requested  
32 information.

33 6. COOPERATION WITH CHILD SUPPORT REQUIREMENTS. The  
34 department shall provide for prompt notification of the  
35 department's child support recovery unit if assistance is

1 provided to a child whose parent is absent from the home. An  
2 applicant or participant shall cooperate with the child  
3 support recovery unit and the department as provided in 42  
4 U.S.C. § 608(a)(2) unless the applicant or participant  
5 qualifies for good cause or other exception as determined by  
6 the department in accordance with the best interest of the  
7 child and with standards prescribed by rule. If a specified  
8 relative with whom a child is residing fails to comply with  
9 these cooperation requirements, a sanction shall be imposed as  
10 defined by rule in accordance with federal law.

11 7. PERIODIC REVIEWS. As a condition of eligibility, the  
12 department may require periodic reports from a participant  
13 concerning the participant's income, resources, family  
14 composition, and other circumstances. If the participant's  
15 circumstances change, the participant's assistance may be  
16 continued, renewed, suspended, changed in amount, or entirely  
17 withdrawn, as determined in accordance with rule.

18 8. OUT-OF-STATE ASSISTANCE. Assistance shall be paid to a  
19 participant residing temporarily out-of-state if the  
20 participant retains residency in this state and remains  
21 otherwise eligible for assistance. The department shall  
22 periodically redetermine the eligibility of a participant who  
23 is temporarily residing out-of-state.

24 Sec. 3. NEW SECTION. 239B.3 CASH ASSISTANCE.

25 1. a. Within available funding, the department shall  
26 provide an ongoing cash assistance grant under the family  
27 investment program to a family eligible under section 239B.2.

28 b. For an eligibility decision involving an applicant  
29 family with a specified relative, within thirty days of the  
30 date of an application, the department shall issue a notice of  
31 the department's decision to the specified relative.

32 2. For an applicant or participant family, the department  
33 shall calculate and pay the cash assistance grant on a monthly  
34 basis, taking into consideration all of the following:

35 a. The income and resources of the family.

1 b. Whether the family has entered into a limited benefit  
2 plan.

3 c. The size of the family.

4 d. Available funding.

5 3. The department may pay cash assistance and other cash  
6 benefits paid under this chapter by warrant, through a direct  
7 deposit to a financial institution of a participant, or  
8 through an electronic benefits transfer.

9 4. The department may pay, from funds appropriated for  
10 this purpose, a maximum of four hundred dollars toward funeral  
11 expenses on the death of a child who is a participant or has  
12 been authorized to participate in the family investment  
13 program, provided both of the following conditions apply:

14 a. The decedent does not leave an estate which may be  
15 probated with sufficient proceeds to allow for payment of the  
16 funeral expenses.

17 b. Payments which are due the decedent's estate or  
18 beneficiary by reason of the liability of a life insurance,  
19 death or funeral benefit company, association, or society, or  
20 in the form of United States social security, railroad  
21 retirement, or veterans' benefits upon the death of the  
22 decedent, are deducted from the department's payment under  
23 this section.

24 Sec. 4. NEW SECTION. 239B.4 DEPARTMENTAL ROLE.

25 1. The department is the state entity designated to  
26 administer federal funds received for purposes of the family  
27 investment program and the JOBS program under this chapter,  
28 including, but not limited to, the funding received under the  
29 federal temporary assistance for needy families block grant as  
30 authorized under the federal Personal Responsibility and Work  
31 Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193,  
32 and as such is the lead agency in preparing and filing state  
33 plans, state plan amendments, and other reports required by  
34 federal law.

35 2. The department is responsible for a management

1 information system, eligibility determination, participant  
2 grant calculations and issuance of payments, contracting for  
3 services, provision of an appeal or resolution process to  
4 applicants and participants, determining the suitability of a  
5 family home maintained by a specified relative applicant or  
6 participant, and other activities as necessary to administer  
7 the family investment program and the JOBS program.

8 3. The department may adopt rules pursuant to chapter 17A  
9 as necessary to administer this chapter.

10 Sec. 5. NEW SECTION. 239B.5 COMPLIANCE WITH FEDERAL LAW.

11 1. If, as a condition of receiving federal funding for the  
12 family investment program, federal law requires the  
13 implementation and administration of certain activities, the  
14 department shall proceed to implement and administer those  
15 provisions, even if in conflict with other existing state law.

16 2. The department may submit waiver requests to the United  
17 States department of health and human services as necessary to  
18 implement and administer any provision under this chapter, or  
19 to implement any subsequent initiative that requires a waiver  
20 from federal law.

21 Sec. 6. NEW SECTION. 239B.6 ASSIGNMENT OF SUPPORT RIGHTS  
22 OR BENEFITS.

23 1. An assignment of support rights to the department is  
24 created by either of the following:

25 a. An applicant and other persons covered by an  
26 application are deemed to have assigned to the department at  
27 the time of application all rights to periodic support  
28 payments to the extent of the amount of assistance received by  
29 the applicant and by other persons covered by the application.

30 b. A determination that a child or another person covered  
31 by an application is eligible for assistance under this  
32 chapter creates an assignment by operation of law to the  
33 department of all rights to periodic support payments not to  
34 exceed the amount of assistance received by the child and  
35 other persons covered by the application.

1 2. An assignment takes effect upon determination that an  
 2 applicant or another person covered by an application is  
 3 eligible for assistance under this chapter, applies to both  
 4 current and accrued support obligations, and terminates when  
 5 an applicant or another person covered by an application  
 6 ceases to receive assistance under this chapter, except with  
 7 respect to the amount of unpaid support obligations accrued  
 8 under the assignment. If an applicant or another person  
 9 covered by an application ceases to receive assistance under  
 10 this chapter and the applicant or other person covered by the  
 11 application receives a periodic support payment, subject to  
 12 limitations under federal law, the department is entitled only  
 13 to that amount of the periodic support payment above the  
 14 current periodic support obligation.

15 3. Assistance paid or payable under this chapter is not  
 16 transferable or assignable at law or in equity, and none of  
 17 the assistance paid or payable is subject to execution, levy,  
 18 attachment, garnishment, or other legal process, or to the  
 19 operation of any bankruptcy or insolvency law.

20 Sec. 7. NEW SECTION. 239B.7 INCOME AND RESOURCE  
 21 EXEMPTIONS, DEDUCTIONS, AND DISREGARDS.

22 In determining a family's income and resources for purposes  
 23 of the family's initial and continuing eligibility for  
 24 assistance and for determining grant amounts, the provisions  
 25 of this section shall apply to the family and individual  
 26 family members.

27 1. WORK EXPENSE DEDUCTION. If an individual's earned  
 28 income is considered by the department, the individual shall  
 29 be allowed a work expense deduction equal to twenty percent of  
 30 the earned income. The work expense deduction is intended to  
 31 include all work-related expenses other than child day care.  
 32 These expenses shall include but are not limited to all of the  
 33 following: taxes, transportation, meals, uniforms, and other  
 34 work-related expenses. However, the work expense deduction  
 35 shall not be allowed for an individual who is subject to a

1 sanction for failure to comply with family investment program  
2 requirements.

3 2. WORK-AND-EARN INCENTIVE. If an individual's earned  
4 income is considered by the department, the individual shall  
5 be allowed a work-and-earn incentive. The incentive shall be  
6 equal to fifty percent of the amount of earned income  
7 remaining after all other deductions are applied. The  
8 department shall disregard the incentive amount when  
9 considering the earned income available to the individual.  
10 The incentive shall not have a time limit. The work-and-earn  
11 incentive shall not be withdrawn as a penalty for failure to  
12 comply with family investment program requirements.

13 3. CHILD DAY CARE DEDUCTION. A family shall be allowed a  
14 child day care deduction as specified in rules. A family with  
15 a stepparent shall be allowed a child day care deduction for  
16 any children of the stepparent or the parent, subject to the  
17 limits provided in applicable rules.

18 4. EMPLOYMENT EARNINGS DISREGARD. If an individual begins  
19 employment but was unemployed for at least twelve months  
20 before beginning employment and timely reports the earnings  
21 from the employment, the earnings shall be subject to an  
22 income disregard. This income disregard shall apply in  
23 determining the individual's eligibility and cash grant levels  
24 under the family investment program during the individual's  
25 first four months of employment. To be eligible for the  
26 income disregard, the employment must commence following the  
27 date of the individual's application for the family investment  
28 program. The department shall adopt rules defining the term  
29 "unemployed" for the purposes of this subsection. The income  
30 disregard shall not be withdrawn as a penalty for failure to  
31 comply with family investment program requirements.

32 5. INCOME CONSIDERATION. If an individual has timely  
33 reported an absence of income to the department, consideration  
34 of the individual's income shall cease beginning in the first  
35 month the income is absent. However, this provision shall not

1 apply to an individual who has quit employment without good  
2 cause as defined in rules.

3 6. INTEREST INCOME. Interest income shall be disregarded.

4 7. INDIVIDUAL DEVELOPMENT ACCOUNT DEPOSITS. The  
5 department shall disregard as income any moneys an individual  
6 deposits in an individual development account established  
7 pursuant to chapter 541A.

8 8. MOTOR VEHICLE DISREGARD. The department shall  
9 disregard the first three thousand eight hundred eighty-nine  
10 dollars in equity value of a motor vehicle. Beginning July 1,  
11 1997, and continuing in succeeding fiscal years, the motor  
12 vehicle equity value disregarded by the department shall be  
13 increased by the latest increase in the consumer price index  
14 for used vehicles during the previous state fiscal year. This  
15 disregard shall be applicable to each adult and to each  
16 working individual in a family who is nineteen years of age or  
17 younger. The amount of a motor vehicle's equity in excess of  
18 the amount of the motor vehicle disregard shall apply to the  
19 resource limitation established in subsection 10.

20 9. RESOURCE LIMITATION.

21 a. The resource limitation for an applicant family for the  
22 family investment program shall be two thousand dollars.

23 b. The resource limitation for a participant family shall  
24 be five thousand dollars.

25 c. The department shall disregard not more than ten  
26 thousand dollars of a self-employed individual's tools of the  
27 trade or capital assets in considering the individual's  
28 resources.

29 10. INDIVIDUAL DEVELOPMENT ACCOUNT EARNINGS AND BALANCE.  
30 The department shall disregard any earnings and the balance of  
31 an individual development account established pursuant to  
32 chapter 541A in considering an individual's resources.

33 Sec. 8. NEW SECTION. 239B.8 FAMILY INVESTMENT  
34 AGREEMENTS.

35 The department shall establish a policy regarding the

1 implementation of family investment agreements which limits  
2 the period of eligibility for the family investment program  
3 based upon the requirements of a family's plan for self-  
4 sufficiency. The policy shall require a family's plan to be  
5 specified in a family investment agreement between the family  
6 and the department. The department shall adopt rules to  
7 administer the policy. The components of the policy shall  
8 include but are not limited to all of the following:

9 1. PARTICIPATION -- EXEMPTIONS. A parent living in a home  
10 with a child for whom an application for family investment  
11 program assistance has been made or for whom the assistance is  
12 provided, and all other individual members of the family whose  
13 needs are included in the assistance shall be subject to a  
14 family investment agreement unless any of the following  
15 conditions exists:

16 a. The individual is a parent or specified relative of a  
17 child who is less than three months of age. If both parents  
18 are in the child's home, this exemption shall apply to only  
19 one parent. This exemption does not apply to parents who are  
20 nineteen years of age or less. This exemption does not apply  
21 when the individual begins caring for a child less than three  
22 months old after referral to the JOBS program.

