
By: Chairman, Appropriations Committee (Departmental - Human Resources) and Delegates Conway and Rosenberg

Introduced and read first time: February 7, 1996

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Family Investment Program**

3 FOR the purpose of creating a family investment program, including a temporary cash
4 assistance component; repealing the Aid to Families With Dependent Children
5 statutes; renaming Article 88A; renaming the Income Maintenance Administration
6 to be the Family Investment Administration; instructing the publishers of the
7 Annotated Code of Maryland to make certain corrections to the Code; changing
8 certain terminology; defining certain terms; imposing certain duties upon the
9 Department of Human Resources; imposing certain duties upon local departments
10 of social services; providing for the allocation of certain funds for certain purposes
11 to local departments of social services; establishing certain conditions for eligibility
12 for certain benefits under the Program; providing that the Program include certain
13 features; providing for certain cash benefits; providing for certain changes in
14 circumstances; changing terminology in certain provisions relating to participants in
15 the Aid to Families With Dependent Children Program and the Family Investment
16 Program; authorizing the Secretary of Human Resources to establish certain burial
17 assistance rates; providing for a certain pilot project to be conducted jointly by the
18 Department of Human Resources, the Department of Housing and Community
19 Development, and the Department of Health and Mental Hygiene; providing that
20 certain provisions of this Act are subject to certain contingencies; providing that
21 certain reports be made to the General Assembly; providing for a certain effective
22 date; and generally relating to the provision of a family investment program.

23 BY renaming

24 Article 88A - Social Services Administration
25 to be Article 88A - Department of Human Resources
26 Annotated Code of Maryland
27 (1995 Replacement Volume)

28 BY repealing and reenacting, with amendments,

29 Article 88A - Department of Human Resources
30 Section 1A, 3, 56, and 62A
31 Annotated Code of Maryland
32 (1995 Replacement Volume)

2

1 BY repealing

2 Article 88A - Department of Human Resources
3 Section 44A through 54, 55, 57 and 58 and the subtitle "Aid to Families With
4 Dependent Children"; 65A and 65B
5 Annotated Code of Maryland
6 (1995 Replacement Volume)

7 BY repealing

8 Article 88A - Social Services Administration
9 Section 54A
10 Annotated Code of Maryland
11 (1995 Replacement Volume)
12 (As enacted by Chapter 491 of the Acts of the General Assembly of 1995)

13 BY adding to

14 Article 88A - Department of Human Resources
15 Section 44 through 51 to be under the new subtitle "Family Investment Program"
16 Annotated Code of Maryland
17 (1995 Replacement Volume)

18 BY repealing and reenacting, with amendments,

19 Article - Family Law
20 Section 4-402, 4-606, 5-203, 12-201, and 14-204
21 Annotated Code of Maryland
22 (1991 Replacement Volume and 1995 Supplement)

23 BY repealing and reenacting, with amendments,

24 Article - Labor and Employment
25 Section 11-509
26 Annotated Code of Maryland
27 (1991 Volume and 1995 Supplement)

28 Preamble

29 WHEREAS, The State of Maryland understands that work satisfies the basic
30 human need of connecting individuals to society and its values, and all individuals have
31 values, skills, and talents to contribute to their communities; and

32 WHEREAS, The State recognizes that the reliance on public welfare has become a
33 permanent way of life for many families who receive benefits and that perpetual income
34 maintenance has a destructive effect on the incentive to work among such families; and

35 WHEREAS, Families dependent on welfare can only find reward in work if the
36 welfare system does not offer a greater financial incentive than can be found in the labor
37 market; and

1 WHEREAS, The present welfare system fosters dependence through continuous
2 cash payments and must be transformed into one that encourages recipients to begin an
3 immediate aggressive search for work, with the understanding that failure to do so will
4 result in sanctions; and

5 WHEREAS, The State encourages the private sector to collaborate with
6 government through programs designed to assist people in making the transition to work
7 because the cycle of dependency can only be broken if people are able to find
8 employment; and

9 WHEREAS, The State understands that the role of families is to nurture and
10 protect children, and that the State's welfare reform policies must prioritize the collection
11 of child support and, wherever and however possible hold fathers financially accountable
12 to their children; and

13 WHEREAS, The State believes that the most important way to support and
14 strengthen families is by giving responsibility for children back to the family, with the
15 humane view that as a last resort, it may be necessary to assist families temporarily with
16 cash benefits; and

