

**NEVADA STATE DIVISION OF WELFARE & SUPPORTIVE SERVICES
PUBLIC HEARING TO ADOPT TEMPORARY ASSISTANCE FOR NEEDY
FAMILIES (TANF) PROGRAM POLICY AND STATE PLAN AMENDMENTS**

The public hearing to obtain comment and input from interested persons on the Nevada Temporary Assistance for Needy Families (TANF) Program State Plans and Policy Manual amendments was brought to order by Michael J. McMahon, Administrator of the Division of Welfare and Supportive Services, at 8:30 a.m. on Thursday, December 19, 2013. This meeting was video-conferenced between the Division of Welfare and Supportive Services, Professional Development Center, 701 N. Rancho Drive, Training Room 5, Las Vegas, Nevada and Division of Welfare and Supportive Services, Central Office, 1470 College Parkway, Room 149, Carson City, Nevada.

STAFF PRESENT:

Michael J. McMahon, Administrator
Steve Fisher, Deputy Administrator
Naomi Lewis, Chief, Eligibility & Payments
Judy Arsiaga, Program Specialist, Eligibility & Payments
Denise Southern, Program Officer, Northern Investigations & Recovery
Julie Wisbar, Family Services Specialist, Northern Investigations & Recovery
Trina Dahlin, Deputy Attorney General
Miki Allard, Staff Specialist
Kim Schlesener, Executive Assistant

STAFF PRESENT IN THE SOUTH

Howard Webb, Social Services Program Specialist, DWSS Professional Dev. Center
Yolanda Munoz, Social Services Program Specialist, DWSS Professional Dev. Center

GUESTS PRESENT:

North

No guests present

South

Giselle Wolfe, SNAP Outreach, Help of Southern Nevada

Mr. McMahon opened the public hearing at 8:30 a.m. and explained how the hearing will proceed. He explained this public hearing was noticed in accordance with the Open Meeting Law and posted on the Division's web-site. He asked everyone to please sign in and include e-mail addresses to be included on the Division's mailing list.

Ms. Arsiaga described the proposed section changes as follows:

***I. TANF:**

The Division of Welfare and Supportive Services (DWSS) proposes to amend the TANF State Plan effective January 1, 2014 to incorporate provisions of the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), which among its provisions, requires States receiving TANF grants "to maintain policies and practices as necessary to prevent assistance provided under the State program funded under this part from being used in any electronic benefit transfer transaction in any liquor store; any casino, gambling casino, or gaming establishment; or any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment." State Plan changes will be incorporated into the TANF policy manual.

Need and Purpose of Proposed Regulation:

The Division of Welfare & Supportive Services (DWSS) is responsible for administration of the Temporary Assistance to Needy Families (TANF) block grant.

Financial Impact:

None

Impact Upon Local Government:

None

PROPOSED STATE PLAN AMENDMENT (OR REGULATION)

The Division of Welfare and Supportive Services (DWSS) proposes to amend the TANF State Plan effective January 1, 2014.

On February 22, 2012, President Obama signed the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), which among its provisions, requires States receiving TANF grants "to maintain policies and practices as necessary to prevent assistance provided under the State program funded under this part from being used in any electronic benefit transfer transaction in any liquor store; any casino, gambling casino, or gaming establishment; or any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment."

The legislation imposes a new reporting requirement, as well as a new penalty and a modification to State Plans. Each state is required to report to the Administration for Children and Families (ACF) by February 22, 2014 its implementation of policies and practices required by the law. ACF is required to reduce a state's block grant if the state fails to comply with this reporting requirement or if, based on the information that the state reports, ACF finds that the state has not implemented and maintained the required policies and practices. Furthermore, states are required to include in their

State Plans a statement outlining how they intend to implement policies and procedures to prevent access to assistance through electronic benefit transfer transactions in an automated teller machine or point-of-sale device located in casinos, liquor stores, and retail establishments which provide adult-oriented entertainment. The State Plan must also include an explanation of how the state plans to ensure that (1) recipients of the assistance have adequate access to their cash assistance, and (2) recipients of assistance have access to using or withdrawing assistance with minimal fees or charges, including an opportunity to access assistance with no fee or charges, and are provided information on applicable fees and surcharges that apply to electronic fund transactions involving the assistance, and that such information is made publicly available.

