

Act No. 280
Public Acts of 2001
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STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2001

Introduced by Senators Johnson and Hammerstrom

ENROLLED SENATE BILL No. 817

AN ACT to amend 1939 PA 280, entitled "An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates," by amending sections 57d, 57e, 57f, and 57g (MCL 400.57d, 400.57e, 400.57f, and 400.57g), as added by 1995 PA 223, and by adding sections 14h and 14i.

The People of the State of Michigan enact:

Sec. 14h. (1) The family independence agency shall use an electronic benefit transfer system for food stamp distribution.

(2) To the extent that rules or parts of rules promulgated under this act conflict with the provisions of this section, the provisions of this section supersede those rules or parts of rules.

(3) The following rules are rescinded:

- (a) R 400.3002 of the Michigan administrative code.
- (b) R 400.3003 of the Michigan administrative code.
- (c) R 400.3004 of the Michigan administrative code.
- (d) R 400.3007 of the Michigan administrative code.
- (e) R 400.3008 of the Michigan administrative code.
- (f) R 400.3012 of the Michigan administrative code.
- (g) R 400.3013 of the Michigan administrative code.
- (h) R 400.3125 of the Michigan administrative code.

Sec. 14i. Section 57f(3)(c), (e), and (f) and section 57g(4), (5), (6), and (7), shall not apply after December 31, 2004.

Sec. 57d. (1) The department of career development and the family independence agency shall conduct joint orientation sessions for family independence assistance applicants no less frequently than weekly. After the family independence agency makes an initial determination that an adult or a child aged 16 or older who is not attending

elementary or secondary school full-time might be eligible for family independence assistance, that individual shall attend a joint orientation session as a condition of eligibility prior to receipt of family independence assistance. After completion of the orientation, the individual and the family independence agency shall develop the family's social contract in accordance with section 57e.

(2) If the individual fails to cooperate with work first joint orientation or other required employment and training activities, the family is ineligible for family independence assistance.

(3) The family independence agency shall impose penalties under section 57g if the individual fails to comply with any of the following:

- (a) Work first activities.
- (b) Employment and training activities.
- (c) Child support requirements.

(4) The family independence agency may impose penalties under section 57g if the individual fails to comply with the individual's social contract requirements.

(5) If the individual is complying with the social contract, the family independence agency and the recipient shall revise the social contract if necessary and the family independence assistance group shall continue to receive family independence assistance so long as the recipients meet family independence assistance program requirements.

Sec. 57e. (1) Each family receiving family independence assistance shall execute a social contract outlining the responsibilities of members of the family independence assistance group. The social contract shall be developed jointly by the family independence agency and the adult family members and shall identify compliance goals that are to be met by members of the family independence assistance group. The social contract shall reflect the individual needs and abilities of the particular family, and shall include at least all of the following:

(a) The obligation of each adult and each child aged 16 or older who is not attending elementary or secondary school full-time to participate in work first unless exempt under section 57f.

(b) The obligation of each minor parent who has not completed secondary school to attend school.

(c) Except as provided in section 57f(3), the obligation of each adult to engage in employment, work first activities, education or training, community service activities, or self-improvement activities, as determined appropriate by the family independence agency, up to 40 hours per week.

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

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

(f) Any other obligation the family independence agency determines is necessary to enable the family to achieve independence.

(2) The family independence agency shall monitor each family's compliance with the social contract.

Sec. 57f. (1) The family independence agency shall enter into an agreement with the department of career development in order to facilitate the administration of work first. The family independence agency shall make information on the program available to the legislature.

(2) Except as otherwise provided in subsection (3), every member of a family independence assistance group shall be referred to and shall participate in work first. The particular activities in which the recipient is required or authorized to participate, the number of hours of work required, and other details of work first shall be developed by the department of career development and the family independence agency and shall be set forth in the recipient's social contract. If a recipient has cooperated with work first, the recipient may enroll in a program approved by the local workforce development board. Any and all training or education with the exception of high school completion and GED preparation must be occupationally relevant and in demand in the labor market as determined by the local workforce development board and may be no more than 2 years in duration. Participants must make satisfactory progress while in training or education.