17 WHEREAS, It is the intent of the General Assembly to create a welfare system that
18 promotes economic independence among Maryland families by emphasizing up-front job
19 search and job placement and only secondarily providing temporary cash assistance, with
20 the understanding that such services have time limits and will be followed by mandatory
21 subsidized or unsubsidized jobs or community service work assignments; and

22 WHEREAS, In recognition of the great diversity of the State and the innovation of
23 its citizens, these goals can best be achieved by granting local departments of social
24 services the flexibility to adapt the welfare system to meet local challenges and to take
25 advantage of the local labor market and community resources; now, therefore,

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
27 MARYLAND, That Article 88A - Social Services Administration of the Annotated Code
28 of Maryland be renamed to be Article 88A - Department of Human Resources.

29 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
30 read as follows:

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

32 1A.

33 (a) The [Income Maintenance] FAMILY INVESTMENT Administration is
34 established within the Department of Human Resources. [The income maintenance
35 functions provided in the laws of this State for the Social Services Administration are
36 transferred to the Income Maintenance Administration: The term "income maintenance
37 functions" includes all] ALL OF the powers, duties, and responsibilities provided for the
38 Social Services Administration in the following programs ARE TRANSFERRED TO THE
39 FAMILY INVESTMENT ADMINISTRATION: [aid to families with dependent children and
40 other] THE FAMILY INVESTMENT PROGRAM AND related cash benefit programs;
41 [general public assistance; general public assistance to employables;] public assistance to
42 adults; emergency assistance; food stamps; and medical assistance eligibility

4

1 determinations. References to the "Social Services Administration", "State Department",
 2 or "State Administration" in the laws of this State that concern [income maintenance
 3 functions] THESE PROGRAMS are deemed to mean the [Income Maintenance] FAMILY
 4 INVESTMENT Administration.

5 (b) The Secretary of Human Resources shall appoint [a State] AN EXECUTIVE
 6 Director of [Income Maintenance] FAMILY INVESTMENT with the approval of the
 7 Governor. The EXECUTIVE Director shall be the head of the [Income Maintenance]
 8 FAMILY INVESTMENT Administration and shall hold office at the pleasure of the
 9 Secretary of Human Resources. All powers, duties, and responsibilities that pertain to
 10 [income maintenance programs and income maintenance personnel] PROGRAMS
 11 TRANSFERRED TO THE FAMILY INVESTMENT ADMINISTRATION AND THE
 12 PERSONNEL WHO ADMINISTER THEM WHICH ARE provided in the laws of this State for
 13 the State Director of Social Services are transferred to the [State] EXECUTIVE Director
 14 of [Income Maintenance] FAMILY INVESTMENT.

15 (c) The exercise of all authority, duties, and functions vested in the [Income
 16 Maintenance] FAMILY INVESTMENT Administration or the [State] EXECUTIVE
 17 Director of [Income Maintenance] FAMILY INVESTMENT under this article or any other
 18 law of this State shall be subject to the authority of the Secretary of Human Resources as
 19 set forth in Article 41 of this Code or elsewhere in the laws of this State.

20 3.

21 (a) (1) The State [Administration] DEPARTMENT shall be the central
 22 coordinating and directing agency of all social service and public assistance activities in
 23 this State, including [aid to families with dependent children,] THE FAMILY
 24 INVESTMENT PROGRAM, [general public assistance,] public assistance to adults, child
 25 welfare services, food stamps, and any other social service and public assistance activities
 26 financed in whole or in part by the State [Administration] DEPARTMENT. For the
 27 purposes of these powers, child welfare services being provided to persons under the age
 28 of 18 may continue after their eighteenth birthday but not beyond their twenty-first
 29 birthday.

30 (2) All of the activities of the local departments in the counties and in
 31 Baltimore City, which the State [Administration] DEPARTMENT finances, in whole or in
 32 part, shall be subject to the supervision, direction and control of the State
 33 [Administration] DEPARTMENT.

34 (b) The State [Administration] DEPARTMENT may develop and implement an
 35 automated statewide [income maintenance] system and related administrative
 36 procedures to achieve effectively and efficiently the purposes of this title. In the
 37 implementation of the system, the State [Administration] DEPARTMENT may assume
 38 [income maintenance] functions that this article otherwise assigns to local units only to
 39 the extent necessary for efficient implementation of the system. Such changes in
 40 assignments and performance of functions will be effected by executive order,
 41 promulgated by the Governor in accordance with Title 3, Subtitle 4 of the State
 42 Government Article.

