

LEGISLATIVE HISTORY CHECKLIST
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(AFDC - restrict benefits)

NJSA: 44:10-3.3

LAWS OF: 1991 CHAPTER: 525

BILL NO: A4702

SPONSOR(S): Bryant

DATE INTRODUCED: April 15, 1991

COMMITTEE: ASSEMBLY: Health and Human Services;
 Appropriations

SENATE: Institutions, Health & Welfare

AMENDED DURING PASSAGE: Yes Amendments during passage
 denoted by asterisks

DATE OF PASSAGE: ASSEMBLY: January 8, 1992

SENATE: January 13, 1992

DATE OF APPROVAL: January 21, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes 12-5-91 & 12-9-91

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

REPORTS: Yes

HEARINGS: No

974.90 New Jersey. Legislature. Assembly.

S678 Health & Human Services Committee.

1991 Public hearing on ...A4700 thru A4705 (AFDC legislation) held
 7-9-91, 7-30-91, 8-23-91 & 10-22-91, Newark, Trenton, Atlantic
 City, Stratford, N.J., 1991

For clippings---see Legislative history of L1991 c526

KBG:pp

[FIRST REPRINT]
ASSEMBLY, No. 4702
STATE OF NEW JERSEY

INTRODUCED APRIL 15, 1991

By Assemblymen BRYANT, SCERNI, Baker, Gill,
Spadaro, Duch, Batten and Pascrell

1 AN ACT concerning benefits under the program of aid to
2 families with dependent children and supplementing P.L.1959,
3 c.86 (C.44:10-1 et seq.).
4

5 BE IT ENACTED *by the Senate and General Assembly of the*
6 *State of New Jersey:*

7 1. As used in this act:

8 "Benefits" means benefits provided under the program of aid to
9 families with dependent children established pursuant to
10 P.L.1959, c.86 (C.44:10-1 et seq.).

11 "Eligible parent" means a person who is or would be eligible for
12 benefits based upon the income of that person and the person's
13 natural children.

14 2. a. The Commissioner of Human Services shall¹[, no later
15 than the 90th day after the effective date of this act,]¹ revise
16 the schedule of benefits in accordance with the provisions of
17 subsection b. of this section.

18 b. An eligible parent who is married to a person who is not the
19 parent of one or more of the eligible parent's children shall not
20 be eligible for benefits if the household income exceeds the State
21 eligibility standard for benefits; however, the eligible parent's
22 natural children shall be eligible for benefits according to a
23 sliding income scale established by the commissioner which does
24 not take into account the income of the eligible parent's spouse,
25 if the total annual household income does not exceed 150% of the
26 official poverty level, adjusted for family size, established
27 pursuant to section 673 (2) of Subtitle B, the "Community
28 Services Block Grant Act," of Pub.L.97-35 (42 U.S.C. § 9902 (2)).
29 The spouse of the eligible parent and the spouse's natural child,
30 if any, who is not the eligible parent's natural child, who is living
31 with the family shall not be eligible for benefits.

32 3. The Commissioner of Human Services, pursuant to the
33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
34 seq.), shall adopt rules and regulations to implement the
35 provisions of this act.

36 ¹[4] 4.¹ This act shall take effect ¹[immediately] on July 1,
37 1992, except that the commissioner may take such actions prior
38 to the effective date as are necessary to effectuate the purposes
39 of this act¹.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AHH committee amendments adopted January 6, 1992.

A4702 [1R]

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1

HUMAN SERVICES

2

3

Provides for AFDC eligibility for certain family members.

ASSEMBLY, No. 4702
STATE OF NEW JERSEY

INTRODUCED APRIL 15, 1991

By Assemblyman BRYANT

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12 benefits based upon the income of that person and the person's
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14 2. a. The Commissioner of Human Services shall, no later than
15 the 90th day after the effective date of this act, revise the
16 schedule of benefits in accordance with the provisions of
17 subsection b. of this section.

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19 parent of one or more of the eligible parent's children shall not
20 be eligible for benefits if the household income exceeds the State
21 eligibility standard for benefits; however, the eligible parent's
22 natural children shall be eligible for benefits according to a
23 sliding income scale established by the commissioner which does
24 not take into account the income of the eligible parent's spouse,
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26 official poverty level, adjusted for family size, established
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28 Services Block Grant Act," of Pub.L.97-35 (42 U.S.C. § 9902 (2)).
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33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
34 seq.), shall adopt rules and regulations to implement the
35 provisions of this act.