23 b. The individual is working thirty hours or more per  
24 week. This exemption does not apply to parents who are  
25 nineteen years of age or less. This exemption does not apply  
26 to an individual who begins working after referral to the JOBS  
27 program.

28 c. The individual is completely unable to participate in  
29 any agreement option due to disability.

30 d. The individual is less than sixteen years of age and is  
31 not a parent.

32 e. The individual is sixteen through eighteen years of  
33 age, is not a parent, and is attending elementary or secondary  
34 school, or the equivalent level of vocational or technical  
35 school, on a full-time basis.

1 2. AGREEMENT OPTIONS. A family investment agreement shall  
 2 require an individual to participate in one or more of the  
 3 options enumerated in this subsection. An individual's level  
 4 of participation in one or more of the options shall be  
 5 equivalent to the level of commitment required for full-time  
 6 employment or shall be significant so as to move the  
 7 individual's level of participation toward that level. The  
 8 department shall adopt rules for each option defining  
 9 requirements and establishing assistance provisions for child  
 10 day care, transportation, and other support services. The  
 11 options shall include but are not limited to all of the  
 12 following:

- 13 a. Full-time or part-time employment.
- 14 b. Active job search.
- 15 c. Participation in the JOBS program.
- 16 d. Participation in other education or training  
 17 programming.
- 18 e. Participation in a family development and self-  
 19 sufficiency grant program under section 217.12 or other family  
 20 development program.
- 21 f. Work experience placement.
- 22 g. Unpaid community service. Community service shall be  
 23 authorized in any nonprofit association which has been  
 24 determined under section 501(c)(3) of the Internal Revenue  
 25 Code to be exempt from taxation or in any government agency.  
 26 Upon request, the department shall provide a listing of  
 27 potential community service placements to an individual.  
 28 However, an individual shall locate the individual's own  
 29 placement and perform the number of hours required by the  
 30 agreement. The individual shall file a monthly report with  
 31 the department which is signed by the director of the  
 32 community service placement verifying the community service  
 33 hours performed by the individual during that month. The  
 34 department shall develop a form for this purpose.
- 35 h. Any other arrangement which would strengthen the

1 individual's ability to be a better parent, including but not  
2 limited to participation in a parenting education program. An  
3 individual who is not a parent that is nineteen years of age  
4 or younger must simultaneously participate in at least one  
5 other option enumerated in this subsection.

6 3. LIMITED BENEFIT PLAN. If a participant fails to comply  
7 with the provisions of the participant's family investment  
8 agreement during the period of the agreement, the limited  
9 benefit plan provisions of section 239B.9 shall apply.

10 4. COMPLETION OF AGREEMENT.

11 a. Upon the completion of the terms of the agreement,  
12 family investment program assistance to a participant family  
13 covered by the agreement shall cease or be reduced in  
14 accordance with rules.

15 b. However, if the period in which a participant family is  
16 without cash assistance is one month or less and the  
17 participant family has not become exempt from JOBS program  
18 participation at the time the participant family reapplies for  
19 cash assistance, the participant family's family investment  
20 agreement shall be reinstated at the time the participant  
21 family reapplies. The reinstated agreement may be revised to  
22 accommodate changed circumstances present at the time of  
23 reapplication.

24 c. The department shall adopt rules to administer this  
25 subsection and to determine when a family is eligible to  
26 reenter the family investment program.

27 5. CONTRACTS. The department may contract with the  
28 department of workforce development, department of economic  
29 development, or any other entity to provide services relating  
30 to a family investment agreement.

31 6. CONFIDENTIAL INFORMATION DISCLOSURE. The department  
32 may disclose confidential information described in section  
33 217.30, subsection 1, to other state agencies or to any other  
34 entity which is not subject to the provisions of chapter 17A  
35 and is providing services to a participant family who is

1 subject to a family investment agreement, if necessary in  
2 order for the participant family to receive the services. The  
3 department shall adopt rules establishing standards for  
4 disclosure of confidential information if disclosure is  
5 necessary in order for a participant to receive services.

6 Sec. 9. NEW SECTION. 239B.9 LIMITED BENEFIT PLAN.

7 1. GENERAL PROVISIONS. If a participant responsible for  
8 signing and fulfilling the terms of a family investment  
9 agreement, as defined by the director of human services in  
10 accordance with section 239B.8, chooses not to sign or fulfill  
11 the terms of the agreement, the participant's family, or the  
12 individual participant shall enter into a limited benefit  
13 plan. A limited benefit plan shall apply for the period of  
14 time specified in this section. The first month of the  
15 limited benefit plan is the first month after the month in  
16 which timely and adequate notice of the limited benefit plan  
17 is given to the participant as defined by the director of  
18 human services. A participant who is exempt from the JOBS  
19 program but who volunteers for the program is not subject to  
20 imposition of a limited benefit plan. The elements of a  
21 limited benefit plan shall be specified in the department's  
22 rules.

23 2. PLAN APPLIED. The department shall apply the limited  
24 benefit plan to the participants responsible for the family  
25 investment agreement and other members of the participant's  
26 family as follows:

27 a. PARENT. If the participant responsible for the family  
28 investment agreement is a parent or a specified relative, for  
29 a first limited benefit plan, the participant's family is  
30 eligible for up to three months of reduced assistance based on  
31 the needs of the children only. At the end of the three-month  
32 period of reduced assistance, the family becomes ineligible  
33 for assistance for a six-month period. For a second or  
34 subsequent limited benefit plan chosen by the same participant  
35 a six-month period of ineligibility applies beginning with the

1 effective date of the limited benefit plan. If the family  
2 reapplies for assistance after a six-month ineligibility  
3 period, eligibility shall be established in the same manner as  
4 for any other new applicant. A limited benefit plan imposed  
5 in error shall not be considered a first limited benefit plan.

6 b. NEEDY RELATIVE PAYEE. If the participant choosing a  
7 limited benefit plan is a needy relative who acts as payee  
8 when the parent is in the home but is unable to act as payee,  
9 or is a dependent child's stepparent whose needs are included  
10 in the assistance because of incapacity or caregiving, the  
11 limited benefit plan shall apply only to the individual  
12 participant choosing the plan. The individual participant  
13 choosing the limited benefit plan is ineligible for nine  
14 months from the effective date of the limited benefit plan.  
15 For a second or subsequent limited benefit plan chosen by the  
16 same individual participant, a six-month period of  
17 ineligibility applies beginning with the effective date of the  
18 limited benefit plan.

19 c. MINOR PARENT LIVING WITH ADULT PARENT OR SPECIFIED  
20 RELATIVE. If the participant family includes a minor parent  
21 living with the minor parent's adult parent or specified  
22 relative who receives family investment program assistance and  
23 both individuals are responsible for developing a family  
24 investment agreement, each individual is responsible for a  
25 separate family investment agreement, and the limited benefit  
26 plan shall be applied as follows:

27 (1) If the adult parent or specified relative chooses the  
28 limited benefit plan, the requirements of the limited benefit  
29 plan shall apply to the entire participant family, even though  
30 the minor parent has not chosen the limited benefit plan.  
31 However, the minor parent may reapply for assistance as a  
32 minor parent living with self-supporting parents or living  
33 independently and continue in the family investment agreement  
34 process.

35 (2) If the minor parent chooses the limited benefit plan,

1 the requirements of the limited benefit plan shall apply to  
2 the minor parent and any child of the minor parent.

3 d. MINOR PARENT -- ONLY CHILD. If the minor parent is the  
4 only child in the adult parent or specified relative's home  
5 and the minor parent chooses the limited benefit plan,  
6 assistance shall not be paid to the adult parent or specified  
7 relative in this instance.

8 e. CHILDREN WHO ARE MANDATORY JOBS PROGRAM PARTICIPANTS.

9 If the participant family includes children who are mandatory  
10 JOBS program participants, the children shall not have a  
11 separate family investment agreement but shall be asked to  
12 sign the family investment agreement applicable to the family  
13 and to carry out the responsibilities of that family  
14 investment agreement. A limited benefit plan shall be applied  
15 as follows:

16 (1) If the parent or specified relative responsible for a  
17 family investment agreement meets the responsibilities of the  
18 family investment agreement but a child who is a mandatory  
19 JOBS program participant chooses an individual limited benefit  
20 plan, the family is eligible for reduced assistance during the  
21 child's limited benefit plan. However, the child, as part of  
22 the family, is ineligible for nine months for a first limited  
23 benefit plan and six months for a second or subsequent limited  
24 benefit plan.

25 (2) If the child who chooses a limited benefit plan under  
26 subparagraph (1) is the only child in the participant family,  
27 assistance shall not be paid to the adult parent, parents, or  
28 specified relative in this instance.

29 f. EXEMPT PARENT. If a participant family includes a  
30 parent, parents, or specified relative who are exempt from  
31 JOBS program participation and children who are mandatory JOBS  
32 program participants, the children are responsible for  
33 completing a family investment agreement. If a child who is a  
34 mandatory JOBS program participant chooses the limited benefit  
35 plan, the limited benefit plan shall be applied in the manner

1 provided in paragraph "e".

2 g. TWO PARENTS. If the participant family includes two  
3 parents, a limited benefit plan shall be applied as follows:

4 (1) If only one parent of a child in the family is  
5 responsible for a family investment agreement and that parent  
6 chooses the limited benefit plan, the limited benefit plan  
7 cannot be ended by the voluntary participation in a family  
8 investment agreement by the exempt parent. However, the  
9 exempt parent may continue to be included in the participant  
10 family's grant during the three-month reduced assistance  
11 period by volunteering to participate in the JOBS family  
12 investment program-unemployed parent work program. If a  
13 second or subsequent limited benefit plan is chosen by either  
14 parent, the family becomes ineligible for a six-month period  
15 beginning with the effective date of the limited benefit plan.

16 (2) If both parents of a child in the family are  
17 responsible for a family investment agreement, both parents  
18 shall sign the agreement. If either parent chooses the  
19 limited benefit plan, the limited benefit plan cannot be ended  
20 by the participation of the other parent in a family  
21 investment agreement. However, the other parent may continue  
22 to be included in the family's grant during the three-month  
23 reduced assistance period by participating in the JOBS family  
24 investment program-unemployed parent work program. If a  
25 second or subsequent limited benefit plan is chosen by either  
26 parent, the family becomes ineligible for a six-month period  
27 beginning with the effective date of the limited benefit plan.

28 (3) If the parents from a two-parent family in a limited  
29 benefit plan separate, the limited benefit plan shall follow  
30 only the parent who chose the limited benefit plan and any  
31 children in the home of that parent.

32 3. PLAN CHOSEN. A participant shall be considered to have  
33 chosen a limited benefit plan under any of the following  
34 circumstances:

35 a. A participant who does not establish an orientation

1 appointment with the JOBS program or who fails to keep or  
 2 reschedule an orientation appointment shall receive a reminder  
 3 letter which informs the participant that those who do not  
 4 attend orientation have elected to choose a limited benefit  
 5 plan. A participant who chooses not to respond to the  
 6 reminder letter within ten calendar days from the mailing date  
 7 shall receive notice establishing the effective date of the  
 8 limited benefit plan, the beginning date of the period of  
 9 reduced assistance, and the beginning and ending dates of the  
 10 six-month period of ineligibility. If a participant is deemed  
 11 to have chosen a limited benefit plan, timely and adequate  
 12 notice provisions, as determined by the director of human  
 13 services, shall apply.

14 b. A participant who chooses not to sign the family  
 15 investment agreement after attending a JOBS program  
 16 orientation shall enter into a limited benefit plan as  
 17 described in paragraph "a".

18 c. A participant who has signed a family investment  
 19 agreement but then chooses a limited benefit plan under  
 20 circumstances defined by the director of human services.

