



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 941 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Jim Barcia
Committee: Families and Human Services

CONTENT

The bill would amend the Social Welfare Act to require the Department of Technology, Management, and Budget (DTMB) to work with the Department of Human Services (DHS) and the Michigan State Police (MSP), beginning October 1, 2010, to develop and implement an automated program that would compare the DHS's list of public assistance recipients with information provided by the MSP regarding outstanding felony or extradition warrants.

The DTMB also would have to work with the DHS and the MSP to develop and implement an automated program allowing the MSP to obtain the address of a public assistance applicant or recipient. This program would have to be implemented by July 1, 2011.

When the program was implemented, the DHS Director would have to review the information provided by the MSP to determine if a public assistance applicant or recipient was subject to arrest under an outstanding warrant. If so, the Department could not grant public assistance to the individual.

MCL 400.10a et al.

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would require the Department of Technology, Management, and Budget, Department of Human Services, and Department of State Police to develop an information technology application that would compare a list of individuals having outstanding felony or extradition warrants with those receiving assistance payments through the DHS.

There have been several estimates of cost associated with this change. In February 2009, the DHS gave the Legislature a boilerplate report that estimated the cost of this change at \$210,600 Gross. A private information technology contractor working with the DHS increased this estimate to \$394,200 Gross. Senate Bill 248 of 2009, the FY 2009-10 DHS appropriation, as passed by the Legislature provided \$250,000 GF/GP to fund this information technology change. These funds were vetoed by the Governor and are not in the FY 2009-10 DHS appropriation.

To the extent that the creation of the automated tool identified individuals inappropriately receiving benefits, there could be a reduction in DHS program costs. Research into the types of benefits that fugitive felons are likely to receive and Federal regulations governing how states may restrict these benefits suggest that any savings achieved would be small.

The costs to the DTMB would be recouped via interdepartmental grants from the DHS and the MSP for any programming costs incurred by the DTMB.

Date Completed: 3-25-10

Fiscal Analyst: Joe Carrasco
David Fosdick