36 4 This act shall take effect immediately.
37

STATEMENT

38
39
40 This bill directs the Commissioner of Human Services to revise
41 the rules and regulations governing the program of Aid to
42 Families with Dependent Children (AFDC) for a family, in which

1 the income of one parent and that parent's natural children does
2 not exceed the State eligibility standard for the program.

3 The bill provides, for example, that if an AFDC-eligible
4 mother (based upon her income and that of her natural children)
5 is married to a person who is not the parent of one or more of the
6 mother's children, the mother shall not be eligible for AFDC
7 benefits if the household income exceeds the State eligibility
8 standard for benefits; however, the mother's natural children
9 shall be eligible for benefits according to a sliding income scale
10 established by the commissioner which does not take into account
11 the income of the mother's husband, if the total annual household
12 income does not exceed 150% of the official poverty level. The
13 mother's husband and his natural child, if any, who is not the
14 mother's natural child, who is living with the family would not be
15 eligible for benefits.

16 This bill is intended to encourage marriage and family stability
17 among AFDC recipients, by enabling the natural child of a
18 recipient to receive benefits after the recipient marries, provided
19 that the father's income does not exceed 150% of the poverty
20 level, while ensuring that fathers meet the financial
21 responsibilities of supporting their spouses and their natural
22 children. The promotion of two-parent families among AFDC
23 recipients should enable more recipients to become economically
24 self-sufficient.

25

26

27 HUMAN SERVICES

28

29 Provides for AFDC eligibility for certain family members.

ASSEMBLY HEALTH AND HUMAN SERVICES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4702

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 5, 1991

The Assembly Health and Human Services Committee favorably reports Assembly Bill No. 4702 with committee amendments.

As amended by the committee, this bill directs the Commissioner of Human Services to revise the rules and regulations governing the program of Aid to Families with Dependent Children (AFDC) for a family, in which the income of one parent and that parent's natural children does not exceed the State eligibility standard for the program.

The bill provides, for example, that if an AFDC-eligible mother (based upon her income and that of her natural children) is married to a person who is not the parent of one or more of the mother's children, the mother shall not be eligible for AFDC benefits if the household income exceeds the State eligibility standard for benefits; however, the mother's natural children shall be eligible for benefits according to a sliding income scale established by the commissioner which does not take into account the income of the mother's husband, if the total annual household income does not exceed 150% of the official poverty level. The mother's husband and his natural child, if any, who is not the mother's natural child, who is living with the family would not be eligible for benefits.

The committee amended the bill to change the effective date from immediately to July 1, 1992, and to provide for implementation of the provisions of the bill on the effective date.

This bill is part of a legislative package that is designed to effect significant reforms in the AFDC program and address the needs of the economically disadvantaged in this State.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4702

STATE OF NEW JERSEY

DATED: DECEMBER 9, 1991

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4702 (1R).

Assembly Bill No. 4702 (1R) of 1991 directs the Commissioner of Human Services to revise the schedule of benefits for households participating in the Aid to Families with Dependent Children (AFDC) program as follows: (a) an eligible parent who is married to a person who is not the parent of one or more of the eligible parent's children shall not be eligible for benefits if the household income exceeds the State eligibility standard for benefits; (b) the eligible parent's natural children shall be eligible for benefits according to a sliding income scale which excludes the income of the eligible parent's spouse if the total annual household income does not exceed 150 percent of the official poverty level; and (c) the eligible parent's spouse and the spouse's natural child who is not the eligible parent's natural child, who is living with the family shall not be eligible for AFDC benefits.

This bill is part of a legislative package that is designed to effect significant reforms in the AFDC program and address the needs of the economically disadvantaged in this State.

FISCAL IMPACT:

In the Legislative Fiscal Estimate to this bill, the Office of Legislative Services (OLS) stated that without any detailed data from the department concerning affected households, OLS could not estimate the cost. It was noted that a waiver from the federal government would be needed since these provisions are more extensive than currently authorized.

SENATE INSTITUTIONS, HEALTH AND WELFARE COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4702

STATE OF NEW JERSEY

DATED: JANUARY 9, 1992

The Senate Institutions, Health and Welfare Committee reports Assembly Bill No. 4702 (1R) without recommendation.

