## SUBSTITUTE FOR

## SENATE BILL NO. 893

(As amended, December 1, 2005)

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 43 and 57g (MCL 400.43 and 400.57g), section 57g as amended by 2001 PA 280.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 43. (1) <<All 1 >> assistance granted under this act shall be reconsidered from time 2 3 to time -, or as frequently as may be required by the state 4 department. <<After >> 5 further investigation by the county department, -of social welfare, 6 the amount and manner of giving assistance may be changed, or the 7 assistance may be withdrawn if the state department finds the 8 recipient's circumstances have changed sufficiently to warrant such THAT action. It shall be within the power of the THE state 9

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department MAY, at any time, -to- cancel and revoke assistance for 1 2 cause, and it may for cause suspend payments for assistance as it may deem CONSIDERS proper, subject to appeal and hearing by the 3 4 recipient as provided for in section 9. The provisions of this 5 section shall be mandatory only with respect to -old age CASH assistance -, aid to dependent children, aid to the blind, aid to 6 7 the permanently and totally disabled or any other function financed in whole or in part by federal funds. 8

9 (2) THE DEPARTMENT SHALL MAKE EDUCATIONAL AND INFORMATIONAL
10 MATERIALS AVAILABLE TO RECIPIENTS RELATING TO ADOPTION.

Sec. 57q. (1) The family independence agency shall develop a 11 12 system of penalties to be imposed if a recipient fails to comply 13 with applicable rules or the provisions of this section. Penalties may be cumulative and may include reduction of the grant, removal 14 15 of an individual from the family independence assistance group, and termination of assistance to the family. THE DEPARTMENT SHALL 16 DEVELOP A SYSTEM OF PENALTIES TO COMPLY WITH APPLICABLE RULES OR 17 18 THE PROVISIONS OF THIS SECTION. IF A RECIPIENT DEMONSTRATES 19 NONCOMPLIANCE OR DOES NOT MEET THE RECIPIENT'S FAMILY INDEPENDENCE 20 PLAN EXPECTATIONS, THE DEPARTMENT SHALL IMPOSE A PENALTY AS 21 FOLLOWS:

(A) FOR THE FIRST INSTANCE OF NONCOMPLIANCE OR FAILURE TO MEET
AN EXPECTATION IN THE FAMILY INDEPENDENCE PLAN, THE RECIPIENT IS
INELIGIBLE FOR FAMILY INDEPENDENCE PROGRAM ASSISTANCE FOR NOT LESS
THAN 1 CALENDAR MONTH.

26 (B) FOR THE SECOND INSTANCE OF NONCOMPLIANCE OR FAILURE TO
27 MEET AN EXPECTATION IN THE FAMILY INDEPENDENCE PLAN, THE RECIPIENT

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IS INELIGIBLE FOR FAMILY INDEPENDENCE PROGRAM ASSISTANCE FOR NOT
 LESS THAN 2 CALENDAR MONTHS.

3 (C) FOR THE THIRD INSTANCE OF NONCOMPLIANCE OR FAILURE TO MEET 4 AN EXPECTATION IN THE FAMILY INDEPENDENCE PLAN WITHIN A 24-MONTH 5 PERIOD, THE RECIPIENT IS INELIGIBLE FOR FAMILY INDEPENDENCE PROGRAM 6 ASSISTANCE FOR NOT LESS THAN 24 CALENDAR MONTHS.

7 (2) A penalty shall not be imposed if the recipient has
8 demonstrated that there was good cause for failing to comply. The
9 family independence agency DEPARTMENT shall determine the
10 circumstances that constitute good cause based on factors that are
11 beyond the control of a recipient.

12 (3) Recipients who are willing to participate in activities 13 leading to self-sufficiency but who require child care or 14 transportation in order to participate shall not be penalized if 15 the <u>family independence agency</u> **DEPARTMENT** determines that child 16 care or transportation is not reasonably available or provided to 17 them.

