

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005**

Introduced by Rep. Kooiman

ENROLLED HOUSE BILL No. 5438

AN ACT to amend 1939 PA 280, entitled “An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates,” by amending sections 14i, 57, 57a, and 57e (MCL 400.14i, 400.57, 400.57a, and 400.57e), section 14i as amended by 2004 PA 571, section 57 as added by 1995 PA 223, section 57a as amended by 1999 PA 26, and section 57e as amended by 2001 PA 280, and by adding section 57w.

The People of the State of Michigan enact:

Sec. 14i. Section 57f(3)(c), (e), and (f) and section 57g(4), (5), (6), and (7) do not apply after September 30, 2009.

Sec. 57. (1) As used in this section and sections 57a to 57w:

(a) “Adult-supervised household” means either of the following:

(i) The place of residence of a parent, stepparent, or legal guardian of a minor parent.

(ii) A living arrangement not described in subparagraph (i) that the department approves as a family setting that provides care and control of a minor parent and his or her child and supportive services including, but not limited to, counseling, guidance, or supervision.

(b) “Caretaker” means an individual who is acting as parent for a child in the absence or because of the disability of the child’s parent or stepparent and who is the child’s legal guardian, grandparent, great grandparent, great-great grandparent, sibling, stepsibling, aunt, great aunt, great-great aunt, uncle, great uncle, great-great uncle, nephew, niece, first cousin, or first cousin once-removed, a spouse of any person listed above, a parent of the putative father, or an unrelated individual aged 21 or older whose appointment as legal guardian of the child is pending.

(c) "Child" means an individual who is not emancipated under 1968 PA 293, MCL 722.1 to 722.6, who lives with a parent or caretaker, and who is either of the following:

(i) Under the age of 18.

(ii) Age 18 or 19, a full-time high school student, and reasonably expected to graduate from high school before the age of 20.

(d) "Family" means 1 or more of the following:

(i) A household consisting of a child and either of the following:

(A) A parent or stepparent of the child.

(B) A caretaker of the child.

(ii) A pregnant woman.

(iii) A parent of a child in foster care.

(e) "Family independence assistance" means financial assistance provided to a family under the family independence program.

(f) "Family independence assistance group" means all those members of a program group who receive family independence assistance.

(g) "Family independence program" means the program of financial assistance established under section 57a.

(h) "Family self-sufficiency plan" means a document described in section 57e that is executed by a family in return for receiving family independence assistance.

(i) "Minor parent" means an individual under the age of 18 who is not emancipated under 1968 PA 293, MCL 722.1 to 722.6, and who is either the biological parent of a child living in the same household or a pregnant woman.

(j) "Payment standard" means the standard upon which family independence program benefits are based if the family independence assistance group has no net income.

(k) "Program group" means a family and all those individuals living with a family whose income and assets are considered for purposes of determining financial eligibility for family independence assistance.

(l) "Recipient" means an individual receiving family independence assistance.

(m) "Substance abuse" means that term as defined in section 6107 of the public health code, 1978 PA 368, MCL 333.6107.

(n) "Substance abuse treatment" means outpatient or inpatient services or participation in alcoholics anonymous or a similar program.

(o) "Supplemental security income" means the program of supplemental security income provided under title XVI.

(p) "Work first" means the program of employment and training administered by the department of labor and economic growth for applicants and recipients of family independence assistance.

(2) A reference in this act to "aid to dependent children" or "aid to families with dependent children" means "family independence assistance".

Sec. 57a. (1) The department shall establish and administer the family independence program to provide assistance to families who are making efforts to achieve independence.

(2) The department shall administer the family independence program to accomplish all of the following:

(a) Provide financial support to eligible families while they pursue self-improvement activities and engage in efforts to become financially independent.

(b) Ensure that recipients who are minor parents live in adult-supervised households in order to reduce long-term dependency on financial assistance.

(c) Assist families in determining and overcoming the barriers preventing them from achieving financial independence.

(d) Ensure that families pursue other sources of support available to them.

(3) The department shall establish income and asset levels for eligibility, types of income and assets to be considered in making eligibility determinations, payment standards, composition of the program group and the family independence assistance group, program budgeting and accounting methods, and client reporting requirements to meet the following goals:

(a) Efficient, fair, cost-effective administration of the family independence program.

