

**SUBSTITUTE FOR  
SENATE BILL NO. 1501**

A bill to amend 1939 PA 280, entitled  
"The social welfare act,"  
by amending sections 57, 57b, 57e, 57f, and 57g (MCL 400.57,  
400.57b, 400.57e, 400.57f, and 400.57g), section 57 as added by  
1995 PA 223, section 57b as amended by 1999 PA 9, and sections 57e,  
57f, and 57g as amended by 2001 PA 280, and by adding sections 57p,  
57q, 57r, 57s, and 57t.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 57. (1) As used in this section and sections 57a to ~~57g~~

2   **57T:**

3           (a) "Adult-supervised household" means either of the  
4 following:

5           (i) The place of residence of a parent, stepparent, or legal

1 guardian of a minor parent.

2 (ii) A living arrangement not described in subparagraph (i) that  
3 the ~~family independence agency~~ **DEPARTMENT** approves as a family  
4 setting that provides care and control of a minor parent and his or  
5 her child and supportive services including, but not limited to,  
6 counseling, guidance, or supervision.

7 (b) "Caretaker" means an individual who is acting as parent  
8 for a child in the absence or because of the disability of the  
9 child's parent or stepparent and who is the child's legal guardian,  
10 grandparent, great grandparent, great-great grandparent, sibling,  
11 stepsibling, aunt, great aunt, great-great aunt, uncle, great  
12 uncle, great-great uncle, nephew, niece, first cousin, or first  
13 cousin once-removed, a spouse of any person listed above, a parent  
14 of the putative father, or an unrelated individual aged 21 or older  
15 whose appointment as legal guardian of the child is pending.

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 1968 PA 293, MCL 722.1 TO~~  
19 ~~722.6~~, who lives with a parent or caretaker, and who is either of  
20 the following:

21 (i) Under the age of 18.

22 (ii) Age 18 or 19, a full-time high school student, and  
23 reasonably expected to graduate from high school before the age of  
24 20.

25 (d) "Family" means 1 or more of the following:

26 (i) A household consisting of a child and either of the  
27 following:

1 (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 (e) "Family independence assistance" means financial  
6 assistance provided to a family under the family independence  
7 program.

8 (f) "Family independence assistance group" means all those  
9 members of a program group who receive family independence  
10 assistance.

11 (g) "Family independence program" means the program of  
12 financial assistance established under section 57a.

13 **(H) "FAMILY SELF-SUFFICIENCY PLAN" MEANS A DOCUMENT DESCRIBED**  
14 **IN SECTION 57E THAT IS EXECUTED BY A FAMILY IN RETURN FOR RECEIVING**  
15 **FAMILY INDEPENDENCE ASSISTANCE.**

16 (I) ~~(h)~~ "Minor parent" means an individual under the age of  
17 18 who is not emancipated under ~~Act No. 293 of the Public Acts of~~  
18 ~~1968~~ **1968 PA 293, MCL 722.1 TO 722.6**, and who is either the  
19 biological parent of a child living in the same household or a  
20 pregnant woman.

21 (J) ~~(i)~~ "Payment standard" means the standard upon which  
22 family independence program benefits are based if the family  
23 independence assistance group has no net income.

24 (K) ~~(j)~~ "Program group" means a family and all those  
25 individuals living with a family whose income and assets are  
26 considered for purposes of determining financial eligibility for  
27 family independence assistance.

1           (l) ~~(k)~~ "Recipient" means an individual receiving family  
2 independence assistance.

3           ~~(l) "Social contract" means a document described in section 57e~~  
4 ~~that is executed by a family in return for the receipt of family~~  
5 ~~independence assistance.~~

6           (m) "Substance abuse" means that term as defined in section  
7 6107 of the public health code, ~~Act No. 368 of the Public Acts of~~  
8 ~~1978, being section 333.6107 of the Michigan Compiled Laws 1978 PA~~  
9 **368, MCL 333.6107.**

10           (n) "Substance abuse treatment" means outpatient or inpatient  
11 services or participation in alcoholics anonymous or a similar  
12 program.

13           (o) **"SUPPLEMENTAL SECURITY INCOME" MEANS THE PROGRAM OF**  
14 **SUPPLEMENTAL SECURITY INCOME PROVIDED UNDER TITLE XVI.**

15           (p) ~~(e)~~ "Work first" means the program of employment and  
16 training administered by the ~~Michigan jobs commission~~ **DEPARTMENT**  
17 **OF LABOR AND ECONOMIC GROWTH** for applicants and recipients of  
18 family independence assistance.

