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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 138 (Substitute S-1 as reported by the Committee of the Whole)  
Sponsor: Senator Joel D. Gougeon  
Committee: Families, Mental Health and Human Services

### **CONTENT**

The bill would amend the Social Welfare Act to provide that the Family Independence Agency (FIA) could require substance abuse testing as a condition for family independence assistance under the Act. As a condition of receiving family independence assistance, an individual who otherwise qualified for assistance and tested positive for substance abuse would have to agree to, and participate in, substance abuse assessment and comply with a substance abuse treatment plan, if appropriate. The treatment plan would become part of the recipient's social contract under Section 57e of the Act. The bill also would require that the FIA implement, on a pilot basis in at least three counties, a substance abuse testing program that included random testing. The bill states: "It is the intent of the legislature that a statewide program of substance abuse testing, including random substance abuse testing, be implemented".

If a person who was otherwise eligible for family independence assistance did not submit to a substance abuse test required by the FIA, he or she would not be eligible to receive assistance.

(Section 57e provides that each family receiving family independence assistance must execute a social contract outlining the responsibilities of family members. The social contract must identify the goals that are to be met by members of the family independence assistance group (family members, and individuals living with the family, who receive family independence assistance). The social contract also must include specific responsibilities described in the Act.)

MCL 400.57b

Legislative Analyst: P. Affholter

### **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on State government. Since each Family Independence Program (FIP) recipient could be considered for testing as a condition of program eligibility, the potential Department costs would be the result of performing an illegal substance test for each recipient. The Department will consider a pilot project for FY 1998-99, which would advise each program applicant about the mandatory test. Also, current recipients could be randomly selected for drug screening and possible testing. In addition, individuals who tested positive could be retested to verify the initial test results. Tests range in cost from \$1.80 for a single panel of five drugs to \$16.25 for a skin five drug test. The November 1998 FIP recipient level was approximately 287,400. Assuming one-third are adults, the cost of drug testing the entire adult caseload would range from \$172,300 to \$1.6 million. The cost for transportation, to the sample collection sites included in the pilot project, is not included in the above assumption.

Date Completed: 2-9-99

Fiscal Analyst: C. Cole