(3) The following individuals are exempt from participation in work first:

(a) A child under the age of 16.

(b) A child aged 16 or older, or a minor parent, who is attending elementary or secondary school full-time.

(c) The parent of a child under the age of 3 months. The family independence agency may require a parent exempted from participation in work first under this subdivision to participate in family services, including, but not limited to, instruction in parenting, nutrition, and child development beginning 6 weeks after the birth of his or her child until the child is 3 months old as fulfillment of that parent's social contract obligation under section 57e(1)(c).

(d) An individual aged 65 or older.

(e) A recipient of supplemental security income.

(f) An individual who meets 1 or more of the following criteria to the extent that the individual, based on medical evidence and an assessment of need by the family independence agency, is severely restricted in his or her ability to participate in employment or training activities:

(i) A recipient of social security disability, or medical assistance due to disability or blindness.

(ii) An individual suffering from a physical or mental impairment that meets federal supplemental security income disability standards, except that no minimum duration is required.

(iii) The spouse of an individual described in subparagraph (i) or (ii) who is the full-time caregiver of that individual.

(iv) 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 no minimum duration is required.

(4) In addition to those individuals exempt under subsection (3), the family independence agency may grant a temporary exemption from participation in work first, not to exceed 90 days, to an individual who is suffering from a documented short-term mental or physical illness, limitation, or disability that severely restricts his or her ability to participate in employment or training activities. An individual with a documented mental or physical illness, limitation, or disability that does not severely restrict his or her ability to participate in employment or training activities shall be required to participate in work first at a medically permissible level.

(5) An individual is not disabled for purposes of this section if substance abuse is a contributing factor material to the determination of disability.

Sec. 57g. (1) The family independence agency shall develop a system of penalties to be imposed if a recipient fails to comply with applicable rules or the provisions of this section. Penalties may be cumulative and may include reduction of the grant, removal of an individual from the family independence assistance group, and termination of assistance to the family.

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

(3) Recipients who are willing to participate in activities leading to self-sufficiency but who require child care or transportation in order to participate shall not be penalized if the family independence agency determines that child care or transportation is not reasonably available or provided to them.

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

(a) Family independence program benefits shall be terminated if a recipient fails, without good cause, to comply with applicable child support requirements including efforts to establish paternity and obtain child support. 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, assistance may be restored if the noncompliant recipient complies with child support requirements including the action to establish paternity and obtain child support.

(b) For any instance of noncompliance, before determining that a penalty shall be imposed, the family independence agency shall determine if good cause for noncompliance exists. The family independence agency shall notify the recipient that he or she has 10 days to demonstrate good cause for noncompliance. If good cause is not determined to exist, assistance shall be terminated. After termination, the assistance group is ineligible for family independence program assistance for not less than 1 calendar month.

(5) For the purposes of this section, "noncompliance" means 1 or more of the following:

(a) A recipient quits a job.

(b) A recipient is fired for misconduct or for absenteeism without good cause.

(c) A recipient voluntarily reduces the hours of employment or otherwise reduces earnings.

(d) A recipient does not participate in work first activities.

(6) If a recipient does not meet the recipient's individual social contract requirements, the family independence agency may impose a penalty.

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

(8) The family independence agency shall submit a report for the period between February 1, 2002 and December 31, 2002 to the legislature, the house and senate fiscal agencies, and the appropriate house and senate standing committees that handle family and children's issues, that contains all of the following information for that time period:

(a) The number of sanctions imposed and reapplications made.

(b) The number of family independence program cases reopened.

- (c) The number of referrals to emergency shelters by the department.
- (d) The number of sanctions imposed on families with at least 1 disabled parent.
- (e) The number of sanctions imposed on families with disabled children.

Enacting section 1. This amendatory act is effective February 1, 2002.

Carol Morey Viventi

Secretary of the Senate.

Gay E. Randall

Clerk of the House of Representatives.

Approved

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Governor.