43 (c) The State Social Services Administration shall exercise supervision, as
 44 hereinafter set forth, over all public and private institutions having the care, custody or

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1 control of dependent, abandoned or neglected children, except those institutions under
2 the authority of the Department of Juvenile Justice and those agencies, persons, or
3 institutions designated by the Department of Juvenile Justice as provided for in § 2-114
4 of Article 83C.

5 (d) To enable the State Department to discharge properly the duties imposed
6 upon it, the State Department may of its own motion, or by the direction of the Governor
7 shall, cause charges to be formulated against any corporation, association, institution or
8 agency engaged in charitable or social services or welfare activities, except State-aided
9 hospitals, receiving financial assistance from the State or with which the State has
10 contracts, and cause a copy of such charges to be served on such corporation, association,
11 institution or agency. The State Department shall have power to issue summonses for
12 witnesses and documents, which summonses shall be duly served, as are other similar
13 writs, by any sheriff to whom the same shall be directed, and to administer oaths, and take
14 testimony which it shall cause to be transcribed and included in its report. The Governor,
15 with the approval of the Board of Public Works, is hereby authorized and empowered to
16 withhold, in whole or in part, further payments to any such institution or agency out of
17 current or future appropriations, upon recommendation of the State Department if in its
18 judgment the facts warrant, and by budget amendment to transfer any part of such
19 appropriation so withdrawn to any other institution or agency of a likenature, upon
20 recommendation of the State Department.

21 (e) The State Department shall have further power to visit any State-aided
22 institution, organization, or agency engaged in social service or welfare activities, and
23 thoroughly to inspect the management, buildings and equipment thereof; but such visits
24 and inspections shall be made at reasonably convenient hours and with reasonable regard
25 to the established discipline, regulations and customs of the said institution, organization
26 or agency.

27 (f) The State [Administration] DEPARTMENT may designate existing agencies
28 or organizations within the State as its agents as may in its discretion be desirable or
29 necessary for the purpose of this article.

30 (g) Prior to the convening of each regular session of the General Assembly, the
31 State [Administration] DEPARTMENT shall furnish to the [Secretary of Employment
32 and Social Services and to the] Governor a report of its activities.

33 FAMILY INVESTMENT PROGRAM

34 44.

35 (A) IN THIS SUBTITLE THE FOLLOWING TERMS HAVE THE MEANINGS
36 INDICATED.

37 (B) "BUSINESS" MEANS ANY FOR-PROFIT OR NONPROFIT CORPORATION.

38 (C) "DEPARTMENT" MEANS THE DEPARTMENT OF HUMAN RESOURCES.

39 (D) "GRANT DIVERSION PROGRAM" MEANS A PROGRAM THAT PAYS
40 BUSINESSES FOR HIRING RECIPIENTS

6

1 (E) "LOCAL DEPARTMENT" MEANS THE LOCAL DEPARTMENTS OF SOCIAL
2 SERVICES IN THE COUNTIES AND IN BALTIMORE CITY CREATED OR CONTINUED
3 UNDER THE PROVISIONS OF § 13 OF THIS ARTICLE.

4 (F) "PROGRAM ACTIVITY" MEANS ANY OF THE FOLLOWING:

- 5 (1) JOB SEARCH;
- 6 (2) SUBSIDIZED PUBLIC OR PRIVATE SECTOR EMPLOYMENT;
- 7 (3) GRANT DIVERSION;
- 8 (4) WORK EXPERIENCE;
- 9 (5) ON-THE-JOB TRAINING;
- 10 (6) COMMUNITY SERVICE; AND
- 11 (7) TRAINING DIRECTLY RELATED TO EMPLOYMENT.

12 (G) "RECIPIENT" MEANS ALL INDIVIDUALS IN A FAMILY INVESTMENT
13 PROGRAM CASE.

14 (H) "TEMPORARY CASH ASSISTANCE" MEANS THE CASH ASSISTANCE
15 COMPONENT OF THE FAMILY INVESTMENT PROGRAM FUNDED IN WHOLE OR IN
16 PART THROUGH TITLE IV, PART A, OF THE SOCIAL SECURITY ACT.

17 (I) "SECRETARY" MEANS THE SECRETARY OF HUMAN RESOURCES.

18 45.

