

44:10-3.5

LEGISLATIVE HISTORY CHECKLIST  
Compiled by the NJ State Law Library

(AFDC - eliminate increase in  
benefits for additional child)

NJSA: 44:10-3.5

LAWS OF: 1991 CHAPTER: 526

BILL NO: A4703

SPONSOR(S): Bryant

DATE INTRODUCED: April 15, 1991

COMMITTEE: ASSEMBLY: Health and Human Services

SENATE: Institutions, Health & Human Services

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

SENATE: Yes

FISCAL NOTE: Yes

VETO MESSAGE: No

MESSAGE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

REPORTS:

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, and 10-22-91, Newark, Trenton, Atlantic  
City, Stratford, N.J., 1991.

See newspaper clippings--attached.

KBG:pp

§§1,2  
C.44:10-3.5  
&  
44:10-3.6  
§§3,4  
Notes to §§1,2

P.L.1991, CHAPTER 526, approved January 21, 1992  
1991 Assembly No. 4703 (First Reprint)

1 AN ACT revising benefits under the program of aid to families  
2 with dependent children and supplementing P.L.1959, c.86  
3 (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. The Commissioner of Human Services shall<sup>1</sup>, no later than  
8 the 180th day after the effective date of this act,<sup>1</sup> revise the  
9 schedule of benefits to be paid to a recipient family under the  
10 program of aid to families with dependent children (AFDC)  
11 established pursuant to P.L.1959, c.86 (C.44:10-1 et seq.), by  
12 eliminating the increment in benefits under the program for  
13 which that family would otherwise be eligible as a result of the  
14 birth of a child during the period in which the family is eligible  
15 for AFDC benefits, or during a temporary period in which the  
16 ~~1[mother or]<sup>1</sup> family <sup>1</sup>or adult recipient<sup>1</sup> is ineligible for AFDC~~  
17 ~~benefits pursuant to a penalty imposed by the commissioner for~~  
18 ~~failure to comply with benefit eligibility requirements,~~  
19 ~~subsequent to which the family <sup>1</sup>or adult recipient<sup>1</sup> is again~~  
20 ~~eligible for benefits. The commissioner shall provide instead that~~  
21 ~~a recipient family in which the <sup>1</sup>[mother gives birth to] adult~~  
22 ~~recipient parents<sup>1</sup> an additional child during the <sup>1</sup>adult~~  
23 ~~recipient's<sup>1</sup> period of <sup>1</sup>[her]<sup>1</sup> eligibility for AFDC benefits, or~~  
24 ~~during a temporary penalty period of ineligibility for benefits,~~  
25 ~~may receive additional benefits only pursuant to section 2 of this~~  
26 ~~act, except in the case of a general increase in the amount of~~  
27 ~~AFDC benefits which is provided to all program recipients.~~

28 2. In the case of an AFDC recipient family in which the  
29 <sup>1</sup>[mother gives birth to] adult recipient parents<sup>1</sup> an additional  
30 child during the period in which the family is eligible for AFDC  
31 benefits, or during a temporary penalty period of ineligibility for  
32 benefits subsequent to which the family or <sup>1</sup>[mother] adult  
33 recipient<sup>1</sup> again becomes eligible for benefits, the Commissioner  
34 of Human Services, subject to federal approval, shall provide that  
35 in computing the amount of financial assistance which is eligible  
36 for federal reimbursement to be granted to that family, the  
37 following shall be deducted from the monthly earned income of  
38 each employed person in the family:

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:  
<sup>1</sup> Assembly AHH committee amendments adopted January 6, 1992.

1 a. those earned income disregards provided for under federal  
2 law as set forth at N.J.A.C.10:82-4.4; and

3 b. an additional amount earned by each employed person  
4 which, at a maximum, is equal to the difference between the  
5 amount of subsection a. of this section and <sup>1</sup>[25%] 50%<sup>1</sup> of the  
6 monthly payment of financial assistance, adjusted for family size.

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

11 4. This act shall take effect <sup>1</sup>[immediately] on July 1, 1992,  
12 except that the commissioner may take such actions prior to the  
13 effective date as are necessary to effectuate the purposes of this  
14 act<sup>1</sup>.

15  
16  
17 HUMAN SERVICES

18  
19 Directs Commissioner of Human Services to revise schedule of  
20 AFDC benefit amounts.