19           (2) A reference in this act to "aid to dependent children" or  
20 "aid to families with dependent children" means "family  
21 independence **PROGRAM** assistance".

22           Sec. 57b. (1) Subject to section 57l, an individual who meets  
23 all of the following requirements is eligible for family  
24 independence assistance:

25           (a) Is a member of a family or a family independence  
26 assistance group.

27           (b) Is a member of a program group whose income and assets are

1 less than the income and asset limits set by the ~~family~~  
2 ~~independence agency~~ DEPARTMENT.

3 (c) In the case of a minor parent, meets the requirements of  
4 subsection (2).

5 (d) Is a United States citizen, a permanent resident alien, or  
6 a refugee.

7 (e) Is a resident of this state as described in section 32.

8 (f) Meets any other eligibility criterion required for the  
9 receipt of federal or state funds or determined by the ~~family~~  
10 ~~independence agency~~ DEPARTMENT to be necessary for the  
11 accomplishment of the goals of the family independence program.

12 (2) A minor parent and the minor parent's child shall not  
13 receive family independence assistance unless they live in an  
14 adult-supervised household. The family independence assistance  
15 shall be paid on behalf of the minor parent and child to an adult  
16 in the adult-supervised household. Child care in conjunction with  
17 participation in education, employment readiness, training, or  
18 employment programs, which have been approved by the ~~family~~  
19 ~~independence agency~~ DEPARTMENT, shall be provided for the minor  
20 parent's child. The minor parent and child shall live with the  
21 minor parent's parent, stepparent, or legal guardian unless the  
22 ~~family independence agency~~ DEPARTMENT determines that there is  
23 good cause for not requiring the minor parent and child to live  
24 with a parent, stepparent, or legal guardian. The ~~family~~  
25 ~~independence agency~~ DEPARTMENT shall determine the circumstances  
26 that constitute good cause, based on a parent's, stepparent's, or  
27 guardian's unavailability or unwillingness or based on a reasonable

1 belief that there is physical, sexual, or substance abuse, or  
2 domestic violence, occurring in the household, or that there is  
3 other risk to the physical or emotional health or safety of the  
4 minor parent or child. If the ~~family independence agency~~  
5 **DEPARTMENT** determines that there is good cause for not requiring a  
6 minor parent to live with a parent, stepparent, or legal guardian,  
7 the minor parent and child shall live in another adult-supervised  
8 household. A local office director may waive the requirement set  
9 forth in this subsection with respect to a minor parent who is at  
10 least 17 years of age, attending secondary school full-time, and  
11 participating in a **DEPARTMENT** service plan ~~of the family~~  
12 ~~independence agency~~ or a teen parenting program, if moving would  
13 require the minor parent to change schools.

14 (3) **BEGINNING DECEMBER 31, 2006, IF A RECIPIENT WHO IS**  
15 **OTHERWISE ELIGIBLE FOR FAMILY INDEPENDENCE ASSISTANCE UNDER THIS**  
16 **SECTION IS CURRENTLY APPLYING FOR SUPPLEMENTAL SECURITY INCOME AND**  
17 **SEEKING EXEMPTION OR DEFERMENT FROM THE WORK FIRST PROGRAM, THE**  
18 **RECIPIENT SHALL BE EVALUATED AND ASSESSED AS PROVIDED IN THIS**  
19 **SECTION BEFORE A FAMILY SELF-SUFFICIENCY PLAN IS DEVELOPED UNDER**  
20 **SECTION 57E. BASED ON A REPORT RESULTING FROM THE EVALUATION AND**  
21 **ASSESSMENT, THE CASEWORKER SHALL MAKE A DETERMINATION AND REFERRAL**  
22 **AS FOLLOWS:**

23 (A) **A DETERMINATION THAT THE RECIPIENT IS WORK ELIGIBLE AND A**  
24 **REFERRAL TO THE WORK FIRST PROGRAM.**

25 (B) **A DETERMINATION THAT THE RECIPIENT IS WORK EXEMPT AND A**  
26 **REFERRAL TO A SHELTERED WORK ENVIRONMENT OR SUBSIDIZED EMPLOYMENT.**

