

SENATE BILL 891

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2000 Regular Session
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By: **Senators Madden, Bromwell, Currie, Exum, and Kelley**

Introduced and read first time: March 2, 2000

Assigned to: Rules

Re-referred to: Finance, March 6, 2000

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 28, 2000

CHAPTER _____

1 AN ACT concerning

2 **Welfare Innovation Act for the Year 2000**

3 FOR the purpose of authorizing the Secretary of Human Resources to establish a
4 certain number of demonstration sites under the Family Investment Program;
5 requiring the Secretary to appoint a director of each demonstration site;
6 granting the Secretary certain authority in a demonstration site; requiring that
7 employees hired at a demonstration site be placed in the management service or
8 in special appointments in the State Personnel Management System; providing
9 for an exception to that placement for a limited period; requiring the Secretary
10 to establish a performance incentive program to pay employees in a
11 demonstration site; providing for certain statutory construction; altering the
12 model hiring agreement used by the Secretary under the Program to allow
13 priority hiring to positions that are not entry-level positions; requiring the
14 Secretary and local directors of social services to work with local governments in
15 developing a plan to work with local governments in recruiting and hiring
16 Program recipients into local government positions; providing for the contents of
17 the local plans; requiring the Secretary to report on these efforts to certain
18 committees of the General Assembly annually; repealing existing law relating to
19 when the payment of temporary cash assistance begins; altering provisions of
20 law relating to the screening of adult or minor parent Program applicants or
21 recipients for substance abuse, the referral of those individuals for substance
22 abuse treatment, and notice which must be given relating to substance abuse
23 and substance abuse treatment; repealing certain provisions of law regarding
24 the Program eligibility of certain legal immigrants; altering certain provisions of
25 law relating to the termination of temporary cash assistance benefits for an
26 applicant or recipient who fails to comply with an initial screening; altering
27 certain provisions of law relating to substance abuse identification forms and

1 treatment forms used under the Program; prohibiting the Secretary from
2 including certain housing assistance subsidies, benefits, or payments as
3 unearned income for certain purposes; requiring the categorical extension of
4 eligibility for food stamps to certain families receiving certain benefits; defining
5 a certain term; and generally relating to improving the level of jobs and access to
6 those jobs for Family Investment Program recipients through demonstration
7 programs, limitations on cash assistance payments, and substance abuse
8 screening and treatment under the Family Investment Program.

9 BY repealing and reenacting, with amendments,
10 Article 88A - Department of Human Resources
11 Section 46, 48(b) through (e), 50, and 50A
12 Annotated Code of Maryland
13 (1998 Replacement Volume and 1999 Supplement)

14 BY adding to
15 Article 88A - Department of Human Resources
16 Section 55
17 Annotated Code of Maryland
18 (1998 Replacement Volume and 1999 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article - State Finance and Procurement
21 Section 13-224
22 Annotated Code of Maryland
23 (1995 Replacement Volume and 1999 Supplement)

24 BY repealing and reenacting, with amendments,
25 Chapter 593 of the Acts of the General Assembly of 1997
26 Section 14

27 BY repealing
28 Chapter 593 of the Acts of the General Assembly of 1997
29 Section 15

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
31 MARYLAND, That the Laws of Maryland read as follows:

32 **Article 88A - Department of Human Resources**

33 46.

34 (A) The Secretary shall:

35 (1) Establish and implement a FIP that meets the requirements of this
36 subtitle and of federal law;

1 (2) Supervise the administration of the FIP under this subtitle by local
2 departments;

3 (3) Cooperate with the federal government in matters of mutual concern
4 pertaining to federal funding for the FIP; and

5 (4) Adopt regulations necessary or desirable to carry out the provisions
6 of this subtitle.

7 (B) (1) THE SECRETARY OF HUMAN RESOURCES AND LOCAL DIRECTORS OF
8 SOCIAL SERVICES SHALL DEVELOP AND IMPLEMENT A PLAN, WORKING WITH
9 APPROPRIATE LOCAL GOVERNMENT OFFICIALS, UNDER WHICH LOCAL
10 GOVERNMENTS MAY HIRE FIP RECIPIENTS TO WORK IN LOCAL GOVERNMENT.