Implementation

Nevada understands taking steps to restrict where TANF cash benefits may be used or accessed in an EBT transaction as a result of the federal law is good stewardship of state resources. Taking these steps will help the state ensure TANF cash benefits are used in the manner intended: to help low-income Nevadans meet basic needs for daily living such as shelter, food, clothing etc.

In addition to helping the state better steward state resources, these restrictions are critical to helping ensure Nevada avoid penalty to the TANF block grant. The state must report to the federal government by February 22, 2014 on the implementation of policies and practices to restrict TANF EBT transactions in prohibited locations. If the federal government finds the state has not implemented and maintained such policies and practices, Nevada's TANF block grant may be reduced by approximately \$2 million.

Application

Nevada's "Application for Assistance" was revised October 1, 2013 to include in the section titled "Electronic Benefit Transfer (EBT)", the following:

Per Federal Law, TANF EBT benefits cannot be accessed from ATM machines or used to purchase items in the following locations: casinos, gaming establishments, liquor stores or retail establishments which provide adult entertainment.

Initials _____

Note: The TANF head of household or their authorized representative is required to initial that they have read and understand the policy as part of the application process. The head of household is responsible for all TANF household members.

Agreement of Cooperation (AOC)

The AOC will be updated to include the following wording:

Federal law prohibits TANF recipients from accessing their TANF EBT benefits from any point-of-sale or ATM machine located in a casino, gaming establishment, liquor store or retail establishment which provides adult entertainment. I understand my EBT

transaction history will be monitored and if I use my EBT card in a prohibited establishment, I will be required to provide proof TANF assistance has been utilized as intended to meet my family's basic needs for shelter, utilities, food etc. I understand the Division will reserve the right to require a protective payee be appointed to manage my family's cash benefits, if benefits are being accessed at locations prohibited by law.

Note: The TANF head of household or their authorized representative is required to initial that they have read and understand the policy as part of the application process. The head of household is responsible for all TANF household members.

EBT Form

A revision to the "Electronic Benefit Transfer (EBT) Card Issuance Authorization" has been made to include the head of household and/or their authorized representative acknowledges by signing and dating the form they:

Received training on the use of the EBT system, including the purpose of the card;

Understand the appropriate use of SNAP benefits;

Understand the appropriate and restrictive access of TANF benefits along with the consequences that restricted usage will result in the assignment of benefits to a protective payee who will receive future benefits on behalf of the assistance unit;

Understand what illegal usage is and the penalty for illegal use; and

Have been provided notification of the fees for EBT withdrawals in automated teller machines (ATM's).

By signing and dating the form, the household acknowledges receipt/use of an EBT card and benefits and they also understand their "Rights and Responsibilities". A copy of this form is given to the household and one is kept in the case file.

Note: When the head of household or their authorized representative is not available in person to sign the form acknowledgement, the case manager will mail the form to the household and indicate in the case file the date the form was mailed.

Web Page of the Division of Welfare and Supportive Services (DWSS)

DWSS will provide information on the web page containing the federal law requirements and the actions that may be taken when benefits are accessed at prohibited locations. The Division will continue to ensure all TANF households have adequate access to their cash benefits.

Reporting Requirements

Nevada will compile a report of the EBT restricted transactions quarterly. The report will be available by the 20th day after the quarter ends. The report will be sorted to include only those restricted retailer transactions by client EBT card number. When a

restricted transaction is reported the household will be notified of the restricted usage. If another restricted usage is determined a protective payee will be established to receive the cash benefits on their behalf to ensure the family's basic ongoing needs are met.