27 (C) **A DETERMINATION THAT THE RECIPIENT IS WORK EXEMPT AND A**

1 REFERRAL TO A LEGAL SERVICES ORGANIZATION FOR SUPPLEMENTAL SECURITY  
2 INCOME ADVOCACY.

3 (4) THE DEPARTMENT MAY CONTRACT WITH A LEGAL SERVICES  
4 ORGANIZATION TO ASSIST RECIPIENTS WITH THE PROCESS FOR APPLYING FOR  
5 SUPPLEMENTAL SECURITY INCOME. THE DEPARTMENT MAY ALSO CONTRACT WITH  
6 A NONPROFIT REHABILITATION ORGANIZATION TO PERFORM THE EVALUATION  
7 AND ASSESSMENT DESCRIBED UNDER SUBSECTION (3). IF THE DEPARTMENT  
8 CONTRACTS WITH EITHER A NONPROFIT LEGAL OR REHABILITATION SERVICES  
9 ORGANIZATION, UNIFORM CONTRACTS SHALL BE USED STATEWIDE THAT  
10 INCLUDE, BUT ARE NOT LIMITED TO, UNIFORM RATES AND PERFORMANCE  
11 MEASURES.

12 (5) THE DEPARTMENT SHALL CONTRACT WITH AN INDEPENDENT ENTITY  
13 TO CONDUCT ANNUAL AUDITING OF THE EVALUATION AND ASSESSMENT PROCESS  
14 REQUIRED UNDER THIS SECTION.

15 Sec. 57e. (1) Each family receiving family independence  
16 assistance shall execute a ~~social contract~~ **FAMILY SELF-**  
17 **SUFFICIENCY PLAN** outlining the responsibilities of members of the  
18 family independence **PROGRAM** assistance group, **THE CONTRACTUAL**  
19 **NATURE OF FAMILY INDEPENDENCE PROGRAM ASSISTANCE, AND THE FOCUS ON**  
20 **THE GOAL OF ATTAINING SELF-SUFFICIENCY.** The ~~social contract~~  
21 **FAMILY SELF-SUFFICIENCY PLAN** shall be developed ~~jointly~~ by the  
22 ~~family independence agency~~ **DEPARTMENT** and the adult family members  
23 ~~and~~ **OF THE FAMILY INDEPENDENCE ASSISTANCE PROGRAM GROUP. EXCEPT AS**  
24 **DESCRIBED IN SECTION 57B, THE DEPARTMENT SHALL COMPLETE A THOROUGH**  
25 **ASSESSMENT TO FACILITATE DEVELOPMENT OF THE FAMILY SELF-SUFFICIENCY**  
26 **PLAN, INCLUDING CONSIDERATION OF REFERRAL TO A LIFE SKILLS PROGRAM,**  
27 **AND DETERMINATION AS TO WHETHER THE FAMILY INDEPENDENCE ASSISTANCE**

1 PROGRAM GROUP'S ADULT MEMBERS ARE ELIGIBLE TO PARTICIPATE IN THE  
2 WORK FIRST PROGRAM OR ARE EXEMPT FROM WORK FIRST PARTICIPATION  
3 UNDER SECTION 57F. THE FAMILY SELF-SUFFICIENCY PLAN shall identify  
4 compliance goals that are to be met by members of the family  
5 independence assistance PROGRAM group AND GOALS AND  
6 RESPONSIBILITIES OF THE MEMBERS OF THE FAMILY INDEPENDENCE  
7 ASSISTANCE PROGRAM GROUP, THE DEPARTMENT, AND THE WORK FIRST  
8 PROGRAM. The ~~social contract~~ FAMILY SELF-SUFFICIENCY PLAN shall  
9 reflect the individual needs and abilities of the particular  
10 family, and shall include at least all of the following:

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

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

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

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

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



1           (F) THE OBLIGATION THAT THE REQUIREMENTS OF THE FAMILY SELF-  
2 SUFFICIENCY PLAN MUST, AT A MINIMUM, MEET FEDERAL GUIDELINES FOR  
3 WORK PARTICIPATION.

4           (G) THE OBLIGATION THAT THE RECIPIENT MUST ENROLL IN A GED  
5 PREPARATION PROGRAM, A HIGH SCHOOL COMPLETION PROGRAM, OR A  
6 LITERACY TRAINING PROGRAM, IF THE ASSESSMENT AND PLAN DEMONSTRATE  
7 THAT THESE ISSUES PRESENT A BARRIER TO THE RECIPIENT MEETING THE  
8 REQUIREMENTS IN HIS OR HER FAMILY SELF-SUFFICIENCY PLAN.