21 4. RECONSIDERATION. A participant who chooses a limited  
 22 benefit plan may reconsider that choice as follows:

23 a. A participant who chooses a first limited benefit plan  
 24 rather than sign a family investment agreement shall have the  
 25 entire three-month period of reduced assistance following the  
 26 effective date of the limited benefit plan to reconsider and  
 27 begin development of the family investment agreement. The  
 28 participant may contact the department or the appropriate JOBS  
 29 program office anytime during the first three months of the  
 30 limited benefit plan to begin the reconsideration process.  
 31 Although family investment program assistance shall not begin  
 32 until the participant signs a family investment agreement  
 33 during the JOBS program orientation and assessment process,  
 34 retroactive assistance shall be issued as defined by the  
 35 director of human services. A limited benefit plan imposed in

1 error shall not be considered a first limited benefit plan.

2 b. A participant who signs a family investment agreement  
3 but does not carry out the family investment agreement  
4 responsibilities shall be deemed to have chosen a limited  
5 benefit plan and shall not be allowed to reconsider that  
6 choice.

7 c. A participant who chooses a second or subsequent  
8 limited benefit plan shall not be allowed to reconsider that  
9 choice.

10 5. WELL-BEING VISIT. If a participant has chosen a  
11 limited benefit plan, a qualified social services professional  
12 shall attempt to visit with the participant to inquire into  
13 the family's well-being. The visit shall be performed as an  
14 extension of the family investment program and the family  
15 investment agreement philosophy of supporting families as they  
16 move toward self-sufficiency. The department may contract for  
17 these services. The visit shall be made in accordance with  
18 the following:

19 a. For a participant in a first limited benefit plan who  
20 has the reconsideration option, a qualified social services  
21 professional, as defined by the director of human services,  
22 shall inquire into the well-being of the family during month  
23 two of the period of reduced assistance. If the participant  
24 who is responsible for a family investment agreement indicates  
25 a desire to develop a family investment agreement, the  
26 qualified social services professional shall assist the  
27 participant in establishing an appointment with the  
28 appropriate JOBS program office.

29 b. For a participant in a first limited benefit plan who  
30 does not enter into the family investment agreement process  
31 during the three-month reconsideration period, a qualified  
32 social services professional shall make another inquiry as to  
33 the well-being of the family during month four of the limited  
34 benefit plan.

35 c. A participant who signs the family investment agreement

1 but does not carry out family investment agreement  
 2 responsibilities and, consequently, has chosen a first limited  
 3 benefit plan, shall not be allowed to reconsider that choice.  
 4 However, a social services professional shall inquire as to  
 5 the well-being of the family during month four of the limited  
 6 benefit plan.

7 d. A participant who has chosen a second or subsequent  
 8 limited benefit plan shall not be allowed to reconsider that  
 9 choice. However, a qualified social services professional  
 10 shall make inquiry into the well-being of the family during  
 11 month two of the limited benefit plan.

12 6. APPEAL. A participant has the right to appeal the  
 13 establishment of the limited benefit plan only once, except  
 14 for a first limited benefit plan two opportunities to appeal  
 15 shall be available. A participant in a first limited benefit  
 16 plan has the right to appeal the limited benefit plan at the  
 17 time the department issues timely and adequate notice  
 18 establishing the limited benefit plan, or at the time the  
 19 department issues the subsequent notice that establishes the  
 20 six-month period of ineligibility. A participant who has  
 21 chosen a second or subsequent limited benefit plan has the  
 22 right to appeal only at the time the department issues the  
 23 timely and adequate notice that establishes the six-month  
 24 period of ineligibility. However, if the reason for the  
 25 appeal is based on an incorrect grant computation, an error in  
 26 determining the composition of the family, or another worker  
 27 error, a hearing shall be granted, regardless of the person's  
 28 limited benefit plan status.

29 Sec. 10. NEW SECTION. 239B.10 MINOR AND YOUNG PARENTS --  
 30 OTHER REQUIREMENTS.

31 1. LIVING ARRANGEMENT. Unless any of the following  
 32 conditions apply, a minor parent shall be required to live  
 33 with the minor's parent or legal guardian:

34 a. The parent or guardian of the minor parent is deceased,  
 35 missing, or living in another state.

1 b. The minor parent's health or safety would be  
2 jeopardized if the minor parent is required to live with the  
3 parent or guardian.

4 c. The minor parent is in foster care.

5 d. The minor parent is participating in the job corps solo  
6 parent program or independent living program.

7 e. Other good cause exists, which is identified in rules  
8 adopted by the department for this purpose, for the minor  
9 parent to participate in the family investment program while  
10 living apart from the minor parent's parent or guardian.

11 2. FAMILY DEVELOPMENT. A minor parent who is a  
12 participant and is not required to live with the minor  
13 parent's parent or guardian pursuant to subsection 1 shall be  
14 required to participate in a family development program  
15 identified in rules adopted by the department.

16 3. PARENTING CLASSES. Participant parents who are  
17 nineteen years of age or younger shall be required to attend  
18 parenting classes.

19 4. EDUCATION. The department shall require, subject to  
20 the availability of child day care for a minor parent's  
21 children, that a minor parent must either have graduated from  
22 high school or have received a high school equivalency  
23 diploma, or be engaged full-time in completing high school  
24 graduation or equivalency requirements.

25 5. EARNINGS DISREGARD. In determining family investment  
26 program eligibility and calculating the amount of assistance,  
27 the department shall disregard earnings of an applicant or a  
28 participant who is nineteen years of age or younger who is  
29 engaged full-time in completing high school graduation or  
30 equivalency requirements.

31 6. FAMILY PLANNING. The department shall do all of the  
32 following with newly eligible and existing participant  
33 parents:

34 a. Discuss orally and in writing the financial  
35 implications of newly born children on the participant's

1 family.

2 b. Discuss orally and in writing the available family  
3 planning resources.

4 c. Include family planning counseling as an optional  
5 component of the JOBS program.

6 d. Include the participant's family planning objectives in  
7 the family investment agreement.

8 Sec. 11. NEW SECTION. 239B.11 FAMILY INVESTMENT PROGRAM  
9 ACCOUNT.

10 An account is established in the state treasury to be known  
11 as the family investment program account under control of the  
12 department to which shall be credited all funds appropriated  
13 by the state for the payment of assistance and JOBS program  
14 expenditures. All other moneys received at any time for these  
15 purposes, including child support revenues, shall be deposited  
16 into the account as provided by law. All assistance and JOBS  
17 program expenditures under this chapter shall be paid from the  
18 account.

19 Sec. 12. NEW SECTION. 239B.12 IMMUNIZATION.

20 1. To the extent feasible, the department shall determine  
21 the immunization status of children receiving assistance under  
22 this chapter. The status shall be determined in accordance  
23 with the immunization recommendations adopted by the Iowa  
24 department of public health under section 139.9, including the  
25 exemption provisions in section 139.9, subsection 4. If the  
26 department determines a child is not in compliance with the  
27 immunization recommendations, the department shall refer the  
28 child's parent or guardian to a local public health agency for  
29 immunization services for the child and other members of the  
30 child's family.

31 2. The department of human services shall cooperate with  
32 the Iowa department of public health to establish an  
33 interagency agreement allowing the sharing of pertinent client  
34 data, as permitted under federal law and regulation, for the  
35 purposes of determining immunization rates of participants,

1 evaluating family investment program efforts to encourage  
2 immunizations, and developing strategies to further encourage  
3 immunization of participants.

4 Sec. 13. NEW SECTION. 239B.13 NEEDY RELATIVE PAYEE --  
5 PROTECTIVE PAYEE -- VENDOR PAYMENT.

6 1. The department may provide for a needy relative to act  
7 as a payee when the parent of a participant family is in the  
8 home but is unable to act as the payee.

9 2. The department may order the cash assistance under this  
10 chapter to be paid to a protective payee if it has been  
11 demonstrated that the specified relative with whom the child  
12 is residing is unable to manage the assistance in the best  
13 interest of the child. Protective payment of cash assistance  
14 shall not be made beyond a period of two years. The  
15 department may petition the district court sitting in probate  
16 to establish, pursuant to chapter 633, a conservatorship over  
17 a participant. If a conservatorship is established, the  
18 participant's cash assistance shall be paid to the  
19 conservator. In addition to the cash assistance, an amount  
20 not to exceed ten dollars per case per month may be allowed  
21 for conservatorship or guardianship fees if authorized by  
22 court order. The department may pay cash assistance or other  
23 cash benefits to a third party if the department determines  
24 that a third-party payment is essential to assure the proper  
25 use of the assistance or benefits.

26 Sec. 14. NEW SECTION. 239B.14 FRAUDULENT PRACTICES --  
27 RECOVERY.

28 1. An individual who obtains, or attempts to obtain, or  
29 aids or abets an individual to obtain, by means of a willfully  
30 false statement or representation, or by impersonation, or any  
31 fraudulent device, any assistance or other benefits under this  
32 chapter to which the individual is not entitled, commits a  
33 fraudulent practice.

34 2. An individual who commits a fraudulent practice under  
35 this section is personally liable for the amount of assistance

1 or other benefits fraudulently obtained. The amount of the  
 2 assistance or other benefits may be recovered from the  
 3 offender or the offender's estate in an action brought or by  
 4 claim filed in the name of the state and the recovered funds  
 5 shall be deposited in the family investment program account.  
 6 The action or claim filed in the name of the state shall not  
 7 be considered an election of remedies to the exclusion of  
 8 other remedies.

9 Sec. 15. NEW SECTION. 239B.15 COUNTY ATTORNEY TO  
 10 ENFORCE.

11 Violations of law relating to the family investment program  
 12 shall be prosecuted by county attorneys. Area prosecutors of  
 13 the office of the attorney general shall provide prosecution  
 14 assistance.

15 Sec. 16. NEW SECTION. 239B.16 APPEAL -- JUDICIAL REVIEW.

16 If an applicant's application is not acted upon within a  
 17 reasonable time, if it is denied in whole or in part, or if a  
 18 participant's assistance or other benefits under this chapter  
 19 are modified, suspended, or canceled under a provision of this  
 20 chapter, the applicant or participant may appeal to the  
 21 department of human services which shall request the  
 22 department of inspections and appeals to conduct a hearing.  
 23 Upon completion of a hearing, the department of inspections  
 24 and appeals shall issue a decision which is subject to review  
 25 by the department of human services. Judicial review of the  
 26 actions of the department of human services may be sought in  
 27 accordance with chapter 17A. Upon receipt of a notice of the  
 28 filing of a petition for judicial review, the department of  
 29 human services shall furnish the petitioner with a copy of any  
 30 papers filed in support of the petitioner's position, a  
 31 transcript of any testimony taken, and a copy of the  
 32 department's decision.

33 Sec. 17. NEW SECTION. 239B.17 PROMISE-JOBS PROGRAM.

34 1. PROGRAM ESTABLISHED. The promoting independence and  
 35 self-sufficiency through employment -- job opportunities and

1 basic skills program is established for applicants and  
2 participants of the family investment program. The  
3 requirements of the JOBS program shall vary as provided in the  
4 family investment agreement applicable to a family. The  
5 department of workforce development, department of economic  
6 development, department of education, and all other state,  
7 county, and public educational agencies and institutions  
8 providing vocational rehabilitation, adult education, or  
9 vocational or technical training shall assist and cooperate in  
10 the JOBS program. The departments, agencies, and institutions  
11 shall make agreements and arrangements for maximum cooperation  
12 and use of all available resources in the program. By mutual  
13 agreement the department of human services may delegate any of  
14 the department of human services' powers and duties under this  
15 chapter to the department of workforce development or to the  
16 department of economic development.