11 (2) THE SECRETARY SHALL INCLUDE IN EACH LOCAL GOVERNMENT
12 HIRING PLAN DEVELOPED FOR A JURISDICTION:

13 (I) AN INDICATION OF THE UNITS THAT COULD MOST EASILY HIRE
14 FIP RECIPIENTS;

15 (II) THE EMPLOYMENT POSITIONS MOST SUITABLE FOR FIP
16 RECIPIENTS;

17 (III) PROPOSALS FOR RECRUITING FIP RECIPIENTS;

18 (IV) EMPLOYMENT RETENTION STRATEGIES; AND

19 (V) A TARGET NUMBER OF FIP RECIPIENTS TO BE RECRUITED
20 UNDER THE PLAN.

21 (3) ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE SECRETARY OF
22 HUMAN RESOURCES, THE MARYLAND ASSOCIATION OF COUNTIES, AND THE
23 MARYLAND MUNICIPAL LEAGUE SHALL REPORT, SUBJECT TO § 2-1246 OF THE STATE
24 GOVERNMENT ARTICLE, TO THE SENATE FINANCE COMMITTEE AND THE HOUSE
25 APPROPRIATIONS COMMITTEE OF THE GENERAL ASSEMBLY, ON:

26 (I) THE DEVELOPMENT OF THE PLAN ENCOURAGED UNDER THIS
27 SUBSECTION; AND

28 (II) THE NUMBER OF WELFARE RECIPIENTS HIRED AND RETAINED
29 BY LOCAL GOVERNMENTS.

30 48.

31 (b) Assistance shall be provided under this subtitle only if the applicant for or
32 recipient of assistance:

33 (1) Resides in this State at the time of application for the assistance;

34 [(2) At the time of application for assistance, signs a medical release that,
35 for any applicant determined eligible to be a recipient of continuing temporary cash

1 assistance, would allow the Department or its designee to receive from the managed
2 care organization in which the recipient is enrolled in accordance with the managed
3 care program established under Title 15, Subtitle 1 of the Health - General Article or
4 from a substance abuse provider under § 50A(b)(2) of this subtitle:

5 (i) Notification that a recipient has not completed the initial health
6 screen required by the recipient's managed care organization;

7 (ii) The results of any substance abuse screening assessment or
8 other test performed on the recipient by the managed care organization for the
9 purpose of determining the recipient's need for substance abuse treatment; and

10 (iii) The results of any recipient's referral to substance abuse
11 treatment or change in treatment status as required by § 50A(b)(2) of this subtitle;

12 (3) (i) Has applied for child support services with the
13 appropriate local child support enforcement office at the time of application for the
14 assistance; and

15 (ii) Complies with the requirements of the local child support
16 enforcement office;

17 [(4)] (3) Has engaged in job search activities as requested by the
18 Department;

19 [(5)] (4) Participates in work activity under this subtitle, unless exempt
20 under criteria established by the Secretary which shall include the following groups of
21 individuals:

22 (i) Adults who are required to care for a child who is a recipient
23 under age 1;

24 (ii) Subject to subsection (c) of this section, adults and children who
25 are recipients and who are severely disabled; and

26 (iii) Subject to subsection (c) of this section, children 16 years of age
27 and older who are not in school and who are severely disabled; and

28 [(6)] (5) Meets all other FIP requirements that the Secretary establishes
29 by regulation.

30 (c) An individual may not be exempt as severely disabled under subsection
31 [(b)(5)] (B)(4) of this section for more than 12 months unless:

32 (1) That individual applies for Supplemental Security Income; and

33 (2) The application is approved, pending, or in the appeal stage.

34 (d) In addition to the provisions of this section, subject to the limitations of the
35 State budget, assistance shall be provided under this subtitle to legal immigrants:

1 (1) Who arrived in the United States before August 22, 1996; AND

2 (2) Who meet FIP eligibility requirements under this subtitle and any
3 other requirements imposed by the State[]; and

4 (3) Who:

5 (i) Have lived in this State for at least 12 months; or

6 (ii) Previously lived in a state that provided federally or
7 nonfederally funded cash assistance to such legal immigrants].

8 (e) In addition to the provisions of this section, subject to the limitations of the
9 State budget, assistance shall be provided under this subtitle to legal immigrants:

10 (1) Who arrive in the United States on or after August 22, 1996 and are
11 not eligible for federally funded cash assistance;

12 (2) Who meet FIP eligibility requirements under this subtitle and any
13 other requirements imposed by the State[]; and

14 (3) Who:

15 (i) Have lived in this State for at least 12 months; or

16 (ii) Previously lived in a state that provided nonfederally funded
17 cash assistance to such legal immigrants].

18 50.

