

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1987

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ENROLLED

HOUSE BILL No. 2355

(By Delegates *Brown and Hatfield*)

— ● —

Passed *March 14,* 1987

In Effect *Ninty Days from* Passage

ENROLLED
H. B. 2355

(By DELEGATES BROWN and HATFIELD)

[Passed March 14, 1987; in effect ninety days from passage.]

AN ACT to amend article five, chapter nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section thirteen, relating to establishing a pilot program for certain AFDC recipients seeking self-employment.

Be it enacted by the Legislature of West Virginia:

That article five, chapter nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section thirteen, to read as follows:

ARTICLE 5. MISCELLANEOUS PROVISIONS.

§9-5-13. Pilot program for certain aid recipients seeking self-employment.

1 (a) The Legislature finds and declares that a pilot
2 program which allows recipients of benefits of the
3 federal aid to families with dependent children program
4 (AFDC), Title 42 §601 et seq., United States Code, to
5 maintain their benefits during the start-up phase of
6 their self-supporting business, will assist these individ-
7 uals in becoming independent of all public assistance.
8 This pilot program will provide the opportunity for
9 AFDC recipients to improve their quality of life and to
10 apply their entrepreneurial skills in the market place.
11 In addition, this program will help contribute to the tax
12 base and may provide additional jobs.

13 (b) The department of human services shall develop
14 and implement during the fiscal year beginning the first
15 day of July, one thousand nine hundred eighty-seven, a
16 pilot program testing the feasibility of treating, with
17 respect to the continuation of benefits until self suffi-
18 ciency is achieved and public assistance is no longer
19 required, the efforts of AFDC recipients to become self-
20 employed in a similar manner as efforts are treated
21 under other existing department programs to seek other
22 employment or training. The pilot program shall consist
23 of up to twenty participants in no more than five
24 counties.

25 (c) Eligibility for the pilot program shall consist of
26 current AFDC recipients selected through a voluntary,
27 informed consent process and withdrawal from the
28 program shall not lead to automatic loss of benefits,
29 except that eligibility may be redetermined.

30 (d) During the start up period of self-employment,
31 which shall in no instance exceed two years, the
32 participant shall continue receiving public assistance
33 benefits at the level at which she or he was receiving
34 them at the time of entry into the pilot program.

35 (e) A participant shall be permitted to separate
36 business assets from personal assets during start up
37 activity.

38 (f) The department shall establish guidelines by
39 which the AFDC recipient's business assets shall be
40 evaluated during the start up period as an indication
41 that the business enterprise is providing personal
42 income sufficient to replace to public assistance benefits
43 and other noncash benefits which may be affected by the
44 personal income ceiling. When the assets of the business
45 enterprise reach that level determined to be sufficient,
46 the AFDC recipient shall have the burden of showing
47 why the business income is not of a level sufficient to
48 terminate the public assistance benefits subject to
49 provision of subsection (d) of this section.

50 (g) Guidelines for evaluation shall be based primarily
51 on criteria utilized by small business loan officers and
52 others of like expertise to determine what level of assets

53 is necessary to maintain the type of business undertaken
54 by the recipient. The department may establish an
55 advisory group of persons engaged in small business or
56 other appropriate members to establish such criteria.

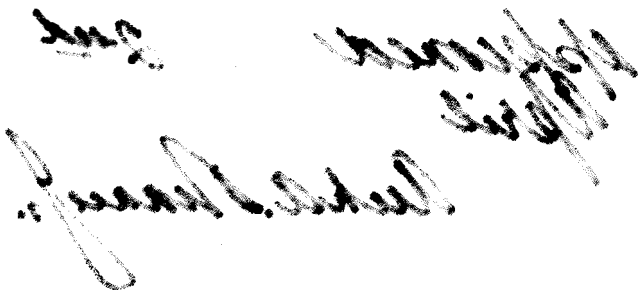
57 (h) Individual case evaluations by these criteria shall
58 be done in consultation with a technical assistance
59 provider or other monitor who has had direct involve-
60 ment with the participant under review.

61 (i) Technical assistance shall be included in the pilot
62 program and the department may contract with exist-
63 ing training programs or other qualified providers with
64 experience relevant to pilot program participants for
65 such technical assistance. It shall include, but not be
66 limited to, basic business planning, fiscal management
67 and appropriate sales or other marketing skills.

68 (j) Upon completion of the pilot program, if it is
69 determined that the project was effective in achieving
70 the objective of assisting participants to establish self-
71 employment sufficient to relinquish public assistance
72 benefits, the department shall implement a similar
73 statewide program for qualified applicants.

74 (k) Effectiveness of the pilot program shall be
75 evaluated by the department in consultation with
76 members of the small business advisory group, technical
77 assistance providers and individual case monitors.

78 (l) If state funding is not secured for this pilot by the
79 first day of July, one thousand nine hundred eighty-
80 seven, the department shall apply for federal waivers
81 and explore other funding sources to implement funding
82 of the pilot program.

The bottom of the page contains several handwritten signatures and initials in dark ink. There are three distinct signatures: one on the left, one in the center, and one on the right. The signatures are somewhat stylized and overlapping.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Gene O. Williams
Chairman Senate Committee

Lyle Satter
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

Todd C. Stokes
Clerk of the Senate

Donald L. Hopp
Clerk of the House of Delegates

Don Touhoul
President of the Senate

Robert C. Clark
Speaker of the House of Delegates

The within *uppassed* this the *2nd*
April day of _____, 1987.

Arthur A. Shaffer, Jr.
Governor

PRESENTED TO THE

GOVERNOR

Date 9/27/87

Time 2:25 p.m.