17 2. PROGRAM ACTIVITIES. The JOBS program shall include,  
18 but is not limited to, provision of the following activities:

19 a. Placing applicants and participants in employment and  
20 on-the-job training.

21 b. Institutional and work experience training for  
22 applicants and participants for whom the training is likely to  
23 lead to regular employment.

24 c. Special work projects for applicants and participants  
25 for whom a job in the regular economy cannot be found.

26 d. Incentives, opportunities, services, and other benefits  
27 to aid applicants and participants.

28 Sec. 18. NEW SECTION. 239B.18 JOBS PROGRAM

29 PARTICIPATION.

30 Except for participants who are exempt from the requirement  
31 to enter into a family investment agreement under section  
32 239B.8, a participant in the family investment program shall  
33 participate in JOBS program activities as provided in the  
34 participant's family investment agreement. A participant who  
35 is exempt may voluntarily participate in the JOBS program.

1 Sec. 19. NEW SECTION. 239B.19 JOBS PROGRAM AVAILABILITY.

2 1. Within available funding, the department shall make  
3 JOBS program services and benefits available to individuals  
4 who are participating in the JOBS program.

5 2. An individual's efforts under the JOBS program to  
6 attain a certificate of general educational development, high  
7 school diploma, or adult basic literacy where the individual  
8 has not previously received the certification shall be  
9 optional except as otherwise required by this chapter or by  
10 federal law. The department shall provide incentives to  
11 encourage optional efforts to attain such certifications.

12 3. When needed, arrangements shall be made for the care of  
13 children during the absence from the home of an individual  
14 participating in the JOBS program.

15 Sec. 20. NEW SECTION. 239B.20 JOBS PROGRAM HEALTH AND  
16 SAFETY.

17 The director shall establish and maintain reasonable  
18 standards for health, safety, and other conditions under the  
19 JOBS program.

20 Sec. 21. NEW SECTION. 239B.21 JOBS PROGRAM -- WORKERS'  
21 COMPENSATION LAW APPLICABLE.

22 A participant, with respect to employment performed under  
23 the JOBS program, shall be covered by the workers'  
24 compensation law or shall otherwise be provided with  
25 comparable protection.

26 Sec. 22. NEW SECTION. 239B.22 JOBS PROGRAM --  
27 PARTICIPANT NOT STATE EMPLOYEE.

28 A participant shall not be deemed to be an employee of the  
29 state or any of its political subdivisions by reason of  
30 participation in the JOBS program. However, this section  
31 shall not prevent the participant from having the status of an  
32 employee for the purposes of workers' compensation.

33 Sec. 23. NEW SECTION. 239B.23 CHILD DAY CARE PROVISIONS.

34 The following provisions involving child day care benefits  
35 shall apply to individuals who no longer receive family

1 investment program assistance due to employment:

2 1. Eligibility for transitional child care benefits for a  
3 period of twenty-four months.

4 2. The department shall automatically determine an  
5 individual's eligibility for other child day care benefits if  
6 the individual is not eligible for transitional child care or  
7 eligibility for transitional child care benefits is exhausted.

8 Sec. 24. Section 249A.2, Code 1997, is amended by adding  
9 the following new subsection:

10 NEW SUBSECTION. 4A. "Family investment program" means the  
11 family investment program eligibility requirements  
12 administered under chapter 239, Code 1997, as in effect on  
13 July 16, 1996.

14 Sec. 25. Section 249A.3, subsection 1, paragraphs b, e, f,  
15 and m, Code 1997, are amended to read as follows:

16 b. Is ~~a-recipient-of~~ an individual who is eligible for the  
17 family investment program ~~payments-under-chapter-239~~ or is an  
18 individual who would be eligible for unborn child payments  
19 under the family investment program, as authorized by Title  
20 IV-A of the federal Social Security Act, if the family  
21 investment program ~~under-chapter-239~~ provided for unborn child  
22 payments during the entire pregnancy.

23 e. Is a pregnant woman whose pregnancy has been medically  
24 verified and who qualifies under either of the following:

25 (1) The woman would be eligible for a cash ~~payment~~  
26 assistance under the family investment program ~~under-chapter~~  
27 ~~239~~, if the child were born and living with the woman in the  
28 month of payment.

29 (2) The woman meets the income and resource requirements  
30 of the family investment program ~~under-chapter-239~~, provided  
31 the unborn child is considered a member of the household, and  
32 the woman's family is treated as though deprivation exists.

33 f. Is a child who is less than seven years of age and who  
34 meets the income and resource requirements of the family  
35 investment program ~~under-chapter-239~~.

1 m. Is an individual or family who is ineligible for the  
2 family investment program ~~under-chapter-239~~ because of  
3 requirements that do not apply under Title XIX of the federal  
4 Social Security Act.

5 Sec. 26. Section 249A.3, subsection 1, Code 1997, is  
6 amended by adding the following new paragraphs:

7 NEW PARAGRAPH. r. Is an individual who is no longer  
8 eligible for the family investment program due to earned  
9 income. The department shall provide transitional medical  
10 assistance to the individual for the maximum period allowed  
11 for federal financial participation under federal law.

12 NEW PARAGRAPH. s. Is an individual who is no longer  
13 eligible for the family investment program due to the receipt  
14 of child or spousal support. The department shall provide  
15 transitional medical assistance to the individual for the  
16 maximum period allowed for federal financial participation  
17 under federal law.

18 Sec. 27. Section 249A.3, subsection 2, paragraph c, Code  
19 1997, is amended to read as follows:

20 c. Individuals who are receiving care in an institution  
21 for mental diseases, and who are under twenty-one years of age  
22 and whose income and resources are such that they are eligible  
23 for the family investment program ~~under-chapter-239~~, or who  
24 are sixty-five years of age or older and who meet the  
25 conditions for eligibility in paragraph "a" of this  
26 subsection.

27 Sec. 28.

28 1. Chapters 239 and 249C, Code 1997, are repealed.

29 2. Section 249A.17, Code 1997, is repealed.

30 Sec. 29. CODE EDITOR.

31 1. The Code editor shall revise references in the Code to  
32 any section in chapter 239 to instead refer to the appropriate  
33 section in chapter 239B. The references revised by the Code  
34 editor pursuant to this section shall take effect July 1,  
35 1997. The reference changes considered by the Code editor

1 shall include but are not limited to the following: sections  
2 217.30, 234.6, 239A.1, 239A.3, 252B.3, 252B.4, 252B.5,  
3 252B.20, 252C.1, 252D.8, 252E.1, 422.9, 541A.2, and 598.22A.

4 2. If the Code editor deems the revisions to be  
5 appropriate, the Code editor shall revise references to the  
6 "job opportunities and basic skills program" to instead refer  
7 to the "promoting independence and self-sufficiency through  
8 employment job opportunities and basic skills program" and to  
9 comparable references in chapter 239B, as enacted by this Act.  
10 The reference revisions shall include but are not limited to  
11 the following sections: 84A.6, 217.30, 239A.1, and 541A.2.

12 3. In lieu of revising a reference under this section, the  
13 Code editor may instead submit a coordinating amendment in a  
14 Code editor's bill for the 1998 or 1999 legislative session.

15 Sec. 30. ADMINISTRATIVE RULES. Administrative rules of  
16 the department of human services in effect on the effective  
17 date of this Act which provide for medical assistance  
18 eligibility based upon receipt of assistance under the family  
19 investment program shall be deemed to apply the definition of  
20 family investment program in section 249A.2, subsection 4A, as  
21 enacted by this Act.

22 Sec. 31. EFFECTIVE DATE. This Act, being deemed of  
23 immediate importance, takes effect upon enactment.

24 EXPLANATION

25 This bill revises provisions of the family investment and  
26 job opportunities and basic skills programs administered by  
27 the department of human services, amends certain child support  
28 provisions, provides for fraudulent practices, amends related  
29 medical assistance provisions, and provides effective dates.

30 New Code chapter 239B recreates the family investment  
31 program. The chapter takes effect upon enactment.

32 New Code section 239B.1 provides definitions, including the  
33 terms applicant, assistance, child, department of human  
34 services, family, family investment program, family investment  
35 agreement, limited benefit plan, minor parent, participant,

1 and specified relative.

2 The term "PROMISE JOBS program" or "JOBS program" is  
3 defined as a modified acronym for the promoting independence  
4 and self-sufficiency through employment job opportunities and  
5 basic skills program created by the bill.

6 New Code section 239B.2 sets out conditions of eligibility  
7 for the program, including application and periodic review  
8 requirements, income and resources used to determine initial  
9 and continuing eligibility, restriction on parent unemployment  
10 status, requirements for a participant family to enter into a  
11 family investment agreement with the department, requirements  
12 to provide information to the department, provisions for a  
13 limited benefit plan if certain requirements are not met,  
14 provisions for cooperation with child support recovery, and  
15 payment when a participant is temporarily out of the state.

16 New Code section 239B.3 directs the department to provide  
17 cash assistance and other benefits under the chapter. The  
18 department is to take into consideration various circumstances  
19 such as family size, income, and resources in calculating a  
20 cash assistance grant for a family. The program is to provide  
21 a maximum \$400 funeral expense benefit under certain  
22 conditions for children who participate in the program.

23 New Code section 239B.4 designates the department of human  
24 services to administer federal funds, develop and file state  
25 plans as required by federal law, and perform other  
26 administrative functions associated with the program.

27 New Code section 239B.5, if required as a condition of  
28 receiving federal funding, authorizes the department to  
29 administer activities which are in conflict with state law.  
30 In addition, the department is authorized to submit waiver  
31 requests to the federal government as necessary to implement  
32 the chapter or any subsequent initiative.

33 New Code section 239B.6 provides that an applicant for  
34 assistance under the program is deemed to have assigned to the  
35 department of human services the applicant's rights to current

1 and accrued support payments to the extent of the amount of  
2 the assistance received. Assistance provided under the  
3 chapter cannot be transferred or assigned at law or equity and  
4 is not subject to other legal processes to transfer the  
5 assistance to another.

6 New Code section 239B.7 delineates income and resource  
7 exemptions, deductions, and disregards to be used by the  
8 department for purposes of a family's initial and continuing  
9 eligibility for family investment program assistance and for  
10 determining assistance amounts.

11 New Code section 239B.8 requires family investment  
12 agreements between the department and family investment  
13 program participants and delineates specific requirements  
14 applicable to the agreements.

15 New Code section 239B.9 establishes limited benefit plan  
16 sanctions for family investment program participants who do  
17 not comply with requirements involving family investment  
18 agreements.

19 New Code section 239B.10 establishes special provisions for  
20 minor and young parents and for family planning requirements.

21 New Code section 239B.11 creates a family investment  
22 program account in the state treasury for funds received by  
23 the program.

24 New Code section 239B.12 establishes immunization  
25 provisions applicable to children receiving family investment  
26 program assistance.

27 New Code section 239B.13 authorizes the department to  
28 provide for participation by a child as part of an eligible  
29 group headed by a specified relative and to pay cash  
30 assistance to a protective payee for a period of up to two  
31 years. In addition, the department may petition the court to  
32 appoint a conservator over a program participant to receive  
33 the cash assistance.

34 New Code section 239B.14 establishes that an individual who  
35 attempts or succeeds in fraudulently obtaining assistance or

1 other benefits under the program commits a fraudulent practice  
2 crime and provides that the perpetrator is personally liable  
3 for the amount fraudulently obtained.

4 New Code section 239B.15 requires the county attorney to  
5 prosecute law violations under new Code chapter 239B and  
6 requires the area prosecutors of the attorney general to  
7 assist in prosecutions.

