Business Development for TANF Recipients Act

Summary

This Act would allow TANF recipients to establish an interest bearing savings account not to exceed $5,000 for the purpose of education or the initial establishment of a commercial operation.

Model Legislation

(Title, enacting clause, etc.)

Section 1. (Title.) "This Act may be cited as the Business Development for TANF Recipient Act"

Section 2. (Definitions.) As used in this Act:

(A) "Business Incubation" means the initial establishment of a commercial operation which is owned by a member of the assistance unit. The net worth of any business owned by a member of the assistance unit shall be exempt from consideration in any calculation under the assistance programs so long as the net worth of the business is less than $5000.

Section 3. (Main Provisions.)

(A) Any individual or family applying for or receiving assistance under the Temporary Assistance for Needy Families, Temporary Assistance for Needy Families-related medical-assistance-only, food stamp, or fuel assistance programs may have or establish one interest-bearing savings account per assistance unit not to exceed $5,000 at a financial institution for the purpose of paying for tuition, books, and incidental expenses at any elementary, secondary or vocational school or any college or university or for making a down payment on a primary residence or for business incubation. Any funds deposited in the account, and any interest earned thereon, shall be exempt from consideration in any calculation under any specified assistance program for so long as the fund and interest remain on deposit in the account. Any amounts withdrawn from the account for the purposes stated in this section shall be exempt from consideration in any calculation under any specified assistance program. The State Board shall promulgate regulations to establish penalties for amounts withdrawn from any accounts for any other purposes other than those stated in this section or other misuse of these funds.

(B) The Secretary of Health and Human Services shall seek the federal waivers necessary to implement this act.

(C) This act shall become effective upon receipt of the federal waivers necessary to implement this act.

Section 4. (Severability clause.)

Section 5. (Repealer clause.)

Section 6. (Effective date.)

Related Files

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