18 (4) The system of penalties developed under subsection (1)19 shall include both of the following:

20 (a) Family independence program benefits shall be terminated 21 if a recipient fails, without good cause, to comply with applicable 22 child support requirements including efforts to establish paternity 23 and obtain child support. The assistance group is ineligible for 24 family independence program assistance for not less than 1 calendar 25 month. After assistance has been terminated for not less than 1 26 calendar month, assistance may be restored if the noncompliant 27 recipient complies with child support requirements including the

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2 (b) For any instance of noncompliance, before determining that a penalty shall be imposed, the <u>family independence agency</u> 3 DEPARTMENT shall determine if good cause for noncompliance exists. 4 5 The <u>family independence agency</u> **DEPARTMENT** shall notify the recipient that he or she has 10 days to demonstrate good cause for 6 noncompliance. If good cause is not determined to exist, 7 assistance shall be terminated. After termination, the assistance 8 9 group is ineligible for family independence program assistance for 10 not less than 1 calendar month. 11 (5) For the purposes of this section, "noncompliance" means 1 12 or more of the following: 13 (a) A recipient quits a job. (b) A recipient is fired for misconduct or for absenteeism 14 15 without good cause. (c) A recipient voluntarily reduces the hours of employment or 16 17 otherwise reduces earnings. 18 (d) A recipient does not participate in work first activities. 19 (6) If a recipient does not meet the recipient's individual 20 social contract requirements, the family independence agency may

action to establish paternity and obtain child support.

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21 impose a penalty.

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(6) (7) After termination for noncompliance , the
assistance group is ineligible for family independence program
assistance for not less than 1 calendar month. After assistance has
been terminated for not less than 1 calendar month OR FAILURE TO
MEET AN EXPECTATION IN THE FAMILY INDEPENDENCE PLAN SUBJECT TO THE
PROVISIONS IN SUBSECTION (1), family independence program

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assistance may be approved if the recipient completes a willingness 1 2 to comply test. For purposes of this section, "willingness to comply" means participating in work first or other self-sufficiency 3 4 activities for up to 40 hours within 10 working days. At the time 5 any A penalty is imposed under this section, the -familyindependence agency DEPARTMENT shall provide the recipient written 6 notice of his or her option to immediately reapply for family 7 independence program benefits and that he or she may complete a 8 9 "willingness to comply test" during the penalty period.

10 (7) (8) The family independence agency DEPARTMENT shall 11 submit a report - for the period between February 1, 2002 and 12 December 31, 2002 ANNUALLY to the legislature, the house and senate fiscal agencies, and the appropriate house and senate 13 14 standing committees that handle family and children's issues, that 15 contains all of the following information for that time period: 16 (a) The number of sanctions imposed and reapplications made. 17 (b) The number of family independence program cases reopened. 18 (c) The number of referrals to emergency shelters by the 19 department.

20 (d) The number of sanctions imposed on families with at least21 1 disabled parent.

(e) The number of sanctions imposed on families with disabledchildren.

(8) ANY RECIPIENT WHO IS NOT EXEMPT FROM WORK FIRST
PARTICIPATION UNDER SECTION 57F MAY RECEIVE FAMILY INDEPENDENCE
ASSISTANCE FOR NOT LONGER THAN A CUMULATIVE TOTAL OF 48 MONTHS
DURING THAT INDIVIDUAL'S LIFETIME. IF THE RECIPIENT IS MEETING ALL

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- 1 THE REQUIREMENTS OUTLINED IN HIS OR HER FAMILY INDEPENDENCE PLAN
- 2 AND LABOR MARKET CONDITIONS OR EMPLOYMENT BARRIERS PREVENT
- 3 EMPLOYMENT PLACEMENT, A RECIPIENT MAY APPLY TO THE DEPARTMENT FOR
- 4 AN EXTENSION OF FAMILY INDEPENDENCE ASSISTANCE BENEFITS FOR A
- 5 PERIOD NOT TO EXCEED 12 MONTHS OVER THE 48-MONTH CUMULATIVE
- 6 LIFETIME TOTAL.

<<(9) AFTER TERMINATION OF FAMILY INDEPENDENCE ASSISTANCE BENEFITS FOR NONCOMPLIANCE, FAILURE TO MEET AN EXPECTATION LISTED IN THE FAMILY INDEPENDENCE PLAN DESCRIBED IN SUBSECTION (1), OR REACHING THE 48-MONTH LIFETIME CUMULATIVE TOTAL ALLOWABLE UNDER SUBSECTION (8), THE DEPARTMENT SHALL PROVIDE INFORMATION TO THE RECIPIENT ON OBTAINING FOOD ASSISTANCE, ASSISTANCE UNDER THE WOMEN, INFANTS, AND CHILDREN PROGRAM, FREE AND REDUCED LUNCHES, EARNED INCOME TAX CREDIT, AND ANY OTHER RELEVANT PROGRAM OR SERVICE THE DEPARTMENT DETERMINES MAY ASSIST THE FAMILY.>>