Nevada believes it is ensuring TANF cash benefits are used in the manner intended by the law by taking the following steps:

Complying with federal requirements to implement restrictions on the use of TANF cash benefit use and access in an EBT transaction;

Continue to provide training on the EBT usage, costs and no costs at ATM's;

Notifying TANF cash household of the intended use of the benefits;

Notifying the TANF cash household of restricted usage in locations/establishments and that the Division will reserve the right to require a protective payee be appointed if benefits are being accessed at locations prohibited by law;

Avoiding a financial penalty to the state's TANF block grant; and

Ensuring the state is a good steward of its resources.

The District Office Manager will determine on a case-by-case basis if the use in a restricted area is the household's only means available to obtain money such as in rural or remote areas etc. Once the decision is made, a protective payee will not be considered, until or unless the household moves to an area where the availability to obtain money is no longer an issue or until such time the area obtains another means to access money.

Revisions to the TANF State Plan

2.1.1 Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96)

On February 22, 2012, President Obama signed the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), which among its provisions, requires states receiving TANF grants "to maintain policies and practices as necessary to prevent assistance provided under the state program funded under this part from being used in any electronic benefit transfer transaction in any liquor store; any casino, gambling casino, or gaming establishment; or any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment."

Taking steps to restrict where TANF cash benefits may be used or accessed in an EBT transaction is good stewardship of state resources. Taking these steps will help the state better ensure TANF cash benefits are used in the manner intended: to help low-income Nevadans meet basic needs for daily living such as shelter, utilities, food, clothing, etc.

The restrictions ensure Nevada avoids a financial reduction to the TANF block grant.

2.1.2 Reporting EBT Restriction Usage

The Division's EBT coordinator will run an ATM TANF cash usage report quarterly through JP Morgan Info Manager reporting module. This report will then be sorted to include only those restricted retailer transactions by client EBT card number and reviewed.

When restricted usage is detected in the quarterly report, a letter will be sent to the household indicating the benefits provided are to cover a family's ongoing basic needs such as shelter, utilities, food, clothing, etc., and if another restricted usage is determined, they will no longer receive the cash benefits and instead a protective payee will be established to receive the cash benefits on their behalf to ensure the family's basic ongoing needs are met.

Exception: The District Office Manager will determine on a case-by-case basis if the use in a restricted area is the household's only means available to obtain money such as in rural or remote areas etc. Once the decision is made, a protective payee will not be considered, until or unless the household moves to an area where the availability to obtain money is no longer an issue or until such time the area obtains another means to access money.

2.3 Coverage and Conditions of Eligibility

Agreement of Cooperation

An Agreement of Cooperation (AOC) must be signed by the head of household as a condition to the receipt of all TANF NEON, Loan and Child-Only assistance.

The agreement includes a statement of the actions members of the household are expected to take as a condition to the receipt of benefits.

The AOC includes:

Cooperation with Child Support Enforcement Program;

Cooperation with their Personal Responsibility Plan and

Restricted use of TANF EBT transactions

Misuse of EBT Benefits

A protective payee may be assigned to receive a household's TANF NEON and/or Child-Only EBT benefits when it is determined they have been used in a restricted area.

Mr. McMahon asked if there were any questions from members of the public or those in attendance in the north or south.

There were no questions from the north.

Mr. McMahon asked if there were comments from the south.

Ms. Wolfe, commented that the information was very good and she will ensure that clients do the right thing when they sign up for EBT cards or TANF.

Mr. McMahon asked if there were any other comments on this hearing or any items not mentioned at this hearing.

There were no comments.

Hearing no further comments, Mr. McMahon adopted the changes to the Temporary Assistance to Needy Families (TANF) Program State Plans and Policy Manual, effective January 1st, 2014.

II. GENERAL PUBLIC COMMENT:

Mr. McMahon asked if there were any other comments in the north or south on items not mentioned at this hearing.

There were no comments.

Mr. McMahon thanked those in attendance for their participation in this public hearing. He closed the public hearing at 8:50 a.m.