19 THE PRIMARY PURPOSE OF THIS SUBTITLE IS TO STRENGTHEN FAMILY LIFE
20 AND PROVIDE ASSISTANCE TO PERMIT FAMILIES TO ACHIEVE AND MAINTAIN
21 INDEPENDENCE.

22 46.

23 THE DEPARTMENT SHALL:

- 24 (1) ESTABLISH AND IMPLEMENT A FAMILY INVESTMENT PROGRAM
25 WHICH MEETS THE REQUIREMENTS OF THIS SUBTITLE AND OF FEDERAL LAW;
- 26 (2) ADOPT REGULATIONS NECESSARY OR DESIRABLE TO CARRY OUT
27 THE PROVISIONS OF THIS SUBTITLE;
- 28 (3) SUPERVISE THE ADMINISTRATION OF THE FAMILY INVESTMENT
29 PROGRAM UNDER THIS SUBTITLE BY LOCAL DEPARTMENTS; AND
- 30 (4) COOPERATE WITH THE FEDERAL GOVERNMENT IN MATTERS OF
31 MUTUAL CONCERN PERTAINING TO FEDERAL FUNDING FOR THE FAMILY
32 INVESTMENT PROGRAM.

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1 47.

2 (A) IN PROVIDING ASSISTANCE UNDER THIS SUBTITLE, THE LOCAL
3 DEPARTMENT SHALL, IN ACCORDANCE WITH THE REGULATIONS OF THE
4 DEPARTMENT:

5 (1) ESTABLISH PLANS FOR PROGRAM ACTIVITIES AND SUPPORTIVE
6 SERVICES, INCLUDING CHILD CARE;

7 (2) COORDINATE THE DELIVERY OF SERVICES TO RECIPIENTS;

8 (3) DETERMINE PROGRAM ELIGIBILITY AND NOTIFY APPLICANTS AND
9 RECIPIENTS OF ELIGIBILITY DECISIONS;

10 (4) ADMINISTER THE PROVISIONS OF THIS SUBTITLE;

11 (5) ACHIEVE THE PERFORMANCE REQUIREMENTS OF TITLE IV, PART A,
12 OF THE SOCIAL SECURITY ACT; AND

13 (6) MAINTAIN RECORDS AND REPORT TO THE DEPARTMENT AS THE
14 DEPARTMENT DIRECTS.

15 (B) (1) IN PROVIDING ASSISTANCE UNDER THIS SUBTITLE, THE LOCAL
16 DEPARTMENT MAY CONTRACT WITH CHARITABLE, PRIVATE, AND RELIGIOUS
17 ORGANIZATIONS.

18 (2) RELIGIOUS ORGANIZATIONS MAY PARTICIPATE IN THE FAMILY
19 INVESTMENT PROGRAM ON THE SAME BASIS AS WITH ANY OTHER
20 NONGOVERNMENTAL ENTITY BUT NO INDIVIDUAL SHALL BE REQUIRED TO ACCEPT
21 ASSISTANCE FROM THAT ORGANIZATION IF IT WOULD VIOLATE THE INDIVIDUAL'S
22 BONA FIDE RELIGIOUS BELIEFS AND PRACTICES.

23 (C) (1) EACH YEAR THE DEPARTMENT SHALL ALLOCATE TO EACH LOCAL
24 DEPARTMENT FUNDS WHICH THE LOCAL DEPARTMENT SHALL USE TO DEVELOP A
25 PROGRAM TO MEET THE UNIQUE CIRCUMSTANCES AND NEEDS OF THE LOCAL
26 JURISDICTION.

27 (2) FUNDS ALLOCATED PURSUANT TO THIS SUBSECTION SHALL BE
28 USED FOR:

29 (I) CHILD CARE;

30 (II) PROGRAM ACTIVITIES;

31 (III) WELFARE AVOIDANCE;

32 (IV) EMERGENCY FUNDS;

33 (V) ADMINISTRATION; AND

34 (VI) OTHER SERVICES THAT THE SECRETARY DEEMS APPROPRIATE
35 FOR THE PROGRAM.