9           (H) ~~-(f)-~~ Any other obligation the ~~family independence agency~~  
10 DEPARTMENT determines is necessary to enable the family to achieve  
11 independence.

12           (2) The ~~family independence agency~~ DEPARTMENT shall monitor  
13 each family's compliance with the ~~social contract~~ FAMILY SELF-  
14 SUFFICIENCY PLAN.

15           Sec. 57f. (1) The ~~family independence agency~~ DEPARTMENT  
16 shall enter into an agreement with the department of ~~career~~  
17 ~~development in order~~ LABOR AND ECONOMIC GROWTH to facilitate the  
18 administration of work first. The ~~family independence agency~~  
19 DEPARTMENT shall make information on the program available to the  
20 legislature.

21           (2) ~~Except as otherwise provided in subsection (3), every~~  
22 ~~member of a family independence assistance group shall be referred~~  
23 ~~to and shall participate in work first.~~ EXCEPT AS PROVIDED IN  
24 SECTION 57B, AT THE TIME THE DEPARTMENT DETERMINES THAT AN  
25 INDIVIDUAL IS ELIGIBLE TO RECEIVE FAMILY INDEPENDENCE ASSISTANCE  
26 UNDER THIS ACT, THE DEPARTMENT SHALL DETERMINE WHETHER THAT  
27 INDIVIDUAL IS ELIGIBLE TO PARTICIPATE IN THE WORK FIRST PROGRAM OR

1 **IF THE INDIVIDUAL IS EXEMPT FROM WORK FIRST PARTICIPATION UNDER**  
2 **THIS SECTION.** The particular activities in which the recipient is  
3 required or authorized to participate, the number of hours of work  
4 required, and other details of work first shall be developed by the  
5 department ~~of career development and the family independence~~  
6 ~~agency~~ **AND THE DEPARTMENT OF LABOR AND ECONOMIC GROWTH** and shall  
7 be set forth in the recipient's ~~social contract~~ **FAMILY SELF-**  
8 **SUFFICIENCY PLAN.** If a recipient has cooperated with work first,  
9 the recipient may enroll in a program approved by the local  
10 workforce development board. Any and all training or education with  
11 the exception of high school completion, ~~and~~ GED preparation, **AND**  
12 **LITERACY TRAINING** must be occupationally relevant and in demand in  
13 the labor market as determined by the local workforce development  
14 board and may be no more than 2 years in duration. Participants  
15 must make satisfactory progress while in training or education.  
16 **BEGINNING APRIL 1, 2007, IF THE DEPARTMENT DETERMINES THAT AN**  
17 **INDIVIDUAL IS ELIGIBLE TO PARTICIPATE IN THE WORK FIRST PROGRAM AND**  
18 **RESIDES IN A COUNTY IN WHICH A JOBS, EDUCATION AND TRAINING (JET)**  
19 **PROGRAM IS AVAILABLE, FAMILY INDEPENDENCE ASSISTANCE SHALL BE PAID**  
20 **TO THAT INDIVIDUAL FOR NOT LONGER THAN A CUMULATIVE TOTAL OF 48**  
21 **MONTHS DURING THAT INDIVIDUAL'S LIFETIME. IF THE RECIPIENT IS**  
22 **MEETING ALL THE REQUIREMENTS OUTLINED IN HIS OR HER FAMILY SELF-**  
23 **SUFFICIENCY PLAN AND HAS NOT RECEIVED A PENALTY UNDER SECTION 57G**  
24 **AFTER DECEMBER 31, 2006 AND LABOR MARKET CONDITIONS OR EMPLOYMENT**  
25 **BARRIERS PREVENT EMPLOYMENT PLACEMENT, A RECIPIENT MAY APPLY TO THE**  
26 **DEPARTMENT FOR AN EXTENSION OF FAMILY INDEPENDENCE ASSISTANCE**  
27 **BENEFITS FOR A PERIOD NOT TO EXCEED 12 MONTHS OVER THE 48-MONTH**

1 CUMULATIVE LIFETIME TOTAL. NOTHING IN THIS SUBSECTION PREVENTS THE  
2 DEPARTMENT FROM PROVIDING ASSISTANCE TO INDIVIDUALS WHO ARE  
3 DETERMINED TO BE EXEMPT.

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

6 (a) A child under the age of 16.

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

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

17 (d) An individual aged 65 or older.

18 (e) A recipient of supplemental security income.

