

# HOUSE BILL No. 5353

October 31, 1995, Introduced by Reps. Horton, Johnson, McManus, Green, Whyman, Rocca, Dolan, Gilmer, Gustafson, Gnodtke, Walberg, Kukuk, Cropsey, Kaza, Jersevic, Weeks, Hammerstrom, Hill, Lowe, Gernaat, Ryan, London, Bullard, Bush, Bryant, Jamian, Jellema, McBryde, Dobb, Goschka, DeLange, McNutt, Dalman, Middaugh, Sikkema, Randall, Middleton, Brackenridge, Crissman, Byl, Perricone, Oxender, Llewellyn, Nye and Voorhees and referred to the Committee on Human Services.

A bill to amend sections 1, 1b, 6, 17, 32, 45, and 63 of Act No. 280 of the Public Acts of 1939, entitled as amended "The social welfare act,"

section 32 as amended by Act No. 122 of the Public Acts of 1980, being sections 400.1, 400.1b, 400.6, 400.17, 400.32, 400.45, and 400.63 of the Michigan Compiled Laws; to add sections 14f, 14g, 48, 57, 57a, 57b, 57c, 57d, 57e, 57f, and 57g; and to repeal acts and parts of acts.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. Sections 1, 1b, 6, 17, 32, 45, and 63 of Act
 No. 280 of the Public Acts of 1939, section 32 as amended by Act
 No. 122 of the Public Acts of 1980, being sections 400.1, 400.1b,
 400.6, 400.17, 400.32, 400.45, and 400.63 of the Michigan
 Compiled Laws, are amended and sections 14f, 14g, 48, 57, 57a,
 57b, 57c, 57d, 57e, 57f, and 57g are added to read as follows:

1 Sec. 1. (1) -There is created a A department of the-2 state government -which- IS CREATED THAT shall be known and des-3 ignated as the -"state department of social services," hereinaf-4 ter called the state department, which FAMILY INDEPENDENCE 5 AGENCY, AND THAT shall possess the powers granted and perform the 6 duties imposed in this act. The -state department- FAMILY INDE-7 PENDENCE AGENCY shall consist of a director and the assistants 8 and employees appointed or employed in the -department- FAMILY 9 INDEPENDENCE AGENCY.

(2) The <u>state department</u> FAMILY INDEPENDENCE AGENCY is
responsible for the operation and supervision of the institutions
and facilities <u>as shall by law be</u> established within the
<u>department</u> FAMILY INDEPENDENCE AGENCY. <u>Notwithstanding any</u>
other provision of law the. THE institutions and facilities may
be operated on a coeducational basis. The <u>state department</u>.
FAMILY INDEPENDENCE AGENCY shall make and enforce its own rules,
not inconsistent with the law governing the <u>several</u> institutions or facilities under its control, respecting the conduct of
the institutions and facilities, discipline <u>therein</u> IN THE
INSTITUTIONS AND FACILITIES, the care of property, and <u>for</u> the
welfare of the <u>persons therein</u> RESIDENTS.

(3) The state department FAMILY INDEPENDENCE AGENCY shall
23 be, in all respects, the legal successor to the powers, duties
24 and responsibilities of the juvenile institute commission.

25 (4) A REFERENCE IN THIS ACT TO "THE STATE DEPARTMENT OF
26 SOCIAL SERVICES", "THE STATE DEPARTMENT", OR "DEPARTMENT" MEANS
27 THE FAMILY INDEPENDENCE AGENCY.

Sec. 1b. (1) When used in this act "prosthesis" or
 "prosthetic device" includes hemodialysis or kidney machines.
 THIS ACT SHALL BE READ IN CONJUNCTION WITH THE ANNUAL APPROPRIA TION ACT APPROPRIATING FUNDS FOR THE FAMILY INDEPENDENCE AGENCY
 FOR EACH FISCAL YEAR. THE ANNUAL APPROPRIATION ACT SHALL BE CON G SIDERED AS A TIME-LIMITED ADDENDUM TO THIS ACT.

7 (2) A PROGRAM CREATED IN OR AUTHORIZED UNDER THIS ACT IS 8 SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS. THE INCLUSION OF A 9 PROGRAM IN THIS ACT DOES NOT CREATE AN ENTITLEMENT TO THAT PRO-10 GRAM, AND THE FAMILY INDEPENDENCE AGENCY IS NOT REQUIRED TO OPER-11 ATE A PROGRAM UNLESS THE LEGISLATURE APPROPRIATES FUNDS FOR THAT 12 PROGRAM.

Sec. 6. (1) The commission shall adopt all rules and regu-13 14 lations governing the policies of the family independence 15 agency. The director, subject to such rules and regulations, 16 shall be responsible for such executive duties as shall be 17 assigned to him by the commission or otherwise provided by law. 18 THE FAMILY INDEPENDENCE AGENCY MAY PROMULGATE ALL RULES NECESSARY 19 OR DESIRABLE FOR THE ADMINISTRATION OF PROGRAMS UNDER THIS ACT. (2) THE FAMILY INDEPENDENCE AGENCY MAY DEVELOP REGULATIONS 20 21 TO IMPLEMENT THE GOALS AND PRINCIPLES OF ASSISTANCE PROGRAMS CRE-22 ATED UNDER THIS ACT, INCLUDING ALL STANDARDS AND POLICIES NECES-23 SARY OR DESIRABLE TO ADMINISTER THE PROGRAMS. THESE REGULATIONS 24 ARE EFFECTIVE AND BINDING ON ALL THOSE AFFECTED BY THE ASSISTANCE 25 PROGRAMS. EXCEPT FOR THOSE REGULATIONS DESCRIBED IN SUBSECTION 26 (3), REGULATIONS DESCRIBED IN THIS SUBSECTION ARE EXEMPT UNTIL 27 THE EXPIRATION OF 18 MONTHS AFTER THE EFFECTIVE DATE OF THIS

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SUBSECTION FROM THE RULE PROMULGATION REQUIREMENTS OF THE
 ADMINISTRATIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC
 ACTS OF 1969, BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN
 COMPILED LAWS. UPON THE EXPIRATION OF 18 MONTHS AFTER THE EFFEC TIVE DATE OF THIS SUBSECTION, REGULATIONS DESCRIBED IN THIS SUB SECTION CONTINUE TO BE EFFECTIVE AND BINDING UNLESS AMENDED,
 REPLACED, OR RESCINDED BY RULES PROMULGATED UNDER ACT NO. 306 OF
 THE PUBLIC ACTS OF 1969.