8

1 (3) THE DEPARTMENT SHALL ALLOCATE FUNDS TO EACH LOCAL
2 DEPARTMENT JURISDICTION UNDER THIS SUBSECTION PURSUANT TO A FORMULA
3 WHICH:

4 (I) IS BASED UPON RELEVANT FACTORS SUCH AS THE NUMBER OF
5 CASH ASSISTANCE CASES IN THE JURISDICTION AND THE NUMBER OF CHILDREN IN
6 POVERTY IN THE JURISDICTION; AND

7 (II) INSURES THAT NO JURISDICTION'S ALLOCATION IS SUBJECT
8 TO EXTREME FLUCTUATIONS IN AMOUNT FROM YEAR TO YEAR BY LIMITING THE
9 PERCENTAGE BY WHICH THE ALLOTMENT MAY CHANGE IN ANY ONE YEAR.

10 48.

11 (A) A FAMILY IS POTENTIALLY ELIGIBLE FOR ASSISTANCE UNDER THIS
12 SUBTITLE ONLY IF THE FAMILY INCLUDES:

13 (1) A MINOR CHILD WHO RESIDES WITH A CUSTODIAL PARENT OR
14 OTHER ADULT CARETAKER RELATIVE OF THE CHILD; OR

15 (2) A PREGNANT INDIVIDUAL.

16 (B) ASSISTANCE SHALL BE GIVEN UNDER THIS SUBTITLE ON CONDITION
17 THAT THE APPLICANT FOR OR RECIPIENT OF ASSISTANCE:

18 (1) COMPLIES WITH THE REQUIREMENTS OF THE LOCAL CHILD
19 SUPPORT ENFORCEMENT OFFICE;

20 (2) PARTICIPATES IN WORK REQUIREMENTS EXCEPT TO THE EXTENT
21 THAT THE RECIPIENT MEETS THE CRITERIA FOR EXEMPTION ESTABLISHED BY THE
22 SECRETARY; AND

23 (3) MEETS ALL OTHER PROGRAM REQUIREMENTS WHICH THE
24 SECRETARY ESTABLISHES BY REGULATION.

25 49.

26 (A) THE SECRETARY SHALL ESTABLISH BY REGULATION A FAMILY
27 INVESTMENT PROGRAM IN ACCORDANCE WITH THIS SECTION.

28 (B) UNLESS THE APPLICANT OR RECIPIENT IS A SINGLE CHILD, THE FAMILY
29 INVESTMENT PROGRAM SHALL INCLUDE:

30 (1) AN ASSESSMENT OF ALL APPLICANTS OR RECIPIENTS WHICH SHALL
31 CONSIDER:

32 (I) THE REASONS FOR APPLYING FOR OR CONTINUED RELIANCE
33 ON ASSISTANCE;

34 (II) THE EDUCATIONAL LEVEL, JOB SKILLS AND READINESS, AND
35 INTERESTS TO EVALUATE APPROPRIATE PROGRAM ACTIVITIES; AND

36 (III) PERSONAL AND FAMILY RESOURCES AVAILABLE TO
37 FACILITATE INDEPENDENCE;

9

1 (2) ONE TIME ONLY WELFARE AVOIDANCE GRANTS TO MEET
2 IMMEDIATE NEEDS SO THAT A RECIPIENT CAN AVOID WELFARE ASSISTANCE;

3 (3) AN AGREEMENT BETWEEN THE DEPARTMENT AND THE RECIPIENT
4 THAT:

5 (I) REQUIRES THE RECIPIENT TO COOPERATE WITH THE CHILD
6 SUPPORT ENFORCEMENT AGENCY TO OBTAIN SUPPORT FROM AN ABSENT PARENT;

7 (II) REQUIRES THE RECIPIENT TO COMPLY WITH REASONABLE
8 REQUESTS FOR COOPERATION BY CASE MANAGEMENT WORKERS IN SEEKING AND
9 USING PROGRAMS AND COMMUNITY AND FAMILY RESOURCES THAT MAY BE
10 AVAILABLE TO THE RECIPIENT;

11 (III) SPECIFIES THE PROGRAM ACTIVITIES IN WHICH THE
12 RECIPIENT WILL PARTICIPATE; AND

13 (IV) SPECIFIES THE SUPPORTIVE SERVICES THAT THE LOCAL
14 DEPARTMENT OF SOCIAL SERVICES WILL ASSIST IN PROVIDING AND THAT ARE
15 NECESSARY FOR THE RECIPIENT TO MEET THE RECIPIENT'S OBLIGATIONS UNDER
16 THE PROGRAM;

17 (4) PROGRAM ACTIVITIES, TO THE EXTENT RESOURCES PERMIT;

18 (5) REFERRAL OF THE RECIPIENT, AS APPROPRIATE, TO FAMILY
19 PLANNING COUNSELING AND SERVICES; AND

20 (6) TEMPORARY CASH ASSISTANCE.

