

HOUSE BILL No. 6580

September 20, 2006, Introduced by Reps. Kooiman, Stahl and Pastor and referred to the Committee on Family and Children Services.

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 14i, 57, 57a, and 57e (MCL 400.14i, 400.57, 400.57a, and 400.57e), section 14i as amended by 2005 PA 333, 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:

1 Sec. 14i. Sections 57f(3)(c), (e), and (f) and 57g(4), (5),
2 (6), and (7) do not apply after ~~December 31, 2006~~ **SEPTEMBER 30,**
3 **2009.**

4 Sec. 57. (1) As used in this section and sections 57a to ~~57g~~
5 57v:

1 (a) "Adult-supervised household" means either of the
2 following:

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

5 (ii) A living arrangement not described in subparagraph (i) that
6 the ~~family independence agency~~ **DEPARTMENT** approves as a family
7 setting that provides care and control of a minor parent and his or
8 her child and supportive services including, but not limited to,
9 counseling, guidance, or supervision.

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

19 (c) "Child" means an individual who is not emancipated under
20 ~~Act No. 293 of the Public Acts of 1968, being sections 722.1 to~~
21 ~~722.6 of the Michigan Compiled Laws— 1968 PA 293, MCL 722.1 TO~~
22 **722.6**, who lives with a parent or caretaker, and who is either of
23 the following:

24 (i) Under the age of 18.

25 (ii) Age 18 or 19, a full-time high school student, and
26 reasonably expected to graduate from high school before the age of
27 20.

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

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

4 (A) A parent or stepparent of the child.

5 (B) A caretaker of the child.

6 (ii) A pregnant woman.

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

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

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

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

16 (h) "Minor parent" means an individual under the age of 18 who
17 is not emancipated under ~~Act No. 293 of the Public Acts of 1968~~
18 **1968 PA 293, MCL 722.1 TO 722.6**, and who is either the biological
19 parent of a child living in the same household or a pregnant woman.

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

23 **(J) "PERSONAL RESPONSIBILITY PLAN" MEANS A DOCUMENT DESCRIBED**
24 **IN SECTION 57E THAT IS EXECUTED BY A FAMILY IN RETURN FOR RECEIVING**
25 **FAMILY INDEPENDENCE ASSISTANCE.**

26 **(K) "PERSONAL WORK PLAN" MEANS A DOCUMENT DESCRIBED IN SECTION**
27 **57D THAT IS EXECUTED BY A WORK FIRST PROGRAM PARTICIPANT IN RETURN**

1 **FOR RECEIVING FAMILY INDEPENDENCE ASSISTANCE.**

2 (l) ~~-(j)-~~ "Program group" means a family and all those
3 individuals living with a family whose income and assets are
4 considered for purposes of determining financial eligibility for
5 family independence assistance.

6 (M) ~~-(k)-~~ "Recipient" means an individual receiving family
7 independence assistance.

8 ~~----- (l) "Social contract" means a document described in section 57e~~
9 ~~that is executed by a family in return for the receipt of family~~
10 ~~independence assistance.~~

11 (N) ~~-(m)-~~ "Substance abuse" means that term as defined in
12 section 6107 of the public health code, ~~Act No. 368 of the Public~~
13 ~~Acts of 1978, being section 333.6107 of the Michigan Compiled Laws~~
14 **1978 PA 368, MCL 333.6107.**

15 (O) ~~-(n)-~~ "Substance abuse treatment" means outpatient or
16 inpatient services or participation in alcoholics anonymous or a
17 similar program.

18 (P) **"SUPPLEMENTAL SECURITY INCOME" MEANS THE PROGRAM OF**
19 **SUPPLEMENTAL SECURITY INCOME PROVIDED UNDER TITLE XVI.**

20 (Q) ~~-(o)-~~ "Work first" means the program of employment and
21 training administered by the ~~Michigan jobs commission~~ **DEPARTMENT**
22 **OF LABOR AND ECONOMIC GROWTH** for applicants and recipients of
23 family independence assistance.

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

27 Sec. 57a. (1) The ~~family independence agency~~ **DEPARTMENT**

1 shall establish and administer the family independence program to
2 provide assistance to families who are making efforts to achieve
3 independence.

