

- SUBJECT:** Creating a transitional assistance plan for former TANF recipients
- COMMITTEE:** Human Services — committee substitute recommended
- VOTE:** 6 ayes — Naishtat, J. Davis, Ehrhardt, Noriega, Raymond, Villarreal
0 nays
3 absent — Chavez, Telford, Wohlgemuth
- SENATE VOTE:** On final passage, March 14 — voice vote
- WITNESSES:** For — Patrick Bresette, Center for Public Policy Priorities; *Registered but did not testify:* Jennifer Corrigan, Texas Council on Family Violence; Linda Rushing, Texas Catholic Conference

Against — None

On — Lela Dyson, Texas Workforce Commission
- BACKGROUND:** In 1995, Texas enacted welfare-reform measures that capped benefits by amount and time and instituted responsibility agreements and mandatory work or job training, along with other requirements. Temporary Assistance to Needy Families (TANF) is the state-federal cash assistance and workforce development program administered by the Texas Department of Human Services (DHS) and the Texas Workforce Commission (TWC). TWC and local workforce development boards help TANF recipients obtain employment by contracting employment placement services with local organizations.
- DIGEST:** CSSB 161 would authorize DHS and TWC to establish a transitional support services program for people who become ineligible for TANF because of rising income or time limits on regular benefits. The agencies would have to determine which transitional support services were necessary and appropriate in accordance with agency rules and federal law. The program would be subject to the availability of funds.

Transitional support services would include transportation assistance, emergency assistance, education and job training, housing assistance, child care services, and other appropriate services.

The agencies could provide transitional support services only until a recipient became ineligible because of time limits on all benefits or until one year after the date the person's household income exceeded TANF income limits, whichever came earlier. Transitional support services would be available to a person who was exempt from work requirements but who participated in a work training activity.

The agencies would have to seek any necessary federal waivers or authorizations needed to implement the bill's provisions. The agency could delay implementation until the federal waiver or authorization was granted.

The bill would take effect September 1, 2001, and would apply only to a person who received financial assistance on or after that date, regardless of the date eligibility was determined.

**SUPPORTERS
SAY:**

CSSB 161 would help ensure that a TANF recipient who left the assistance rolls did not return. The state's welfare-reform initiatives have resulted in declining caseloads, but many people who have left the rolls have not become self-sufficient on a sustainable basis. In some cases, the transition from full benefits to none puts people in a tenuous financial situation that can be compromised by relatively minor emergencies or strains on a family's finances. This bill would allow the state to help people who encounter short-term difficulties without forcing them to return to the TANF rolls.

The bill would not create a permanent stream of expenditures for the state. The proposed program would be subject to availability of funds, which could come from TANF funds that are unspent when a person leaves TANF. If the state finds that it needs additional funds in the future, the program could be scaled back.

**OPPONENTS
SAY:**

CSSB 161 would keep people dependent on public assistance. A recipient who receives prolonged cash assistance and other forms of state support does not become increasingly self-sufficient. True self-sufficiency comes when a former welfare recipient works without state support. The state

should focus on the long-term problems that send people back to TANF, such as lack of health insurance or insufficient job skills, rather than artificially supporting their take-home pay.

NOTES:

The committee substitute changed the Senate engrossed version of SB 161 by making the transitional assistance program permissive rather than mandatory.

According to the fiscal note, the bill would have no significant fiscal impact for the state if services provided under the transitional assistance program were similar to those currently available. If housing-related assistance were made available routinely to all TANF clients moving off the welfare rolls, the cost would be “considerable.”