

1 SB194
2 181940-2
3 By Senator Orr
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 16-FEB-17

2
3
4
5
6
7
8 SYNOPSIS: This bill would further provide for
9 procedures and limitations for various public
10 assistance programs administered by the Department
11 of Human Resources.

12 This bill would limit the resource limit
13 standard for the Supplemental Nutrition Assistance
14 Program (SNAP) to the federal asset limits, would
15 further provide disqualification periods for
16 violations of SNAP requirements, including a
17 one-year disqualification period for the third
18 instance of noncompliance with any SNAP
19 requirement, would preclude the department from
20 seeking, applying for, accepting, or renewing any
21 waiver of work requirements for SNAP benefits, and
22 would preclude the department from granting
23 categorical eligibility for SNAP benefits.

24 This bill would require the Department of
25 Human Resources to terminate benefits for any
26 recipient of SNAP benefits upon a determination
27 that the recipient has failed to cooperate with

1 child support enforcement requirements or the Child
2 Support Enforcement Division of the department
3 without good cause, or is delinquent on any
4 court-ordered support payments, including arrears.

5 This bill would provide a lifetime limit of
6 36 months for temporary cash payments under the
7 state Family Assistance Program administering the
8 Temporary Assistance for Needy Families Program
9 (TANF) and would provide sanctions for violations
10 of TANF requirements, including termination of
11 benefits for the second instance of noncompliance
12 with any TANF requirement.

13 This bill would require the Department of
14 Human Resources to utilize best efforts to identify
15 purchases at points of sale outside this state
16 using cash benefits under the Temporary Assistance
17 for Needy Families Program (TANF) and to establish
18 a benchmark number of out-of-state transactions
19 using TANF benefits that will automatically
20 generate review of the recipient's residency status
21 by the department, as well as review of frequent or
22 large even-dollar purchases by recipients.

23 This bill would require the Department of
24 Human Resources to monitor all requests for
25 replacement EBT cards, and upon the fourth request,
26 send a notice to the recipient alerting the

1 recipient that the recipient's account would be
2 monitored for potential suspicious activity.

3 This bill would also provide for the
4 suspension of cash payments under the TANF program
5 when a recipient fails to cooperate with an ongoing
6 fraud investigation and would require the
7 department to maintain sufficient fraud
8 investigative staff.

9
10 A BILL

11 TO BE ENTITLED

12 AN ACT

13
14 Relating to public assistance; to limit the resource
15 limit standard for the Supplemental Nutrition Assistance
16 Program (SNAP) to the federal asset limit; to preclude the
17 department from seeking, applying for, accepting, or renewing
18 any waiver of work requirements for SNAP benefits; to preclude
19 the department from granting categorical eligibility for SNAP
20 benefits; to further provide for sanctions for violations of
21 SNAP requirements; to require the Department of Human
22 Resources to terminate SNAP benefits upon a recipient's
23 failure to comply with certain child support obligations; to
24 provide a lifetime limit of 36 months for temporary cash
25 payments under the Temporary Assistance for Needy Families
26 program (TANF); to provide full sanctions for violations of
27 TANF requirements; to require the department to utilize best

1 efforts to identify purchases using TANF benefits at points of
2 sale outside this state; to require the department to
3 establish a benchmark number of out-of-state transactions
4 using TANF benefits that will automatically generate review of
5 the recipient's residency status; to require review of
6 frequent, large, even-dollar purchases using EBT cards; to
7 require review of multiple requests for replacement EBT cards
8 and investigation for suspicious activity under certain
9 conditions; to provide for the suspension of cash payments
10 under TANF when a recipient fails to comply with a fraud
11 investigation; to require the department to maintain
12 sufficient fraud investigative staff; and to provide
13 rulemaking authority.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. (a) Unless expressly required by federal
16 law, the resource limit standards of the Supplemental
17 Nutrition Assistance Program (SNAP) may not exceed the
18 standards specified in 7 U.S.C. § 2014(g)(1).

19 (b) Unless expressly required by federal law,
20 categorical eligibility exempting households from the required
21 resource limits provided in subsection (a) may not be granted
22 for any non-cash, in-kind, or other benefit.

23 Section 2. Unless expressly required by federal law,
24 the Department of Human Resources may not do either of the
25 following:

1 (1) Seek, apply for, accept, or renew any waiver of
2 work requirements for Supplemental Nutrition Assistance
3 Program (SNAP) benefits established under 7 U.S.C. § 2015(o).

4 (2) Grant categorical eligibility under 7 U.S.C. §
5 2014(a) or 7 C.F.R § 273.2(j)(2)(iii) for any non-cash,
6 in-kind, or other Supplemental Nutrition Assistance Program
7 (SNAP) benefit.

8 Section 3. Unless expressly prohibited by federal
9 law, the Department of Human Resources shall do all of the
10 following with regard to benefits under the Supplemental
11 Nutrition Assistance Program (SNAP):

12 (1)a. Set the following disqualification periods for
13 all instances of noncompliance with any SNAP requirement:

14 1. Institute a three-month disqualification period
15 for the first instance of noncompliance with any SNAP
16 requirement.