4 (2) The ~~family independence agency~~ **DEPARTMENT** shall
5 administer the family independence program to accomplish all of the
6 following:

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

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

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

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

17 (3) The ~~family independence agency~~ **DEPARTMENT** shall
18 establish income and asset levels for eligibility, types of income
19 and assets to be considered in making eligibility determinations,
20 payment standards, composition of the program group and the family
21 independence assistance group, program budgeting and accounting
22 methods, and client reporting requirements to meet the following
23 goals:

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

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

1 (4) AT THE TIME THE DEPARTMENT DETERMINES THAT AN INDIVIDUAL
2 IS ELIGIBLE TO RECEIVE FAMILY INDEPENDENCE ASSISTANCE UNDER THIS
3 ACT, THE DEPARTMENT SHALL DETERMINE WHETHER THAT INDIVIDUAL IS
4 ELIGIBLE TO PARTICIPATE IN THE WORK FIRST PROGRAM OR IF THE
5 INDIVIDUAL IS EXEMPT FROM WORK FIRST PARTICIPATION UNDER SECTION
6 57F. IF THE DEPARTMENT DETERMINES THAT AN INDIVIDUAL IS ELIGIBLE TO
7 PARTICIPATE IN THE WORK FIRST PROGRAM, FAMILY INDEPENDENCE
8 ASSISTANCE SHALL BE PAID TO THAT INDIVIDUAL FOR NOT LONGER THAN A
9 CUMULATIVE TOTAL OF 48 MONTHS DURING THAT INDIVIDUAL'S LIFETIME.
10 ANY MONTH IN WHICH THE UNEMPLOYMENT RATE IN THE COUNTY IN WHICH THE
11 INDIVIDUAL RESIDES IS HIGHER THAN 10% SHALL NOT BE COUNTED TOWARD
12 THE CUMULATIVE TOTAL OF 48 MONTHS IN A LIFETIME FOR FAMILY
13 INDEPENDENCE ASSISTANCE. ANY MONTH IN WHICH AN INDIVIDUAL IS
14 TEMPORARILY EXEMPTED FROM WORK FIRST PARTICIPATION SHALL NOT BE
15 COUNTED TOWARD THE CUMULATIVE TOTAL OF 48 MONTHS IN A LIFETIME FOR
16 FAMILY INDEPENDENCE ASSISTANCE. IF THE RECIPIENT IS MEETING ALL THE
17 REQUIREMENTS OUTLINED IN HIS OR HER PERSONAL RESPONSIBILITY PLAN
18 AND PERSONAL WORK PLAN, HAS NEVER RECEIVED A PENALTY UNDER SECTION
19 57G, AND LABOR MARKET CONDITIONS OR EMPLOYMENT BARRIERS PREVENT
20 EMPLOYMENT PLACEMENT, A RECIPIENT MAY APPLY TO THE DEPARTMENT FOR
21 AN EXTENSION OF FAMILY INDEPENDENCE ASSISTANCE BENEFITS FOR A
22 PERIOD NOT TO EXCEED 12 MONTHS OVER THE 48-MONTH CUMULATIVE
23 LIFETIME TOTAL. NOTHING IN THIS SUBSECTION SHALL PREVENT THE
24 DEPARTMENT FROM PROVIDING ASSISTANCE TO INDIVIDUALS WHO ARE
25 DETERMINED TO BE EXEMPT UNDER SECTION 57F(3) OR 56I(1)(C).

26 (5) NOT LATER THAN 30 DAYS AFTER THE EFFECTIVE DATE OF THE
27 AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE DEPARTMENT SHALL

1 DETERMINE THE NUMBER OF MONTHS EACH FAMILY INDEPENDENCE ASSISTANCE
2 RECIPIENT WHO IS NOT EXEMPT FROM WORK FIRST PARTICIPATION UNDER
3 SECTION 57F HAS RECEIVED FAMILY INDEPENDENCE ASSISTANCE. IF THE
4 DEPARTMENT DETERMINES THAT A FAMILY INDEPENDENCE ASSISTANCE
5 RECIPIENT HAS RECEIVED FAMILY INDEPENDENCE ASSISTANCE FOR A
6 CUMULATIVE TOTAL OF 35 MONTHS OR LESS AS OF THE EFFECTIVE DATE OF
7 THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE 48-MONTH
8 CUMULATIVE LIFETIME TOTAL DESCRIBED IN SUBSECTION (4) APPLIES TO
9 THAT RECIPIENT. IF THE DEPARTMENT DETERMINES THAT A FAMILY
10 INDEPENDENCE ASSISTANCE RECIPIENT HAS RECEIVED FAMILY INDEPENDENCE
11 ASSISTANCE FOR A CUMULATIVE TOTAL OF 36 MONTHS OR MORE AS OF THE
12 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION,
13 THAT RECIPIENT IS REQUIRED TO MEET WITH A DEPARTMENT WORKER AND
14 WORK FIRST CASEWORKER WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF
15 THE AMENDATORY ACT THAT ADDED THIS SUBSECTION. AT THE TIME OF THE
16 MEETING REQUIRED IN THIS SUBSECTION, A NEW PERSONAL WORK PLAN SHALL
17 BE DEVELOPED. NOT LATER THAN 15 MONTHS AFTER THE EFFECTIVE DATE OF
18 THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, IF A RECIPIENT HAS
19 HAD THE MEETING REQUIRED UNDER THIS SUBSECTION AND IS MEETING ALL
20 THE REQUIREMENTS OUTLINED IN HIS OR HER PERSONAL WORK PLAN BUT
21 LABOR MARKET CONDITIONS OR EMPLOYMENT BARRIERS PREVENT EMPLOYMENT
22 PLACEMENT, THE RECIPIENT MAY APPLY TO THE DEPARTMENT FOR AN
23 EXTENSION OF FAMILY INDEPENDENCE ASSISTANCE BENEFITS FOR A PERIOD
24 NOT TO EXCEED 12 MONTHS. NOTHING IN THIS SUBSECTION SHALL PREVENT
25 THE DEPARTMENT FROM PROVIDING ASSISTANCE TO INDIVIDUALS WHO ARE
26 DETERMINED TO BE EXEMPT UNDER SECTION 57F(3) OR 56I(1)(C).

27 (6) ~~-(4)-~~ Not later than October 1, 2001, the ~~-family~~

1 ~~independence agency~~ **DEPARTMENT** shall implement an automated finger
2 imaging system designed to prevent an individual from receiving
3 cash assistance, food stamps, or both under more than 1 name.
4 Beginning at the effective date of the establishment and
5 implementation of the finger imaging system, an individual applying
6 for cash assistance, food stamps, or both must provide the ~~family~~
7 ~~independence agency~~ **DEPARTMENT** with an automated finger image or
8 images as a condition of eligibility. Finger imaging obtained
9 ~~pursuant to~~ **UNDER** this subsection shall be used only for the
10 purposes of reducing fraud in obtaining public benefits or
11 assistance under this act.

12 (7) ~~(5)~~ The ~~family independence agency~~ **DEPARTMENT** shall
13 establish the automated finger image system that, at a minimum,
14 includes the following:

15 (a) Confidentiality of the automated finger image records
16 taken ~~pursuant~~ **ACCORDING** to this section.

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

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

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

1 finger image.

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

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

8 (8) ~~(6)~~ The ~~family independence agency~~ **DEPARTMENT** shall
9 remove an individual's finger image from the department's file if
10 the individual has not received benefits or assistance from the
11 ~~family independence agency~~ **DEPARTMENT** within the previous 12
12 months.

13 (9) ~~(7)~~ The ~~family independence agency~~ **DEPARTMENT** may
14 negotiate and enter into a compact or reciprocal agreement with
15 another state department, the federal government, an agency of the
16 federal government, or an agency of another state for the purpose
17 of implementing and administering the finger imaging provisions of
18 this section as long as the compact or reciprocal agreement is not
19 inconsistent with the limitations of use and access contained in
20 subsection ~~(4)~~ (6).

21 (10) ~~(8)~~ The ~~family independence agency~~ **DEPARTMENT** shall
22 conduct ~~semi-annual~~ **SEMIANNUAL** security reviews to monitor the
23 automated finger imaging system to insure that all of the following
24 occur:

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

27 (b) Effective software and hardware designs have been

1 instituted with security features to prevent unauthorized access to
2 records.

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

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

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

13 (11) ~~-(9)-~~ Beginning December 31 of the first year the
14 automated finger imaging system has been fully implemented, the
15 ~~family independence agency-~~ **DEPARTMENT** shall compile and report
16 annually to the senate and house committees having jurisdiction
17 over ~~family independence agency-~~ **DEPARTMENT** matters the following
18 information concerning the operation of the automated finger
19 imaging system:

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

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

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

1 (d) A detailed summary of the results of reviews required by
2 subsection ~~(8)~~ **(10)**.

3 **(12)** ~~(10)~~ Except as necessary to carry out a compact or
4 agreement under subsection ~~(7)~~ **(9)** or unless otherwise required
5 by law, the ~~family independence agency~~ **DEPARTMENT** shall not sell,
6 transfer, or release information identifying an individual named in
7 the automated finger imaging system record to a third person,
8 including, but not limited to, another state department or agency.

9 **(13)** ~~(11)~~ A person shall not disclose information from the
10 automated finger imaging system record in a manner that is not
11 authorized by law or rule. A ~~violation of~~ **PERSON WHO VIOLATES**
12 this subsection is **GUILTY OF** a misdemeanor punishable by
13 imprisonment for not more than 93 days or a fine of not more than
14 \$500.00, or both.

15 **(14)** ~~(12)~~ At the time an individual applies for cash
16 assistance, food stamps, or both, the ~~family independence agency~~
17 **DEPARTMENT** shall inform the individual of all of the following:

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

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

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

25 Sec. 57e. (1) Each family receiving family independence
26 assistance shall execute a ~~social contract~~ **PERSONAL**
27 **RESPONSIBILITY PLAN** outlining the responsibilities of members of

1 the family independence PROGRAM assistance group, **THE CONTRACTUAL**
2 **NATURE OF FAMILY INDEPENDENCE PROGRAM ASSISTANCE, AND THE FOCUS ON**
3 **THE GOAL OF ATTAINING SELF-SUFFICIENCY.** The ~~social contract~~
4 **PERSONAL RESPONSIBILITY PLAN** shall be developed ~~jointly~~ by the
5 ~~family independence agency~~ DEPARTMENT and the adult family members
6 ~~and~~ OF THE FAMILY INDEPENDENCE ASSISTANCE PROGRAM GROUP. THE
7 DEPARTMENT SHALL COMPLETE A THOROUGH ASSESSMENT TO FACILITATE
8 DEVELOPMENT OF THE PERSONAL RESPONSIBILITY PLAN, INCLUDING
9 CONSIDERATION OF REFERRAL TO A LIFE SKILLS PROGRAM, AND
10 DETERMINATION AS TO WHETHER THE FAMILY INDEPENDENCE ASSISTANCE
11 PROGRAM GROUP'S ADULT MEMBERS ARE ELIGIBLE TO PARTICIPATE IN THE
12 WORK FIRST PROGRAM OR ARE EXEMPT FROM WORK FIRST PARTICIPATION
13 UNDER SECTION 57G. THE PERSONAL RESPONSIBILITY PLAN shall identify
14 compliance goals that are to be met by members of the family
15 independence assistance PROGRAM group AND GOALS AND
16 RESPONSIBILITIES OF THE MEMBERS OF THE FAMILY INDEPENDENCE
17 ASSISTANCE PROGRAM GROUP, THE DEPARTMENT, AND THE WORK FIRST
18 PROGRAM. The ~~social contract~~ PERSONAL RESPONSIBILITY PLAN shall
19 reflect the individual needs and abilities of the particular
20 family, and shall include at least all of the following:
21 (a) The obligation of each adult and each child aged 16 or
22 older who is not attending elementary or secondary school full-time
23 to participate in THE work first PROGRAM unless exempt under
24 section 57f.
25 (b) The obligation of each minor parent who has not completed
26 secondary school to attend school.
27 (c) Except as provided in section 57f(3), the obligation of

1 each adult to engage in employment, work first activities,
2 education or training, community service activities, or self-
3 improvement activities, as determined appropriate by the ~~family~~
4 ~~independence agency, up to 40 hours per week~~ **DEPARTMENT**.

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

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

11 (f) Any other obligation the ~~family independence agency~~
12 **DEPARTMENT** determines is necessary to enable the family to achieve
13 independence.

14 (2) The ~~family independence agency~~ **DEPARTMENT** shall monitor
15 each family's compliance with the ~~social contract~~ **PERSONAL**
16 **RESPONSIBILITY PLAN**.

17 **SEC. 57W. IF A RECIPIENT REQUESTS A REDETERMINATION OR TO BE**
18 **EXEMPT FROM PARTICIPATION IN WORK FIRST UNDER SECTION 57F, THE**
19 **DEPARTMENT SHALL EVALUATE THE INDIVIDUAL WITH A WORK FIRST**
20 **CASEWORKER TO DETERMINE WHETHER THE RECIPIENT IS ELIGIBLE TO**
21 **PARTICIPATE IN OTHER ACTIVITIES AS SET FORTH IN SECTION 57E.**

22 Enacting section 1. This amendatory act does not take effect
23 unless Senate Bill No.____ or House Bill No. 6578(request no.
24 05674'06) of the 93rd Legislature is enacted into law.