9 (3) THE FAMILY INDEPENDENCE AGENCY MAY DEVELOP REGULATIONS
10 TO ESTABLISH INCOME AND ASSET LIMITS, TYPES OF INCOME AND ASSETS
11 TO BE CONSIDERED FOR ELIGIBILITY, AND PAYMENT STANDARDS FOR
12 ASSISTANCE PROGRAMS ADMINISTERED UNDER THIS ACT. REGULATIONS
13 DEVELOPED UNDER THIS SUBSECTION ARE EFFECTIVE AND BINDING ON ALL
14 THOSE AFFECTED BY THE ASSISTANCE PROGRAMS. REGULATIONS DESCRIBED
15 IN THIS SUBSECTION ARE EXEMPT FROM THE RULE PROMULGATION REQUIRE16 MENTS OF ACT NO. 306 OF THE PUBLIC ACTS OF 1969.

17 (4) ALL RULES, REGULATIONS, AND POLICIES ESTABLISHED BY THE
18 FAMILY INDEPENDENCE AGENCY SHALL BE IN WRITING AND MADE AVAILABLE
19 FOR INSPECTION BY ANY MEMBER OF THE PUBLIC AT ALL LOCAL OFFICES
20 OF THE FAMILY INDEPENDENCE AGENCY DURING REGULAR BUSINESS HOURS.
21 SEC. 14F. SUBJECT TO SECTION 5 OF ARTICLE XI OF THE STATE
22 CONSTITUTION OF 1963, THE FAMILY INDEPENDENCE AGENCY MAY CONTRACT
23 WITH A PRIVATE INDIVIDUAL OR AGENCY TO ADMINISTER A PROGRAM CRE24 ATED UNDER THIS ACT OR TO PERFORM A DUTY OF THE FAMILY INDEPEN25 DENCE AGENCY UNDER THIS ACT.

26 SEC. 14G. IN ORDER TO ACHIEVE MORE EFFICIENT AND EFFECTIVE27 USE OF FUNDS FOR PUBLIC ASSISTANCE, TO REDUCE DEPENDENCY, OR TO

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1 IMPROVE THE LIVING CONDITIONS AND INCREASE THE INCOMES OF
2 INDIVIDUALS RECEIVING PUBLIC ASSISTANCE, THE FAMILY INDEPENDENCE
3 AGENCY MAY ESTABLISH AND CONDUCT PILOT PROJECTS IN 1 OR MORE
4 COUNTY OR DISTRICT OFFICES. THE FAMILY INDEPENDENCE AGENCY MAY
5 APPLY DIFFERENT POLICIES IN THE PILOT PROGRAMS THAN IT APPLIES IN
6 THE REST OF THE COUNTY OR DISTRICT OFFICES, AND MAY CONDUCT THE
7 PILOT PROJECTS AS LONG AS IS NECESSARY TO PROVIDE A REASONABLE
8 TEST OF THE POLICY BEING EVALUATED. PILOT PROJECTS SHALL BE CON9 SISTENT WITH PRINCIPLES AND GOALS SET FORTH IN THIS ACT.

10 Sec. 17. (1) THE FAMILY INDEPENDENCE AGENCY SHALL ESTABLISH 11 PROGRAM GOALS CONSISTENT WITH SECTION 57A AND SHALL REPORT THESE 12 GOALS TO THE GOVERNOR AND THE LEGISLATURE WITHIN 6 MONTHS AFTER 13 THE EFFECTIVE DATE OF THIS SUBSECTION.

(2) The <u>commission</u> FAMILY INDEPENDENCE AGENCY shall pre15 pare and on or before the fifteenth day of December in each
16 even-numbered year make a report to the governor, <u>of the state</u>,
17 setting forth the operation of the <u>state department</u> FAMILY
18 INDEPENDENCE AGENCY during the preceding fiscal biennium of the
19 state, REPORTING ON PROGRESS TOWARD THE GOALS ESTABLISHED UNDER
20 SUBSECTION (1), and containing any findings and recommendations
21 of <u>said-commission</u> THE FAMILY INDEPENDENCE AGENCY. <u>Such</u> THE
22 report shall also be submitted to the legislature.

23 Sec. 32. (1) A SUBJECT TO SECTION 14G, A person qualified 24 for and receiving assistance <u>pursuant to</u> UNDER this act in any 25 county in this state who moves or is taken to another county in 26 this state <u>, shall be entitled to</u> MAY continue to receive 27 assistance in the county to which the person has moved or is

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1 taken, and the county <u>department of social services</u> FAMILY 2 INDEPENDENCE AGENCY of the county from which the person has moved 3 shall transfer all necessary records relating to the person to 4 the county <u>department of social services</u> FAMILY INDEPENDENCE 5 AGENCY of the county to which the person has moved.

6 (2) For purposes of aid-to-dependent children- THE FAMILY 7 INDEPENDENCE PROGRAM and medical assistance under this act, a 8 resident of this state is a person who is living in this state 9 voluntarily with the intention of making his or her home in this 10 state and not for a temporary purpose -or AND who -, at the time 11 of application, is living in this state, is not receiving 12 assistance from another state. FOR PURPOSES OF MEDICAL ASSIST-13 ANCE, A RESIDENT OF THIS STATE ALSO INCLUDES A PERSON WHO, AT THE 14 TIME OF APPLICATION, IS LIVING IN THIS STATE, IS NOT RECEIVING 15 ASSISTANCE FROM ANOTHER STATE, and entered the state with a job 16 commitment or seeking employment in this state. A child is a 17 resident of this state if he or she is living in this state other 18 than on a temporary basis. For purposes of determining eligibil-19 ity to receive assistance under this act, excluding recipients of 20 supplemental security income under title -+6- XVI of the social 21 security act, CHAPTER 531, 49 STAT. 620, 42 U.S.C. 1381 to 22 -1383c- 1382, AND 1383 TO 1383d or state supplementation under 23 this act, the continued absence of a recipient from this state, 24 unless the absence is temporary or intent to return is estab-25 lished as provided by applicable federal regulations, shall con-26 stitute abandonment by the recipient of residence in this state. 27 Any existing rule -which- THAT has been promulgated under this

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1 act which THAT defines temporary absence for the purpose of 2 eligibility for aid to dependent children FAMILY INDEPENDENCE 3 ASSISTANCE or medical assistance, or which THAT provides for 4 continuation of eligibility if the absence is not temporary, is 5 not applicable.