[FIRST REPRINT]  
ASSEMBLY, No. 4703

STATE OF NEW JERSEY

INTRODUCED APRIL 15, 1991

By Assemblyman BRYANT

1 AN ACT revising benefits under the program of aid to families  
2 with dependent children and supplementing P.L.1959, c.86  
3 (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. The Commissioner of Human Services shall<sup>1</sup>[, no later than  
8 the 180th day after the effective date of this act,]<sup>1</sup> revise the  
9 schedule of benefits to be paid to a recipient family under the  
10 program of aid to families with dependent children (AFDC)  
11 established pursuant to P.L.1959, c.86 (C.44:10-1 et seq.), by  
12 eliminating the increment in benefits under the program for  
13 which that family would otherwise be eligible as a result of the  
14 birth of a child during the period in which the family is eligible  
15 for AFDC benefits, or during a temporary period in which the  
16 <sup>1</sup>[mother or]<sup>1</sup> family <sup>1</sup>or adult recipient<sup>1</sup> is ineligible for AFDC  
17 benefits pursuant to a penalty imposed by the commissioner for  
18 failure to comply with benefit eligibility requirements,  
19 subsequent to which the family <sup>1</sup>or adult recipient<sup>1</sup> is again  
20 eligible for benefits. The commissioner shall provide instead that  
21 a recipient family in which the <sup>1</sup>[mother gives birth to] adult  
22 recipient parents<sup>1</sup> an additional child during the <sup>1</sup>adult  
23 recipient's<sup>1</sup> period of <sup>1</sup>[her]<sup>1</sup> eligibility for AFDC benefits, or  
24 during a temporary penalty period of ineligibility for benefits,  
25 may receive additional benefits only pursuant to section 2 of this  
26 act, except in the case of a general increase in the amount of  
27 AFDC benefits which is provided to all program recipients.

28 2. In the case of an AFDC recipient family in which the  
29 <sup>1</sup>[mother gives birth to] adult recipient parents<sup>1</sup> an additional  
30 child during the period in which the family is eligible for AFDC  
31 benefits, or during a temporary penalty period of ineligibility for  
32 benefits subsequent to which the family or <sup>1</sup>[mother] adult  
33 recipient<sup>1</sup> again becomes eligible for benefits, the Commissioner  
34 of Human Services, subject to federal approval, shall provide that  
35 in computing the amount of financial assistance which is eligible  
36 for federal reimbursement to be granted to that family, the  
37 following shall be deducted from the monthly earned income of  
38 each employed person in the family:

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:

<sup>1</sup> Assembly AHH committee amendments adopted January 6, 1992.

1 a. those earned income disregards provided for under federal  
2 law as set forth at N.J.A.C.10:82-4.4; and

3 b. an additional amount earned by each employed person  
4 which, at a maximum, is equal to the difference between the  
5 amount of subsection a. of this section and <sup>1</sup>[25%] 50%<sup>1</sup> of the  
6 monthly payment of financial assistance, adjusted for family size.

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

11 4. This act shall take effect <sup>1</sup>[immediately] on July 1, 1992,  
12 except that the commissioner may take such actions prior to the  
13 effective date as are necessary to effectuate the purposes of this  
14 act<sup>1</sup>.

15

16

17 HUMAN SERVICES

18

19 Directs Commissioner of Human Services to revise schedule of  
20 AFDC benefit amounts.

ASSEMBLY, No. 4703

STATE OF NEW JERSEY

INTRODUCED APRIL 15, 1991

By Assemblyman BRYANT

1 AN ACT revising benefits under the program of aid to families  
2 with dependent children and supplementing P.L.1959, c.86  
3 (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. The Commissioner of Human Services shall, no later than  
8 the 180th day after the effective date of this act, revise the  
9 schedule of benefits to be paid to a recipient family under the  
10 program of aid to families with dependent children (AFDC)  
11 established pursuant to P.L.1959, c.86 (C.44:10-1 et seq.), by  
12 eliminating the increment in benefits under the program for  
13 which that family would otherwise be eligible as a result of the  
14 birth of a child during the period in which the family is eligible  
15 for AFDC benefits, or during a temporary period in which the  
16 mother or family is ineligible for AFDC benefits pursuant to a  
17 penalty imposed by the commissioner for failure to comply with  
18 benefit eligibility requirements, subsequent to which the family is  
19 again eligible for benefits. The commissioner shall provide  
20 instead that a recipient family in which the mother gives birth to  
21 an additional child during the period of her eligibility for AFDC  
22 benefits, or during a temporary penalty period of ineligibility for  
23 benefits, may receive additional benefits only pursuant to section  
24 2 of this act, except in the case of a general increase in the  
25 amount of AFDC benefits which is provided to all program  
26 recipients.

