

**NOTICE OF INTENT**

**Department of Children and Family Services**

**Economic Stability**

**TANF NRST Benefits and Post-FITAP Transitional Assistance  
(LAC 67:III.1229, 5329, 5551, and 5729)**

In accordance with the provisions of the Administrative Procedure Act R.S. 49:953(A), the Department of Children and Family Services (DCFS) proposes to amend LAC 67:III, Subpart 2, Section 1229 Income; Subpart 13, Section 5329 Income; Subpart 15, Section 5551 Community Response Initiative; and Subpart 16, Section 5729 Support Services.

Pursuant to Louisiana's Temporary Assistance for Needy Families (TANF) Block Grant, amendment of Sections 1229 and 5329 is required to allow TANF nonrecurrent, short-term (NRST) benefit payments to FITAP and KCSP recipients to mitigate the impact of a specific crisis situation or episode of need such as an economic crisis, disaster, pandemic, etc. Under the American Rescue Plan Act of 2021, \$7,905,732 has been allotted to Louisiana in Pandemic Emergency Assistance Funds (PEAF), which are a supplemental appropriation to the basic TANF block grant, to assist needy families impacted by the COVID-19 pandemic. The proposed change would allow the department to issue PEAFF-funded NRST benefits directly to TANF-eligible recipients of FITAP and KCSP.

Section 5551 is being amended to change earned income eligibility for those services meeting TANF goals 1 and 2 from 200 to 250 percent of the federal poverty level.

Section 5729 is being amended to provide time-limited Post-FITAP transitional assistance to families who are leaving cash assistance when their FITAP case closes due to earned income. Families that leave TANF for work continue to face hardships in making ends meet once cash assistance ends and may be unable to

maintain employment. Transitional benefits provided to working families can reduce poverty by providing transitional assistance on top of the earnings families receive when they go to work and improve their ability to maintain employment.

This action was made effective by an Emergency Rule dated and effective August 1, 2021.

## Title 67

### SOCIAL SERVICES

#### Part III. Economic Stability

##### Subpart 2. Family Independence Temporary Assistance Program

##### Chapter 12. Application, Eligibility, and Furnishing Assistance

##### Subchapter B. Conditions of Eligibility

##### §1229. Income

A. - D. ...

E. ~~Payment Amount. The budgetary deficit is the amount remaining after subtracting applicable income from the total assistance needs (flat grant amount). Round down to the next lower dollar of the budgetary deficit to determine the payment amount. Prorate the initial assistance payment from the date of application if otherwise eligible.~~

1. For FITAP basic assistance, the budgetary deficit is the amount remaining after subtracting applicable income from the total assistance needs (flat grant amount). Round down to the next lower dollar of the budgetary deficit to determine the payment amount. Prorate the initial assistance payment from the date of application if otherwise eligible.

2. Within the limits of appropriations, a FITAP household may also receive a nonrecurrent, short-term (NRST) benefit that meets the regulatory definition (45 CFR 260.31(b)(1)) to mitigate the impact of a specific crisis situation broadly affecting needy families or a specific episode

of need affecting a specific family, such as an economic crisis, disaster, pandemic, etc. The department has flexibility to respond with a sufficient and appropriate response regarding the duration of payments up to four months, type of payment (lump-sum or monthly installments), number of NRST benefits provided for different episodes of crisis or need, payment amount for each NRST benefit, and any lifetime limits imposed for eligible families.

F. - G. ...

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

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

**Subpart 13. Kinship Care Subsidy Program (KCSP)**

**Chapter 53. Application, Eligibility, and Furnishing Assistance**

**Subchapter B. Conditions of Eligibility**

**§5329. Income**

A. - C. ...

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

1. ...