(b) Provision of family independence assistance to families willing to work toward eventual self-sufficiency.

(4) At the time the department determines that an individual is eligible to receive family independence assistance under this act, the department shall determine whether that individual is eligible to participate in the work first

program or if the individual is exempt from work first participation under section 57f. If the department determines that an individual is eligible to participate in the work first program, family independence assistance shall be paid to that individual for not longer than a cumulative total of 48 months during that individual's lifetime. Any month in which the unemployment rate in the county in which the individual resides is higher than 10% shall not be counted toward the cumulative total of 48 months in a lifetime for family independence assistance. Any month in which an individual is temporarily exempted from work first participation shall not be counted toward the cumulative total of 48 months in a lifetime for family independence assistance. If the recipient is meeting all the requirements outlined in his or her family self-sufficiency plan, has never received a penalty under section 57g, and labor market conditions or employment barriers prevent employment placement, a recipient may apply to the department for an extension of family independence assistance benefits for a period not to exceed 12 months over the 48-month cumulative lifetime total. Nothing in this subsection shall prevent the department from providing assistance to individuals who are determined to be exempt under section 57f(3) or 56i(1)(c).

(5) Not later than 30 days after the effective date of the amendatory act that added this subsection, the department shall determine the number of months each family independence assistance recipient who is not exempt from work first participation under section 57f has received family independence assistance. If the department determines that a family independence assistance recipient has received family independence assistance for a cumulative total of 35 months or less as of the effective date of the amendatory act that added this subsection, the 48-month cumulative lifetime total described in subsection (4) applies to that recipient. If the department determines that a family independence assistance recipient has received family independence assistance for a cumulative total of 36 months or more as of the effective date of the amendatory act that added this subsection, that recipient is required to meet with a department worker and work first caseworker within 90 days after the effective date of the amendatory act that added this subsection. At the time of the meeting required in this subsection, a new family self-sufficiency plan shall be developed. Not later than 15 months after the effective date of the amendatory act that added this subsection, if a recipient has had the meeting required under this subsection and is meeting all the requirements outlined in his or her family self-sufficiency plan but labor market conditions or employment barriers prevent employment placement, the recipient may apply to the department for an extension of family independence assistance benefits for a period not to exceed 12 months. Nothing in this subsection shall prevent the department from providing assistance to individuals who are determined to be exempt under section 57f(3) or 56i(1)(c).

(6) Not later than October 1, 2001, the department shall implement an automated finger imaging system designed to prevent an individual from receiving cash assistance, food stamps, or both under more than 1 name. Beginning at the effective date of the establishment and implementation of the finger imaging system, an individual applying for cash assistance, food stamps, or both must provide the department with an automated finger image or images as a condition of eligibility. Finger imaging obtained under this subsection shall be used only for the purposes of reducing fraud in obtaining public benefits or assistance under this act.

(7) The department shall establish the automated finger image system that, at a minimum, includes the following:

(a) Confidentiality of the automated finger image records taken according to this section.

(b) A system for administrative appeal of a matter relating to the taking or verification of an individual's automated finger image.

(c) A requirement to exempt children from providing the automated finger image unless there is a reasonable suspicion that the family group is committing fraud. For the purpose of this subdivision, "family group" means a family and all those individuals living with a family who apply for or receive cash assistance, food stamps, or both.

(d) A requirement to exempt individuals from whom the automated finger image technology is unable to obtain an accurate finger image.

(e) A requirement to exempt patients placed in nursing homes from providing the automated finger image.

(f) In addition to the population groups named in subdivisions (c), (d), and (e), authority to exempt certain other population groups from providing the automated finger image including, but not limited to, homebound recipients.

(8) The department shall remove an individual's finger image from the department's file if the individual has not received benefits or assistance from the department within the previous 12 months.

(9) The department may negotiate and enter into a compact or reciprocal agreement with another state department, the federal government, an agency of the federal government, or an agency of another state for the purpose of implementing and administering the finger imaging provisions of this section as long as the compact or reciprocal agreement is not inconsistent with the limitations of use and access contained in subsection (6).