21 (C) IF THE APPLICANT OR RECIPIENT IS A SINGLE CHILD, THE FAMILY
22 INVESTMENT PROGRAM SHALL INCLUDE:

23 (1) REFERRAL OF THE RECIPIENT TO APPROPRIATE SERVICES; AND

24 (2) TEMPORARY CASH ASSISTANCE.

25 (D) NONCUSTODIAL PARENTS IN NEED OF EMPLOYMENT SERVICES IN ORDER
26 TO PAY CHILD SUPPORT OBLIGATIONS SHALL BE SERVED IN THE PROGRAM TO THE
27 EXTENT RESOURCES PERMIT.

28 50.

29 (A) IN ADDITION TO THE CONDITIONS FOR PARTICIPATION IN THE FAMILY
30 INVESTMENT PROGRAM SET FORTH IN § 48 OF THIS ARTICLE, TEMPORARY CASH
31 ASSISTANCE SHALL BE GIVEN ON CONDITION THAT:

32 (1) THE APPLICANT OR RECIPIENT ASSIGNS TO THE STATE ALL RIGHT,
33 TITLE, AND INTEREST IN SUPPORT FROM ANY OTHER PERSON THAT THE APPLICANT
34 OR RECIPIENT HAS IN BEHALF OF ANY INTENDED OR POTENTIAL RECIPIENT FOR
35 WHOM THE APPLICANT OR RECIPIENT IS APPLYING FOR OR RECEIVING ASSISTANCE,
36 INCLUDING ANY RIGHT ACCRUED WHEN THE ASSIGNMENT IS EXECUTED;

37 (2) IF THE APPLICANT OR RECIPIENT IS A MINOR PARENT, THE MINOR
38 PARENT LIVES:

10

1 (I) WITH A PARENT, LEGAL GUARDIAN, CUSTODIAN, OR OTHER
2 ADULT RELATIVE WHO WILL BE THE PAYEE OF THE MINOR PARENT;

3 (II) IN AN ADULT SUPERVISED GROUP LIVING ARRANGEMENT
4 THAT SHALL PROVIDE A PROTECTIVE PAYEE; OR

5 (III) INDEPENDENTLY, IF A SOCIAL SERVICE WORKER CONFIRMS
6 THAT THE MINOR PARENT OR CHILD'S PHYSICAL SAFETY OR EMOTIONAL HEALTH
7 WOULD OTHERWISE BE IN JEOPARDY; AND

8 (3) IF THE APPLICANT OR RECIPIENT IS A LEGAL IMMIGRANT, THE
9 LEGAL IMMIGRANT'S INCOME AND RESOURCES SHALL BE DEEMED TO INCLUDE
10 THE INCOME AND RESOURCES OF ANY SPONSOR WHO EXECUTED AN AFFIDAVIT OF
11 SUPPORT PURSUANT TO § 213A OF THE IMMIGRATION AND NATURALIZATION ACT IN
12 BEHALF OF THE LEGAL IMMIGRANT.

13 (B) THE SECRETARY SHALL ESTABLISH A SCHEDULE OF REDUCTIONS AND
14 TERMINATIONS OF TEMPORARY CASH ASSISTANCE FOR NONCOMPLIANCE WITH
15 PROGRAM REQUIREMENTS.

16 (C) TEMPORARY CASH ASSISTANCE SHALL BE PAID BEGINNING 14 DAYS
17 AFTER THE APPLICATION DATE.

18 (D) EXCEPT AS PROVIDED IN REGULATIONS PROMULGATED BY THE
19 SECRETARY, TEMPORARY CASH ASSISTANCE MAY NOT BE PAID TO:

20 (1) A FAMILY WHICH INCLUDES AN ADULT WHO HAS RECEIVED MORE
21 THAN 60 MONTHS OF TEMPORARY CASH ASSISTANCE; OR

22 (2) A FAMILY WHICH INCLUDES AN ADULT WHO HAS RECEIVED MORE
23 THAN 24 MONTHS OF TEMPORARY CASH ASSISTANCE WHO IS NOT PARTICIPATING IN
24 A PROGRAM ACTIVITY.

