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File Date: 1/20/2021

# Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

<b>Agency/Board/Commission:</b>	Department of Human Services
<b>Division:</b>	Family Assistance
<b>Contact Person:</b>	Charles Bryson
<b>Address:</b>	505 Deaderick Street Nashville, TN 37243
<b>Phone:</b>	(615) 313-5126
<b>Email:</b>	Charles.Bryson@tn.gov

Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

<b>ADA Contact:</b>	Jeffrey Blackshear
<b>Address:</b>	505 Deaderick Street Nashville, TN 37243
<b>Phone:</b>	(615) 313-5711
<b>Email:</b>	Jeffrey.Blackshear@tn.gov

**Hearing Location(s)** (for additional locations, copy and paste table)

Address 1:	505 Deaderick Street		
Address 2:			
City:	Nashville, TN		
Zip:	37243		
Hearing Date:	03/15/2021		
Hearing Time:	9:00 am	CST	

**Alternate Hearing Option (Only If the In-Person Hearing is Prohibited by Executive Order)**

<b>Method 1:</b>	<b>Join by phone +1-415-655-0003, meeting access code 178 071 6336. Video conferencing is currently permitted by Executive Order. In the event that electronic hearings are no longer permitted on the scheduled hearing date, the rulemaking hearing will be held in the TriStar Conference Room located on the First Floor of the James Robertson State Office Building, 505 Deaderick Street, Nashville, TN 37243. Please bring a state-issued identification card (driver's license or ID) and arrive early enough to allow sufficient time to go through security screening and obtain a visitor's pass. More information will be posted re the virtual hearing one week prior to the rulemaking hearing at: <a href="https://www.tn.gov/humanservices.html">https://www.tn.gov/humanservices.html</a>.</b>
<b>Method 2:</b>	

**Additional Hearing Information:**

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**Revision Type (check all that apply):**

- Amendment
- New
- Repeal

**Rule(s)** (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that **ALL** new rule and repealed rule numbers are listed in the chart below. Please enter only **ONE** Rule Number/Rule Title per row)

<b>Chapter Number</b>	<b>Chapter Title</b>
1240-01-50	Financial Eligibility Requirements - Families First Program
<b>Rule Number</b>	<b>Rule Title</b>
1240-01-50-.20	Standard of Need/Income

Place substance of rules and other info here. Please be sure to include a detailed explanation of the changes being made to the listed rule(s). Statutory authority must be given for each rule change. For information on formatting rules go to <https://sos.tn.gov/products/division-publications/rulemaking-guidelines>

## Chapter 1240-01-50

### Financial Eligibility Requirements - Families First Program

#### Amendments

Rule 1240-01-50-.20 Standard of Need/Income is amended by deleting the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

#### (1) Families First Cash Assistance Standards

(a) Consolidated Need Standard (CNS). The Department has developed a consolidated standard of need based on size of the assistance group (AG), which indicates the amount of income the assistance group would need to meet subsistence living costs according to allowances set by the state for items including food, clothing, shelter and utilities, transportation, medical care, personal incidentals, and school supplies. The CNS is used as the basis for determining the gross income standard (GIS), the standard payment amount (SPA), and the Differential Grant Payment Amount (DGPA).

(b) Gross Income Standard (GIS). This standard is set at One Hundred Eighty-Five Percent (185%) of the consolidated need standard. If the gross countable income of an assistance group exceeds this standard, the Assistance Group (AG) is not eligible for Families First.

(c) Standard Payment Amount (SPA). Tennessee does not meet One Hundred Percent (100%) of need as defined by the consolidated need standard. Rather, a maximum payment by family size, dependent on available State and Federal funds is paid, except in the instances specified in 1240-1-50-.20(e).

(d) Differential Grant Payment Amount (DGPA). A Families First Assistance Group which meets any one of the criteria listed below will be eligible for a grant based on the Differential Grant Payment Amount (DGPA). The DGPA is a maximum payment by family size, dependent on funds available, except in the instances specified in subparagraph (e) below. AGs that are eligible to receive the DGPA are:

1. AGs with no eligible adult in the AG. This exemption does not apply if the sole reason there is no adult in the AG is due to penalty or sanction or if the adult is an ineligible alien.
2. AGs in which the caretaker is age sixty-five (65) or older.
3. AG in which the caretaker is age sixty (60) or older as of July 1, 2007.
4. AGs in which the caretaker is disabled.
5. AGs in which the caretaker must provide in-home care for a relative who lives in the home who is disabled and requires full-time care.

