

(4) PAYMENTS TO A BUSINESS FOR ITS PARTICIPATION IN THE GRANT DIVERSION PROGRAM ARE SUBJECT TO THE FOLLOWING CONDITIONS:

(I) PURSUANT TO PARAGRAPH (5), THE RECIPIENT SHALL BE PLACED IN A NEWLY-CREATED JOB AND WORK AT LEAST 30 HOURS PER WEEK;

(II) THE RECIPIENT SHALL BE EMPLOYED FOR 1 MONTH PRIOR TO THE FIRST PAYMENT;

(III) THE BUSINESS SHALL BE PAID ONCE PER MONTH FOR PARTICIPATING IN THE PROGRAM;

(IV) THE PAYMENTS TO THE BUSINESS BY THE STATE EACH MONTH SHALL NOT EXCEED THE AMOUNT OF THE STATE AND FEDERAL SHARE OF THE RECIPIENT'S AFDC GRANT AND FOOD STAMPS FOR THAT MONTH; AND

(V) THE BUSINESS MAY CONTINUE TO RECEIVE A PAYMENT FOR HIRING A RECIPIENT FOR UP TO 6 MONTHS FROM THE DATE OF HIRE FOR THAT RECIPIENT.

(5) A PLACEMENT MADE IN ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION MAY NOT REPLACE:

(I) A LAID OFF EMPLOYEE;

(II) AN EMPLOYEE ON STRIKE; OR

(III) AN EMPLOYEE RECEIVING STATE OR FEDERAL TRAINING ASSISTANCE.

~~(F)~~ (G) (1) THE SECRETARY SHALL ESTABLISH A SCHEDULE OF SANCTIONS BENEFIT REDUCTIONS AND TERMINATIONS FOR NONCOMPLIANCE WITH THE TRAINING AND WORK REQUIREMENTS OF THE PILOT. THE SCHEDULE SHALL INCLUDE THE SANCTIONS BENEFIT REDUCTIONS AND TERMINATIONS PROVIDED FOR IN THIS SUBSECTION.

~~(2) IN THE FIRST INSTANCE OF NONCOMPLIANCE, THE FOLLOWING SANCTIONS SHALL BE IMPOSED:~~

~~(I) FOR THE FIRST 6 MONTHS OF NONCOMPLIANCE, THE INDIVIDUAL NOT IN COMPLIANCE SHALL BE REMOVED FROM THE CALCULATION OF AFDC BENEFITS UNTIL THE INDIVIDUAL IS IN COMPLIANCE;~~

~~(II) IF AFTER 3 MONTHS THE INDIVIDUAL IS STILL NOT IN COMPLIANCE, A SOCIAL SERVICES CASE WORKER SHALL INVESTIGATE REASONS FOR NONCOMPLIANCE AND PROVIDE ASSISTANCE;~~

~~(III) IF AFTER 6 MONTHS THE INDIVIDUAL IS STILL NOT IN COMPLIANCE, ALL AFDC BENEFITS FOR THE FAMILY SHALL BE TERMINATED, BUT THE CASE SHALL BE IN AN ACTIVE NO PAY STATUS AND IF THE INDIVIDUAL COMPLIES WITHIN THE NEXT 3 MONTHS, AFDC BENEFITS FOR THE FAMILY SHALL BE RESUMED; AND~~