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

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

26 (ii) An individual suffering from a physical or mental  
27 impairment that meets federal supplemental security income

1 disability standards, except that no minimum duration is required.

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

4 (iv) A parent or caretaker of a child who is suffering from a  
5 physical or mental impairment that meets the federal supplemental  
6 security income disability standards, except that no minimum  
7 duration is required.

8 (v) AN INDIVIDUAL WITH LOW INTELLECTUAL CAPACITY OR LEARNING  
9 DISABILITIES THAT IMPEDE COMPREHENSION AND PREVENT SUCCESS IN  
10 ACQUIRING BASIC READING, WRITING, AND MATH SKILLS, INCLUDING, BUT  
11 NOT LIMITED TO, AN INDIVIDUAL WITH AN INTELLIGENCE QUOTIENT LESS  
12 THAN 80.

13 (vi) AN INDIVIDUAL WITH DOCUMENTED CHRONIC MENTAL HEALTH  
14 PROBLEMS THAT CANNOT BE CONTROLLED THROUGH TREATMENT OR MEDICATION.

15 (vii) AN INDIVIDUAL WITH PHYSICAL LIMITATIONS ON HIS OR HER  
16 ABILITY TO PERFORM ROUTINE MANUAL LABOR TASKS, INCLUDING, BUT NOT  
17 LIMITED TO, BENDING OR LIFTING, COMBINED WITH INTELLECTUAL CAPACITY  
18 OR LEARNING DISABILITIES.

19 (4) In addition to those individuals exempt under subsection  
20 (3), the family independence agency may grant a temporary exemption  
21 from participation in work first, not to exceed 90 days, to an  
22 individual who is suffering from a documented short-term mental or  
23 physical illness, limitation, or disability that severely restricts  
24 his or her ability to participate in employment or training  
25 activities. An individual with a documented mental or physical  
26 illness, limitation, or disability that does not severely restrict  
27 his or her ability to participate in employment or training

1 activities shall be required to participate in work first at a  
2 medically permissible level.

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

6 (6) **THIS SECTION DOES NOT APPLY AFTER MARCH 31, 2011.**

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

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

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

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

25 ~~—— (a) Family independence program benefits shall be terminated~~  
26 ~~if a recipient fails, without good cause, to comply with applicable~~  
27 ~~child support requirements including efforts to establish paternity~~

1 and obtain child support. The assistance group is ineligible for  
 2 family independence program assistance for not less than 1 calendar  
 3 month. After assistance has been terminated for not less than 1  
 4 calendar month, assistance may be restored if the noncompliant  
 5 recipient complies with child support requirements including the  
 6 action to establish paternity and obtain child support.

7 ~~—— (b) For any instance of noncompliance, before determining that~~  
 8 ~~a penalty shall be imposed, the family independence agency shall~~  
 9 ~~determine if good cause for noncompliance exists. The family~~  
 10 ~~independence agency shall notify the recipient that he or she has~~  
 11 ~~10 days to demonstrate good cause for noncompliance. If good cause~~  
 12 ~~is not determined to exist, assistance shall be terminated. After~~  
 13 ~~termination, the assistance group is ineligible for family~~  
 14 ~~independence program assistance for not less than 1 calendar month.~~

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

17 ~~—— (a) A recipient quits a job.~~

18 ~~—— (b) A recipient is fired for misconduct or for absenteeism~~  
 19 ~~without good cause.~~

20 ~~—— (c) A recipient voluntarily reduces the hours of employment or~~  
 21 ~~otherwise reduces earnings.~~

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

23 (1) ~~(6) If~~ **BEGINNING APRIL 1, 2007, IF** a recipient does not  
 24 meet ~~the recipient's~~ **HIS OR HER** individual ~~social contract~~  
 25 **FAMILY SELF-SUFFICIENCY PLAN** requirements **AND IS THEREFORE**  
 26 **NONCOMPLIANT**, the ~~family independence agency may impose a penalty~~  
 27 **DEPARTMENT SHALL IMPOSE THE PENALTIES DESCRIBED UNDER THIS SECTION.**

1 THE DEPARTMENT SHALL IMPLEMENT A SCHEDULE OF PENALTIES FOR  
2 INSTANCES OF NONCOMPLIANCE AS DESCRIBED IN THIS SUBSECTION. THE  
3 PENALTIES SHALL BE AS FOLLOWS:

4 (A) FOR THE FIRST INSTANCE OF NONCOMPLIANCE, THE RECIPIENT IS  
5 INELIGIBLE TO RECEIVE FAMILY INDEPENDENCE PROGRAM ASSISTANCE FOR  
6 NOT LESS THAN 3 CALENDAR MONTHS.

