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General Information System (GIS) Message

Section 1	
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То:	Subscribers
Suggested Distribution:	Temporary Assistance (TA) Staff, Supplemental Nutrition Assistance Program (SNAP) Staff, Employment Coordinators, WMS Coordinators, Staff Development Coordinators
From:	Valerie Figueroa, Deputy Commissioner, Employment and Income Support Programs
Subject:	Summary of TANF and SNAP Changes in Fiscal Responsibility Act of 2023
Effective Date:	Immediately
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Section 2

On June 3, 2023, the President signed into law the Fiscal Responsibility Act of 2023 (FRA). The purpose of this GIS message is to inform Social Services Districts (districts) about provisions in the legislation that will impact work requirements related to Temporary Assistance for Needy Families (TANF) and the Supplemental Nutrition Assistance Program (SNAP).

TANF Changes

Caseload Reduction Credit Recalibration:

The caseload reduction credit determines whether a state qualifies for reductions in their target federal Work Participation Rate (WPR). If the average number of TANF families receiving assistance per month in the previous year was lower than in the baseline year, the state's Work Participation Rate target is reduced by the equivalent percentage. Effective October 1, 2025, for the purposes of calculating the caseload reduction credit, the FRA changes the baseline year for the monthly average of families on assistance from 2005 to 2015. States are also able to reduce the WPR based on eligible state and local expenditures exceeding the TANF Maintenance of Effort (MOE).

Due to decreases in New York State's TANF and MOE caseload relative to the current base year (FFY2005) and additional reductions associated with State spending above the required maintenance of effort, OTDA's required WPR for this FFY (FFY2023) was reduced from the federal standard of 50% to 0%. The actual reported WPR for the last FFY (FFY2022) in New

York was 11.5%. The FRA change will result in a significantly lower caseload reduction credit applicable to future required WPRs.

As such, it is incumbent on districts to make sure they are engaging individuals and recording appropriate enrollments and participation in the Welfare to Work Caseload Management System (WTWCMS) for upstate districts or appropriate entries in New York City systems for HRA.

• Minimum Assistance Payments for Work Participation Rate:

Effective October 1, 2025, households must receive at least \$35 in monthly TANF benefits to be counted in the WPR. This is designed to end the practice of providing small TANF payments through separate state programs to individuals on SNAP who are working, in order to include them in the rate. New York does not make such nominal payments, so this provision will not impact to our programs.

Mandated State Reporting of Work Outcomes:

The FRA requires states to collect and report "performance indicator" data on TANF individuals to the federal government on an annual basis beginning October 1, 2024. These reports must include:

- The percentage of work-eligible individuals in unsubsidized employment during the second quarter after exiting from TANF (the bill defines "exiting" as no longer receiving assistance, regardless of the reason).
- The median earnings of these work-eligible individuals in unsubsidized employment during the second quarter after the exit.
- The percentage of those individuals in unsubsidized employment during the second quarter after exiting who are still in unsubsidized employment during the fourth quarter after the exit.
- The percentage of individuals under age 24 who are attending high school or enrolled in an equivalency program and are work-eligible or were work-eligible at the time of exit from TANF, and who obtain a high school degree or its equivalent while receiving assistance or within 1 year after the exit.

The FRA defines "Exiting" from TANF as anyone who stops receiving assistance under the program (regardless of the reason why). The United States Department of Health and Human Services (HHS) is required to establish regulations regarding the reporting of performance indicators in consultation with individual states and the United States Department of Labor.

OTDA will issue further information once additional federal guidance has been received regarding the new TANF reporting measures.

Pilot Projects for Use of Outcome-Based Performance Measures:

Effective October 1, 2024, a six-year pilot program will be available for up to five states to negotiate statewide performance benchmarks with HHS to measure work and family outcomes for TANF assistance recipients. Participating states will operate their pilots in lieu of Work Participation Rate (WPR) targets, requirements, and penalties during the period of performance.

SNAP Changes

• Increases the Age of those Subject to the ABAWD Time Limit:

The FRA expands the age range for who is subject to the Able-Bodied Adults Without Dependents (ABAWD) time limits. Under current law, individuals who are between 18-49 years old, do not live with a child under 18 in the SNAP household, and are considered physically and mentally able to work must follow the rules for ABAWDs. The new bill phases in an increase in the age limit as follows:

18 - 50 years effective September 1, 2023,

- o 18 52 years effective October 1, 2023, and,
- o 18 54 years effective October 1, 2024.

These age changes will sunset on October 1, 2030.

New ABAWD Work Exemptions:

Effective September 1, 2023, the FRA adds 3 specific populations for exemption from the ABAWD time limit. These are:

- Homeless individuals
- Veterans
- o Individuals aged 24 or younger and in foster care on their 18th birthday.

These changes will sunset on October 1, 2030.

Reduction in Discretionary ABAWD Exemptions:

Effective October 1, 2023, the FRA decreases the number of discretionary exemptions a state may provide to the ABAWD work requirement from 12% to 8% of the caseload subject to the ABAWD time limit. The FRA also limits states' ability to carryover unused exemptions beyond September 30, 2023.

• Federal Publication of Waiver Requests:

Within 30 days of enactment of the FRA, the U.S. Department of Agriculture (USDA) is required to publish all available waiver requests from states, including supporting documentation, and its approvals of requests, including state requests for geographic ABAWD waivers.

Supplemental Nutrition Assistance Program under the Food and Nutrition Act of 2008 -Purpose Statement Change:

This provision adds language related to assisting low-income adults in obtaining employment and increasing their earnings to the Food and Nutrition Act of 2008's declaration of policy. Specifically, the language adds the following to the purpose of SNAP:

"That program includes as a purpose to assist low-income adults in obtaining employment and increasing their earnings. Such employment and earnings, along with program benefits, will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation."

OTDA is currently awaiting additional guidance from USDA on the ABAWD-related changes. OTDA is also working on how to implement the necessary systems changes and will provide policy guidance after federal clarification on the provisions is received.

Even though New York State has a statewide waiver of the ABAWD time limit through February 29, 2024, all districts are still required to screen SNAP applicants and recipients for an exemption from SNAP work requirements and/or an exemption from the ABAWD time limit. Districts must correctly assign the SNAP employability and ABAWD status codes to each individual applying for or receiving SNAP benefits, including those individuals who are concurrently applying for or receiving TANF benefits. Districts must ensure that the correct SNAP employability and ABAWD status codes are entered on the Welfare Management System (WMS) at the time of opening and recertification for SNAP benefits even while under a waiver. The SNAP employability and ABAWD status codes must also be updated in a timely manner including whenever a change in the individual's SNAP employability and/or ABAWD status is reported and documented.

In addition, districts must also adhere to the guidance provided in <u>22-ADM-01</u> to provide a written notice and a comprehensive oral explanation of the SNAP work requirements to all households where at least one member is subject to a work requirement.