19 (a) The provisions of this section are not intended to create incentives for
20 individuals to seek temporary cash assistance benefits instead of employment.

21 (b) A local department shall provide temporary cash assistance only if:

22 (1) The recipient meets the conditions for participation in the FIP set
23 forth in § 48 of this subtitle;

24 (2) The applicant or recipient assigns to the State all right, title, and
25 interest in support from any other person that the applicant or recipient has on behalf
26 of any intended or potential recipient for whom the applicant or recipient is applying
27 for or receiving assistance, including any right accrued when the assignment is
28 executed;

29 (3) In the case of an applicant or recipient who is a minor parent, the
30 minor parent lives;

31 (i) With a parent, legal guardian, custodian, or other adult relative
32 who will be the payee of the minor parent;

1 (ii) In an adult-supervised group living arrangement that shall
2 provide a protective payee, if there is no available parent, legal guardian, custodian,
3 or other adult relative with whom the minor parent can live or the minor parent or
4 child would be subject to physical or emotional harm, sexual abuse, or neglect in the
5 home of any available adult relative or a social service worker otherwise finds that
6 living with any available adult relative would not be in the minor parent's or child's
7 best interest; or

8 (iii) Independently, if a social service worker confirms that the
9 minor parent or child's physical safety or emotional health would otherwise be in
10 jeopardy; and

11 (4) In the case of an applicant or recipient who is an immigrant, for a
12 period of 3 years from the date of the immigrant's entry into the United States, unless
13 a different period of time is set by the federal government, the applicant or recipient
14 is a legal immigrant, whose income and resources shall be deemed to include the
15 income and resources of any sponsor who executed an affidavit of support pursuant to
16 § 213A of the Immigration and Naturalization Act in behalf of the legal immigrant.

17 (c) All recipients meeting the requirements of the FIP shall be entitled to cash
18 assistance benefits.

19 [(d) A local department shall pay temporary cash assistance beginning 14 days
20 after the application of a qualified recipient.]

21 [(e)] (D) The Secretary may not include in regulations adopted under this
22 subtitle a provision that would count as unearned income to a family in calculating
23 the family's eligibility for the FIP:

24 (1) Supplemental Security Income (SSI) benefits provided to an adult or
25 child who resides in the family;

26 (2) HOUSING SUBSIDIES PAID TO OR ON BEHALF OF A RECIPIENT LIVING
27 IN:

28 (I) PUBLIC HOUSING, AS DEFINED UNDER 42 U.S.C. § 1437A(B);

29 (II) FEDERAL SECTION 8 HOUSING UNDER 42 U.S.C. § 1437F; OR

30 (III) HOUSING WHILE RECEIVING RENTAL ASSISTANCE PAYMENTS:

31 1. FROM THE FARMER'S HOME ADMINISTRATION UNDER
32 TITLE 42, CHAPTER 8A OF THE UNITED STATES CODE; OR

33 2. UNDER 42 U.S.C. § 1437F(O); OR

34 (3) ANY OTHER FEDERAL, STATE, OR LOCAL HOUSING ASSISTANCE
35 SUBSIDIES, BENEFITS, OR PAYMENTS.

1 [(f)] (E) (1) This subsection does not apply to a birth resulting from rape or
2 incest.

3 (2) Except as provided in paragraph (3) of this subsection, temporary
4 cash assistance may not include the increment in cash benefits under the program for
5 which a recipient would otherwise be eligible as a result of the birth of a child 10 or
6 more months after the recipient's initial application for temporary cash assistance
7 benefits.

8 (3) Cash payments for a child may not be made to a family other than
9 the child's family unless the Social Services Administration has placed the child with
10 the other family.

11 (4) The Department shall provide for a recipient ineligible for an
12 increment in cash benefits under this subsection a child-specific benefit not to exceed
13 the value of the increment eliminated by this subsection for the purchase of goods
14 specified by the Department as suitable for the care of a minor.

15 (5) A local department may pay an administrative fee to a third party
16 payee to cover the administrative costs of the third party payee for managing the
17 child-specific benefit.

18 (6) The Secretary shall adopt regulations specifying the selection criteria
19 for third party payees under this subsection.

20 [(g)] (F) (1) The Secretary shall establish by regulation a schedule of
21 reductions and terminations of temporary cash assistance for noncompliance with
22 FIP requirements.

23 (2) Once an individual is found to be not in compliance with FIP
24 requirements, the caseworker shall investigate the reasons for noncompliance.

