



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 1006 (as introduced 6-25-20)  
Sponsor: Senator Jim Ananich  
Committee: Families, Seniors, and Veterans

Date Completed: 9-21-20

**CONTENT**

**The bill would amend the Social Welfare Act to do the following:**

- Specify that provisions prohibiting the Department of Health and Human Services (DHHS) from granting cash or food assistance to an individual with an outstanding felony warrant would not apply to an individual if he or she had an outstanding felony warrant for a violation of Part 74 (Offenses and Penalties) of the Public Health Code.**
- Specify that a felony conviction for a violation of Part 74 of the Public Health Code would not automatically make an individual ineligible to receive food assistance benefits.**

Under the Act, the DHHS generally may not grant cash assistance to an individual if it receives information that he or she is subject to arrest under an outstanding warrant arising from a felony charge against the individual in this or any other jurisdiction. The Act also prohibits the DHHS from granting food assistance to an individual if he or she has an outstanding felony warrant and law enforcement is actively seeking the individual. Under the bill, these provisions would not apply to an individual if he or she had an outstanding felony warrant for a violation of Part 74 of the Public Health Code.

The bill also specifies that a felony conviction for a violation of Part 74 of the Public Health Code would not automatically make an individual ineligible to receive food assistance benefits.

(Part 74 of the Public Health Code generally prohibits and prescribes penalties for the unauthorized manufacturing and use of controlled substances, counterfeit substances, and controlled substance analogues, among other things.)

MCL 400.10b et al.

Legislative Analyst: Tyler VanHuyse

**FISCAL IMPACT**

The bill would have a negative fiscal impact on the DHHS and no fiscal impact on local units of government. The bill as introduced would allow for those with drug-related felony warrants to qualify for Family Independence Program (FIP) benefits, also known as cash assistance, and Food Assistance Program (FAP) benefits. The bill also would not make those convicted of a drug-related felony ineligible to receive FAP benefits automatically. Under the bill, it is not certain under which conditions an individual with a drug-related felony would become eligible for FAP benefits.

The FIP program is funded with a mix of Federal and State funds. The FAP program is entirely Federally funded so, while the bill would require an increase in FAP appropriations, no State-provided funding would be needed. The total fiscal impact is uncertain because there is insufficient data as to the number of individuals with drug-related warrants who have applied and been denied cash assistance and food assistance.

As the bill would not make those with drug-related felonies automatically ineligible for FAP benefits, but does not specify conditions under which an individual could become eligible, the table below shows the estimated average costs had individuals with two or more drug-related felony convictions been eligible for FAP benefits in fiscal year (FY) 2016-17 through FY 2018-19.

<b>Fiscal Year</b>	<b>FAP Applicants Denied Benefits for 2+ Drug-Related Felony Convictions</b>	<b>Estimated Average Annual Cost</b>
2016-17	2,920	\$4,240,500
2017-18	2,130	3,138,100
2018-19	1,948	2,785,900

Fiscal Analyst: John Maxwell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.