

LSA NUMBER: #10-244

TITLE: 470 DIVISION OF FAMILY RESOURCES: TANF Rule

DIVISION: Division of Family Resources

PREPARED BY: Program Staff: Jim Dunn Legal Staff: René Wyatt-Foston

OVERVIEW OF RULE: Amends 470 IAC 10.3-4-2 to exempt funds in 529 college savings plans and Coverdell Education Savings Accounts from the asset test for eligibility in the Temporary Assistance for Needy Families (TANF) cash assistance program. Amends 470 IAC 10.3-8-1 to add "caretaker relative" to the list of individuals to whom potential harm or the threat of harm should be considered when determining good cause for failing to comply with child support enforcement. Amends 470 IAC 10.3-8-3 to implement minimum sanction penalty periods for individuals failing to cooperate with the IMPACT employment and training program. Amends 470 IAC 10.3-10-1 to require individuals who, without good cause, are noncompliant with the IMPACT program to complete two weeks of activities to be considered in compliance and therefore eligible to receive TANF assistance.

FISCAL IMPACT: The proposed rule will have only a minimal fiscal impact on the state of Indiana. The proposed TANF rule will cost the state less than \$50,000 to implement and change the current Indiana Client Eligibility System (ICES), which is the mainframe computer system used to determine eligibility and benefit amounts for families requesting and receiving TANF, Food Stamps, and Medicaid. The potential savings to the state however, could be as high \$3.7M in cash assistance benefits issued.

ECONOMIC IMPACT: There is no economic impact of greater than five hundred thousand dollars (\$500,000) on regulated entities.

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses:

IC 4-22-2.1-5(a) provides that an agency that intends to adopt a rule under IC 4-22-2 that will impose requirements or costs on small businesses must prepare a statement that describes the annual economic impact of the rule on small businesses after the rule is fully implemented as described in IC 4-22-2.1-5(b). That statement must be submitted to the Indiana Economic Development Corporation (IEDC). The IEDC is required to review the rule and submit written comments to the agency not later than seven days before the public hearing.

The Indiana Family and Social Services Administration estimates that the proposed rule will impose no requirements or costs on small businesses.

Estimated Number of Small Businesses Affected:

There are no small businesses, as defined in IC 4-22-2.1-4 that will be subject to the proposed rule.

Estimated Administrative Costs Imposed on Small Businesses:

Because there are no small businesses subject to the rule, there are no administrative costs imposed.

Estimated Total Annual Economic Impact on Small Businesses:

The FSSA estimates that there will be no economic impact on small businesses as defined in IC 4-22-2.1-4.

Justification of Requirements or Costs:

The FSSA offers no justification of requirements or costs as the proposed rule imposes no requirements or costs on small businesses.

Regulatory Flexibility Analysis:

The FSSA does not propose an alternative regulatory method since the proposed rule has no impact on small businesses.

OPPONENTS: TANF clients who are not compliant with state policies.

PROPONENTS: The Division of Family Resources, Indiana Housing and Community Development Authority

RECOMMENDATIONS: None.

PUBLIC HEARING COMMENTS: Not scheduled yet.