25 (3) The investigation, to the extent resources permit, shall include, but
26 not be limited to, personal contact with the family unit.

27 (4) The Secretary may reduce or terminate temporary cash assistance to
28 a family no earlier than 30 days subsequent to the first written notice sent of
29 noncompliance.

30 (5) For noncompliance with any FIP requirement other than a work
31 activity, temporary cash assistance shall be resumed upon compliance with the FIP
32 requirement.

33 (6) For noncompliance with a work activity, temporary cash assistance
34 shall be resumed in the following manner:

35 (i) For the first instance of noncompliance, temporary cash
36 assistance shall be resumed immediately upon compliance;

1 (ii) For the second instance of noncompliance, temporary cash
2 assistance shall be resumed after 10 days of compliance with the work activity; or

3 (iii) For the third and any subsequent instance of noncompliance,
4 temporary cash assistance shall be resumed after 30 days of compliance with a work
5 activity.

6 (7) If temporary cash assistance is reduced or terminated under this
7 subsection, the recipient shall retain eligibility for medical assistance and food
8 stamps, as long as the recipient meets the medical assistance and food stamp program
9 requirements.

10 ~~[(h)]~~ (G) (1) After termination of temporary cash assistance under this
11 section, the recipient may receive transitional assistance.

12 (2) If the caseworker determines that the local department shall provide
13 transitional assistance, the FIP benefit that would have been paid to the recipient
14 shall be paid instead to a third party payee on behalf of the recipient for a period of up
15 to 3 months.

16 (3) A recipient who has received transitional assistance may apply for
17 the FIP benefit and the benefit shall be furnished with reasonable promptness to all
18 eligible individuals.

19 (4) The third party payee shall provide transitional assistance to the
20 recipient in one or more of the following forms:

21 (i) Counseling;

22 (ii) Housing;

23 (iii) Child care;

24 (iv) Household supplies and equipment;

25 (v) Direct assistance other than a cash payment; and

26 (vi) Any other noncash assistance that may be necessary to assist
27 the recipient to make the transition from welfare.

28 (5) Subject to the approval of the Secretary, the caseworker, in
29 conjunction with the recipient, shall select the third party payee described under
30 paragraph (2) of this subsection.

31 (6) A local department may pay an administrative fee to a third party
32 payee to cover the administrative costs of the third party payee for providing the
33 services described in paragraph (4) of this subsection.

34 (7) No portion of the funds provided through transitional assistance may
35 be used for the furtherance of sectarian religious instruction.

1 (8) The Secretary shall adopt regulations specifying the selection criteria
2 for third party payees under this subsection.

3 [(i)] (H) Except as limited by federal requirements, temporary cash assistance
4 shall be determined with due regard to the available resources and necessary
5 expenditures of the family and the conditions existing in each case and shall be
6 sufficient, when added to all other income and support available to the child, to
7 provide the child with a reasonable subsistence compatible with decency and health.
8 50A.

9 (a) (1) At initial application, or first redetermination after July 1, 1997, for
10 temporary cash assistance, or when considered appropriate by the FIP staff of the
11 local department, [a] AN ADDICTIONS SPECIALIST ON-SITE IN THE local department
12 shall assess the need of any adult or minor parent APPLICANT OR recipient for
13 substance abuse treatment.

14 (2) To assist in determining whether an adult or minor parent
15 APPLICANT OR recipient has a need for substance abuse treatment, the ADDICTIONS
16 SPECIALIST ON-SITE IN THE local department shall [use an enhanced assessment of]
17 SCREEN the adult or minor parent APPLICANT OR recipient [that would] TO expose
18 any potential barriers that the adult or minor parent APPLICANT OR recipient may
19 have in obtaining employment such as having a substance abuse problem.

20 (3) The ADDICTIONS SPECIALIST ON-SITE IN THE local department shall
21 inform each adult or minor parent APPLICANT OR recipient of the requirements of FIP
22 regarding substance abuse treatment[, including an adult or minor parent recipient's
23 obligation to participate in an initial health screen with the adult or minor parent
24 recipient's managed care organization within the time specified by regulation
25 following the adult or minor parent recipient's enrollment in the managed care
26 organization or lose FIP benefits].