8 New Code section 239B.16 provides for administrative  
9 hearings by the department of inspections and appeals in the  
10 event an application is not acted upon in a reasonable time,  
11 or is denied in whole or in part, or benefits are modified,  
12 suspended, or cancelled. Judicial review of the department's  
13 actions is subject to chapter 17A, the administrative  
14 procedures Act.

15 The bill provides for repeal and reenactment of the  
16 provisions of Code chapter 249C, relating to the jobs  
17 opportunities and basic skills (JOBS) program for recipients  
18 under the family investment program, as part of new Code  
19 chapter 239B.

20 New Code section 239B.17 establishes the promoting  
21 independence and self-sufficiency through employment-job  
22 opportunities and basic skills program. The program is to be  
23 applied as provided in a participant family's family  
24 investment agreement. The departments of workforce  
25 development, economic development, and education, and other  
26 public programs and agencies are to cooperate with the  
27 program. The department of human services may delegate  
28 responsibilities to the department of workforce development or  
29 economic development.

30 New Code section 239B.18 delineates exceptions to required  
31 participation in the JOBS program.

32 New Code section 239B.19 provides that eligibility for the  
33 program is contingent upon available funding and the person  
34 having entered into a family investment agreement with the  
35 department under the family investment program. In addition,

1 this section provides that unless otherwise provided, high  
2 school and other basic education requirements are optional.  
3 Provision for care of children while a parent participates in  
4 the JOBS program is addressed.

5 New Code section 239B.20 requires the director of human  
6 services or the director's designee to establish and maintain  
7 reasonable standards for health, safety, and other conditions  
8 under the JOBS program.

9 New Code section 239B.21 provides that participants in the  
10 JOBS program are to be covered by the workers' compensation  
11 law or comparable protection for work performed under the JOBS  
12 program.

13 New Code section 239B.22 provides that a participant is not  
14 to be considered an employee of the state or a political  
15 subdivision for the person's participation in the JOBS  
16 program.

17 New Code section 239B.23 provides for 24 months of  
18 transitional child day care benefits to persons who no longer  
19 receive family investment program assistance due to  
20 employment.

21 The bill includes a number of amendment to Code chapter  
22 249A, the medical assistance program. The amendments provide  
23 that if a person would be eligible for medical assistance  
24 based upon eligibility for the family investment program or  
25 related requirements, the applicable eligibility requirements  
26 are those in effect for the program as of July 1, 1996. The  
27 bill revises Code chapter 249A references to Code chapter 239.  
28 In addition, the bill repeals Code section 249A.17 which  
29 required 12 months or more of medical assistance coverage for  
30 certain persons who left the aid to families with dependent  
31 children program (the predecessor to Iowa's family investment  
32 program) due to earned income. The bill includes new  
33 subsections providing for transitional medical assistance for  
34 an individual who loses family investment program eligibility  
35 due to earned income or receipt of child or spousal support.

1 The bill includes a provision that administrative rules of  
 2 the department of human services which provide for medical  
 3 assistance eligibility based upon receipt of assistance under  
 4 the family investment program shall be deemed to apply to the  
 5 family investment program requirements in effect as of July  
 6 16, 1996.

7 The bill repeals Code chapter 239, the current family  
 8 investment program chapter, and Code chapter 249C, the current  
 9 work and training program for persons receiving public  
 10 assistance.

11 The Code editor is directed to revise codified references  
 12 to sections of chapter 239 to instead refer to appropriate  
 13 sections of new chapter 239B. The Code editor may either make  
 14 the revisions editorially in the Code of Iowa or submit the  
 15 revisions in a Code editor's bill.

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SENATE FILE 516

AN ACT

REVISING PUBLIC ASSISTANCE PROVISIONS INVOLVING THE FAMILY INVESTMENT, JOB OPPORTUNITIES AND BASIC SKILLS, FOOD STAMP, AND MEDICAL ASSISTANCE PROGRAMS ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES, AMENDING CERTAIN CHILD SUPPORT PROVISIONS, PROVIDING FOR FRAUDULENT PRACTICES, AND PROVIDING EFFECTIVE DATES.

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

DIVISION I

Section 1. Section 214.12, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The provisions of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 115, shall not apply to an applicant for or recipient of food stamp benefits in this state. However, the department of human services may apply contingent eligibility requirements as provided under state law and allowed under federal law.

Sec. 2. NEW SECTION. 239B.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Applicant" means a person who files an application for participation in the family investment program under this chapter.
2. "Assistance" means a family investment program payment.

3. "Child" means an unmarried person who is less than eighteen years of age or an unmarried person who is eighteen years of age and is engaged full-time in completing high school graduation or equivalency requirements in a manner which is reasonably expected to result in completion of the requirements prior to the person reaching nineteen years of age.

4. "Department" means the department of human services.

5. "Family" means a family unit that includes at least one child and at least one parent or other specified relative of the child.

6. "Family investment agreement" means the agreement developed with a participant in accordance with section 239B.8.

7. "Family investment program" means the family investment program under this chapter.

8. "Limited benefit plan" means a period of time in which a participant or member of a participant's family is either eligible for reduced assistance only or ineligible for any assistance under the family investment program, in accordance with section 239B.9.

9. "Minor parent" means an applicant or participant parent who is less than eighteen years of age and has never been married.

10. "Participant" means a person who is receiving full or partial family investment program assistance.

11. "PROMISE JOBS program" or "JOBS program" means the promoting independence and self-sufficiency through employment job opportunities and basic skills program created in section 239B.17.

12. "Specified relative" means a person who is or was at any time, one of the following relatives of an applicant or participant child, by means of blood relationship, marriage, or adoption, or is a spouse of one of the following relatives:

- a. Parent.
- b. Grandparent.
- c. Great-grandparent.

- d. Great-great-grandparent.
- e. Stepparent of the child, but not the parent of the stepparent.
- f. Sibling.
- g. Stepsibling.
- h. Sibling by at least the half blood.
- i. Uncle or aunt by at least the half blood.
- j. Great-uncle or great-aunt.
- k. Great-great-uncle or great-great-aunt.
- l. First cousin.
- m. Nephew or niece.
- n. Second cousin.

Sec. 3. NEW SECTION. 239B.2 CONDITIONS OF ELIGIBILITY.

Within available funding, the department shall make assistance available to eligible families under the family investment program. At a minimum, a family shall meet all of the following conditions of eligibility:

1. APPLICATION. An application for the program is made to the department. The application shall be in writing or reduced to writing in the manner and upon the form prescribed by the department. The application shall be made by the specified relative with whom the child resides or will reside, and shall contain the information required on the application form. One application may be made for several children of the same family if the children reside or will reside with the same specified relative.

2. INCOME AND RESOURCES. The family meets income and resource guidelines established by the department to attain or retain financial eligibility. In determining a family's income and resources, the department shall consider the income and resources of the child, the child's parent, the child's stepparent living with the child, or any other specified relative with whom the child resides or will reside available to the family unless specifically exempted as provided in section 239B.7 or by rule or unless otherwise provided by federal law. A family's failure to meet the income or resource guidelines shall result in denial of the family's eligibility for the program.

3. UNEMPLOYMENT. A determination of eligibility for a family with an unemployed parent shall not include consideration of either parent's number of hours of employment except to establish the date assistance would begin in accordance with rules. However, both parents must enter into and participate in a family investment agreement and participate in JOBS program activities unless good cause not to participate is established in accordance with rules. For the purposes of this chapter, an applicant family with a parent who is partially or totally unemployed under any of the following circumstances shall not be considered to be unemployed:

a. The period of unemployment is less than thirty days prior to commencing participation under this chapter.

b. The parent is partially or totally unemployed due to a work stoppage which exists because of a labor dispute at the factory, establishment, or other premises at which the parent is or was last employed.

c. At any time during the thirty-day period prior to commencing participation under this chapter, the parent has not been available for employment, has not actively sought employment, or has without good cause refused any bona fide offer of employment or training for employment. Any of the following reasons for refusing employment or training are not good cause:

(1) Unsuitable or unpleasant work or training, if the parent is able to perform the work or training without unusual danger to the parent's health.

(2) The amount of wages or compensation, unless the wages for employment are below the amount customary for the same work in the community.

d. The parent has not registered for work with the state employment service established pursuant to section 96.12, or after registration has failed to report at an employment office in accordance with regulations prescribed pursuant to section 96.4, subsection 1.

e. The parent is eligible but refuses to apply for or to draw upon unemployment benefits.

f. The parent or family fails to meet other requirements adopted by the department applicable to the applicant parent or family. The other requirements shall be limited to those necessary to meet federal requirements and may be in addition to or in lieu of the requirements of this subsection, for eligibility under this chapter to children whose parents are partially or totally unemployed.

4. FAMILY INVESTMENT AGREEMENT. Unless exempt as provided in section 239B.8, a family which is eligible for the program shall enter into a family investment agreement with the department. A family must comply with the conditions in the agreement in order to retain eligibility.

5. PROVISION OF INFORMATION. The family provides requested information to the department. The department shall adopt rules specifying the conditions under which an applicant or participant family is denied eligibility for family investment program assistance for failure to provide requested information.

6. COOPERATION WITH CHILD SUPPORT REQUIREMENTS. The department shall provide for prompt notification of the department's child support recovery unit if assistance is provided to a child whose parent is absent from the home. An applicant or participant shall cooperate with the child support recovery unit and the department as provided in 42 U.S.C. § 608(a)(2) unless the applicant or participant qualifies for good cause or other exception as determined by the department in accordance with the best interest of the child and with standards prescribed by rule. If a specified relative with whom a child is residing fails to comply with these cooperation requirements, a sanction shall be imposed as defined by rule in accordance with state and federal law.

7. PERIODIC REVIEWS. As a condition of eligibility, the department may require periodic reports from a participant concerning the participant's income, resources, family composition, and other circumstances. If the participant's

circumstances change, the participant's assistance may be continued, renewed, suspended, changed in amount, or entirely withdrawn, as determined in accordance with rule.

8. OUT-OF-STATE ASSISTANCE. Assistance shall be paid to a participant residing temporarily out-of-state if the participant retains residency in this state and remains otherwise eligible for assistance. The department shall periodically redetermine the eligibility of a participant who is temporarily residing out-of-state.

Sec. 4. NEW SECTION. 239B.3 CASH ASSISTANCE.

1. a. Within available funding, the department shall provide an ongoing cash assistance grant under the family investment program to a family eligible under section 239B.2.

b. For an eligibility decision involving an applicant family with a specified relative, within thirty days of the date of an application, the department shall issue a notice of the department's decision to the specified relative.

2. For an applicant or participant family, the department shall calculate and pay the cash assistance grant on a monthly basis, taking into consideration all of the following:

- a. The income and resources of the family.
- b. Whether the family has entered into a limited benefit plan.
- c. The size of the family.
- d. Available funding.

3. The department may pay cash assistance and other cash benefits paid under this chapter by warrant, through a direct deposit to a financial institution of a participant, or through an electronic benefits transfer.

4. The department may pay, from funds appropriated for this purpose, a maximum of four hundred dollars toward funeral expenses on the death of a child who is a participant or has been authorized to participate in the family investment program, provided both of the following conditions apply:

a. The decedent does not leave an estate which may be probated with sufficient proceeds to allow for payment of the funeral expenses.

b. Payments which are due the decedent's estate or beneficiary by reason of the liability of a life insurance, death or funeral benefit company, association, or society, or in the form of United States social security, railroad retirement, or veterans' benefits upon the death of the decedent, are deducted from the department's payment under this section.

Sec. 5. NEW SECTION. 239B.4 DEPARTMENTAL ROLE.