6 (3) For purposes of medical assistance eligibility the 7 requirements in subsection (2) -shall- apply except as otherwise 8 provided in federal regulations for the administration of the 9 medical assistance program under title -19- XIX of the social 10 security act, 42 U.S.C. 1396 to -1396k- 1396g AND 1396i TO 11 1396v.

(4) The residence of a husband shall not be considered to be 13 the residence of the wife if they are living separate and apart. 14 If a husband and wife are living separate and apart, each may 15 have a separate residence dependent upon proof of the fact and 16 not upon legal presumption. This subsection shall not be con-17 strued to prohibit a person from acquiring or retaining a legal 18 residence.

19 Sec. 45. (1) There is created a - A county department of 20 social services FAMILY INDEPENDENCE AGENCY IS CREATED in each 21 county of this state, which shall possess the powers granted and 22 perform the duties imposed in this act. The county department-23 FAMILY INDEPENDENCE AGENCY shall consist of a county -social 24 services FAMILY INDEPENDENCE AGENCY board and the director of 25 the county department FAMILY INDEPENDENCE AGENCY, together with 26 assistants and employees as may be necessary to operate the 27 county department FAMILY INDEPENDENCE AGENCY. AS USED IN THIS

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ACT, REFERENCES TO "COUNTY DEPARTMENT OF SOCIAL SERVICES" OR
 "COUNTY DEPARTMENT" MEAN THE COUNTY FAMILY INDEPENDENCE AGENCY
 AND REFERENCES TO "COUNTY SOCIAL SERVICES BOARD" AND "COUNTY
 BOARD" MEAN THE COUNTY FAMILY INDEPENDENCE AGENCY BOARD.

5 (2) The powers and duties of the county -social services6 FAMILY INDEPENDENCE AGENCY board -shall- include all of the
7 following:

8 (a) Supervision of and responsibility for the administration
9 of the county infirmary and county medical care facility and
10 child caring institution, except as provided in sections 55(c)
11 and 58.

12 (b) Conduct, in conjunction with the <u>state department</u>
13 FAMILY INDEPENDENCE AGENCY, an annual review of social service
14 programs operating within the county.

15 (c) Development of policy and supervision of the administra-16 tion of social service programs authorized by the county board of 17 commissioners or financed solely from county funds or county 18 administered funds.

(d) Development and administration of employment programs
 and work training projects complementary to and not in conflict
 with the state general public relief or categorical assistance
 policy PROGRAMS.

(e) Review and submit recommendations on contracts involving
programs administered by the <u>state department</u> FAMILY INDEPENDENCE AGENCY proposed to be entered into between the <u>state</u>
department FAMILY INDEPENDENCE AGENCY and public or private
agencies within the county including proposed purchases of

1 service contracts from applicant agencies within the county 2 eligible for funding under <u>Title 20</u> TITLE XX of the social 3 security act, CHAPTER 531, 49 STAT. 620, 42 U.S.C. 1397 to 4 1397f. A contract shall not be entered into between the 5 <u>department</u> FAMILY INDEPENDENCE AGENCY and a public or private 6 agency within the county until the board has been provided an 7 opportunity for review of the contract. The board shall be 8 advised by the <u>department</u> FAMILY INDEPENDENCE AGENCY within 30 9 days after contracts have been signed with an explanation of the 10 differences between contracts recommended by the board and those 11 actually entered into.

(f) Act as the agent for the county board of commissioners in the development of coordinated or consolidated approaches to if the delivery of social services and cooperative service delivery is arrangements between the <u>state-department</u> FAMILY INDEPENDENCE if AGENCY and each public and private social service agency within if the county.

(g) Represent the county board of commissioners in all nego19 tiations between the county and the state department FAMILY
20 INDEPENDENCE AGENCY.

(h) Make annual policy recommendations to the Michigan county social services association on annual departmental appropriations, priorities for utilization of <u>Title 20</u> TITLE XX funds, eligibility standards for general public relief and burial, employment programs, work training projects, and other related issues.

9

(3) The <u>state department</u> FAMILY INDEPENDENCE AGENCY shall
 provide suitable office accommodations for programs funded in
 whole or in part with state funds. The county <u>social services</u>
 FAMILY INDEPENDENCE AGENCY board shall review and recommend to
 the director proposed <u>social services</u> office sites within the
 county. The director shall notify the board before final site
 selection with an explanation of the selection of a site other
 than that proposed by the board.

9 (4) The salary and expenses of each member of the county 10 board shall be fixed by the county board of commissioners accord-11 ing to the amount of time the member devotes to the performance 12 of official duties. A member of the county board may not serve 13 as the director or an employee of the county <u>department</u> FAMILY 14 INDEPENDENCE AGENCY. The members of the county boards shall be 15 appointed at the annual October session of commissioners, and 16 members shall qualify by taking and filing the oath of office 17 with the county clerk, and shall assume their duties as pre-18 scribed by this act not later than November 1 of the year 19 appointed.