27 (4) [After the adult or minor parent recipient is certified eligible for
28 temporary cash assistance under this subtitle and for medical assistance under Title
29 15, Subtitle 1 of the Health - General Article, the adult or minor parent recipient
30 shall be screened for substance abuse as part of the initial health screen required to
31 be performed by a managed care organization in accordance with regulations adopted
32 by the Department of Health and Mental Hygiene under Title 15, Subtitle 1 of the
33 Health - General Article.] IF THE ADULT OR MINOR PARENT APPLICANT OR
34 RECIPIENT DOES NOT COMPLETE THE SCREENING REQUIRED UNDER PARAGRAPH (2)
35 OF THIS SUBSECTION, THE ADDICTION SPECIALIST SHALL NOTIFY THE FIP CASE
36 MANAGER.

37 [(5) The managed care organization shall notify the local department if
38 the adult or minor parent recipient has not completed the initial health screen
39 required by the adult or minor parent recipient's managed care organization.]

40 (b) (1) If the [initial health screen or any follow-up diagnostic testing or
41 treatment performed by a managed care organization or direct provider of services]
42 SCREEN PERFORMED BY THE ADDICTIONS SPECIALIST reveals that an adult or minor

1 parent APPLICANT OR recipient has a substance abuse problem, the [managed care
2 organization or direct provider of services] ADDICTIONS SPECIALIST shall:

3 (i) [Refer] CONDUCT, OR REFER FOR, AN ASSESSMENT OF
4 SUBSTANCE ABUSE BY AN ADULT OR MINOR PARENT APPLICANT OR RECIPIENT AND,
5 IF APPROPRIATE, DETERMINE PLACEMENT FOR TREATMENT AND RELATED
6 SUPPORTIVE SERVICES;

7 (II) REFER the adult or minor parent APPLICANT OR recipient for
8 appropriate substance abuse treatment AND RELATED SUPPORTIVE SERVICES; [and

9 (ii) Complete and submit to the local department the substance
10 abuse identification form required by regulations developed by the Secretary]

11 (III) OBTAIN THE SIGNATURE OF THE ADULT OR MINOR PARENT
12 APPLICANT OR RECIPIENT ON A FORM CONSENTING TO THE RELEASE OF
13 CONFIDENTIAL ALCOHOL AND DRUG TREATMENT INFORMATION; AND

14 (IV) FORWARD THE CONSENT FORM TO THE APPROPRIATE
15 SUBSTANCE ABUSE TREATMENT PROVIDER.

16 (2) (i) The substance abuse TREATMENT provider shall notify the
17 ADDICTIONS SPECIALIST IN THE local department OF THE ONGOING TREATMENT
18 STATUS OF THE ADULT OR MINOR PARENT APPLICANT OR RECIPIENT.

19 (II) THE ADDICTIONS SPECIALIST SHALL NOTIFY THE FIP CASE
20 MANAGER:

21 1. [that] THAT an adult or minor parent APPLICANT OR
22 recipient has been referred for appropriate substance abuse treatment; AND

23 2. REGARDING THE STATUS OF THE ONGOING TREATMENT
24 OF THE ADULT OR MINOR PARENT APPLICANT OR RECIPIENT.

25 [(ii)] (III) [As part of its] TO PROVIDE THE notification REQUIRED
26 under subparagraph [(i)] (II) of this paragraph, the [substance abuse provider]
27 ADDICTIONS SPECIALIST shall FORWARD CONSENT FOR THE RELEASE OF THE
28 INFORMATION TO THE SUBSTANCE ABUSE TREATMENT PROVIDER, OBTAIN THE
29 NECESSARY TREATMENT INFORMATION FROM THE TREATMENT PROVIDER, AND
30 notify the local department if the adult or minor parent APPLICANT OR recipient:

31 1. [Is not actively enrolled in a substance abuse treatment
32 program as defined by the Alcohol and Drug Abuse Administration] FAILS TO
33 COMPLETE THE ASSESSMENT REQUIRED UNDER PARAGRAPH (1) OF THIS
34 SUBSECTION;

35 2. FAILS TO SIGN THE CONSENT FORM REQUIRED UNDER
36 PARAGRAPH (1)(II) OF THIS SUBSECTION;

1 3. FAILS TO ENROLL OR MAINTAIN ENROLLMENT WITH AN
2 AVAILABLE SUBSTANCE TREATMENT PROVIDER OR TO COMPLETE THE TREATMENT
3 PROTOCOL;

4 [2.] 4. Is awaiting the availability of appropriate treatment;

5 5. IS ENROLLED IN A TREATMENT PROGRAM; or

6 [3.] 6. [Has successfully completed the] SUCCESSFULLY
7 COMPLETES treatment.

