

2022 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 35

BY REPRESENTATIVE BACALA

PUBLIC ASSISTANCE: Requests a study and recommendations to the legislature concerning means by which to eliminate "benefits cliffs" in public assistance programs

1 A CONCURRENT RESOLUTION

2 To request a joint study effort by the Department of Children and Family Services, the
3 Louisiana Department of Health, the Louisiana Department of Education, the
4 Louisiana Housing Corporation, and the Louisiana Workforce Commission to
5 examine the phenomena known as "benefits cliffs" in public assistance programs and
6 to submit recommendations to the legislature concerning means by which these
7 disincentives for work can be eliminated.

8 WHEREAS, for a recipient of means-tested public assistance, a "benefits cliff"
9 occurs when the marginal benefit of earning additional income from employment is negated
10 by the reduction or complete loss of public assistance resulting from the recipient's higher
11 income; and

12 WHEREAS, when a family relying upon a public assistance program for food,
13 housing, medical care, or other basic needs encounters a benefits cliff in that program, they
14 become worse off financially by earning more income from work; and

15 WHEREAS, benefits cliffs are a powerful disincentive for work; and

16 WHEREAS, Louisiana's major means-tested public assistance programs include the
17 following:

- 18 (1) The medical assistance program administered by the Louisiana Department of
19 Health in accordance with Title XIX of the Social Security Act and known commonly as
20 Medicaid.

1 (2) The Supplemental Nutrition Assistance Program administered by the Department
2 of Children and Family Services (formerly known as the Food Stamp Program).

3 (3) The Family Independence Temporary Assistance Program administered by the
4 Department of Children and Family Services as the general cash assistance component of
5 the state's Temporary Assistance for Needy Families (TANF) block grant (the successor to
6 the Aid to Families with Dependent Children program), commonly referred to as "welfare".

7 (4) The Kinship Care Subsidy Program administered by the Department of Children
8 and Family Services as the TANF-funded cash assistance program for low-income caretaker
9 relatives of minor children who do not live with a parent.

10 (5) The Special Supplemental Nutrition Program for Women, Infants, and Children
11 administered by the Louisiana Department of Health and known commonly as WIC.

12 (6) The Child Care Assistance Program administered by the Louisiana Department
13 of Education.

14 (7) Housing assistance programs administered by the Louisiana Housing
15 Corporation; and

16 WHEREAS, policymakers with differing ideologies generally agree that earning
17 income from employment is essential in order for people at the lowest rungs of the economic
18 ladder to move from poverty to self-sufficiency; and

19 WHEREAS, the legislature finds that removing barriers to employment for members
20 of low-income families who are willing and able to work and helping those who are needy
21 to become financially self-reliant are widely shared goals among the members of this body.

22 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
23 request a joint study effort by the Department of Children and Family Services, the
24 Louisiana Department of Health, the Louisiana Department of Education, the Louisiana
25 Housing Corporation, and the Louisiana Workforce Commission to examine the phenomena
26 known as "benefits cliffs" in public assistance programs.

27 BE IT FURTHER RESOLVED that the Department of Children and Family Services
28 shall lead the study effort called for in this Resolution.

29 BE IT FURTHER RESOLVED that, no later than sixty days prior to the convening
30 of the 2023 Regular Session, the Department of Children and Family Services shall submit

1 to the elected members of legislature and to the David R. Poynter Legislative Research
2 Library a report featuring key findings from the study called for in this Resolution and
3 recommendations concerning means by which benefits cliffs can be eliminated.

4 BE IT FURTHER RESOLVED that the study and report called for in this Resolution
5 shall feature, at minimum, all of the following:

6 (1) An itemized listing of the major means-tested public assistance programs
7 currently operating in this state along with the income eligibility standards and benefit
8 amounts associated with each program and descriptions of the nature of the benefits offered
9 by each program.

10 (2) For each type of benefit addressed in the report, an indication of whether benefit
11 amounts phase down incrementally with increasing household income or a pronounced cliff
12 occurs whereby income increasing by any amount causes a dramatic reduction in, or
13 elimination of, benefits which is out of proportion to the gain in earned income.

14 (3) For each type of benefit featured in the report which has a pronounced cliff
15 associated with it, options for actions that the state may take to eliminate the cliff.

16 (4) Any other information and findings that the parties conducting the study deem
17 appropriate and necessary for the legislature to consider.

18 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
19 secretary of the Department of Children and Family Services, the secretary of the Louisiana
20 Department of Health, the state superintendent of education, the executive director of the
21 Louisiana Housing Corporation, and the executive director of the Louisiana Workforce
22 Commission.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 35 Original

2022 Regular Session

Bacala

Requests a joint study effort by the Dept. of Children and Family Services (DCFS), the La. Dept. of Health, the La. Dept. of Education, the La. Housing Corporation, and the La. Workforce Commission to examine the phenomena known as "benefits cliffs" in public assistance programs. Requires DCFS to lead the study effort and to report findings of the study to the legislature no later than 60 days prior to the convening of the 2023 R.S.