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By: **Senator McFadden (By Request - Baltimore City Administration)**

Introduced and read first time: February 14, 2005

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Family Investment Program - Temporary Cash Assistance - Funding**

3 FOR the purpose of requiring that certain funds in the Family Investment Program  
4 be used only to provide temporary cash assistance or other types of authorized  
5 assistance to certain recipients under certain circumstances; repealing a certain  
6 exception to certain funding requirements; and generally relating to funding for  
7 temporary cash assistance and other types of assistance under the Family  
8 Investment Program.

9 BY repealing and reenacting, with amendments,  
10 Article 88A - Department of Human Resources  
11 Section 52  
12 Annotated Code of Maryland  
13 (2003 Replacement Volume and 2004 Supplement)

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

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

17 52.

18 (a) All assistance granted under this subtitle shall be subject to periodic  
19 recertification.

20 (b) During a certification period, the Department may at any time cancel,  
21 suspend, or revoke assistance if:

22 (1) The recipient's circumstances have altered sufficiently to warrant  
23 cancellation, suspension, or revocation; or

24 (2) The recipient has failed to comply with FIP requirements.

25 (c) (1) [Except as provided in paragraph (3) of this subsection, the] THE  
26 Governor shall provide sufficient funds under this subtitle to ensure that the value of

1 temporary cash assistance, combined with federal food stamps, is at a minimum equal  
2 to 61 percent of the State minimum living level.

3 (2) [Except as provided in paragraph (3) of this subsection, the] THE  
4 Governor shall provide sufficient funds to maintain the FIP at the level of the Fiscal  
5 Year 1997 appropriation.

6 (3) [The] SUBJECT TO THE PROVISIONS OF THIS SUBTITLE, funds  
7 PROVIDED under this subsection [may be less than the amount described in  
8 paragraph (1) or (2) of this subsection if the Governor reports to the General  
9 Assembly, in accordance with § 2-1246 of the State Government Article, on the  
10 reasons for the reduced funding for] MAY ONLY BE USED TO PROVIDE temporary cash  
11 assistance AND OTHER TYPES OF ASSISTANCE AUTHORIZED UNDER THIS SUBTITLE  
12 TO ELIGIBLE RECIPIENTS [and food stamps].

13 (4) This subsection does not limit the flexibility of local departments of  
14 social services regarding the provision of services.

15 (d) If the Secretary determines during the fiscal year that the funds available  
16 for the FIP are insufficient to make payments in accordance with the amount of  
17 assistance otherwise established by law, the Secretary shall:

18 (1) Provide for a uniform method of adjusting individual payments;

19 (2) Notify the Joint Committee on Welfare Reform; and

20 (3) Submit emergency regulations, as provided in Title 10, Subtitle 1 of  
21 the State Government Article, to implement the adjustment.

22 (e) As of July 1 of each year, the Department shall make available for  
23 reallocation within its budget any savings the Department anticipates achieving from  
24 funds appropriated to it for the FIP during the current fiscal year as a result of:

25 (1) Caseload reductions; or

26 (2) Other reductions in the total amount of temporary cash assistance  
27 paid to recipients when compared to the total amount of temporary cash assistance  
28 appropriated.

29 (f) Except as provided in subsection (g)(1) of this section, savings made  
30 available for reallocation may be used for:

31 (1) Child care;

32 (2) Work activities;

33 (3) Welfare avoidance grants;

34 (4) Drug treatment for targeted recipients;

35 (5) Transportation;

1 (6) Emergency funds for applicants and recipients;

2 (7) Administration to the extent that additional administrative costs are  
3 required to effectively implement the FIP; or

4 (8) Any other direct service to applicants or recipients that the Secretary  
5 and the local department consider appropriate to further the purposes of this subtitle.

6 (g) (1) Savings shall be made available for reallocation as follows:

7 (i) 10% of the savings to a combination of the operating costs for  
8 one or more of the following:

9 1. Demonstration projects created in § 53 of this subtitle;

10 2. Second chance homes not subject to the restrictions of § 12  
11 of Chapter 351 of the Acts of the General Assembly of 1996; or

12 3. Demonstration projects to empirically evaluate a strategy  
13 or set of strategies to reduce the incidence of nonmarital births in the State;

14 (ii) 45% of the savings to local departments, in accordance with the  
15 savings achieved by each local department, for the purposes under subsection (f) of  
16 this section; and

17 (iii) 45% of the savings for the purposes under subsection (f) of this  
18 section.

19 (2) Notwithstanding § 7-302 of the State Finance and Procurement  
20 Article, any of the savings allocated under this subsection that remain unexpended  
21 after the current fiscal year may be carried over into the next fiscal year.

22 (h) (1) All assistance granted under this subtitle is subject to all future  
23 amendment or repeal of this subtitle.

24 (2) A recipient does not have a right to compensation by reason of the  
25 recipient's assistance having been affected by amendment or repeal of this subtitle.

26 (3) Recipients who obtain employment shall remain eligible for medical  
27 assistance up to 12 months after the date of employment.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 October 1, 2005.