8 (c) [A] AN ADULT OR MINOR PARENT APPLICANT OR recipient who complies
9 with the requirements of the FIP in regard to substance abuse treatment:

10 (1) Shall receive the full temporary cash assistance benefit as long as the
11 adult or minor parent APPLICANT OR recipient continues to meet other temporary
12 cash assistance eligibility requirements; and

13 (2) May be exempt from the work requirements for a period of time
14 determined by the [local department] FIP CASE MANAGER in consultation with the
15 [substance abuse treatment provider or the managed care organization] ADDICTIONS
16 SPECIALIST.

17 (d) An adult or minor parent APPLICANT OR recipient shall be considered not
18 in compliance with FIP requirements, if the [local department] FIP CASE MANAGER
19 receives notice from the [managed care organization] ADDICTIONS SPECIALIST that
20 the adult or minor parent APPLICANT OR recipient:

21 (1) [Has not completed the initial health screen required by the adult or
22 minor parent recipient's managed care organization in accordance with regulations
23 adopted by the Department of Health and Mental Hygiene under Title 15, Subtitle 1
24 of the Health - General Article; or] DOES NOT COMPLETE THE SCREENING OR
25 ASSESSMENT REQUIRED UNDER SUBSECTIONS (A)(2) AND (B)(1)(I) OF THIS SECTION;

26 (2) [Was referred for appropriate substance abuse treatment by the
27 managed care organization, but the adult or minor parent recipient failed to maintain
28 active enrollment, as defined by the Alcohol and Drug Abuse Administration, in the
29 treatment program or complete the treatment protocol] DOES NOT SIGN THE
30 CONSENT FORM REQUIRED UNDER SUBSECTION (B)(1)(II) OF THIS SECTION; OR

31 (3) IS REFERRED FOR APPROPRIATE AND AVAILABLE SUBSTANCE
32 ABUSE TREATMENT BY THE ADDICTIONS SPECIALIST BUT FAILS TO ENROLL OR TO
33 MAINTAIN ACTIVE ENROLLMENT IN THE TREATMENT PROGRAM OR COMPLETE THE
34 TREATMENT PROTOCOL.

35 [(e) After receiving the notice under subsection (d)(1) of this section, the local
36 department shall send a notice to the adult or minor parent recipient informing the
37 adult or minor parent recipient that:

1 (1) The adult or minor parent recipient is not in compliance with FIP
2 requirements, including the specific reason why the adult or minor parent recipient is
3 considered not in compliance with FIP requirements; and

4 (2) 30 days after the date of the notice, the adult or minor parent
5 recipient's temporary cash assistance benefits will be reduced by that increment in
6 cash benefits that included the adult or minor parent recipient.]

7 (E) AFTER RECEIVING A NOTICE UNDER SUBSECTION (D) OF THIS SECTION,
8 THE LOCAL DEPARTMENT SHALL:

9 (1) SEND A DENIAL NOTICE TO THE ADULT OR MINOR PARENT
10 APPLICANT INFORMING THE APPLICANT THAT:

11 (I) THE APPLICANT HAS NOT MET PROGRAM REQUIREMENTS,
12 INCLUDING THE SPECIFIC REASON THE APPLICANT IS NOT ELIGIBLE FOR FIP; AND

13 (II) IF THE APPLICANT FAILS TO FULFILL THE REQUIREMENTS ON
14 OR BEFORE THE 30TH WORK DAY AFTER THE APPLICATION WAS FILED, THE
15 APPLICATION FOR TEMPORARY CASH ASSISTANCE IS DENIED; AND

16 (2) SEPARATELY DETERMINE ELIGIBILITY FOR MEDICAL ASSISTANCE
17 AND FOOD STAMPS.

18 [(f) (1) The local department shall reduce an adult or minor parent
19 recipient's temporary cash assistance benefits as described in subsection (e) of this
20 section, if the adult or minor parent recipient has not completed the initial health
21 screen required by the adult or minor parent recipient's managed care organization.

22 (2) The local department shall continue to make these reduced payments
23 to the adult or minor parent recipient until the local department receives notice from
24 the managed care organization that the adult or minor parent recipient has
25 completed the initial health screen required by the adult or minor parent recipient's
26 managed care organization.]