2. Within the limits of appropriations, a KCSP household may also receive a nonrecurrent, short-term (NRST) benefit that meets the regulatory definition (45 CFR 260.31(b)(1)) to mitigate the impact of a specific crisis situation broadly affecting needy families or a specific episode of need affecting a specific family, such as an economic crisis, disaster, pandemic, etc. The department has flexibility to respond with a sufficient and appropriate response regarding the duration of payments up to four months, type of payment (lump-sum or monthly installments), number of NRST benefits provided for different episodes of crisis or need, payment amount for each NRST benefit, and any lifetime limits imposed for eligible families.

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

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

**Subpart 15. Temporary Assistance for Needy Families (TANF)**

**Initiatives**

**Chapter 55 TANF Initiatives**

**§5551. Community Response Initiative (~~Effective July 1, 2002~~)**

A. The ~~Office of Family Support~~, department may enter into Memoranda of Understanding or contracts to develop innovative and strategic programming solutions suited to the unique needs of Louisiana's communities.

B. The services provided by the various partners must meet one, or a combination of, the four TANF goals:

1. Goal 1—to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

2. Goal 2—to end dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

3. Goal 3—to prevent and reduce the incidence of out-of-wedlock pregnancies; and

4. Goal 4—to encourage the formation and maintenance of two-parent families.

C. Eligibility for those services meeting TANF goals 1 and 2 is limited to needy families, that is, a family in which any member receives a Family Independence Temporary Assistance Program (FITAP) grant, Kinship Care Subsidy Program (KCSP) grant, ~~Food Stamp~~ Supplemental Nutrition Assistance Program (SNAP) benefits, Child Care Assistance Program (CCAP) services, Title IV-E, Medicaid, Louisiana Children's Health Insurance Program (LaChip) benefits, Supplemental Security Income (SSI), Free or Reduced Lunch, or who has earned income at or below ~~200~~ 250 percent of the federal poverty level. For TANF goals 1 and 2 a family consists of minor children residing with custodial parents, or caretaker relatives of minor children.

D. Eligibility for those services meeting TANF goals 3 and 4 may include any family in need of the provided services regardless of income. For TANF goals, 3 and 4 a family consists of a minor child residing with a custodial parent or caretaker

relative of the minor child, and non-custodial parents, and legal guardians.

E. Services are considered non-assistance by the agency.

AUTHORITY NOTE: Promulgated in accordance with 42 U.S.C. 601 et seq.; R.S. 46:231 and R.S. 36:474; Act 13, 2002 Reg. Session, Act 18, 2007 Reg. Session.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 28:2374 (November 2002), amended LR 34:695 (April 2008), amended by the Department of Children and Family Services, Economic Stability Section, LR 47:

**Subpart 16. Strategies to Empower People (STEP) Program**

**Chapter 57 Strategies to Empower People (STEP) Program**

**Subchapter C. STEP Program Process**

**§5729. Support Services**

A. Clients may be provided support services that include but are not limited to:

1. a full range of case maintenance and case management services designed to lead to self-sufficiency;
2. transportation assistance;
3. Supplemental Nutrition Assistance Program (SNAP) benefits;
4. Medicaid benefits;
5. child care;
6. TANF-funded services; ~~and~~
7. other services necessary to accept or maintain employment; and

8. Post-FITAP transitional assistance benefits.

a. Effective September 1, 2021, these services may be provided to participants who are or become ineligible for cash assistance due to earned income within the limits of appropriations. They include a monthly transportation payment, other supportive service payments used to cover certain costs

deemed necessary for employment, housing assistance used to address a specific episode of need deemed necessary to maintain employment, educational assistance, and a work retention incentive. The payments may begin with the first month of FITAP ineligibility and continue through the twelfth month of ineligibility or through the last month of employment, whichever comes first. The twelve months need not be consecutive.

B. Support services may be provided to:

1. persons participating in the family assessment;
2. persons referred by the department to other activities, such as drug counseling, prior to their participation in a work activity;
3. FITAP recipients participating in approved activities necessary to meet exemptions to the FITAP time limits;
4. FITAP recipients to facilitate their attendance in the FITAP Drug Testing Program or Parenting Skills Program;
5. allow participation in educational activities for FITAP recipients who are exempt from STEP.