7 (B) FOR THE SECOND INSTANCE OF NONCOMPLIANCE, THE RECIPIENT IS  
8 INELIGIBLE TO RECEIVE FAMILY INDEPENDENCE PROGRAM ASSISTANCE FOR  
9 NOT LESS THAN 3 CALENDAR MONTHS.

10 (C) FOR THE THIRD INSTANCE OF NONCOMPLIANCE, THE RECIPIENT IS  
11 INELIGIBLE TO RECEIVE FAMILY INDEPENDENCE PROGRAM ASSISTANCE FOR 12  
12 CALENDAR MONTHS.

13 ~~—— (7) After termination for noncompliance, the assistance group~~  
14 ~~is ineligible for family independence program assistance for not~~  
15 ~~less than 1 calendar month. After assistance has been terminated~~  
16 ~~for not less than 1 calendar month, family independence program~~  
17 ~~assistance may be approved if the recipient completes a willingness~~  
18 ~~to comply test. For purposes of this section, "willingness to~~  
19 ~~comply" means participating in work first or other self sufficiency~~  
20 ~~activities for up to 40 hours within 10 working days. At the time~~  
21 ~~any penalty is imposed under this section, the family independence~~  
22 ~~agency shall provide the recipient written notice of his or her~~  
23 ~~option to immediately reapply for family independence program~~  
24 ~~benefits and that he or she may complete a "willingness to comply~~  
25 ~~test" during the penalty period.~~

26 ~~—— (8) The family independence agency shall submit a report for~~  
27 ~~the period between February 1, 2002 and December 31, 2002 to the~~

1 ~~legislature, the house and senate fiscal agencies, and the~~  
 2 ~~appropriate house and senate standing committees that handle family~~  
 3 ~~and children's issues, that contains all of the following~~  
 4 ~~information for that time period:~~

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

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

7 ~~—— (c) The number of referrals to emergency shelters by the~~  
 8 ~~department.~~

9 ~~—— (d) The number of sanctions imposed on families with at least~~  
 10 ~~1 disabled parent.~~

11 ~~—— (e) The number of sanctions imposed on families with disabled~~  
 12 ~~children.~~

13 (2) FOR THE PURPOSES OF THIS SECTION, "NONCOMPLIANCE" MEANS 1  
 14 OR MORE OF THE FOLLOWING:

15 (A) A RECIPIENT QUILTS A JOB.

16 (B) A RECIPIENT IS FIRED FOR MISCONDUCT OR FOR ABSENTEEISM.

17 (C) A RECIPIENT VOLUNTARILY REDUCES THE HOURS OF EMPLOYMENT OR  
 18 OTHERWISE REDUCES EARNINGS.

19 (D) A RECIPIENT DOES NOT PARTICIPATE IN WORK FIRST ACTIVITIES.

20 (E) A RECIPIENT IS NONCOMPLIANT WITH HIS OR HER FAMILY SELF-  
 21 SUFFICIENCY PLAN.

22 (3) FOR ALL INSTANCES OF NONCOMPLIANCE RESULTING IN  
 23 TERMINATION OF FAMILY INDEPENDENCE ASSISTANCE FOR ANY PERIOD OF  
 24 TIME DESCRIBED IN SUBSECTION (1), BOTH OF THE FOLLOWING APPLY:

25 (A) FAMILY INDEPENDENCE PROGRAM ASSISTANCE MAY BE APPROVED TO  
 26 BEGIN AT THE CONCLUSION OF THE PENALTY PERIOD IF THE RECIPIENT  
 27 ATTENDS A JOINT MEETING WITH HIS OR HER FAMILY INDEPENDENCE



1 SPECIALIST CASEWORKER AND A WORK FIRST PROGRAM CASEWORKER AND THE  
2 FAMILY SELF-SUFFICIENCY PLAN IS REVIEWED, MODIFIED AS NECESSARY,  
3 AND APPROVED BY THE FAMILY INDEPENDENCE SPECIALIST CASEWORKER AND  
4 THE WORK FIRST PROGRAM CASEWORKER. THE REEVALUATION REQUIRED UNDER  
5 THIS SUBDIVISION SHALL INCLUDE A DISCUSSION AND OFFICIAL WARNING  
6 REGARDING PENALTIES THAT MAY BE IMPOSED FOR FUTURE INSTANCES OF  
7 NONCOMPLIANCE.

