

Legislative Analysis



PUBLIC ASSISTANCE: MATCH WITH WARRANTS

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House Bill 4721 without amendment

Sponsor: Rep. Jon Bumstead

House Committee: Families, Children, and Seniors

Complete to 6-30-11

A SUMMARY OF HOUSE BILL 4721 AS REPORTED FROM COMMITTEE

House Bill 4721 would amend the Social Welfare Act (MCL 400.1 et seq.) to require the implementation of an automated program that would compare lists of public assistance recipients with lists of persons subject to outstanding felony or extradition warrants. Once implemented—not later than July 1, 2013—the DHS could not grant public assistance to a person subject to an outstanding warrant.

The DHS would have to notify the chairs of the Senate and House Appropriations subcommittees handling the department budget and the House and Senate Fiscal Agencies upon implementation of the program.

Specifically, the bill would require, beginning October 1, 2012, the DTMB to work with the DHS and the Michigan State Police (MSP) 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 three departments would also have to work together to develop and implement an automated program allowing the MSP to access address information of public assistance applicants and recipients. The DTMB would have to ensure that the MSP does not have access to benefit information, but only address information.

The bill specifies that the MSP would have to take all reasonable and necessary measures to ensure the accuracy of information regarding warrants before transmitting it to the DHS, and the DHS would have to take all reasonable and necessary measures to ensure the accuracy of information before notifying a local office of an outstanding warrant.

FISCAL IMPACT:

House Bill 4721 will generate an intermediate amount of savings. There are currently 2.5 million persons on public assistance, or 25% of the state's population. Past joint DHS State Police pilot projects on average have identified 12% of the individuals with outstanding felony warrants. During that time period, the public assistance population averaged 16% of the total state population.

State Police have stated that there are currently 29,000 outstanding felony warrants, so if 20% of those outstanding felony warrants can be identified through this information sharing, then 5,800 persons could be identified and potentially removed from the public

assistance rolls (5,800 persons would represent 0.2% of the total population on public assistance). Most of the savings from removing these individuals would be federal revenue savings as Food Assistance Program benefits are 100% federally funded and Medicaid expenditures are funded with a 66.14% federal match rate.

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