C. Electronic disbursement of support services payments shall be mandatory for all payment types.

1. Electronic disbursement of support services payments ~~other than child care payments~~ includes direct deposit to the STEP participant's bank account (checking or savings) or payments to a stored value card account for the STEP participant.

~~2. Electronic disbursement of child care payments includes direct deposit to the CCAP provider's bank account (checking or savings) or payments to a stored value card account for the CCAP provider.~~

D. The department shall inform participants of available supportive services as part of the initial family assessment and

shall integrate the provision of any necessary supportive services to the family success agreement developed and signed by the department and the participant.

**AUTHORITY NOTE:** Promulgated in accordance with P.L. 104-193, R.S. 46:231, R.S. 46:460, and Act 58, 2003 Reg. Session, ACYF-IM-CC-05-03.

**HISTORICAL NOTE:** Promulgated by the Department of Social Services, Office of Family Support, LR 30:500 (March 2004), amended LR 32:2098 (November 2006), amended by the Department of Children and Family Services, Economic Stability and Self-Sufficiency Section, LR 38:1391 (June 2012), amended by the Department of Children and Family Services, Economic Stability Section, LR 40:1678 (September 2014), LR 47:

#### **Family Impact Statement**

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

#### **Poverty Impact Statement**

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

#### **Small Business Impact Statement**

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

#### **Provider Impact Statement**

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

#### **Public Comments**

All interested persons may submit written comments through, October 26, 2021, to Shavana Howard, Assistant Secretary of



Family Support, Department of Children and Family Services, P.O.  
Box 94065, Baton Rouge, LA 70804.

**Public Hearing**

A virtual public hearing on the proposed Rule will be held at 10 a.m. on October 26, 2021, by the Department of Children and Family Services. All interested persons will be afforded an opportunity to submit data, views, or arguments via PC, Mac, Linux, iOS or Android at <https://stateofladcfs.zoom.us/j/81595255466?pwd=aFlJc3JGemZ3YWxBcjZrUTZIS2w0dz09> using password 924410; via telephone by dialing (713) 353-0212 and entering conference code 430033. To find local AT&T numbers visit <https://www.teleconference.att.com/servlet/glbAccess?process=1&accessNumber=USA7133530212&accessCode=430033>. Individuals with disabilities who require special services should contact the DCFS Appeals Unit at least seven working days in advance of the hearing. For assistance, call (225) 342-4120 (Voice and TDD).

Marketa Garner Walters  
Secretary



8-18-21

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

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

**SUMMARY**  
(Use complete sentences)

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

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

In FY 22, the Department of Children and Family Services (DCFS) will likely incur \$14,811,501 in Federal Funds costs from TANF associated with this rule change. DCFS is budgeted to expended \$7,905,732 (Federal Funds) in nonrecurrent, short-term (NRST) benefits and \$6,903,000 (Federal Funds) in Post FITAP benefits. The budget for these initiatives will vary in future fiscal years and depends on the allocation of future Federal TANF block grant funding. The cost of publishing this rule change is approximately \$2,769.

Proposed rule changes modify earned income eligibility for certain TANF programs from 200 to 250 percent of the federal poverty level. Proposed rule also makes provisions for NRST and Post FITAP benefit payments to TANF recipients as explained below:

Nonrecurrent, short-term (NRST) - \$7,905,732

Sections 1229 and 5329 are required to allow TANF nonrecurrent, short-term benefit payments to FITAP and Kinship Care Subsidy Program (KCSP) recipients to mitigate the impact of a specific crisis situation or episode of need such as an economic crisis, disaster, pandemic, etc.

Post FITAP - \$6,903,000

Section 5729 is being amended to provide time-limited Post FITAP transitional assistance to families who are leaving cash assistance when their FITAP case closes due to earned income.