27 [(g) (F) After receiving [the] A notice under subsection [(d)(2)] (D) of this
28 section, the local department shall send a notice to the adult or minor parent
29 APPLICANT OR recipient informing the adult or minor parent recipient that:

30 (1) The adult or minor parent recipient is not in compliance with FIP
31 requirements, including the specific reasons why the adult or minor parent recipient
32 is considered not in compliance with FIP requirements; and

33 (2) 30 days after the date of the notice:

34 (i) The adult or minor parent recipient's temporary cash assistance
35 benefits will be reduced by that increment in cash benefits that included the adult
36 recipient; and

1 (ii) The remainder of the cash benefits for the child or children in
2 the FIP case will be paid to a third party payee.

3 [(h)] (G) (1) The local department shall reduce an adult or minor parent
4 recipient's temporary cash assistance benefits and pay the remainder of the cash
5 benefits to a third party payee as described in subsection [(g)] (F) of this section, if
6 the adult or minor parent APPLICANT OR recipient:

7 (i) FAILS TO COMPLETE A SUBSTANCE ABUSE SCREENING OR
8 ASSESSMENT BY AN ADDICTIONS SPECIALIST, AS REQUIRED UNDER SUBSECTIONS
9 (A)(2) AND (B)(1)(II) OF THIS SECTION; OR

10 (II) 1. Receives the [initial health screen] REQUIRED
11 SCREENING AND ASSESSMENT, and the [initial health screen] REQUIRED
12 SCREENING AND ASSESSMENT or the results of any follow-up diagnostic testing or
13 treatment reveal that the adult or minor parent recipient is a substance abuser; and

14 [(ii)] 2. Refuses to [participate] ENROLL OR MAINTAIN
15 ENROLLMENT in available and appropriate substance abuse treatment.

16 (2) The local department shall continue to make payments to a third
17 party payee until the [local department] FIP CASE MANAGER receives notice from the
18 [managed care organization] ADDICTIONS SPECIALIST that the adult or minor
19 parent APPLICANT OR recipient is actively enrolled, as defined by the Alcohol and
20 Drug Abuse Administration, in the appropriate substance abuse treatment indicated
21 by the [managed care organization] ADDICTIONS SPECIALIST.

22 [(i)] (H) The local department may not DENY AN ADULT OR MINOR
23 APPLICANT'S TEMPORARY CASH ASSISTANCE BENEFIT OR reduce an adult or minor
24 parent recipient's temporary cash ASSISTANCE benefit as described under
25 [subsection (g)] SUBSECTIONS (E) AND (F) of this section, if the adult or minor parent
26 APPLICANT OR recipient:

27 (1) Receives the [initial health screen] REQUIRED SCREENING AND
28 ASSESSMENT, and the [initial health screen] REQUIRED SCREENING AND
29 ASSESSMENT or the results of any follow-up diagnostic testing or treatment reveal
30 that the adult or minor parent APPLICANT OR recipient is a substance abuser; and

31 (2) Agrees to participate in appropriate substance abuse treatment, as
32 determined by the [managed care organization] ADDICTIONS SPECIALIST, but the
33 appropriate substance abuse treatment indicated is not available.

34 [(j)] (I) If temporary cash assistance is reduced under this section, the adult
35 or minor parent APPLICANT OR recipient shall retain eligibility for medical assistance
36 and food stamps, as long as the adult or minor parent APPLICANT OR recipient meets
37 the medical assistance and food stamp program requirements.

1 55.

2 (A) IN THIS SECTION, "DEMONSTRATION SITE" MEANS A SITE SELECTED BY
3 THE SECRETARY IN CONSULTATION WITH THE DIRECTOR OF THE LOCAL ~~UNIT OF~~
4 DEPARTMENT OF SOCIAL SERVICES IN THE JURISDICTION.

5 (B) THE SECRETARY MAY ESTABLISH A FIP DEMONSTRATION SITE IN AT
6 LEAST ONE JURISDICTION, BUT NOT EXCEEDING SIX JURISDICTIONS.

7 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE ~~SECRETARY~~
8 DIRECTOR OF THE LOCAL DEPARTMENT OF SOCIAL SERVICES SHALL APPOINT A
9 DIRECTOR OF THE DEMONSTRATION SITE WHO SHALL REPORT DIRECTLY TO THE
10 EXECUTIVE DIRECTOR OF THE FAMILY INVESTMENT ADMINISTRATION OF THE
11 DEPARTMENT DIRECTOR OF THE LOCAL DEPARTMENT.