25 (E) TEMPORARY CASH ASSISTANCE IS PAID SUBJECT TO THE FOLLOWING
26 RESTRICTIONS:

27 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
28 BENEFITS TO BE PAID TO A RECIPIENT SHALL NOT INCLUDE THE INCREMENT IN
29 CASH BENEFITS UNDER THE PROGRAM FOR WHICH A RECIPIENT WOULD
30 OTHERWISE BE ELIGIBLE AS A RESULT OF THE BIRTH OF A CHILD 10 OR MORE
31 MONTHS AFTER THE RECIPIENT'S INITIAL APPLICATION FOR TEMPORARY CASH
32 ASSISTANCE BENEFITS;

33 (2) CASH PAYMENTS MAY NOT BE MADE TO ANY OTHER FAMILY FOR
34 THAT CHILD UNLESS PLACED IN THAT HOME BY THE SOCIAL SERVICES
35 ADMINISTRATION;

36 (3) THIS SUBSECTION DOES NOT APPLY IF THE BIRTH OF A CHILD IS THE
37 RESULT OF RAPE OR INCEST;

38 (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A SINGLE
39 CUSTODIAL PARENT WHO IS INELIGIBLE FOR AN INCREMENT IN CASH BENEFITS AS

11

1 PROVIDED BY THIS SUBSECTION SHALL RECEIVE THE TOTAL VALUE OF ALL CHILD
2 SUPPORT PAYMENTS DUE AND COLLECTED FOR THAT CHILD; AND

3 (5) THE DEPARTMENT SHALL PROVIDE FOR A RECIPIENT INELIGIBLE
4 FOR GRANT ASSISTANCE UNDER THIS SUBSECTION A CHILD-SPECIFIC BENEFIT NOT
5 TO EXCEED, WHEN COMBINED WITH ANY CHILD SUPPORT PAYMENTS MADE UNDER
6 PARAGRAPH (4) OF THIS SUBSECTION, THE VALUE OF THE INCREMENT ELIMINATED
7 BY THIS SUBSECTION FOR THE PURCHASE OF GOODS SPECIFIED BY THE
8 DEPARTMENT AS SUITABLE FOR THE CARE OF A MINOR.

9 (F) THE PROVISIONS OF THIS SUBTITLE ARE NOT INTENDED TO CREATE
10 INCENTIVES FOR INDIVIDUALS TO SEEK TEMPORARY CASH ASSISTANCE BENEFITS
11 INSTEAD OF EMPLOYMENT.

12 51.

13 (A) ALL ASSISTANCE GRANTED UNDER THIS SUBTITLE SHALL BE SUBJECT TO
14 PERIODIC RECERTIFICATION.

15 (B) DURING A CERTIFICATION PERIOD, THE DEPARTMENT MAY AT ANY TIME
16 CANCEL, SUSPEND, OR REVOKE ASSISTANCE IF:

17 (1) THE RECIPIENT'S CIRCUMSTANCES HAVE ALTERED SUFFICIENTLY
18 TO WARRANT SUCH ACTION; OR

19 (2) THE RECIPIENT HAS FAILED TO COMPLY WITH PROGRAM
20 REQUIREMENTS.

21 (C) SHOULD THE FUNDS AVAILABLE BE INSUFFICIENT TO MAKE PAYMENTS
22 IN ACCORDANCE WITH THE AMOUNT OF ASSISTANCE OTHERWISE ESTABLISHED BY
23 LAW, THE DEPARTMENT SHALL PROVIDE FOR A UNIFORM METHOD OF ADJUSTING
24 INDIVIDUAL PAYMENTS.

25 (D) ALL ASSISTANCE GRANTED UNDER THIS SUBTITLE IS SUBJECT TO ALL
26 FUTURE AMENDMENT OR REPEAL OF THIS SUBTITLE. NO RECIPIENT SHALL HAVE
27 ANY RIGHT TO COMPENSATION BY REASON OF THE RECIPIENT'S ASSISTANCE
28 HAVING BEEN AFFECTED BY AMENDMENT OR REPEAL OF THIS SUBTITLE.

29 [56.] 52.

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

31 (2) "Business entity" means a person conducting or operating a trade or
32 business in Maryland.

33 (3) "Qualified child care expenses" means State regulated childcare
34 expenses that are incurred by a business entity to enable a qualified employment
35 opportunity employee of the business to be gainfully employed.

36 (4) (i) "Qualified employment opportunity employee" means an
37 individual who is a resident of Maryland and who for six months before the individual's
38 employment with a business entity was a Maryland resident and a recipient of benefits
39 from the State under the Aid to Families with Dependent Children Program OR THE
40 TEMPORARY CASH ASSISTANCE PROGRAM.