1. The department is the state entity designated to administer federal funds received for purposes of the family investment program and the JOBS program under this chapter, including, but not limited to, the funding received under the federal temporary assistance for needy families block grant as authorized under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and as such is the lead agency in preparing and filing state plans, state plan amendments, and other reports required by federal law.

2. The department is responsible for a management information system, eligibility determination, participant grant calculations and issuance of payments, contracting for services, provision of an appeal or resolution process to applicants and participants, determining the suitability of a family home maintained by a specified relative applicant or participant, and other activities as necessary to administer the family investment program and the JOBS program.

3. The department may adopt rules pursuant to chapter 17A as necessary to administer this chapter.

Sec. 6. NEW SECTION. 239B.5 COMPLIANCE WITH FEDERAL LAW.

1. If, as a condition of receiving federal funds for the family investment program, federal law requires implementation and administration of certain activities during a period when the general assembly is not in session, the department shall proceed to implement and administer those provisions, even if in conflict with other existing state law. However, the period of implementation authorized under this subsection shall end upon the adjournment of the regular session of the

general assembly immediately following the commencement of the period of implementation.

2. The department may submit waiver requests to the United States department of health and human services as necessary to implement and administer any provision under this chapter, or to implement any subsequent initiative that requires a waiver from federal law.

3. a. The provisions of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 115, shall not apply to an applicant or participant.

b. However, unless exempt for good cause under rules adopted by the department for this purpose, an applicant or participant convicted under federal or state law of a felony offense, which has as an element the possession, use, or distribution of a controlled substance, as defined in 21 U.S.C. § 802(6), shall be required to participate in drug rehabilitation activities or to fulfill other requirements to verify that the applicant or participant does not illegally possess, use, or distribute a controlled substance.

Sec. 7. NEW SECTION. 239B.6 ASSIGNMENT OF SUPPORT RIGHTS OR BENEFITS.

1. An assignment of support rights to the department is created by either of the following:

a. An applicant and other persons covered by an application are deemed to have assigned to the department at the time of application all rights to periodic support payments to the extent of the amount of assistance received by the applicant and by other persons covered by the application.

b. A determination that a child or another person covered by an application is eligible for assistance under this chapter creates an assignment by operation of law to the department of all rights to periodic support payments not to exceed the amount of assistance received by the child and other persons covered by the application.

2. An assignment takes effect upon determination that an applicant or another person covered by an application is

eligible for assistance under this chapter, applies to both current and accrued support obligations, and terminates when an applicant or another person covered by an application ceases to receive assistance under this chapter, except with respect to the amount of unpaid support obligations accrued under the assignment. If an applicant or another person covered by an application ceases to receive assistance under this chapter and the applicant or other person covered by the application receives a periodic support payment, subject to limitations under federal law, the department is entitled only to that amount of the periodic support payment above the current periodic support obligation.

3. Assistance paid or payable under this chapter is not transferable or assignable at law or in equity, and none of the assistance paid or payable is subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law.

Sec. 8. NEW SECTION. 239B.7 INCOME AND RESOURCE EXEMPTIONS, DEDUCTIONS, AND DISREGARDS.

In determining a family's income and resources for purposes of the family's initial and continuing eligibility for assistance and for determining grant amounts, the provisions of this section shall apply to the family and individual family members.

1. **WORK EXPENSE DEDUCTION.** If an individual's earned income is considered by the department, the individual shall be allowed a work expense deduction equal to twenty percent of the earned income. The work expense deduction is intended to include all work-related expenses other than child day care. These expenses shall include but are not limited to all of the following: taxes, transportation, meals, uniforms, and other work-related expenses. However, the work expense deduction shall not be allowed for an individual who is subject to a sanction for failure to comply with family investment program requirements.

2. **WORK-AND-EARN INCENTIVE.** If an individual's earned income is considered by the department, the individual shall

be allowed a work-and-earn incentive. The incentive shall be equal to fifty percent of the amount of earned income remaining after all other deductions are applied. The department shall disregard the incentive amount when considering the earned income available to the individual. The incentive shall not have a time limit. The work-and-earn incentive shall not be withdrawn as a penalty for failure to comply with family investment program requirements.

3. **CHILD DAY CARE DEDUCTION.** A family shall be allowed a child day care deduction as specified in rules. A family with a stepparent shall be allowed a child day care deduction for any children of the stepparent or the parent, subject to the limits provided in applicable rules.

4. **EMPLOYMENT EARNINGS DISREGARD.** If an individual begins employment but was unemployed for at least twelve months before beginning employment and timely reports the earnings from the employment, the earnings shall be subject to an income disregard. This income disregard shall apply in determining the individual's eligibility and cash grant levels under the family investment program during the individual's first four months of employment. To be eligible for the income disregard, the employment must commence following the date of the individual's application for the family investment program. The department shall adopt rules defining the term "unemployed" for the purposes of this subsection. The income disregard shall not be withdrawn as a penalty for failure to comply with family investment program requirements.

5. **INCOME CONSIDERATION.** If an individual has timely reported an absence of income to the department, consideration of the individual's income shall cease beginning in the first month the income is absent. However, this provision shall not apply to an individual who has quit employment without good cause as defined in rules.

6. **INTEREST INCOME.** Interest income shall be disregarded.

7. **INDIVIDUAL DEVELOPMENT ACCOUNT DEPOSITS.** The department shall disregard as income any moneys an individual deposits in an individual development account established pursuant to chapter 541A.

8. MOTOR VEHICLE DISREGARD. The department shall disregard the first three thousand eight hundred eighty-nine dollars in equity value of a motor vehicle. Beginning July 1, 1997, and continuing in succeeding fiscal years, the motor vehicle equity value disregarded by the department shall be increased by the latest increase in the consumer price index for used vehicles during the previous state fiscal year. This disregard shall be applicable to each adult and to each working individual in a family who is nineteen years of age or younger. The amount of a motor vehicle's equity in excess of the amount of the motor vehicle disregard shall apply to the resource limitation established in subsection 10.

9. RESOURCE LIMITATION.

a. The resource limitation for an applicant family for the family investment program shall be two thousand dollars.

b. The resource limitation for a participant family shall be five thousand dollars.

c. The department shall disregard not more than ten thousand dollars of a self-employed individual's tools of the trade or capital assets in considering the individual's resources.

10. INDIVIDUAL DEVELOPMENT ACCOUNT EARNINGS AND BALANCE. The department shall disregard any earnings and the balance of an individual development account established pursuant to chapter 541A in considering an individual's resources.

Sec. 9. NEW SECTION. 239B.8 FAMILY INVESTMENT AGREEMENTS.

The department shall establish a policy regarding the implementation of family investment agreements which limits the period of eligibility for the family investment program based upon the requirements of a family's plan for self-sufficiency. The policy shall require a family's plan to be specified in a family investment agreement between the family and the department. The department shall adopt rules to administer the policy. The components of the policy shall include but are not limited to all of the following:

1. PARTICIPATION -- EXEMPTIONS. A parent living in a home with a child for whom an application for family investment program assistance has been made or for whom the assistance is provided, and all other individual members of the family whose needs are included in the assistance shall be subject to a family investment agreement unless any of the following conditions exists:

a. The individual is completely unable to participate in any agreement option due to disability.

b. The individual is less than sixteen years of age and is not a parent.

c. The individual is sixteen through eighteen years of age, is not a parent, and is attending elementary or secondary school, or the equivalent level of vocational or technical school, on a full-time basis.

2. AGREEMENT OPTIONS. A family investment agreement shall require an individual to participate in one or more of the options enumerated in this subsection. An individual's level of participation in one or more of the options shall be equivalent to the level of commitment required for full-time employment or shall be significant so as to move the individual's level of participation toward that level. The department shall adopt rules for each option defining requirements and establishing assistance provisions for child day care, transportation, and other support services. The options shall include but are not limited to all of the following:

a. Full-time or part-time employment.

b. Active job search.

c. Participation in the JOBS program.

d. Participation in other education or training programming.

e. Participation in a family development and self-sufficiency grant program under section 217.12 or other family development program.

f. Work experience placement.

g. Unpaid community service. Community service shall be authorized in any nonprofit association which has been determined under section 501(c)(3) of the Internal Revenue Code to be exempt from taxation or in any government agency. Upon request, the department shall provide a listing of potential community service placements to an individual. However, an individual shall locate the individual's own placement and perform the number of hours required by the agreement. The individual shall file a monthly report with the department which is signed by the director of the community service placement verifying the community service hours performed by the individual during that month. The department shall develop a form for this purpose.

h. Any other arrangement which would strengthen the individual's ability to be a better parent, including but not limited to participation in a parenting education program. Parental leave from employment shall be authorized for a parent of a child who is less than three months of age. An opportunity to participate in a parental education program shall also be authorized for such a parent. An individual who is not a parent who is nineteen years of age or younger or a parent of a child who is less than three months of age shall simultaneously participate in at least one other option enumerated in this subsection.

3. LIMITED BENEFIT PLAN. If a participant fails to comply with the provisions of the participant's family investment agreement during the period of the agreement, the limited benefit plan provisions of section 239B.9 shall apply.

4. COMPLETION OF AGREEMENT.

a. Upon the completion of the terms of the agreement, family investment program assistance to a participant family covered by the agreement shall cease or be reduced in accordance with rules.

b. However, if the period in which a participant family is without cash assistance is one month or less and the participant family has not become exempt from JOBS program participation at the time the participant family reapplies for

cash assistance, the participant family's family investment agreement shall be reinstated at the time the participant family reapplies. The reinstated agreement may be revised to accommodate changed circumstances present at the time of reapplication.

c. The department shall adopt rules to administer this subsection and to determine when a family is eligible to reenter the family investment program.

5. CONTRACTS. The department may contract with the department of workforce development, department of economic development, or any other entity to provide services relating to a family investment agreement.

6. CONFIDENTIAL INFORMATION DISCLOSURE. The department may disclose confidential information described in section 217.30, subsection 1, to other state agencies or to any other entity which is not subject to the provisions of chapter 17A and is providing services to a participant family who is subject to a family investment agreement, if necessary in order for the participant family to receive the services. The department shall adopt rules establishing standards for disclosure of confidential information if disclosure is necessary in order for a participant to receive services.

Sec. 10. NEW SECTION. 239B.9 LIMITED BENEFIT PLAN.

1. GENERAL PROVISIONS. If a participant responsible for signing and fulfilling the terms of a family investment agreement, as defined by the director of human services in accordance with section 239B.8, chooses not to sign or fulfill the terms of the agreement, the participant's family, or the individual participant shall enter into a limited benefit plan. A limited benefit plan shall apply for the period of time specified in this section. The first month of the limited benefit plan is the first month after the month in which timely and adequate notice of the limited benefit plan is given to the participant as defined by the director of human services. A participant who is exempt from the JOBS program but who volunteers for the program is not subject to imposition of a limited benefit plan. The elements of a

limited benefit plan shall be specified in the department's rules.