(5) The director, employees, and assistants of the county
department— FAMILY INDEPENDENCE AGENCY shall be appointed by the
state department— FAMILY INDEPENDENCE AGENCY from among persons
certified as qualified by the state civil service commission.
The county <u>social services</u> FAMILY INDEPENDENCE AGENCY board
shall review the qualifications of and interview each applicant
for the position of county <u>social services</u> FAMILY INDEPENDENCE
27 AGENCY director. The county director shall be appointed from

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1 among persons certified as eligible and recommended by the 2 -department- FAMILY INDEPENDENCE AGENCY and by the county -social 3 services- board. THESE APPOINTMENT PROVISIONS DO NOT APPLY UNDER 4 CONDITIONS OF REDUCTION IN STATE WORK FORCE, IN WHICH CASE THE 5 ADMINISTRATIVE EMPLOYMENT PREFERENCE RULES FOR BUMPING PROMUL-6 GATED BY THE MICHIGAN CIVIL SERVICE COMMISSION APPLY. The county 7 social services board shall advise and make recommendations to 8 the state director regarding the performance of the county director 9 tor within 6 months after the appointment of the county director 10 and annually after that time. A copy of each evaluation shall be 11 provided to the county director.

(6) Except as prescribed in sections 35 and 64, a writing 12 13 prepared, owned, used, in the possession of, or retained by the 14 county -department of social services FAMILY INDEPENDENCE AGENCY 15 in the performance of an official function shall be made avail-16 able to the public in compliance with THE FREEDOM OF INFORMATION 17 ACT, Act No. 442 of the Public Acts of 1976, BEING 18 SECTIONS 15.231 TO 15.246 OF THE MICHIGAN COMPILED LAWS. 19 SEC. 48. THE DIRECTOR OF THE FAMILY INDEPENDENCE AGENCY MAY 20 ORGANIZE 2 OR MORE COUNTIES INTO A SINGLE ADMINISTRATIVE UNIT FOR 21 PURPOSES OF ADMINISTRATIVE EFFICIENCY. THE DIRECTOR OF THE 22 SINGLE ADMINISTRATIVE UNIT SHALL BE APPOINTED BY THE FAMILY INDE-23 PENDENCE AGENCY FROM AMONG PERSONS CERTIFIED AS ELIGIBLE AND REC-24 OMMENDED BY THE FAMILY INDEPENDENCE AGENCY AND BY 1 OR MORE OF 25 THE AFFECTED COUNTY BOARDS.

26 SEC. 57. (1) AS USED IN THIS SECTION AND SECTIONS 57A TO 27 57G:

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(A) "ADULT-SUPERVISED HOUSEHOLD" MEANS EITHER OF THE
 2 FOLLOWING:

3 (i) THE PLACE OF RESIDENCE OF A PARENT, STEPPARENT, OR LEGAL
4 GUARDIAN OF A MINOR PARENT.

5 (*ii*) A LIVING ARRANGEMENT NOT DESCRIBED IN SUBPARAGRAPH (*i*) 6 THAT THE FAMILY INDEPENDENCE AGENCY APPROVES AS A FAMILY SETTING 7 THAT PROVIDES CARE AND CONTROL OF A MINOR PARENT AND HIS OR HER 8 CHILD AND SUPPORTIVE SERVICES INCLUDING, BUT NOT LIMITED TO, 9 COUNSELING, GUIDANCE, OR SUPERVISION.

(B) "CARETAKER" MEANS AN INDIVIDUAL WHO IS ACTING AS PARENT
11 FOR A CHILD IN THE ABSENCE OR BECAUSE OF THE DISABILITY OF THE
12 CHILD'S PARENT OR STEPPARENT AND WHO IS EITHER THE CHILD'S LEGAL
13 GUARDIAN, RELATED TO THE CHILD WITHIN THE DEGREE OF RELATIONSHIP
14 SPECIFIED BY THE FAMILY INDEPENDENCE AGENCY, OR 21 YEARS OF AGE
15 OR OLDER AND APPROVED BY THE FAMILY INDEPENDENCE AGENCY.

16 (C) "CHILD" MEANS AN INDIVIDUAL WHO IS NOT EMANCIPATED UNDER
17 ACT NO. 293 OF THE PUBLIC ACTS OF 1968, BEING SECTIONS 722.1 TO
18 722.6 OF THE MICHIGAN COMPILED LAWS, WHO LIVES WITH A PARENT OR
19 CARETAKER, AND WHO IS EITHER OF THE FOLLOWING:

20 (i) UNDER THE AGE OF 18.

21 (*ii*) AGE 18 OR 19, A FULL-TIME HIGH SCHOOL STUDENT, AND REA22 SONABLY EXPECTED TO GRADUATE FROM HIGH SCHOOL BEFORE THE AGE OF
23 20.

24 (D) "FAMILY" MEANS | OR MORE OF THE FOLLOWING:

25 (i) A HOUSEHOLD CONSISTING OF A CHILD AND EITHER OF THE26 FOLLOWING:

13

(A) A PARENT OR STEPPARENT OF THE CHILD.

2 (B) A CARETAKER OF THE CHILD.

3 (*ii*) A PREGNANT WOMAN.

4 (*iii*) A PARENT OF A CHILD IN FOSTER CARE.

5 (*iν*) AN INDIVIDUAL WHO IS 17 YEARS OLD, ATTENDING SECONDARY
6 SCHOOL FULL-TIME, AND LIVING INDEPENDENTLY.

7 (E) "FAMILY INDEPENDENCE ASSISTANCE" MEANS FINANCIAL ASSIST-8 ANCE PROVIDED TO A FAMILY UNDER THE FAMILY INDEPENDENCE PROGRAM.

9 (F) "FAMILY INDEPENDENCE ASSISTANCE GROUP" MEANS ALL THOSE 10 MEMBERS OF A PROGRAM GROUP WHO RECEIVE FAMILY INDEPENDENCE 11 ASSISTANCE.

12 (G) "FAMILY INDEPENDENCE PROGRAM" MEANS THE PROGRAM OF13 FINANCIAL ASSISTANCE ESTABLISHED UNDER SECTION 57A.

(H) "MINOR PARENT" MEANS AN INDIVIDUAL UNDER THE AGE OF 18
15 WHO IS NOT EMANCIPATED UNDER ACT NO. 293 OF THE PUBLIC ACTS OF
16 1968 AND WHO IS EITHER THE BIOLOGICAL PARENT OF A CHILD LIVING IN
17 THE SAME HOUSEHOLD OR A PREGNANT WOMAN.