8 (B) THE PERIOD OF TIME THE RECIPIENT IS INELIGIBLE TO RECEIVE  
9 FAMILY INDEPENDENCE PROGRAM ASSISTANCE APPLIES TOWARD THE  
10 RECIPIENT'S 48-MONTH CUMULATIVE LIFETIME TOTAL.

11 (4) FOR THE FIRST INSTANCE THAT A CASEWORKER DETERMINES A  
12 RECIPIENT TO BE NONCOMPLIANT, ALL OF THE FOLLOWING SHALL OCCUR:

13 (A) THE DEPARTMENT SHALL NOTIFY THE RECIPIENT IN WRITING  
14 WITHIN 3 BUSINESS DAYS OF DETERMINING THAT THE RECIPIENT IS  
15 NONCOMPLIANT. THE NOTIFICATION SHALL INCLUDE ALL OF THE FOLLOWING:

16 (i) THE REASON THE RECIPIENT HAS BEEN DETERMINED TO BE  
17 NONCOMPLIANT.

18 (ii) THE PENALTY THAT WILL BE IMPOSED FOR THE NONCOMPLIANCE.

19 (iii) AN OPPORTUNITY FOR THE RECIPIENT TO MEET IN PERSON WITH  
20 THE CASEWORKER WITHIN 10 BUSINESS DAYS OF THE DETERMINATION THAT  
21 THE RECIPIENT IS NONCOMPLIANT.

22 (B) IF THE RECIPIENT MEETS WITH A CASEWORKER WITHIN 10  
23 BUSINESS DAYS, THE CASEWORKER AND THE RECIPIENT SHALL REVIEW AND  
24 MODIFY THE FAMILY SELF-SUFFICIENCY PLAN AS DETERMINED NECESSARY BY  
25 THE CASEWORKER. THE CASEWORKER SHALL DISCUSS AND PROVIDE AN  
26 OFFICIAL WARNING REGARDING PENALTIES THAT SHALL BE IMPOSED IF THE  
27 RECIPIENT CONTINUES TO BE NONCOMPLIANT. THE CASEWORKER SHALL INFORM

1 THE RECIPIENT THAT HE OR SHE MUST VERIFY COMPLIANCE WITH HIS OR HER  
2 SELF-SUFFICIENCY PLAN WITHIN 10 BUSINESS DAYS.

3 (C) IF THE RECIPIENT FAILS TO MEET WITH THE CASEWORKER WITHIN  
4 10 BUSINESS DAYS OF THE DETERMINATION THAT THE RECIPIENT IS  
5 NONCOMPLIANT, THE RECIPIENT IS SUBJECT TO THE PROVISIONS OF  
6 SUBSECTION (1) (A) .

7 (D) IF THE RECIPIENT FAILS TO VERIFY COMPLIANCE UNDER  
8 SUBDIVISION (B), THE RECIPIENT IS SUBJECT TO THE PROVISIONS OF  
9 SUBSECTION (1) (A) .

10 (5) THE MEETING DESCRIBED IN SUBSECTION (4) IS ONLY AVAILABLE  
11 FOR THE FIRST TIME A CASEWORKER DETERMINES THE RECIPIENT TO BE  
12 NONCOMPLIANT REGARDLESS OF WHETHER THAT RECIPIENT BECOMES SUBJECT  
13 TO THE PROVISIONS OF SUBSECTION (1) (A) .

14 (6) THIS SECTION DOES NOT APPLY AFTER MARCH 31, 2011.

15 SEC. 57P. (1) ANY MONTH IN WHICH ANY OF THE FOLLOWING OCCURS  
16 SHALL NOT BE COUNTED TOWARD THE CUMULATIVE TOTAL OF 48 MONTHS IN A  
17 LIFETIME FOR FAMILY INDEPENDENCE ASSISTANCE:

18 (A) INDIVIDUALS WHO HAVE BEEN TEMPORARILY EXEMPTED FROM WORK  
19 FIRST UNDER SECTION 57F(3) (C) AND (4) .

20 (B) THE RECIPIENT IS EMPLOYED AND MEETING THE REQUIREMENTS OF  
21 HIS OR HER FAMILY SELF-SUFFICIENCY PLAN.

22 (C) THE UNEMPLOYMENT RATE IN THE COUNTY IN WHICH THE RECIPIENT  
23 RESIDES IS HIGHER THAN 9%.