12 (D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE ~~SECRETARY~~
13 SHALL HAVE SOLE AUTHORITY OVER FIP FUNCTIONS IN A DEMONSTRATION SITE,
14 INCLUDING THE AUTHORITY SECRETARY, ALONG WITH THE DIRECTOR OF THE
15 LOCAL DEPARTMENT OF SOCIAL SERVICES, SHALL DEVELOP A DEMONSTRATION
16 SITE PLAN DESIGNED TO:

17 (1) ASSIST FAMILIES ON WELFARE THAT HAVE AN EMPLOYABLE
18 PARENT TOWARD A LASTING TERMINATION OF PARTICIPATION IN THE TEMPORARY
19 CASH ASSISTANCE PROGRAM;

20 (2) ENSURE THAT INDIVIDUALS AND FAMILIES RECEIVE APPROPRIATE
21 BENEFITS;

22 (3) REDUCE ERRORS IN THE ADMINISTRATION OF FIP;

23 (4) PLACE TEMPORARY CASH ASSISTANCE RECIPIENTS IN EMPLOYMENT
24 IN WHICH THEIR EARNINGS WILL LIKELY INCREASE; AND

25 (5) IMPROVE THE TYPES OF EMPLOYMENT OF EXISTING AND FORMER
26 WELFARE RECIPIENTS AND THE EMPLOYMENT RETENTION RATES OF THOSE
27 RECIPIENTS.

28 ~~(E) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND~~
29 ~~NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL EMPLOYEES HIRED IN A~~
30 ~~DEMONSTRATION SITE AFTER ITS DESIGNATION AS A DEMONSTRATION SITE SHALL~~
31 ~~BE PLACED IN THE MANAGEMENT SERVICE OR IN SPECIAL APPOINTMENTS IN THE~~
32 ~~STATE PERSONNEL MANAGEMENT SYSTEM.~~

33 ~~(2) (1) IF A POSITION IN A DEMONSTRATION SITE IS HELD BY A~~
34 ~~SKILLED SERVICE OR PROFESSIONAL SERVICE EMPLOYEE PRIOR TO THE~~
35 ~~DESIGNATION OF THE DEMONSTRATION SITE, THE POSITION SHALL REMAIN A~~
36 ~~SKILLED SERVICE OR PROFESSIONAL SERVICE POSITION OR ITS EQUIVALENT IN THE~~
37 ~~STATE PERSONNEL MANAGEMENT SYSTEM UNTIL THE POSITION BECOMES VACANT.~~

1 ~~(H)~~ ~~AFTER A SKILLED SERVICE OR PROFESSIONAL SERVICE~~
 2 ~~POSITION IN A DEMONSTRATION SITE BECOMES VACANT, THE POSITION SHALL~~
 3 ~~BECOME A MANAGEMENT SERVICE OR SPECIAL APPOINTMENTS POSITION.~~

4 ~~(F)~~ (E) THE SECRETARY SHALL ESTABLISH A PERFORMANCE INCENTIVE
 5 PROGRAM TO PROVIDE PAY INCENTIVES FOR EMPLOYEES IN A DEMONSTRATION
 6 SITE.

7 ~~(G)~~ (F) THE SECRETARY'S POWERS UNDER THIS SECTION SHALL BE GIVEN A
 8 LIBERAL CONSTRUCTION.

9 **Article - State Finance and Procurement**

10 13-224.

11 (a) (1) In this section the following words have the meanings indicated.

12 (2) "Department" means the Department of Human Resources.

13 (3) "Eligible contract" means a procurement contract designated by the
 14 Board as appropriate for the execution of a hiring agreement.

15 (4) "FIP" means the Family Investment Program established under
 16 Article 88A of the Code.

17 (5) "Hiring agreement" means an agreement entered into by the
 18 Department or a local department and an entity doing business with the State under
 19 which the Department or the local department and the entity agree to work
 20 cooperatively in endeavoring to identify and hire FIP recipients to fill [entry-level]
 21 job openings of the entity.

22 (6) "Local department" means a local department of social services in a
 23 county or in Baltimore City created or continued under the provisions of Article 88A,
 24 § 13 of the Code.

25 (b) On or before October 1, 1998, the Board, in consultation with the
 26 Department, shall designate the types of procurement contracts that are eligible
 27 contracts.

28 (c) (1) On or before December 1, 1998, the Department shall develop a
 29 model hiring agreement form that shall be completed by the Department or a local
 30 department and an entity in conjunction with the award of an eligible contract.

31 (2) The model hiring agreement form shall include the following
 32 provisions:

33 (i) the entity will:

34 1. inform the Department or the local department, as
 35 appropriate, of all of the entity's [entry-level] job openings;