18 (I) "PAYMENT STANDARD" MEANS THE STANDARD UPON WHICH FAMILY
19 INDEPENDENCE PROGRAM BENEFITS ARE BASED IF THE FAMILY INDEPEN20 DENCE ASSISTANCE GROUP HAS NO NET INCOME.

(J) "PROGRAM GROUP" MEANS A FAMILY AND ALL THOSE INDIVIDUALS
LIVING WITH A FAMILY WHOSE INCOME AND ASSETS ARE CONSIDERED FOR
PURPOSES OF DETERMINING FINANCIAL ELIGIBILITY FOR FAMILY INDEPENDENCE ASSISTANCE.

25 (K) "RECIPIENT" MEANS AN INDIVIDUAL RECEIVING FAMILY INDE~
26 PENDENCE ASSISTANCE.

(1) "SOCIAL CONTRACT" MEANS A DOCUMENT DESCRIBED IN SECTION
 2 57E THAT IS EXECUTED BY A FAMILY IN RETURN FOR THE RECEIPT OF
 3 FAMILY INDEPENDENCE ASSISTANCE.

4 (M) "SUBSTANCE ABUSE" MEANS THAT TERM AS DEFINED IN SECTION
5 6107 OF THE PUBLIC HEALTH CODE, ACT NO. 368 OF THE PUBLIC ACTS OF
6 1978, BEING SECTION 333.6107 OF THE MICHIGAN COMPILED LAWS.

7 (N) "SUBSTANCE ABUSE TREATMENT" MEANS OUTPATIENT OR INPA8 TIENT SERVICES OR PARTICIPATION IN ALCOHOLICS ANONYMOUS OR A SIM9 ILAR PROGRAM.

10 (O) "WORK FIRST" MEANS THE PROGRAM OF EMPLOYMENT AND TRAIN11 ING ADMINISTERED BY THE MICHIGAN JOBS COMMISSION FOR APPLICANTS
12 AND RECIPIENTS OF FAMILY INDEPENDENCE ASSISTANCE.

13 (2) A REFERENCE IN THIS ACT TO "AID TO DEPENDENT CHILDREN"
14 OR "AID TO FAMILIES WITH DEPENDENT CHILDREN" MEANS "FAMILY INDE15 PENDENCE ASSISTANCE".

16 SEC. 57A. (1) THE FAMILY INDEPENDENCE AGENCY SHALL ESTAB17 LISH AND ADMINISTER THE FAMILY INDEPENDENCE PROGRAM TO PROVIDE
18 ASSISTANCE TO FAMILIES WHO ARE MAKING EFFORTS TO ACHIEVE
19 INDEPENDENCE.

20 (2) THE FAMILY INDEPENDENCE AGENCY SHALL ADMINISTER THE
21 FAMILY INDEPENDENCE PROGRAM TO ACCOMPLISH ALL OF THE FOLLOWING:
22 (A) PROVIDE FINANCIAL SUPPORT TO ELIGIBLE FAMILIES WHILE
23 THEY PURSUE SELF-IMPROVEMENT ACTIVITIES AND ENGAGE IN EFFORTS TO
24 BECOME FINANCIALLY INDEPENDENT.

25 (B) ENSURE THAT RECIPIENTS WHO ARE MINOR PARENTS LIVE IN
26 ADULT-SUPERVISED HOUSEHOLDS IN ORDER TO REDUCE LONG-TERM
27 DEPENDENCY ON FINANCIAL ASSISTANCE.

(C) ASSIST FAMILIES IN DETERMINING AND OVERCOMING THE
 2 BARRIERS PREVENTING THEM FROM ACHIEVING FINANCIAL INDEPENDENCE.

3 (D) ENSURE THAT FAMILIES PURSUE OTHER SOURCES OF SUPPORT 4 AVAILABLE TO THEM.

5 (3) THE FAMILY INDEPENDENCE AGENCY SHALL ESTABLISH INCOME 6 AND ASSET LEVELS FOR ELIGIBILITY, TYPES OF INCOME AND ASSETS TO 7 BE CONSIDERED IN MAKING ELIGIBILITY DETERMINATIONS, PAYMENT STAN-8 DARDS, COMPOSITION OF THE PROGRAM GROUP AND THE FAMILY INDEPEN-9 DENCE ASSISTANCE GROUP, PROGRAM BUDGETING AND ACCOUNTING METHODS, 10 AND CLIENT REPORTING REQUIREMENTS TO MEET THE FOLLOWING GOALS:

11 (A) EFFICIENT, FAIR, COST-EFFECTIVE ADMINISTRATION OF THE 12 FAMILY INDEPENDENCE PROGRAM.

(B) PROVISION OF FAMILY INDEPENDENCE ASSISTANCE TO FAMILIES14 WILLING TO WORK TOWARD EVENTUAL SELF-SUFFICIENCY.

15 SEC. 57B. (1) AN INDIVIDUAL WHO MEETS ALL OF THE FOLLOWING
16 REQUIREMENTS IS ELIGIBLE FOR FAMILY INDEPENDENCE ASSISTANCE:

17 (A) IS A MEMBER OF A FAMILY OR A FAMILY INDEPENDENCE ASSIST-18 ANCE GROUP.

(B) IS A MEMBER OF A PROGRAM GROUP WHOSE INCOME AND ASSETS
20 ARE LESS THAN THE INCOME AND ASSET LIMITS SET BY THE FAMILY INDE21 PENDENCE AGENCY.

22 (C) IN THE CASE OF A MINOR PARENT, MEETS THE REQUIREMENTS OF23 SUBSECTION (2).

24 (D) IS NOT AN ILLEGAL ALIEN.