This bill directs the Commissioner of Human Services to revise the rules and regulations governing the program of Aid to Families with Dependent Children (AFDC) for a family in which the income of one parent and that parent's natural children does not exceed the State eligibility standard for the program.

The bill provides, for example, that if an AFDC-eligible mother (based upon her income and that of her natural children) is married to a person who is not the parent of one or more of the mother's children, the mother shall not be eligible for AFDC benefits if the household income exceeds the State eligibility standard for benefits; however, the mother's natural children shall be eligible for benefits according to a sliding income scale established by the commissioner which does not take into account the income of the mother's husband, if the total annual household income does not exceed 150% of the official poverty level. The mother's husband and his natural child, if any, who is not the mother's natural child, who is living with the family would not be eligible for benefits.



OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001**Contact:** Jon Shure; Jo Astrid Glading
609-292-8956**TRENTON, N.J. 08625****Release** January 21, 1992

GOV. FLORIO SIGNS HISTORIC WELFARE MEASURES

PENNSAUKEN -- Gov. Jim Florio today signed six bills into law that are aimed at restoring the welfare system to its original goals, by breaking the cycle of poverty, restoring family values, and enhancing the role of individual responsibility.

"This legislation is guided by compassion and crafted in common sense," Gov. Florio said. "We want to rebuild New Jersey's families, and replace the hopelessness of welfare dependency with the hope of self-reliance. Our children need the guidance of a strong family and the tools of education to help them compete."

With Gov. Florio was Assemblyman Wayne Bryant, for whom the signing of the Family Development Act represents the culmination of a decade of work aimed at changing a system that has resulted in generation after generation of the same families being on welfare. Assemblyman Bryant said, "Welfare is not working to improve the conditions of the poor -- so let's make welfare work. The family is the foundation upon which a person's character, spirit, and abilities are built. But for many people on public assistance today, the family is devoid of the moral, financial, and educational support every member of the family needs."

The bills were signed at The Work Group, a private, non-profit education and training center that has offered literacy and employment services to young persons and adults throughout South Jersey since 1983. It was at The Work Group that Assemblyman Bryant first announced his plan for making welfare work for everyone. After intensive public hearings, the six measures were passed in the closing days of the 204th Legislature. The 6-part law offers fresh thinking to break from the ideas of the past in ways that are aimed at helping the people who receive welfare, and the others who pay for it. (SEE ATTACHED FACT SHEET FOR MORE DETAIL)

Gov. Florio praised Assemblyman Bryant for his groundbreaking work on the Family Development Act: "He wasn't afraid to face the questions that weigh on all of our minds, but are rarely spoken aloud. He asked, 'How can it be that after years of good intentions and well-meaning social programs, we see no end to poverty and its debilitating effects?' The Family Development Act is built on the common sense idea that government must encourage and empower people to improve their own lives. Welfare traps our children from cradle to grave in a cycle of dependency."

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BREAKING THE CYCLE:

Making Welfare Work in New Jersey

Breaking the cycle of poverty, restoring the family unit, and enhancing the role of individual responsibility are the aims of the welfare overhaul signed into law by Governor Jim Florio. New Jersey's efforts reflect some fresh thinking and new, common-sense approaches to deal with a welfare system that increasingly traps generations of families in poverty, offering them and their children little hope for a better future. It is strongly based on the education and training needed to make sure welfare goes back to being the transitional program it was intended to be.

The culmination of a decade of work by Assemblyman Wayne Bryant, these changes do not decrease benefits for anyone -- but they replace dependency with job-training, education, and a reinforcement of the importance of individual decision-making. Here are highlights of the 6-bill package:

EDUCATION AND JOB TRAINING

- Cornerstone of the package, this bill requires all recipients of welfare to participate in education, training or job-related activities as a condition of receiving benefits. Recipients are expected to obtain, at a minimum, a high school or GED diploma. The purpose is to return welfare to the transitional program it was meant to be by preparing recipients, educationally and through job-training, to enter and remain in the workforce.

Up until now, education wasn't a high enough priority, although under the REACH program, all new welfare recipients entering after October, 1989, are required to enroll in the program which provides job training.

REFERRAL HOTLINE

- Establishes a 24-hour coordinated hotline to provide residents of New Jersey with direct information and referral on job-training services, child care, home health care, rental assistance and other human services, in order that they can avail themselves of those services that families need in order to address problems that they may be experiencing.