(10) The department shall conduct semiannual security reviews to monitor the automated finger imaging system to insure that all of the following occur:

(a) All records maintained as part of the system are accurate and complete.

(b) Effective software and hardware designs have been instituted with security features to prevent unauthorized access to records.

(c) Access to record information is restricted to authorized personnel.

(d) System and operational programs are used that will prohibit inquiry, record updates, or destruction of records from a terminal other than automated finger imaging system terminals that are designated to permit inquiry, record updates, or destruction of records.

(e) System and operational programs are used to detect and report all unauthorized attempts to penetrate an automated finger imaging system, program, or file.

(11) Beginning December 31 of the first year the automated finger imaging system has been fully implemented, the department shall compile and report annually to the senate and house committees having jurisdiction over department matters the following information concerning the operation of the automated finger imaging system:

(a) An analysis of the costs and savings of the system including, but not limited to, administrative costs, operation costs, and actual savings due to confirmed fraud and fraud deterrence.

(b) The number of individuals who have applied for assistance under more than 1 name.

(c) The number of individuals refusing to provide a finger image and the reasons for the refusal.

(d) A detailed summary of the results of reviews required by subsection (10).

(12) Except as necessary to carry out a compact or agreement under subsection (9) or unless otherwise required by law, the department shall not sell, transfer, or release information identifying an individual named in the automated finger imaging system record to a third person, including, but not limited to, another state department or agency.

(13) A person shall not disclose information from the automated finger imaging system record in a manner that is not authorized by law or rule. A person who violates this subsection is guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$500.00, or both.

(14) At the time an individual applies for cash assistance, food stamps, or both, the department shall inform the individual of all of the following:

(a) The requirement to allow the department to take a finger image from the individual.

(b) The fact that the finger image may be compared to the finger images of other benefit recipients to prevent duplicate participation.

(c) The fact that the department is prohibited by law from using the finger image for a different purpose.

Sec. 57e. (1) Each family receiving family independence assistance shall execute a family self-sufficiency plan outlining the responsibilities of members of the family independence assistance group. The family self-sufficiency plan shall be developed jointly by the department, a work first representative, and the adult family members of the family independence assistance group. The department and the work first representative shall complete a thorough assessment to facilitate development of the family self-sufficiency plan, including consideration of referral to a life skills program, and determination as to whether the family independence assistance group's adult members are eligible to participate in the work first program or are exempt from work first participation under section 57f. The family self-sufficiency plan shall identify compliance goals that are to be met by members of the family independence assistance group and goals and responsibilities of the members of the family independence assistance group, the department, and the work first program. The plan shall identify the family independence assistance group's barriers to employment. The family self-sufficiency plan shall reflect the individual needs and abilities of the particular family, and shall include at least all of the following:

(a) The obligation of each adult and each child aged 16 or older who is not attending elementary or secondary school full-time to participate in work first unless exempt under section 57f.

(b) The obligation of each minor parent who has not completed secondary school to attend school.

(c) Except as provided in section 57f(3), the obligation of each adult to engage in employment, work first activities, education or training, community service activities, or self-improvement activities, as determined appropriate by the department, up to 40 hours per week.

(d) The obligation to cooperate in the establishment of paternity and the procurement of child support, if applicable.

(e) The obligation of a recipient who fails to comply with compliance goals due to substance abuse to participate in substance abuse treatment and submit to any periodic drug testing required by the treatment program.

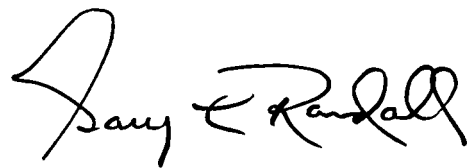
(f) Any other obligation the department determines is necessary to enable the family to achieve independence.

(2) The department shall monitor each family's compliance with the family self-sufficiency plan.

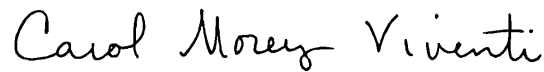
Sec. 57w. If a recipient requests a redetermination or to be exempt from participation in work first under section 57f, the department shall evaluate the individual with a work first caseworker to determine whether the recipient is eligible to participate in other activities as set forth in section 57e.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 892 of the 93rd Legislature is enacted into law.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor