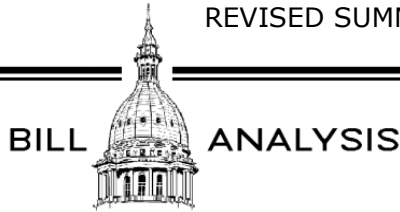




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Senate Bills 843 and 844 (as introduced 3-4-14)

Sponsor: Senator Rick Jones

Committee: Judiciary

Date Completed: 3-31-14

CONTENT

Senate Bill 843 would amend the Social Welfare Act to do the following:

- **Authorize the Director of the Department of Human Services (DHS) to appoint agents of the Department's Office of Inspector General.**
- **Specify that the agents would have the powers of peace officers for the purpose of enforcing the Act.**
- **Authorize the agents to make felony arrests without a warrant, while they were on duty.**

Senate Bill 844 would amend the Michigan Penal Code to include agents of the DHS Office of Inspector General in the list of people who are exempt from certain weapons-related prohibitions in the Code.

Senate Bill 844 is tie-barred to Senate Bill 843.

Senate Bill 843

Inspector General Agents

The Social Welfare Act establishes an Office of Inspector General as a criminal justice agency in the Department of Human Services. The primary duty of the inspector general is to investigate cases of alleged fraud within the DHS. The inspector general also must do the following:

- Investigate fraud, waste, and abuse in the programs administered by the DHS.
- Make referrals for prosecution and disposition of appropriate cases, as determined by the inspector general.
- Review administrative policies, practices, and procedures.
- Make recommendations to improve program integrity and accountability.

The bill would authorize the DHS Director to appoint agents with limited arrest powers for the enforcement of DHS-administered programs. Agents appointed under the bill would be agents of the DHS Office of Inspector General and would have all powers conferred upon peace officers for the purpose of enforcing the general laws of the State as they pertain to enforcement of the Act. The Director could authorize agents to carry firearms.

Warrantless Arrests

In addition to the limited arrest authority granted in the bill, an agent of the Office of Inspector General, while on duty, could arrest a person without a warrant if the agent had

reasonable cause to believe that one or more of the following had been committed and reasonable cause to believe that the person committed it:

- A felony.
- A felony offense for financial gain under Section 159g(d) or 159g(e) of the Michigan Penal Code.
- A felony offense under Section 300a of the Penal Code.
- A felony offense of using a fraudulent device to obtain relief under Section 60 of the Social Welfare Act.

(Sections 159g(d) and 159g(e) of the Penal Code include welfare fraud and Medicaid fraud in the Code's definition of "racketeering". Section 300a of the Penal Code prohibits and prescribes criminal penalties for food assistance fraud. Section 60 of the Social Welfare Act prohibits and prescribes criminal penalties for welfare fraud.)

An agent also could arrest a person without a warrant if the agent had received positive information by written, telegraphic, teletypic, telephonic, radio, or other authoritative source that a peace officer held a warrant for the person's arrest.

Senate Bill 844

The Penal Code exempts various law enforcement, corrections, military, and other authorized personnel from certain weapons-related restrictions. The bill would include an agent of the DHS Office of Inspector General appointed under Senate Bill 843 among those who are exempt. The exemptions apply to all of the following prohibited activities:

- Manufacturing, selling, or possessing certain weapons or weapons-related devices.
- Selling or possessing a portable device or weapon from which an electrical current, impulse, wave, or beam may be directed to incapacitate, injure, or kill.
- Manufacturing, selling, or possessing a short-barreled shotgun or short-barreled rifle.
- Using certain self-defense spray or foam devices.
- Selling or possessing a pocket knife opened by a mechanical device.
- Carrying certain knives or other dangerous weapons, or carrying a concealed pistol.
- Transporting or possessing a loaded firearm in or upon a vehicle.

MCL 400.43b (S.B. 843)
750.231 (S.B. 844)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Senate Bill 843

The DHS estimates that the costs to implement the bill would range from \$300,000 to \$400,000 to cover the start-up costs to equip up to 10 agents with firearms, depending on available equipment pricing. The costs are associated largely with equipment and training for the Office of Inspector General to support implementation of the bill.

Senate Bill 844

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Frances Carley
John Maxwell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.