

HOUSE BILL No. 5587

March 12, 1990, Introduced by Reps. Bandstra, Power, Niederstadt, Rocca and Strand and referred to the Committee on Social Services and Youth.

A bill to amend Act No. 280 of the Public Acts of 1939, entitled as amended

"The social welfare act,"

as amended, being sections 400.1 to 400.121 of the Michigan Compiled Laws, by adding section 60b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 280 of the Public Acts of 1939, as
2 amended, being sections 400.1 to 400.121 of the Michigan Compiled
3 Laws, is amended by adding section 60b to read as follows:

4 SEC. 60B. (1) AS USED IN THIS SECTION:

5 (A) "OVERPAYMENT" MEANS A PAYMENT OF PUBLIC ASSISTANCE MADE
6 TO A PUBLIC ASSISTANCE RECIPIENT IN EXCESS OF THAT TO WHICH HE OR
7 SHE IS ENTITLED, OR A PAYMENT MADE TO A PERSON WHO, AT THE TIME
8 THE PAYMENT WAS MADE, WAS INELIGIBLE UNDER THIS ACT TO RECEIVE
9 THAT PUBLIC ASSISTANCE.

1 (B) "PUBLIC ASSISTANCE RECIPIENT" MEANS A PERSON RECEIVING
2 ASSISTANCE UNDER THIS ACT.

3 (2) THE STATE DEPARTMENT SHALL TAKE ALL NECESSARY STEPS TO
4 RECOVER AN OVERPAYMENT MADE TO A PUBLIC ASSISTANCE RECIPIENT.
5 PROCEDURES FOR THE RECOVERY OF OVERPAYMENTS MADE UNDER FEDERALLY
6 ASSISTED PROGRAMS SHALL BE CONSISTENT WITH FEDERAL LAW AND
7 REGULATIONS.

8 (3) EXCEPT AS PROVIDED IN SUBSECTION (4), IN THE CASE OF A
9 PERSON WHO IS NO LONGER A PUBLIC ASSISTANCE RECIPIENT, THE STATE
10 DEPARTMENT SHALL BRING AN ACTION TO RECOVER THE OVERPAYMENT IN
11 THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE PERSON RESIDES.
12 THE ATTORNEY GENERAL OR THE PROSECUTING ATTORNEY OF THE COUNTY IN
13 WHICH THE ACTION IS BROUGHT SHALL REPRESENT THE STATE DEPARTMENT
14 IN AN ACTION BROUGHT UNDER THIS SECTION.

15 (4) IN THE CASE OF AN INDIVIDUAL WHO IS NO LONGER A PUBLIC
16 ASSISTANCE RECIPIENT, THE STATE DEPARTMENT MAY WAIVE RECOVERY OF
17 AN OVERPAYMENT IF THE COST OF RECOVERY IS EQUAL TO OR GREATER
18 THAN THE AMOUNT OF THE OVERPAYMENT. THE COST OF RECOVERY SHALL
19 BE DETERMINED BY THE STATE DEPARTMENT IN ACCORDANCE WITH FEDERAL
20 REGULATIONS. THIS SUBSECTION DOES NOT APPLY IF THE OVERPAYMENT
21 IS THE RESULT OF FRAUD ON THE PART OF THE PUBLIC ASSISTANCE
22 RECIPIENT.