

REMOVE SUNSET IN SOCIAL WELFARE ACT

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House Bill 5417

Sponsor: Rep. Brenda J. Clack

Committee: Family and Children Services

Complete to 5-28-04

A SUMMARY OF HOUSE BILL 5417 AS INTRODUCED 1-22-04

The bill would amend the Social Welfare Act to keep in place certain exemptions and penalties associated with the Work First program. The bill would do this by repealing Section 14i of the Social Welfare Act, which provides that Section 57f(3)(c),(e), and (f) and Section 57g(4), (5), (6), and (7) shall not apply after December 31, 2004.

By extending the relevant provisions in Section 57f (MCL 400.57f) indefinitely, the bill would make the act continue to provide the following individuals an exemption from participation in the Work First program:

- The parent of a child under three months of age. [Section 57f(3)(c)]
- A recipient of Supplemental Security Income (SSI). [Section 57f(3)(e)]
- An individual who meets one or more of the following criteria to the extent that the individual, based on medical evidence and an assessment of need by the FIA, is severely restricted in his or her ability to participate in employment or training activities:
 - * a recipient of social security disability or medical assistance due to disability or blindness;
 - * an individual suffering from a physical or mental impairment that meets the federal supplemental security income disability standards, except that no minimum duration is required;
 - * the spouse of an individual described in above who is the full-time caregiver of that individual; and
 - * a parent or caretaker of a child who is suffering from a physical or mental impairment that meets the federal supplemental security income disability standards, except that non minimum duration is required. [Section 57f(f)]

Section 57g (MCL 400.57g) requires the FIA to develop a system of penalties to be imposed if a recipient of assistance fails to comply with applicable rules or the provisions of the section. The bill would keep the following current penalties in place after December 31, 2004.

- The system of penalties developed by the FIA shall provide that (1) family independence program (FIP) benefits shall be terminated if a recipient fails, without good cause, to comply with applicable child support requirements; and (2) for any instance of noncompliance, before determining that a penalty shall be imposed, the FIA shall determine if good cause for noncompliance exists. [Section 57g(4)]
- “Noncompliance” means that the recipient quits a job, is fired for misconduct or for absenteeism without good cause, voluntarily reduces the hours of employment or otherwise reduces earnings, or does not participate in work first activities. [Section 57g(5)]
- If a recipient does not meet his or her social contract requirements, the FIA may impose a penalty. [Section 57g(6)]
- After termination for noncompliance, the assistance group is ineligible for FIP assistance for at least one calendar month. After FIP assistance has been terminated for at least one calendar month, FIP assistance may be approved if the recipient completes a willingness to comply test. [Section 57g(7)]

It appears that the system of penalties for noncompliance currently in place would only apply through the end the year.

FISCAL IMPACT:

The legislation maintains the current work first exemptions and penalty structure by repealing the sunset. Therefore, the legislation would have no fiscal impact.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.