2. PLAN APPLIED. The department shall apply the limited benefit plan to the participants responsible for the family investment agreement and other members of the participant's family as follows:

a. PARENT. If the participant responsible for the family investment agreement is a parent or a specified relative, for a first limited benefit plan, the participant's family is eligible for up to three months of reduced assistance based on the needs of the children only. At the end of the three-month period of reduced assistance, the family becomes ineligible for assistance for a six-month period. For a second or subsequent limited benefit plan chosen by the same participant a six-month period of ineligibility applies beginning with the effective date of the limited benefit plan. If the family reapplies for assistance after a six-month ineligibility period, eligibility shall be established in the same manner as for any other new applicant. A limited benefit plan imposed in error shall not be considered a first limited benefit plan.

b. NEEDY RELATIVE PAYEE. If the participant choosing a limited benefit plan is a needy relative who acts as payee when the parent is in the home but is unable to act as payee, or is a dependent child's stepparent whose needs are included in the assistance because of incapacity or caregiving, the limited benefit plan shall apply only to the individual participant choosing the plan. The individual participant choosing the limited benefit plan is ineligible for nine months from the effective date of the limited benefit plan. For a second or subsequent limited benefit plan chosen by the same individual participant, a six-month period of ineligibility applies beginning with the effective date of the limited benefit plan.

c. MINOR PARENT LIVING WITH ADULT PARENT OR SPECIFIED RELATIVE. If the participant family includes a minor parent living with the minor parent's adult parent or specified relative who receives family investment program assistance and

both individuals are responsible for developing a family investment agreement, each individual is responsible for a separate family investment agreement, and the limited benefit plan shall be applied as follows:

(1) If the adult parent or specified relative chooses the limited benefit plan, the requirements of the limited benefit plan shall apply to the entire participant family, even though the minor parent has not chosen the limited benefit plan. However, the minor parent may reapply for assistance as a minor parent living with self-supporting parents or living independently and continue in the family investment agreement process.

(2) If the minor parent chooses the limited benefit plan, the requirements of the limited benefit plan shall apply to the minor parent and any child of the minor parent.

d. MINOR PARENT -- ONLY CHILD. If the minor parent is the only child in the adult parent or specified relative's home and the minor parent chooses the limited benefit plan, assistance shall not be paid to the adult parent or specified relative in this instance.

e. CHILDREN WHO ARE MANDATORY JOBS PROGRAM PARTICIPANTS. If the participant family includes children who are mandatory JOBS program participants, the children shall not have a separate family investment agreement but shall be asked to sign the family investment agreement applicable to the family and to carry out the responsibilities of that family investment agreement. A limited benefit plan shall be applied as follows:

(1) If the parent or specified relative responsible for a family investment agreement meets the responsibilities of the family investment agreement but a child who is a mandatory JOBS program participant chooses an individual limited benefit plan, the family is eligible for reduced assistance during the child's limited benefit plan. However, the child, as part of the family, is ineligible for nine months for a first limited benefit plan and six months for a second or subsequent limited benefit plan.

(2) If the child who chooses a limited benefit plan under subparagraph (1) is the only child in the participant family, assistance shall not be paid to the adult parent, parents, or specified relative in this instance.

f. EXEMPT PARENT. If a participant family includes a parent, parents, or specified relative who are exempt from JOBS program participation and children who are mandatory JOBS program participants, the children are responsible for completing a family investment agreement. If a child who is a mandatory JOBS program participant chooses the limited benefit plan, the limited benefit plan shall be applied in the manner provided in paragraph "e".

g. TWO PARENTS. If the participant family includes two parents, a limited benefit plan shall be applied as follows:

(1) If only one parent of a child in the family is responsible for a family investment agreement and that parent chooses the limited benefit plan, the limited benefit plan cannot be ended by the voluntary participation in a family investment agreement by the exempt parent. However, the exempt parent may continue to be included in the participant family's grant during the three-month reduced assistance period by volunteering to participate in the JOBS family investment program-unemployed parent work program. If a second or subsequent limited benefit plan is chosen by either parent, the family becomes ineligible for a six-month period beginning with the effective date of the limited benefit plan.

(2) If both parents of a child in the family are responsible for a family investment agreement, both parents shall sign the agreement. If either parent chooses the limited benefit plan, the limited benefit plan cannot be ended by the participation of the other parent in a family investment agreement. However, the other parent may continue to be included in the family's grant during the three-month reduced assistance period by participating in the JOBS family investment program-unemployed parent work program. If a second or subsequent limited benefit plan is chosen by either parent, the family becomes ineligible for a six-month period beginning with the effective date of the limited benefit plan.

(3) If the parents from a two-parent family in a limited benefit plan separate, the limited benefit plan shall follow only the parent who chose the limited benefit plan and any children in the home of that parent.

3. PLAN CHOSEN. A participant shall be considered to have chosen a limited benefit plan under any of the following circumstances:

a. A participant who does not establish an orientation appointment with the JOBS program or who fails to keep or reschedule an orientation appointment shall receive a reminder letter which informs the participant that those who do not attend orientation have elected to choose a limited benefit plan. A participant who chooses not to respond to the reminder letter within ten calendar days from the mailing date shall receive notice establishing the effective date of the limited benefit plan, the beginning date of the period of reduced assistance, and the beginning and ending dates of the six-month period of ineligibility. If a participant is deemed to have chosen a limited benefit plan, timely and adequate notice provisions, as determined by the director of human services, shall apply.

b. A participant who chooses not to sign the family investment agreement after attending a JOBS program orientation shall enter into a limited benefit plan as described in paragraph "a".

c. A participant who has signed a family investment agreement but then chooses a limited benefit plan under circumstances defined by the director of human services.

4. RECONSIDERATION. A participant who chooses a limited benefit plan may reconsider that choice as follows:

a. A participant who chooses a first limited benefit plan rather than sign a family investment agreement shall have the entire three-month period of reduced assistance following the effective date of the limited benefit plan to reconsider and begin development of the family investment agreement. The participant may contact the department or the appropriate JOBS program office anytime during the first three months of the

limited benefit plan to begin the reconsideration process. Although family investment program assistance shall not begin until the participant signs a family investment agreement during the JOBS program orientation and assessment process, retroactive assistance shall be issued as defined by the director of human services. A limited benefit plan imposed in error shall not be considered a first limited benefit plan.

b. A participant who signs a family investment agreement but does not carry out the family investment agreement responsibilities shall be deemed to have chosen a limited benefit plan and shall not be allowed to reconsider that choice.

c. A participant who chooses a second or subsequent limited benefit plan shall not be allowed to reconsider that choice.

5. WELL-BEING VISIT. If a participant has chosen a limited benefit plan, a qualified social services professional shall attempt to visit with the participant to inquire into the family's well-being. The visit shall be performed as an extension of the family investment program and the family investment agreement philosophy of supporting families as they move toward self-sufficiency. The department may contract for these services. The visit shall be made in accordance with the following:

a. For a participant in a first limited benefit plan who has the reconsideration option, a qualified social services professional, as defined by the director of human services, shall inquire into the well-being of the family during month two of the period of reduced assistance. If the participant who is responsible for a family investment agreement indicates a desire to develop a family investment agreement, the qualified social services professional shall assist the participant in establishing an appointment with the appropriate JOBS program office.

b. For a participant in a first limited benefit plan who does not enter into the family investment agreement process during the three-month reconsideration period, a qualified

social services professional shall make another inquiry as to the well-being of the family during month four of the limited benefit plan.

c. A participant who signs the family investment agreement but does not carry out family investment agreement responsibilities and, consequently, has chosen a first limited benefit plan, shall not be allowed to reconsider that choice. However, a social services professional shall inquire as to the well-being of the family during month four of the limited benefit plan.

d. A participant who has chosen a second or subsequent limited benefit plan shall not be allowed to reconsider that choice. However, a qualified social services professional shall make inquiry into the well-being of the family during month two of the limited benefit plan.

6. APPEAL. A participant has the right to appeal the establishment of the limited benefit plan only once, except for a first limited benefit plan two opportunities to appeal shall be available. A participant in a first limited benefit plan has the right to appeal the limited benefit plan at the time the department issues timely and adequate notice establishing the limited benefit plan, or at the time the department issues the subsequent notice that establishes the six-month period of ineligibility. A participant who has chosen a second or subsequent limited benefit plan has the right to appeal only at the time the department issues the timely and adequate notice that establishes the six-month period of ineligibility. However, if the reason for the appeal is based on an incorrect grant computation, an error in determining the composition of the family, or another worker error, a hearing shall be granted, regardless of the person's limited benefit plan status.

Sec. 11. NEW SECTION. 239B.10 MINOR AND YOUNG PARENTS -- OTHER REQUIREMENTS.

1. LIVING ARRANGEMENT. Unless any of the following conditions apply, a minor parent shall be required to live with the minor's parent or legal guardian:

a. The parent or guardian of the minor parent is deceased, missing, or living in another state.

b. The minor parent's health or safety would be jeopardized if the minor parent is required to live with the parent or guardian.

c. The minor parent is in foster care.

d. The minor parent is participating in the job corps solo parent program or independent living program.

e. Other good cause exists, which is identified in rules adopted by the department for this purpose, for the minor parent to participate in the family investment program while living apart from the minor parent's parent or guardian.

2. **FAMILY DEVELOPMENT.** A minor parent who is a participant and is not required to live with the minor parent's parent or guardian pursuant to subsection 1 shall be required to participate in a family development program identified in rules adopted by the department.

3. **PARENTING CLASSES.** Participant parents who are nineteen years of age or younger shall be required to attend parenting classes.

4. **EDUCATION.** The department shall require, subject to the availability of child day care for a minor parent's children, that a minor parent must either have graduated from high school or have received a high school equivalency diploma, or be engaged full-time in completing high school graduation or equivalency requirements.

5. **EARNINGS DISREGARD.** In determining family investment program eligibility and calculating the amount of assistance, the department shall disregard earnings of an applicant or a participant who is nineteen years of age or younger who is engaged full-time in completing high school graduation or equivalency requirements.

6. **FAMILY PLANNING.** The department shall do all of the following with newly eligible and existing participant parents:

a. Discuss orally and in writing the financial implications of newly born children on the participant's family.

b. Discuss orally and in writing the available family planning resources.

c. Include family planning counseling as an optional component of the JOBS program.

d. Include the participant's family planning objectives in the family investment agreement.

Sec. 12. **NEW SECTION. 239B.11 FAMILY INVESTMENT PROGRAM ACCOUNT.**

1. An account is established in the state treasury to be known as the family investment program account under control of the department to which shall be credited all funds appropriated by the state for the payment of assistance and JOBS program expenditures. All other moneys received at any time for these purposes, including child support revenues, shall be deposited into the account as provided by law. All assistance and JOBS program expenditures under this chapter shall be paid from the account.

2. A diversion program subaccount is created within the family investment program account. The subaccount may be used to provide incentives to divert applicants' participation in the family investment program if the applicants would otherwise be eligible for assistance. Incentives may be provided in the form of payment or services with a focus on helping applicants to obtain or retain employment. The diversion program subaccount may also be used for payments to participants as necessary to cover the expenses of removing barriers to employment.

Sec. 13. **NEW SECTION. 239B.12 IMMUNIZATION.**

1. To the extent feasible, the department shall determine the immunization status of children receiving assistance under this chapter. The status shall be determined in accordance with the immunization recommendations adopted by the Iowa department of public health under section 139.9, including the exemption provisions in section 139.9, subsection 4. If the department determines a child is not in compliance with the immunization recommendations, the department shall refer the child's parent or guardian to a local public health agency for

immunization services for the child and other members of the child's family.

2. The department of human services shall cooperate with the Iowa department of public health to establish an interagency agreement allowing the sharing of pertinent client data, as permitted under federal law and regulation, for the purposes of determining immunization rates of participants, evaluating family investment program efforts to encourage immunizations, and developing strategies to further encourage immunization of participants.

Sec. 14. NEW SECTION. 239B.13 NEEDY RELATIVE PAYEE -- PROTECTIVE PAYEE -- VENDOR PAYMENT.

1. The department may provide for a needy relative to act as a payee when the parent of a participant family is in the home but is unable to act as the payee.