#### (e) Family Benefit Cap

1. No additional benefits will be issued due to the birth of a child when the birth occurs more than ten (10) calendar months after the later of:

(i) the date of application for Families First, or

(ii) the date of implementation of the Families First program (September 1, 1996), as provided by T.C.A. § 71-3-151, unless:

(I) the child was conceived as the result of verified rape or incest;

(II) the child is the firstborn (including all children in the case of a multiple birth) of a minor included in the Families First grant who becomes a first-time minor parent;

(III) the child does not reside with his/her parent;

(IV) the child was conceived in a month the AG was not receiving Families First; or

(V) the child was already born prior to the later of the date of application for Families First or the date of implementation of Families First, and the child has entered or returned to the home.

2. The additional child will be included in the need standard for the purpose of determining Families First eligibility. The income of the child, including child support, will be applied against the need standard in determining the Families First payment amount for the family. The child will be considered a Families First recipient for all other purposes.

3. The family benefit cap will not apply to a subsequent period of eligibility for families who reapply for Families First subsequent to receipt of cash assistance as long as the reason for prior case closure was other than a failure to comply with work or child support enforcement requirements or other Personal Responsibility Plan provisions, and the parent/caretaker had cooperated with the Department as defined in departmental policies for the Families First program.

(i) Departmental policies and rules with which the parent/caretaker must cooperate include, but are not limited to:

(I) Child support cooperation requirements, such as identifying the absent parent, meeting with child support enforcement staff, submitting a child for blood testing, and testifying in court if necessary;

(II) Carrying out and fulfilling Personal Responsibility Plan provisions and requirements; or

(III) Carrying out and fulfilling Work Plan provisions and requirements.

(f) An assistance payment is determined as follows:

2. If the assistance group's net income is less than their consolidated need, the monthly grant amount is the smaller of a maximum payment amount by family size (SPA or DGPA, as appropriate) or the deficit if it is ten dollars (\$10) or more. If the deficit is one dollar (\$1) - nine dollars (\$9), the AG is eligible for Medicaid (TennCare) only, and is deemed to be a Families First recipient group.

In the case of an AG receiving Families First because one or both parents are unemployed, if the Principal Wage Earner (PWE) receives Unemployment Compensation (UC) the UC benefit is deducted from the grant amount determined after deducting all other countable income from the CNS, to determine the actual amount of Families First payment for the AG.

3. The minimum monthly grant which can be paid is ten dollars (\$10).

(g) Families First Need/Payment Standards

1. The following table shows the maximum income level and consolidated standard of need to be used in the Families First program to determine eligibility and amount of payment.

Number of Persons in Assistance Group	1	2	3	4	5	6	7	8	9	10
Gross Income Standard	1806	2535	2866	3241	3487	3717	3924	4114	4255	4390
Consolidated Need Standard	976	1370	1549	1752	1885	2009	2121	2224	2300	2373

Number of Persons in Assistance Group	11	12	13	14	15	16	17	18	19	20
Gross Income Standard	4695	4836	4956	5067	5173	5278	5374	5469	5561	5650
Consolidated Need Standard	2538	2614	2679	2739	2796	2853	2905	2956	3006	3054

2. The Families First standard payment amount (maximum payment) for an assistance group of three (3) persons represents 25.0% of the consolidated need for an assistance group of that size. The Families First standard payment amount (maximum payment) for all assistance group sizes shall be determined as provided in T.C.A. § 71-3-105(f).

3. The Families First maximum differential grant payment amount for an assistance group of three (3) persons represents 31.4% of the consolidated need for an assistance group of that size.

(i) The Families First maximum differential grant payment amount for assistance groups of one (1) through five (5) persons shall be one hundred dollars (\$100) greater than the maximum standard payment for each respective assistance group size.

(ii) The Families First maximum differential grant payment amount for assistance groups of six (6) or more persons shall be the same as the maximum standard payment for each respective assistance group size.

4. Work Incentive Program.

(i) Families First recipients will be eligible to receive Work Incentive Program payments when the recipient becomes financially ineligible due to an increase in earned income, provided the recipient continues to meet all other eligibility criteria.

(ii) Incentive participants will receive the Work Incentive Program payments for no more than six (6) months with the payment amount being determined by issuing the maximum grant allotment for all eligible household members at the time the recipient became financially ineligible due to the increase in earned income.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: January 20, 2021

Signature: *Charles Bryson*

Name of Officer: Charles Bryson

Title of Officer: Assistant Commissioner

**Department of State Use Only**

Filed with the Department of State on: 1/20/2021

*Tre Hargett*

Tre Hargett  
Secretary of State

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