25 (E) IS A RESIDENT OF THIS STATE AS DESCRIBED IN SECTION 32.
26 (F) MEETS ANY OTHER ELIGIBILITY CRITERION REQUIRED FOR THE
27 RECEIPT OF FEDERAL OR STATE FUNDS OR DETERMINED BY THE FAMILY

1 INDEPENDENCE AGENCY TO BE NECESSARY FOR THE ACCOMPLISHMENT OF THE2 GOALS OF THE FAMILY INDEPENDENCE PROGRAM.

16

3 (2) A MINOR PARENT AND THE MINOR PARENT'S CHILD SHALL NOT 4 RECEIVE FAMILY INDEPENDENCE ASSISTANCE UNLESS THEY LIVE IN AN 5 ADULT-SUPERVISED HOUSEHOLD. THE FAMILY INDEPENDENCE ASSISTANCE 6 SHALL BE PAID ON BEHALF OF THE MINOR PARENT AND CHILD TO AN ADULT 7 IN THE ADULT-SUPERVISED HOUSEHOLD. CHILD CARE IN CONJUNCTION 8 WITH PARTICIPATION IN EDUCATION, EMPLOYMENT READINESS, TRAINING, 9 OR EMPLOYMENT PROGRAMS, WHICH HAVE BEEN APPROVED BY THE FAMILY 10 INDEPENDENCE AGENCY, SHALL BE PROVIDED FOR THE MINOR PARENT'S 11 CHILD. THE MINOR PARENT AND CHILD SHALL LIVE WITH THE MINOR 12 PARENT'S PARENT, STEPPARENT, OR LEGAL GUARDIAN UNLESS THE FAMILY 13 INDEPENDENCE AGENCY DETERMINES THAT THERE IS GOOD CAUSE FOR NOT 14 REQUIRING THE MINOR PARENT AND CHILD TO LIVE WITH A PARENT, STEP-15 PARENT, OR LEGAL GUARDIAN. THE FAMILY INDEPENDENCE AGENCY SHALL 16 DETERMINE THE CIRCUMSTANCES THAT CONSTITUTE GOOD CAUSE, BASED ON 17 A PARENT'S, STEPPARENT'S, OR GUARDIAN'S UNAVAILABILITY OR UNWILL-18 INGNESS OR ON A RISK TO THE PHYSICAL OR EMOTIONAL HEALTH OR 19 SAFETY OF THE MINOR PARENT OR CHILD. IF THE FAMILY INDEPENDENCE 20 AGENCY DETERMINES THAT THERE IS GOOD CAUSE FOR NOT REQUIRING A 21 MINOR PARENT TO LIVE WITH A PARENT, STEPPARENT, OR LEGAL GUARDI-22 AN, THE MINOR PARENT AND CHILD SHALL LIVE IN ANOTHER 23 ADULT-SUPERVISED HOUSEHOLD. A LOCAL OFFICE DIRECTOR MAY WAIVE 24 THE REOUIREMENT SET FORTH IN THIS SUBSECTION WITH RESPECT TO A 25 MINOR PARENT WHO IS AT LEAST 17 YEARS OF AGE, ATTENDING SECONDARY 26 SCHOOL FULL-TIME, AND PARTICIPATING IN A SERVICE PLAN OF THE

1 FAMILY INDEPENDENCE AGENCY OR A TEEN PARENTING PROGRAM, IF MOVING 2 WOULD REQUIRE THE MINOR PARENT TO CHANGE SCHOOLS.

3 SEC. 57C. IF A MINOR PARENT APPLIES FOR FAMILY INDEPENDENCE 4 ASSISTANCE, THE FAMILY INDEPENDENCE AGENCY SHALL DO ALL OF THE 5 FOLLOWING:

6 (A) INFORM THE MINOR PARENT OF THE ELIGIBILITY REQUIREMENTS 7 OF SECTION 57B(2) AND THE CIRCUMSTANCES UNDER WHICH THERE IS GOOD 8 CAUSE FOR PERMITTING THE MINOR PARENT TO LIVE IN AN 9 ADULT-SUPERVISED HOUSEHOLD OTHER THAN THE HOME OF HIS OR HER 10 PARENT OR LEGAL GUARDIAN.

(B) COMPLETE A HOME VISIT AND OTHER APPROPRIATE INVESTIGA12 TION BEFORE REQUIRING A MINOR PARENT TO LIVE WITH HIS OR HER
13 PARENT, STEPPARENT, OR LEGAL GUARDIAN.

14 (C) IF APPLICABLE, ASSIST THE MINOR PARENT TO FIND AN
 15 ADULT-SUPERVISED HOUSEHOLD IN WHICH TO LIVE.

16 SEC. 57D. (1) WITHIN I WEEK AFTER THE FAMILY INDEPENDENCE
17 AGENCY MAKES AN INITIAL DETERMINATION THAT AN ADULT OR A CHILD
18 AGED 16 OR OLDER WHO IS NOT ATTENDING ELEMENTARY OR SECONDARY
19 SCHOOL FULL-TIME MIGHT BE ELIGIBLE FOR FAMILY INDEPENDENCE
20 ASSISTANCE, THAT INDIVIDUAL SHALL ATTEND A JOINT ORIENTATION SES21 SION CONDUCTED BY THE FAMILY INDEPENDENCE AGENCY AND THE MICHIGAN
22 JOBS COMMISSION. AFTER COMPLETION OF THE ORIENTATION, THE INDI23 VIDUAL AND THE FAMILY INDEPENDENCE AGENCY SHALL DEVELOP THE
24 FAMILY'S SOCIAL CONTRACT IN ACCORDANCE WITH SECTION 57E. IF ALL
25 ELIGIBILITY CRITERIA ARE MET, THE FAMILY INDEPENDENCE AGENCY
26 SHALL PROVIDE FAMILY INDEPENDENCE ASSISTANCE TO THE FAMILY FOR
27 NOT MORE THAN 60 DAYS.