2. The department may order the cash assistance under this chapter to be paid to a protective payee if it has been demonstrated that the specified relative with whom the child is residing is unable to manage the assistance in the best interest of the child. Protective payment of cash assistance shall not be made beyond a period of two years. The department may petition the district court sitting in probate to establish, pursuant to chapter 633, a conservatorship over a participant. If a conservatorship is established, the participant's cash assistance shall be paid to the conservator. In addition to the cash assistance, an amount not to exceed ten dollars per case per month may be allowed for conservatorship or guardianship fees if authorized by court order. The department may pay cash assistance or other cash benefits to a third party if the department determines that a third-party payment is essential to assure the proper use of the assistance or benefits.

Sec. 15. NEW SECTION. 239B.14 FRAUDULENT PRACTICES -- RECOVERY.

1. An individual who obtains, or attempts to obtain, or aids or abets an individual to obtain, by means of a willfully false statement or representation, by knowingly failing to

disclose a material fact, or by impersonation, or any fraudulent device, any assistance or other benefits under this chapter to which the individual is not entitled, commits a fraudulent practice.

2. An individual who commits a fraudulent practice under this section is personally liable for the amount of assistance or other benefits fraudulently obtained. The amount of the assistance or other benefits may be recovered from the offender or the offender's estate in an action brought or by claim filed in the name of the state and the recovered funds shall be deposited in the family investment program account. The action or claim filed in the name of the state shall not be considered an election of remedies to the exclusion of other remedies.

Sec. 16. NEW SECTION. 239B.15 COUNTY ATTORNEY TO ENFORCE.

Violations of law relating to the family investment program shall be prosecuted by county attorneys. Area prosecutors of the office of the attorney general shall provide prosecution assistance.

Sec. 17. NEW SECTION. 239B.16 APPEAL -- JUDICIAL REVIEW.

If an applicant's application is not acted upon within a reasonable time, if it is denied in whole or in part, or if a participant's assistance or other benefits under this chapter are modified, suspended, or canceled under a provision of this chapter, the applicant or participant may appeal to the department of human services which shall request the department of inspections and appeals to conduct a hearing. Upon completion of a hearing, the department of inspections and appeals shall issue a decision which is subject to review by the department of human services. Judicial review of the actions of the department of human services may be sought in accordance with chapter 17A. Upon receipt of a notice of the filing of a petition for judicial review, the department of human services shall furnish the petitioner with a copy of any papers filed in support of the petitioner's position, a transcript of any testimony taken, and a copy of the department's decision.

Sec. 18. NEW SECTION. 239B.17 PROMISE-JOBS PROGRAM.

1. PROGRAM ESTABLISHED. The promoting independence and self-sufficiency through employment -- job opportunities and basic skills program is established for applicants and participants of the family investment program. The requirements of the JOBS program shall vary as provided in the family investment agreement applicable to a family. The department of workforce development, department of economic development, department of education, and all other state, county, and public educational agencies and institutions providing vocational rehabilitation, adult education, or vocational or technical training shall assist and cooperate in the JOBS program. The departments, agencies, and institutions shall make agreements and arrangements for maximum cooperation and use of all available resources in the program. By mutual agreement the department of human services may delegate any of the department of human services' powers and duties under this chapter to the department of workforce development or to the department of economic development.

2. PROGRAM ACTIVITIES. The JOBS program shall include, but is not limited to, provision of the following activities:

- a. Placing applicants and participants in employment and on-the-job training.
- b. Institutional and work experience training for applicants and participants for whom the training is likely to lead to regular employment.
- c. Special work projects for applicants and participants for whom a job in the regular economy cannot be found.
- d. Incentives, opportunities, services, and other benefits to aid applicants and participants.

Sec. 19. NEW SECTION. 239B.18 JOBS PROGRAM PARTICIPATION.

Except for participants who are exempt from the requirement to enter into a family investment agreement under section 239B.8, a participant in the family investment program shall participate in JOBS program activities as provided in the participant's family investment agreement. A participant who is exempt may voluntarily participate in the JOBS program.

Sec. 20. NEW SECTION. 239B.19 JOBS PROGRAM AVAILABILITY.

1. Within available funding, the department shall make JOBS program services and benefits available to individuals who are participating in the JOBS program.

2. An individual's efforts under the JOBS program to attain a certificate of general educational development, high school diploma, or adult basic literacy where the individual has not previously received the certification shall be optional except as otherwise required by this chapter or by federal law. The department shall provide incentives to encourage optional efforts to attain such certifications.

3. When needed, arrangements shall be made for the care of children during the absence from the home of an individual participating in the JOBS program.

Sec. 21. NEW SECTION. 239B.20 JOBS PROGRAM HEALTH AND SAFETY.

The director shall establish and maintain reasonable standards for health, safety, and other conditions under the JOBS program.

Sec. 22. NEW SECTION. 239B.21 JOBS PROGRAM -- WORKERS' COMPENSATION LAW APPLICABLE.

A participant, with respect to employment performed under the JOBS program, shall be covered by the workers' compensation law or shall otherwise be provided with comparable protection.

Sec. 23. NEW SECTION. 239B.22 JOBS PROGRAM -- PARTICIPANT NOT STATE EMPLOYEE.

A participant shall not be deemed to be an employee of the state or any of its political subdivisions by reason of participation in the JOBS program. However, this section shall not prevent the participant from having the status of an employee for the purposes of workers' compensation.

Sec. 24. NEW SECTION. 239B.23 CHILD DAY CARE PROVISIONS.

The following provisions involving child day care benefits shall apply to individuals who no longer receive family investment program assistance due to employment:

1. Eligibility for transitional child care benefits for a period of twenty-four months.

2. The department shall automatically determine an individual's eligibility for other child day care benefits if the individual is not eligible for transitional child care or eligibility for transitional child care benefits is exhausted.

Sec. 25. Section 249A.2, Code 1997, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. "Family investment program" means the family investment program eligibility requirements under chapter 239B, except to the extent federal law requires application of the eligibility requirements under chapter 239, Code 1997, as in effect on July 16, 1996.

Sec. 26. Section 249A.3, subsection 1, paragraphs b, e, f, and m, Code 1997, are amended to read as follows:

b. ~~Is a recipient of an individual who is eligible for the family investment program payments under chapter 239~~ or is an individual who would be eligible for unborn child payments under the family investment program, as authorized by Title IV-A of the federal Social Security Act, if the family investment program ~~under chapter 239~~ provided for unborn child payments during the entire pregnancy.

e. Is a pregnant woman whose pregnancy has been medically verified and who qualifies under either of the following:

(1) The woman would be eligible for a cash payment ~~assistance under the family investment program under chapter 239~~, if the child were born and living with the woman in the month of payment.

(2) The woman meets the income and resource requirements of the family investment program ~~under chapter 239~~, provided the unborn child is considered a member of the household, and the woman's family is treated as though deprivation exists.

f. Is a child who is less than seven years of age and who meets the income and resource requirements of the family investment program ~~under chapter 239~~.

m. Is an individual or family who is ineligible for the family investment program ~~under chapter 239~~ because of

requirements that do not apply under Title XIX of the federal Social Security Act.

Sec. 27. Section 249A.3, subsection 1, Code 1997, is amended by adding the following new paragraphs:

NEW PARAGRAPH. r. Is an individual who is no longer eligible for the family investment program due to earned income. The department shall provide transitional medical assistance to the individual for the maximum period allowed for federal financial participation under federal law.

NEW PARAGRAPH. s. Is an individual who is no longer eligible for the family investment program due to the receipt of child or spousal support. The department shall provide transitional medical assistance to the individual for the maximum period allowed for federal financial participation under federal law.

Sec. 28. Section 249A.3, subsection 2, paragraph c, Code 1997, is amended to read as follows:

c. Individuals who are receiving care in an institution for mental diseases, and who are under twenty-one years of age and whose income and resources are such that they are eligible for the family investment program ~~under chapter 239~~, or who are sixty-five years of age or older and who meet the conditions for eligibility in paragraph "a" of this subsection.

Sec. 29.

1. Chapters 239 and 249C, Code 1997, are repealed.

2. Section 249A.17, Code 1997, is repealed.

Sec. 30. UNEMPLOYED PARENT PROGRAM. The department of human services shall simplify family investment program eligibility criteria applicable to families with an unemployed parent in order to be consistent with the criteria applicable to other families. The simplification shall reduce from thirty days to seven days the period required before assistance can be granted to a family with an unemployed parent. The department shall apply the provisions of this section effective January 1, 1998.

Sec. 31. FAMILY OR DOMESTIC VIOLENCE. The department of human services shall consider options for implementing special family and domestic violence provisions authorized under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193. The options considered shall include screening, identification, provision of services, and waiving of program requirements for a family investment program applicant or participant who is or has been a victim of family or domestic violence if the violence is deemed to have impaired the applicant's or participant's ability to participate in the PROMISE JOBS program. The department shall work with the welfare reform advisory group or an associated work group in considering the options. The department may implement the provisions by adopting administrative rules or may propose implementation legislation for consideration by the general assembly in the 1998 legislative session.

Sec. 32. CODE EDITOR.

1. The Code editor shall revise references in the Code to any section in chapter 239 to instead refer to the appropriate section in chapter 239B. The references revised by the Code editor pursuant to this section shall take effect July 1, 1997. The reference changes considered by the Code editor shall include but are not limited to the following: sections 217.30, 234.6, 239A.1, 239A.3, 252B.3, 252B.4, 252B.5, 252B.20, 252C.1, 252D.8, 252E.1, 422.9, 541A.2, and 598.22A.

2. If the Code editor deems the revisions to be appropriate, the Code editor shall revise references to the "job opportunities and basic skills program" to instead refer to the "promoting independence and self-sufficiency through employment job opportunities and basic skills program" and to comparable references in chapter 239B, as enacted by this Act. The reference revisions shall include but are not limited to the following sections: 84A.6, 217.30, 239A.1, and 541A.2.

3. In lieu of revising a reference under this section, the Code editor may instead submit a coordinating amendment in a Code editor's bill for the 1998 or 1999 legislative session.

Sec. 33. ADMINISTRATIVE RULES. Administrative rules of the department of human services in effect on the effective date of this Act which provide for medical assistance eligibility based upon receipt of assistance under the family investment program shall be deemed to apply the definition of family investment program in section 249A.2, subsection 4A, as enacted by this Act.

Sec. 34. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment. However, the department of human services shall implement the following provisions on or after the date indicated:

1. The department shall include a second cousin as a specified relative as provided in section 239B.1, subsection 12, paragraph "n", as enacted in this Act, beginning July 1, 1997.

2. The department shall phase in the required participation in a family investment agreement for individuals who meet the conditions described in paragraph "a" or "b". The phase-in shall be implemented in a manner so that the required participation applies to all family investment program participants on or before July 1, 1998. The phase-in of the required participation applies to individuals who meet either of the following conditions:

a. The individual is a parent or specified relative of a child who is less than three months of age and began caring for the child before a referral of the individual to the job opportunities and basic skills program.

b. The individual is working thirty hours or more per week and began working before a referral of the individual to the job opportunities and basic skills program.

DIVISION II

Sec. 35. Section 239B.7, subsection 4, as enacted by this Act, is amended by striking the subsection.

Sec. 36. EFFECTIVE DATE AND APPLICABILITY. This division of this Act takes effect October 1, 1997. However, the earnings disregard under section 239B.7, subsection 4, as enacted in this Act, shall remain applicable for the full

period of time for those individuals who are eligible for the employment earnings disregard as of September 30, 1997.

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MARY E. KRAMER  
President of the Senate

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RON J. CORBETT  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 516, Seventy-seventh General Assembly.

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MARY PAT GUNDERSON  
Secretary of the Senate

Approved April 18, 1997

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TERRY E. BRANSTAD  
Governor