

Don Jordan, Secretary

## Senate Ways and Means Committee February 4, 2009

SB 109 and SB 125 - Grandparents As Caregivers



## Grandparents as Caregivers

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Chairman Emler and members of the committee, thank you for the opportunity to provide information on Senate Bill 109. Senate Bill 109 would rescind the Grandparents as Caregivers Statute. As an alternative way to provide similar benefits to grandparents and other relatives using federal funds, the Governor's budget includes a proposal to continue these services under the federal Temporary Assistance for Families program. The Grandparents as Caregivers program would then be funded by federal TANF funds rather than State General Funds.

The Grandparents as Caregivers program began January 1, 2007 as an entirely state funded program. A grandparent or other qualifying relative is eligible to participate in the program if he or she is at least 50 years old; has physical and legal custody of a grandchild; has an annual income of less than 130 percent of the federal poverty level; the children are not in state custody; and the parent or parents do not reside with them. In SFY 2008, the program served 380 children on 200 cases. The TAF program serves approximately 2,000 families each year. The average benefit for a household in the Grandparents as Caregivers program was \$367. An estimated 249 families would be affected by the integration of the Grandparents as Caregivers program into the TANF program.

Benefits of changing the program would include the following:

- Income of the grandparents will no longer be considered when determining eligibility, significantly increasing the number of caretaker families that could be served
- Legal custody of the child by the grandparent will no longer be required
- There will be no minimum age limit for the grandparent
- Child care assistance would be available for the grandparents who are employed, with no family share deduction
- Parental responsibility is promoted through mandatory referral to and cooperation with Child Support Enforcement
- Child's eligibility would reduce from age 21 to age 18 or up to age 19 if in secondary school

Impact on program benefits would inloude:

- For one child the average monthly benefit will be reduced from \$200 to \$175
- For two children the average monthly benefit will be reduced from \$400 to \$271
- For three children the average monthly benefit will be reduced from \$600 to \$359
- Thirty six cases will no longer be eligible for any cash assistance due to excess countable resources or income, such as child support, social security, etc. which exceed the benefit standard.



Integrating the Grandparents as Caregivers into TANF will result in a state general fund savings of \$1.165 million in SF 2010. This will allow the state to free up State General Funds to serve other programs where federal funds are not available and ensure a safety net for grandparents raising grandchildren.