24 (D) COMPLIANCE WITH CERTAIN FAMILY INDEPENDENCE PROGRAM  
25 REQUIREMENTS ARE WAIVED UNDER SECTION 56I(1) (C) .

26 (2) THIS SECTION DOES NOT APPLY AFTER MARCH 31, 2011.

27 SEC. 57Q. THE DEPARTMENT SHALL DEVELOP AND IMPLEMENT A PLAN TO

1 INCREMENTALLY INCREASE THE EARNED INCOME DISREGARD FOR FAMILY  
2 INDEPENDENCE PROGRAM RECIPIENTS FROM \$200.00 PLUS 20% TO NOT MORE  
3 THAN 67% OF EARNED INCOME BY SEPTEMBER 30, 2010.

4 SEC. 57R. THE DEPARTMENT SHALL IMPLEMENT THE JOBS, EDUCATION  
5 AND TRAINING (JET) PROGRAM STATEWIDE BY SEPTEMBER 30, 2007.

6 SEC. 57S. THE DEPARTMENT SHALL PAY \$10.00 PER MONTH FOR 6  
7 MONTHS TO INDIVIDUALS WHO LEAVE FAMILY INDEPENDENCE PROGRAMS DUE TO  
8 NO LONGER MEETING THE FINANCIAL ELIGIBILITY CRITERIA BASED ON  
9 EARNED INCOME, IF THOSE INDIVIDUALS CONTINUE TO MEET THE FEDERAL  
10 GUIDELINES FOR WORK PARTICIPATION.

11 SEC. 57T. (1) THE DEPARTMENT SHALL PROVIDE A QUARTERLY REPORT  
12 OF EXEMPTIONS UNDER SECTION 57F BY DISTRICT OFFICE AND BY CRITERIA  
13 TO ALL OF THE FOLLOWING:

14 (A) THE SENATE AND HOUSE STANDING COMMITTEES DEALING WITH  
15 APPROPRIATIONS FOR HUMAN SERVICES.

16 (B) THE SENATE AND HOUSE FISCAL AGENCIES.

17 (C) THE MAJORITY LEADER OF THE SENATE AND THE SPEAKER OF THE  
18 HOUSE OF REPRESENTATIVES.

19 (2) THE DEPARTMENT SHALL PROVIDE A REPORT BY DISTRICT OFFICE  
20 ON THE NUMBER OF SANCTIONS ISSUED, THE NUMBER OF COMPLIANCE  
21 EXCEPTIONS GRANTED, AND THE SUCCESS RATE OF RECIPIENTS GIVEN THE  
22 COMPLIANCE EXCEPTION UNDER SECTION 57G.

23 (3) THE DEPARTMENT SHALL REQUIRE DISTRICT MANAGERS TO TRACK  
24 PERFORMANCE OF CASEWORKERS WITH REGARD TO SANCTIONS UNDER SECTION  
25 57G.

26 (4) THE DEPARTMENT SHALL REQUIRE REPORTING BY COUNTY OFFICE ON  
27 REFERRALS TO NONPROFIT REHABILITATION ORGANIZATIONS UNDER SECTION

1 57B AND THE FOLLOWING:

2 (A) REFERRALS PENDING LESS THAN 90 DAYS.

3 (B) REFERRALS PENDING 90 TO 180 DAYS.

4 (C) REFERRALS PENDING 180 TO 365 DAYS.

5 (5) THE DEPARTMENT SHALL REQUIRE A QUARTERLY REPORT ON CASES  
6 IN WHICH THE RECIPIENT HAS APPLIED FOR SUPPLEMENTAL SECURITY INCOME  
7 UNDER SECTION 57B AS FOLLOWS:

8 (A) THE NUMBER OF CASES ASSESSED.

9 (B) THE NUMBER OF CASES REFERRED TO WORK FIRST.

10 (C) THE NUMBER OF CASES PLACED IN SUBSIDIZED EMPLOYMENT.

11 (D) THE NUMBER OF CASES REFERRED TO LEGAL SERVICES ADVOCACY  
12 PROGRAMS AND THE NUMBER OF CASES GRANTED SUPPLEMENTAL SECURITY  
13 INCOME.

14 (6) THE DEPARTMENT SHALL REPORT THE PROGRESS OF THE PLAN  
15 REQUIRED UNDER SECTION 57Q AND ITS IMPLEMENTATION PROGRESS ANNUALLY  
16 BY APRIL 1.