Finally, the rule deletes obsolete language related to child care assistance payments. The Child Care Assistance program moved to the Department of Education and is no longer under the purview of DCFS.

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


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

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

Implementation of this proposed rule will have an economic benefit for TANF recipients given that this will result in increased payments to recipients for nonrecurrent, short-term and Post FITAP benefits. The benefit per recipient is dependent on the recipient's income and the total amount of TANF funding allocated for this purpose. The budget in FY 22 for these payments initiatives is \$14,808,732. This amount will vary in future fiscal years depending on the allocation of future Federal TANF block grant funding.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

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

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

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

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

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

The Department of Children and Family Services (DCFS) proposes to amend LAC 67:III, Subpart 2, Section 1229 Income; Subpart 13, Section 5329 Income; Subpart 15, Section 5551 Community Response Initiative; and Subpart 16, Section 5729 Support Services to allow TANF nonrecurrent, short-term (NRST) benefit payments to FITAP and KCSP recipients to mitigate the impact of a specific crisis situation or episode of need such as an economic crisis, disaster, pandemic, etc.; to change earned income eligibility for those services meeting TANF goals 1 and 2 from 200 to 250 percent of the federal poverty level; and to provide time-limited Post-FITAP transitional assistance to families who are leaving cash assistance when their FITAP case closes due to earned income to promote employment retention.

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

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

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

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

Yes. In FY 22, this measure is anticipated to increase the professional services expenses of the Department of Children and Family Services (DCFS). In FY 22, the expenses are anticipated to increase by \$14,808,732 (\$7,905,732 NRST and \$6,903,000 Post-FITAP). This amount will vary in future fiscal years depending on the allocation of future Federal TANF block grant funding.

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

(a) \_\_\_\_\_ Yes. If yes, attach documentation.

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

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

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

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

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

<b>COSTS</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 24</b>
Personal Services	\$0	\$0	\$0
Operating Expenses	\$2,769 (rulemaking)	\$0	\$0
Professional Services	\$14,808,732	Increase	Increase
Other Charges	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Major Repair & Constr.	\$0	\$0	\$0
<b>Total</b>	\$14,811,501	Increase	Increase
<b>Positions (#)</b>			

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

In FY 22, the Department of Children and Family Services (DCFS) will likely incur \$14,811,501 in Federal Funds expenditures from TANF associated with this rule change. DCFS is budgeted to expended \$7,905,732 (Federal Funds) in nonrecurrent, short-term (NRST) benefits and \$6,903,000 (Federal Funds) in Post FITAP benefits. The budget for these initiatives will vary in future fiscal years and depends on the allocation of future Federal TANF block grant funding. The cost of publishing this rule change is approximately \$2,769.

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

<b>SOURCE</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 24</b>
State General Fund	\$0	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Dedicated	\$0	\$0	\$0
Federal Funds	\$14,811,501	Increase	Increase
Other (Specify)	\$0	\$0	\$0
<b>Total</b>	\$14,811,501	Increase	Increase

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

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

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

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

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

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

There will be no impact on local governmental units.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

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

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

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

\*Specify the particular fund being impacted.

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

Implementation of this rule will have no effect on state or local revenue collections. These funds are already received from by DCFS through the Federal TANF Block Grant.

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

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

TANF recipient will experience an increase in TANF benefits.

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

Implementation of this proposed rule will have an economic benefit for TANF recipients given that this will result in increased payments to recipients for nonrecurrent, short-term and Post FITAP benefits. The benefit per recipient is dependent on the recipient's income and the total amount of TANF funding allocated for this purpose. The budget in FY 22 for these payments initiatives is \$14,808,732. This amount will vary in future fiscal years depending on the allocation of future Federal TANF block grant funding.

**IV. EFFECTS ON COMPETITION AND EMPLOYMENT**

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

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