(2) BY THE END OF 60 DAYS FOLLOWING THE ORIENTATION SESSION
2 DESCRIBED IN SUBSECTION (1), THE FAMILY INDEPENDENCE AGENCY SHALL
3 REVIEW THE INDIVIDUAL'S COMPLIANCE WITH THE SOCIAL CONTRACT. IF
4 THE INDIVIDUAL HAS FAILED TO COOPERATE WITH WORK FIRST, THE
5 FAMILY IS INELIGIBLE FOR FURTHER FAMILY INDEPENDENCE ASSISTANCE.
6 IF THE INDIVIDUAL FAILS TO COOPERATE WITH ANY OTHER SOCIAL CON7 TRACT REQUIREMENT, THE FAMILY INDEPENDENCE AGENCY SHALL IMPOSE
8 PENALTIES UNDER SECTION 57G. IF THE INDIVIDUAL IS COMPLYING WITH
9 THE SOCIAL CONTRACT, THE FAMILY INDEPENDENCE AGENCY AND THE
10 RECIPIENT SHALL REVISE THE SOCIAL CONTRACT IF NECESSARY AND THE
11 FAMILY INDEPENDENCE ASSISTANCE GROUP SHALL CONTINUE TO RECEIVE
12 FAMILY INDEPENDENCE ASSISTANCE SO LONG AS THE RECIPIENTS MEET
13 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.

1 (B) THE OBLIGATION OF EACH MINOR PARENT WHO HAS NOT 2 COMPLETED SECONDARY SCHOOL TO ATTEND SCHOOL.

3 (C) THE OBLIGATION OF EACH ADULT TO ENGAGE IN AT LEAST 20
4 HOURS PER WEEK OF EMPLOYMENT, WORK FIRST ACTIVITIES, EDUCATION OR
5 TRAINING, COMMUNITY SERVICE ACTIVITIES, OR SELF-IMPROVEMENT
6 ACTIVITIES.

7 (D) THE OBLIGATION TO COOPERATE IN THE ESTABLISHMENT OF 8 PATERNITY AND THE PROCUREMENT OF CHILD SUPPORT, IF APPLICABLE.

9 (E) THE OBLIGATION OF A RECIPIENT WHO FAILS TO COMPLY WITH 10 COMPLIANCE GOALS DUE TO SUBSTANCE ABUSE TO PARTICIPATE IN SUB-11 STANCE ABUSE TREATMENT AND SUBMIT TO ANY PERIODIC DRUG TESTING 12 REQUIRED BY THE TREATMENT PROGRAM.

(F) ANY OTHER OBLIGATION THE FAMILY INDEPENDENCE AGENCY
14 DETERMINES IS NECESSARY TO ENABLE THE FAMILY TO ACHIEVE
15 INDEPENDENCE.

16 (2) THE FAMILY INDEPENDENCE AGENCY SHALL MONITOR EACH
17 FAMILY'S COMPLIANCE WITH THE SOCIAL CONTRACT. IF THE FAMILY
18 FAILS TO COMPLY WITH THE COMPLIANCE GOALS SET FORTH IN THE SOCIAL
19 CONTRACT, THE FAMILY INDEPENDENCE AGENCY SHALL IMPOSE PENALTIES
20 UNDER SECTION 57G.

21 SEC. 57F. (1) THE FAMILY INDEPENDENCE AGENCY SHALL ENTER 22 INTO AN AGREEMENT WITH THE MICHIGAN JOBS COMMISSION IN ORDER TO 23 FACILITATE THE ADMINISTRATION OF WORK FIRST. THE FAMILY INDEPEN-24 DENCE AGENCY SHALL MAKE INFORMATION ON THE PROGRAM AVAILABLE TO 25 THE LEGISLATURE.

26 (2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3), EVERY
27 MEMBER OF A FAMILY INDEPENDENCE ASSISTANCE GROUP SHALL BE

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1 REFERRED TO AND SHALL PARTICIPATE IN WORK FIRST. THE PARTICULAR
2 ACTIVITIES IN WHICH THE RECIPIENT IS REQUIRED TO PARTICIPATE, THE
3 NUMBER OF HOURS OF WORK REQUIRED, AND OTHER DETAILS OF WORK FIRST
4 SHALL BE DEVELOPED BY THE MICHIGAN JOBS COMMISSION AND THE FAMILY
5 INDEPENDENCE AGENCY AND SHALL BE SET FORTH IN THE RECIPIENT'S
6 SOCIAL CONTRACT.

7 (3) THE FOLLOWING INDIVIDUALS ARE EXEMPT FROM PARTICIPATION8 IN WORK FIRST:

9 (A) A CHILD UNDER THE AGE OF 16.

(B) A CHILD AGED 16 OR OLDER, OR A MINOR PARENT, WHO IS
11 ATTENDING ELEMENTARY OR SECONDARY SCHOOL FULL-TIME.

12 (C) AN INDIVIDUAL WHO IS WORKING A MINIMUM NUMBER OF HOURS13 DETERMINED BY THE FAMILY INDEPENDENCE AGENCY.

14 (D) THE MOTHER OF A CHILD UNDER THE AGE OF 6 WEEKS.

15 (E) AN INDIVIDUAL AGED 65 OR OLDER.

16 (F) A RECIPIENT OF SUPPLEMENTAL SECURITY INCOME, SOCIAL
17 SECURITY DISABILITY, OR MEDICAL ASSISTANCE DUE TO DISABILITY OR
18 BLINDNESS.

19 (G) AN INDIVIDUAL SUFFERING FROM A PHYSICAL OR MENTAL

20 IMPAIRMENT THAT MEETS FEDERAL SUPPLEMENTAL SECURITY INCOME DIS-21 ABILITY STANDARDS, EXCEPT THAT NO MINIMUM DURATION IS REQUIRED.

22 (H) A PARENT OR CARETAKER OF A CHILD WHO IS SUFFERING FROM A
23 PHYSICAL OR MENTAL IMPAIRMENT THAT MEETS THE FEDERAL SUPPLEMENTAL
24 SECURITY INCOME DISABILITY STANDARDS, EXCEPT THAT NO MINIMUM
25 DURATION IS REQUIRED.