27 2. In the case of an AFDC recipient family in which the  
28 mother gives birth to an additional child during the period in  
29 which the family is eligible for AFDC benefits, or during a  
30 temporary penalty period of ineligibility for benefits subsequent  
31 to which the family or mother again becomes eligible for  
32 benefits, the Commissioner of Human Services, subject to federal  
33 approval, shall provide that in computing the amount of financial  
34 assistance which is eligible for federal reimbursement to be  
35 granted to that family, the following shall be deducted from the  
36 monthly earned income of each employed person in the family:

37 a. those earned income disregards provided for under federal  
38 law as set forth at N.J.A.C.10:82-4.4; and

39 b. an additional amount earned by each employed person  
40 which, at a maximum, is equal to the difference between the  
41 amount of subsection a. of this section and 25% of the monthly

1 payment of financial assistance, adjusted for family size.

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

6 4. This act shall take effect immediately.

7

8

9

#### STATEMENT

10

11 This bill directs the Commissioner of Human Services to revise  
12 the schedule of benefits to be paid to a recipient family under the  
13 program of Aid to Families with Dependent Children (AFDC).  
14 The bill would eliminate the increment in AFDC benefits for  
15 which a family would otherwise be eligible as a result of the birth  
16 of a child during the period in which the family is eligible for  
17 AFDC benefits, or during a temporary period in which the family  
18 is ineligible for AFDC benefits pursuant to a penalty imposed by  
19 the commissioner for failure to comply with benefit eligibility  
20 requirements, subsequent to which the family again becomes  
21 eligible for benefits, and provide instead that a recipient family  
22 in which the mother gives birth to an additional child during the  
23 period in which the family is AFDC-eligible, or during the  
24 penalty period, may receive additional benefits only through an  
25 increased earned income disregard. The family would still be  
26 entitled to receive additional benefits as a result of any general  
27 increase in the amount of the monthly grant for all AFDC  
28 recipients.

29 The bill would increase the earned income disregard for  
30 employed AFDC recipients to an amount up to 25% of the  
31 monthly AFDC grant, adjusted for family size.

32 This bill is intended to discourage AFDC recipients from having  
33 additional children during the period of their welfare dependence,  
34 while at the same time giving an incentive to work to those  
35 families that do have additional children by allowing them to earn  
36 up to 25% of their monthly grant and still retain their eligibility  
37 for AFDC benefits.

38

39

40

#### HUMAN SERVICES

41

42 Directs Commissioner of Human Services to revise schedule of  
43 AFDC benefit amounts.

ASSEMBLY HEALTH AND HUMAN SERVICES COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 4703**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: DECEMBER 5, 1991

The Assembly Health and Human Services Committee favorably reports Assembly Bill No. 4703 with committee amendments.

As amended by the committee, this bill directs the Commissioner of Human Services to revise the schedule of benefits to be paid to a recipient family under the program of Aid to Families with Dependent Children (AFDC). The amended bill would eliminate the increment in AFDC benefits for which a family would otherwise be eligible as a result of the birth of a child during the period in which the family is eligible for AFDC benefits, or during a temporary period in which the family is ineligible for AFDC benefits pursuant to a penalty imposed by the commissioner for failure to comply with benefit eligibility requirements, subsequent to which the family again becomes eligible for benefits. The bill provides instead that a recipient family in which the adult recipient parents an additional child during the period in which the family is AFDC-eligible, or during the penalty period, may receive additional benefits only through an increased earned income disregard. The family would still be entitled to receive additional benefits as a result of any general increase in the amount of the monthly grant for all AFDC recipients.

The amended bill would increase the earned income disregard for an employed AFDC recipient who parents an additional child while AFDC eligible, to an amount up to 50% of the monthly AFDC grant, adjusted for family size.

The committee amendments:

- increase the amount of the earned income disregard for the employed AFDC recipient from 25% to 50% of the monthly AFDC grant, adjusted for family size;
- substitute gender neutral language for gender specific references in the original bill; and
- change the effective date from immediately to July 1, 1992, and 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 AHH COMMITTEE

AMENDMENTS

to

ASSEMBLY, No. 4703  
(Sponsored by Assemblymen Bryant)

**ADOPTED**  
JAN 6 1992

**ADOPTED**

JAN 6 1992

REPLACE SECTION 1 TO READ:

1. The Commissioner of Human Services shall<sup>1</sup>[, no later than the 180th day after the effective date of this act,]<sup>1</sup> revise the schedule of benefits to be paid to a recipient family under the program of aid to families with dependent children (AFDC) established pursuant to P.L.1959, c.86 (C.44:10-1 et seq.), by eliminating the increment in benefits under the program for which that family would otherwise be eligible as a result of the birth of a child during the period in which the family is eligible for AFDC benefits, or during a temporary period in which the<sup>1</sup>[mother or]<sup>1</sup> family or adult recipient<sup>1</sup> is ineligible for AFDC benefits pursuant to a penalty imposed by the commissioner for failure to comply with benefit eligibility requirements, subsequent to which the family or adult recipient<sup>1</sup> is again eligible for benefits. ~~The commissioner shall provide instead that a recipient family in which the~~ <sup>1</sup>[mother gives birth to] adult recipient parents<sup>1</sup> an additional child during the adult recipient's<sup>1</sup> period of <sup>1</sup>[her]<sup>1</sup> eligibility for AFDC benefits, or during a temporary penalty period of ineligibility for benefits, may receive additional benefits only pursuant to section 2 of this act, except in the case of a general increase in the amount of AFDC benefits which is provided to all program recipients.