Currently, there are numerous referral centers. A common complaint among citizens is that they don't know where to call to get help in a particular service area. This hotline provides a one-stop service.

MARRIAGE AND BENEFITS

- Promotes the continuity and security of family life, by allowing women on welfare to marry without losing the welfare grant for their children if the husband is not the natural father of the children and if the husband's income is less than \$21,100 for a family of four. The purpose of this bill is to recognize that, while natural fathers still are expected to support their children, more needs to be done to encourage a family structure and a responsible male-figure involvement in the children's lives.

Up until now, there were penalties and disincentives for welfare clients to marry, encouraging the lack of a responsible male figure in the home.

WORKING AND COLLECTING BENEFITS

- Increases the amount of income a woman is allowed to earn from working, without a reduction in her welfare grant level, to support any additional children that the woman has while she is receiving assistance. It again reaffirms that welfare should be a transitional program. The measure requires of welfare recipients the same kind of decision-making that economic conditions impose on those not on welfare in determining how large they want their family to be. Out in the workforce there is no such thing as an automatic pay increase when another child is born; neither will there be an automatic increase in welfare benefits. But there will be more opportunity for a mother to work to support her children without losing benefits she already had been receiving.

Up until now, each additional child resulted in a \$64 per month increase in the grant level -- but with severe restrictions on outside income. This has created a system where women cannot work, because they would lose welfare benefits on which they have come to rely.

Under this bill, a woman would be allowed to earn up to 50 percent of her grant level through employment, without any loss in her current benefits. Calculations show that 15 hours a month -- half an hour per day -- at minimum wage would replace the \$64 increase in the grant level.

ELIMINATING MARRIAGE PENALTY

- Eliminates the existing 30 percent penalty for married couples. The purpose of the bill is to encourage the family structure by removing penalties for the marriage of people receiving assistance.

Up until now, married couples receiving AFDC benefits were subject to a 30 percent penalty on the monthly benefits that are received, which encourages the breakup of families to protect benefits for children.

COUNCIL ON COMMUNITY RESTORATION

- Creates a Council on Community Restoration whose charge would be to identify target neighborhoods for intensive economic and community redevelopment activities.

HISTORY OF WELFARE IN NEW JERSEY

Aid to Families with Dependent Children is a county-administered, state supervised public assistance program which provides financial assistance for dependent children and their natural or adoptive parents, or certain other relatives recognized as taking the place of a parent. Eligibility is limited to families with a gross monthly income (excluding AFDC payments, food stamps and home energy assistance benefits) of less than 185 percent of the state's need standard for that family size. Currently, the monthly AFDC grant amount for a family of three is \$424. The purpose of the AFDC Program was to provide temporary assistance for a family with children until they were able to become self-sufficient.

Qualifications:

To qualify for AFDC benefits, children (natural, adopted or related) must be deprived of the financial support of one or both of their parents (natural or adopted) due to death, incapacity, continued absence from the home, unemployment of the "principal earner" or underemployment of the "principal earner". The program does not encourage creation of a typical family unit.

Since October, 1989, every AFDC applicant is required to enroll in the REACH -- Realizing Economic Achievement -- program as a condition of eligibility. REACH encouraged job training programs to wean recipients off welfare benefits but did not offer the comprehensive approach the reform package puts in place.

STATISTICS

- One in five New Jersey children live in poverty.
- In 1990, 120 out of every 1,000 children received AFDC
- Teenage mothers accounted for 43 per 1,000 births in 1990
- As of November, 1991, 332,508 people received AFDC benefits in New Jersey at a cost of \$44.7 million
- Of the total number of recipients, 92,878 were female adults as of December, 1991:
 - 60,049 are single
 - 4,974 are married
 - 6,717 are divorced
 - 20,481 are separated
 - 637 are widowed
- An additional 27,268 people qualified for General Assistance as of June, 1991 at a cost of \$12.1 million

Breakdown of AFDC Recipients:

	Females	Males	Children	Totals
White	21,064	3,020	41,135	65,219
Black	47,635	2,032	117,631	167,298
Hispanic	27,298	2,292	65,344	94,934
American Indian/ Alaskan Native	79	15	160	254
Asian/Pacific Islander	1,240	728	2,233	4,201
Not reported	168	62	372	602
TOTALS: (as of 11/91)	97,484	8,149	226,875	332,508