26 (4) IN ADDITION TO THOSE INDIVIDUALS EXEMPT UNDER SUBSECTION27 (3), THE FAMILY INDEPENDENCE AGENCY MAY GRANT A TEMPORARY

1 EXEMPTION FROM PARTICIPATION IN WORK FIRST, NOT TO EXCEED 90
2 DAYS, TO AN INDIVIDUAL WHO IS SUFFERING FROM A DOCUMENTED
3 SHORT-TERM MENTAL OR PHYSICAL ILLNESS, LIMITATION, OR DISABILITY
4 THAT SEVERELY RESTRICTS HIS OR HER ABILITY TO PARTICIPATE IN
5 EMPLOYMENT OR TRAINING ACTIVITIES. AN INDIVIDUAL WITH A DOCU6 MENTED MENTAL OR PHYSICAL ILLNESS, LIMITATION, OR DISABILITY THAT
7 DOES NOT SEVERELY RESTRICT HIS OR HER ABILITY TO PARTICIPATE IN
8 EMPLOYMENT OR TRAINING ACTIVITIES SHALL BE REQUIRED TO PARTICI9 PATE IN WORK FIRST AT A MEDICALLY PERMISSIBLE LEVEL.

10 SEC. 57G. (1) THE FAMILY INDEPENDENCE AGENCY SHALL DEVELOP 11 A SYSTEM OF PENALTIES TO BE IMPOSED IF A RECIPIENT FAILS TO 12 COMPLY WITH THE COMPLIANCE GOALS SET FORTH IN THE FAMILY INDEPEN-13 DENCE ASSISTANCE GROUP'S SOCIAL CONTRACT OR COMMITS FRAUD. 14 PENALTIES MAY BE CUMULATIVE AND MAY INCLUDE REDUCTION OF THE 15 GRANT, REMOVAL OF AN INDIVIDUAL FROM THE FAMILY INDEPENDENCE 16 ASSISTANCE GROUP, AND TERMINATION OF ASSISTANCE TO THE FAMILY. 17 (2) A PENALTY SHALL NOT BE IMPOSED IF THE RECIPIENT HAS 18 DEMONSTRATED THAT THERE WAS GOOD CAUSE FOR THE NONCOMPLIANCE. 19 THE FAMILY INDEPENDENCE AGENCY SHALL DETERMINE THOSE CIRCUM-20 STANCES THAT CONSTITUTE GOOD CAUSE BASED ON FACTORS THAT ARE

(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.

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21 BEYOND THE CONTROL OF A RECIPIENT.

Sec. 63. (1) All EXCEPT AS PROVIDED IN SUBSECTION (2),
 ALL aid, relief, or assistance given under this act shall be IS
 absolutely inalienable by any assignment, sale, garnishment,
 execution, or otherwise, and in the event of bankruptcy, shall
 not pass to or through any trustee or other person acting on
 behalf of creditors.

(2) TO THE EXTENT ALLOWED BY LAW, IF A JUDGMENT IS ENTERED 7 8 AGAINST A RECIPIENT FOR DAMAGES ARISING FROM THE RECIPIENT'S 9 BREACH OF AN ORAL OR WRITTEN LEASE AGREEMENT FOR RENTAL HOUSING 10 AND THE JUDGMENT CREDITOR SUBMITS A CERTIFIED COPY OF THE JUDG-11 MENT TO THE FAMILY INDEPENDENCE AGENCY, THE FAMILY INDEPENDENCE 12 AGENCY SHALL DEDUCT UP TO 10% OF EACH FAMILY INDEPENDENCE ASSIST-13 ANCE GRANT FOR WHICH THE FAMILY INDEPENDENCE AGENCY DETERMINES 14 THE RECIPIENT IS ELIGIBLE AND CONVEY THAT AMOUNT TO THE JUDGMENT 15 CREDITOR UNTIL THE JUDGMENT IS SATISFIED. THIS SUBSECTION 16 APPLIES ONLY TO A LEASE AGREEMENT FOR PROPERTY THAT A STATE OR 17 LOCAL AGENCY AUTHORIZED TO ENFORCE HOUSING LAWS HAS NOT FOUND TO 18 BE IN VIOLATION OF AN APPLICABLE HOUSING CODE. THIS SUBSECTION 19 DOES NOT CREATE A CAUSE OF ACTION AGAINST THE FAMILY INDEPENDENCE 20 AGENCY FOR DAMAGES CAUSED BY A RECIPIENT'S BREACH OF A LEASE 21 AGREEMENT.

(3) IF A FEDERAL WAIVER IS NECESSARY TO IMPLEMENT SUBSECTION
(2), THE FAMILY INDEPENDENCE AGENCY SHALL PROMPTLY SEEK THE
WAIVER. IN THE ABSENCE OF A NECESSARY WAIVER, THE FAMILY INDEPENDENCE AGENCY SHALL APPLY THIS SECTION ONLY TO RECIPIENTS OF
ASSISTANCE PROGRAMS FINANCED ENTIRELY BY STATE OR LOCAL REVENUES.

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(4) THE JUDGMENT CREDITOR SHALL PAY A \$1.00 PROCESSING FEE
 TO THE FAMILY INDEPENDENCE AGENCY FOR EACH PAYMENT MADE UNDER
 SUBSECTION (2). THE FAMILY INDEPENDENCE AGENCY MAY DEDUCT THE
 PROCESSING FEE FROM EACH PAYMENT MADE TO THE JUDGMENT CREDITOR.
 (5) THE FAMILY INDEPENDENCE AGENCY SHALL INCLUDE IN ITS
 BIENNIAL REPORT REQUIRED UNDER SECTION 17 THE NUMBER OF CASES AND
 THE DOLLAR AMOUNTS DEDUCTED UNDER SUBSECTION (2). THE REPORT

8 SHALL INCLUDE STATEWIDE TOTALS AND INFORMATION BROKEN DOWN BY 9 COUNTY.

Section 2. Sections 40, 55c, 56, 56c, 56d, 56e, 56f, and 11 56g of Act No. 280 of the Public Acts of 1939, being sections 12 400.40, 400.55c, 400.56, 400.56c, 400.56d, 400.56e, 400.56f, and 13 400.56g of the Michigan Compiled Laws, are repealed.

14 Section 3. This amendatory act shall not take effect unless
15 Senate Bill No. \_\_\_\_ or House Bill No. <u>5354</u> (request no.
16 04976'95 \*) of the 88th Legislature is enacted into law.