REPLACE SECTION 2 TO READ:

2. In the case of an AFDC recipient family in which the <sup>1</sup>[mother gives birth to] adult recipient parents<sup>1</sup> an additional child during the period in which the family is eligible for AFDC benefits, or during a temporary penalty period of ineligibility for benefits subsequent to which the family or <sup>1</sup>[mother] adult recipient<sup>1</sup> again becomes eligible for benefits, the Commissioner of Human Services, subject to federal approval, shall provide that ~~in computing the amount of financial assistance which is eligible for federal reimbursement to be granted to that family, the following shall be deducted from the monthly earned income of each employed person in the family:~~

a. those earned income disregards provided for under federal law as set forth at N.J.A.C.10:82-4.4; and

b. an additional amount earned by each employed person which, at a maximum, is equal to the difference between the amount of subsection a. of this section and <sup>1</sup>[25%] 50%<sup>1</sup> of the monthly payment of financial assistance, adjusted for family size.

Amendments to Assembly, No. 4703  
Page 2

**REPLACE SECTION 4 TO READ:**

**4. This act shall take effect <sup>1</sup>[immediately] on July 1, 1992,**  
**except that the commissioner may take such actions prior to the**  
**effective date as are necessary to effectuate the purposes of this**  
**act<sup>1</sup>.**

SENATE INSTITUTIONS, HEALTH AND WELFARE COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4703

STATE OF NEW JERSEY

DATED: JANUARY 9, 1992

The Senate Institutions, Health and Welfare Committee reports Assembly Bill No. 4703 (1R) without recommendation.

This bill directs the Commissioner of Human Services to revise the schedule of benefits to be paid to a recipient family under the program of Aid to Families with Dependent Children (AFDC). The bill would eliminate the increment in AFDC benefits for which a family would otherwise be eligible as a result of the birth of a child during the period in which the family is eligible for AFDC benefits, or during a temporary period in which the family is ineligible for AFDC benefits pursuant to a penalty imposed by the commissioner for failure to comply with benefit eligibility requirements, subsequent to which the family again becomes eligible for benefits. The bill provides instead that a recipient family in which the adult recipient parents an additional child during the period in which the family is AFDC-eligible, or during the penalty period, may receive additional benefits only through an increased earned income disregard. The family would still be entitled to receive additional benefits as a result of any general increase in the amount of the monthly grant for all AFDC recipients.

The bill would increase the earned income disregard for an employed AFDC recipient who parents an additional child while AFDC eligible, to an amount up to 50% of the monthly AFDC grant, adjusted for family size.

LEGISLATIVE FISCAL ESTIMATE TO

ASSEMBLY, No. 4703

STATE OF NEW JERSEY

DATED: September 12, 1991

Assembly Bill No. 4703 of 1991 directs the Commissioner of Human Services to revise the schedule of benefits to be paid to a household under the program of Aid to Families with Dependent Children (AFDC). Specifically, the bill eliminates the additional AFDC benefits a household would receive as a result of the birth of a child while the household is receiving AFDC benefits or during a temporary period in which the family is ineligible for AFDC benefits pursuant to a penalty imposed by the commissioner for non-compliance with a benefit eligibility requirement. Instead, such households and other AFDC households would be entitled to an earned income disregard of up to 25 percent of their monthly AFDC grant.

The Department of Human Services and the Office of Management and Budget have not provided any fiscal information on this legislation.

In the absence of data from the department as to the number of AFDC households with earned income and the number of additional households which may now qualify for AFDC and Medicaid as a result of the increase in the earned income disregard, the Office of Legislative Services cannot estimate the cost of the legislation. It is noted that the State would have to obtain a waiver from the federal government in order to increase the earned income disregard as federal law specifies the manner in which earned income is disregarded for program purposes. Without such a waiver, federal reimbursement for assistance to such households would not be available and federal reimbursement for related administrative costs would not be available. The State and county would have to assume such costs in the absence of federal reimbursement. Additionally, though there are approximately 20,000 births annually to persons on AFDC, the size of the household in which such births occur is not known. Therefore, how much would be saved by not providing AFDC benefits for the child cannot be readily determined. Also, the State may have to obtain a waiver from the federal government to deny AFDC benefits to such infants.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.



# 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 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 bills were passed in the closing days of the 204th Legislature. The new 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."

# # #

# **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:**

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