

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
CHANGING THE CASH PAYMENT PROVIDED TO THOSE NEW MEXICO WORKS
PARTICIPANTS WHO DO NOT RECEIVE GOVERNMENT-SUBSIDIZED HOUSING
OR HOUSING PAYMENTS; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 27-2B-7 NMSA 1978 (being Laws 1998,
Chapter 8, Section 7 and Laws 1998, Chapter 9, Section 7) is
amended to read:

"27-2B-7. FINANCIAL STANDARD OF NEED.--

A. The secretary shall adopt a financial standard
of need based upon the availability of federal and state
funds and based upon appropriations by the legislature of the
available federal temporary assistance for needy families
grant made pursuant to the federal act in the following
categories:

- (1) cash assistance;
- (2) child-care services;
- (3) other services; and
- (4) administrative costs.

The legislature shall determine the actual percentage of each
category to be used annually of the federal temporary
assistance for needy families grant made pursuant to the
federal act.

B. Only a benefit group receiving a cash benefit of seventy-five dollars (\$75.00) or greater, excluding any housing subsidy payment, and who are not living in government-subsidized housing or receiving government-subsidized housing payments shall receive an additional housing allowance of fifty dollars (\$50.00) per month.

C. The following income sources are exempt from the gross income test, the net income test and the cash payment calculation:

- (1) medicaid;
- (2) food stamps;
- (3) government-subsidized foster care and adoption payments;
- (4) supplemental security income;
- (5) government-subsidized housing or housing payments;
- (6) federally excluded income;
- (7) educational payments made directly to an educational institution;
- (8) government-subsidized child care;
- (9) earned and unearned income that belongs to a person seventeen years of age or younger who is not the head of household;
- (10) for the first two years of receiving cash assistance or services, if a participant works over the

work requirement rate set by the department pursuant to the New Mexico Works Act, one hundred percent of the income earned by the participant beyond that rate;

(11) for the first two years of receiving cash assistance or services, for a two-parent benefit group in which one parent works over thirty-five hours per week and the other works over twenty-four hours per week, one hundred percent of income earned by each participant beyond the work requirement rate set by the department;

(12) unearned income that belongs to the household group but not to the benefit group;

(13) fifty dollars (\$50.00) of collected child support passed through to the participant by the department's child support enforcement program; and

(14) other income sources as determined by the department.

D. Earned income over one hundred thirty percent of the federal poverty guidelines that belongs to the household group but not to the benefit group is countable income. The department shall count the entire household group to determine family size when applying the federal poverty guidelines.

E. The department shall count the entire household group to determine family size when applying the financial standard of need. For a benefit group to be

eligible to participate:

(1) gross countable earned income, that belongs to the household group but not to the benefit group, must not exceed one hundred eighty-five percent of the financial standard of need; and

(2) net countable earned income that belongs to the household group must not equal or exceed the financial standard of need after applying the disregards set out in Paragraphs (1) through (4) of Subsection F of this section.

F. Subject to the availability of state and federal funds, the department shall determine the cash payment of the benefit group by applying the following disregards to the benefit group's earned gross income and then subtracting that amount from the benefit group's financial standard of need:

(1) one hundred fifty dollars (\$150) of monthly earned income and one-half of the remainder, or for a two-parent family, two hundred fifty dollars (\$250) of monthly earned income and one-half of the remainder for each parent;

(2) monthly payments made for child care at a maximum of two hundred dollars (\$200) for a child under two years of age and at a maximum of one hundred seventy-five dollars (\$175) for a child two years of age or older;

(3) costs of self-employment income; and

(4) business expenses.

G. The department may recover overpayments of cash assistance on a monthly basis not to exceed fifteen percent of the financial standard of need applicable to the benefit group."

Section 2. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately. _____