17 2. Institute a six-month disqualification period for
18 the second instance of noncompliance with any SNAP
19 requirement.

20 3. Institute a one-year disqualification period for
21 the third or subsequent instance of noncompliance with any
22 SNAP requirement.

23 b. In its discretion, and upon consideration of the
24 specific facts relating to the instance of noncompliance, the
25 department may institute a full-household disqualification for
26 the periods provided in paragraph a. for a second, third, or
27 subsequent instance of noncompliance.

1 c. In its discretion, and upon consideration of the
2 specific facts relating to the instance of noncompliance, a
3 caseworker, with approval from a supervisor, may determine
4 that a first instance of noncompliance by a recipient was not
5 intentional and is not subject to the disqualification period
6 provided in subparagraph a.1. Upon a determination that a
7 first instance of noncompliance was not intentional as
8 provided in this paragraph, the next instance of noncompliance
9 by the recipient shall be considered a first instance of
10 noncompliance for disqualification purposes under paragraph a.

11 (2) Unless expressly prohibited by federal law,
12 recipients of benefits under SNAP shall be subject to
13 disqualification for failure to perform actions required by
14 other federal, state, or local means-tested public assistance
15 programs.

16 Section 4. (a) Unless expressly prohibited by
17 federal law, the Department of Human Resources shall terminate
18 benefits for any recipient of Supplemental Nutrition
19 Assistance Program (SNAP) benefits upon a determination that
20 the recipient has failed to cooperate with child support
21 enforcement requirements or the Child Support Enforcement
22 Division of the department without good cause, or is
23 delinquent on any court-ordered support payments, including
24 arrears.

25 (b) The period of disqualification for recipients
26 terminated under subsection (a) shall end once the Child
27 Support Enforcement Division of the department determines that

1 the individual is cooperating with child support requirements
2 and is no longer delinquent on any court-ordered child support
3 payments, including arrears.

4 Section 5. (a) Except as provided in subsection (b)
5 and beginning on the effective date of this act, the lifetime
6 limit temporary cash payments under the Temporary Assistance
7 for Needy Families Program (TANF) shall be 36 months.

8 (b) The lifetime limit in subsection (a) does not
9 apply to the exceptions set forth in 42 U.S.C. § 608(a)(7).

10 Section 6. (a) The Department of Human Resources
11 shall only grant benefits under the Temporary Assistance for
12 Needy Families Program (TANF) when an approved applicant has
13 signed a written agreement clearly enumerating continued
14 eligibility requirements, circumstances in which sanctions may
15 be imposed, and any potential penalties for noncompliance.

16 (b) The department shall do all of the following:

17 (1) Require all enrollees to be compliant with all
18 program requirements, including work requirements, before
19 granting benefits.

20 (2) Unless expressly prohibited by federal law,
21 require a three-month sanction for the first instance of
22 noncompliance with any TANF requirement.

23 (3) Unless expressly prohibited by federal law,
24 terminate benefits for the second instance of noncompliance
25 with any TANF requirement.

26 (4) Deny benefits to any adult member of a household
27 where another adult member of the household has been found to

1 have committed public assistance fraud under TANF or any other
2 public assistance program administered by the department.

3 (c) An individual sanctioned under subsection (b)
4 may not have benefits reinstated without reviewing the
5 agreement required under subsection (a).

6 Section 7. The Department of Human Resources shall
7 do all of the following:

8 (1) Utilize best efforts to identify purchases using
9 cash benefits under the Temporary Assistance for Needy
10 Families Program (TANF) at points of sale outside this state.

11 (2) Establish a benchmark number of out-of-state
12 transactions using TANF benefits that will generate automatic
13 review of the recipient's residency status by the department.

14 (3) Use best efforts to identify frequent or large
15 even-dollar purchases by recipients using EBT cards and
16 establish a benchmark that will generate automatic review of
17 the recipient's use of the cash benefits under TANF to
18 identify fraudulent use of benefits.

19 (4) Monitor all requests for replacement electronic
20 benefits transfer cards (EBT) and, upon the fourth request in
21 a 12-month period, send a notice alerting the recipient that
22 the recipient's account is being monitored for suspicious
23 activity. If a recipient makes an additional request for
24 replacement EBT cards subsequent to the notice required in
25 this subdivision, the department shall automatically review
26 the recipient's use of the card to identify fraudulent
27 purchases or use.

1 (5) Adopt rules relating to cash benefits under TANF
2 to provide that any individual who has failed to cooperate
3 with a fraud investigation is ineligible to participate in the
4 TANF program until the department determines that the person
5 is reasonably cooperating with the fraud investigation.

6 (6) Maintain a sufficient level of fraud
7 investigative staff to enable the department to conduct fraud
8 investigations in a timely manner and in full compliance with
9 state law and rules of the department.

10 Section 8. The Department of Human Resources may
11 adopt rules for the implementation and administration of this
12 act.

13 Section 9. This act shall become effective on the
14 first day of the third month following its passage and
15 approval by the Governor, or its otherwise becoming law.