12

1 (ii) "Qualified employment opportunity employee" does not include
2 an individual who is the spouse of, or has any of the relationships specified in § 152 (a) (1)
3 through (8) of the Internal Revenue Code to, a person who controls, directly or indirectly,
4 more than 50% of the ownership of the business entity.

5 (5) "Wages" means wages, within the meaning of § 51(c)(1), (2), and (3) of
6 the Internal Revenue Code without regard to § 51(c)(4) of the Internal Revenue Code,
7 that are paid by a business entity to an employee for services performed in a trade or
8 business of the employer.

9 (b) (1) Except as provided in subsection (e) of this section, a business entity
10 may claim a tax credit in the amounts determined under subsections (c) and (d) of this
11 section for the wages and qualified child care expenses with respect to a qualified
12 employment opportunity employee that are paid in the taxable year for which the
13 business entity claims the credit.

14 (2) The same tax credit cannot be applied more than once against different
15 taxes by the same taxpayer.

16 (c) For each taxable year, for the wages paid to each qualified employment
17 opportunity employee, a credit is allowed in an amount equal to:

18 (1) 30% of up to the first \$6,000 of the wages paid to the qualified
19 employment opportunity employee during the first year of employment;

20 (2) 20% of up to the first \$6,000 of the wages paid to the qualified
21 employment opportunity employee during the second year of employment; and

22 (3) 10% of up to the first \$6,000 of the wages paid to the qualified
23 employment opportunity employee during the third year of employment.

24 (d) For each taxable year, for child care provided or paid for by a business entity
25 for the children of a qualified employment opportunity employee of the business entity, a
26 credit is allowed in an amount equal to:

27 (1) Up to \$600 of the qualified child care expenses incurred for each
28 qualified employment opportunity employee during the first year of employment;

29 (2) Up to \$500 of the qualified child care expenses incurred for each
30 qualified employment opportunity employee during the second year of employment; and

31 (3) Up to \$400 of the qualified child care expenses incurred for each
32 qualified employment opportunity employee during the third year of employment.

33 (e) (1) A business entity may not claim the credit under this section for an
34 employee:

35 (i) Who is hired to replace a laid-off employee or to replace an
36 employee who is on strike; or

37 (ii) For whom the business entity simultaneously receives federal or
38 State employment training benefits.

13

1 (2) A business entity may not claim the credit under this section until it has
2 notified the appropriate government agency that the qualified employment opportunity
3 employee has been hired.

4 (3) A business entity may not claim the credit under this section for an
5 employee whose employment lasts less than one year unless the employee:

6 (i) Voluntarily terminates employment with the employer;

7 (ii) Is unable to continue employment due to death or a disability; or

8 (iii) Is terminated for cause.

9 (4) A business entity may claim a credit reduced by the proportion of a year
10 that an employee did not work if the employment is less than a year because the
11 employee:

12 (i) Voluntarily terminates employment with the employer;

13 (ii) Is unable to continue employment due to death or a disability; or

14 (iii) Is terminated for cause.

15 (f) If the credit allowed under this section in any taxable year exceeds the total
16 tax otherwise payable by the business entity for that taxable year, a business entity may
17 apply the excess as a credit for succeeding taxable years until the earlier of:

18 (1) The full amount of the excess is used; or

19 (2) The expiration of the fifth taxable year after the taxable year in which
20 the wages or qualified child care expenses for which the credit is claimed are paid.

21 (g) If a credit is claimed under this section, the claimant must make the addition
22 required in § 10-205 or § 10-306 of the Tax - General Article.

23 (h) The Comptroller in cooperation with the Department of Labor, Licensing,
24 and Regulation and the Department of Human Resources shall administer the credit
25 under this section.

26 [Aid to Families With Dependent Children]

27 [44A.

28 It is hereby declared that the primary purpose of aid given under this subtitle is the
29 strengthening of family life through services and financial aid, whereby families may be
30 assisted to maximum self-support in homes meeting the requirements for child care
31 established by law in this State.]

32 [45.

33 (a) As used in this subtitle: "State Department" means the "State Department of
34 Social Services."

14

1 (b) The term "local units" means the local departments of social services in the
2 counties and in Baltimore City created or continued under the provisions of § 13 of this
3 article.

4 (b-1) "County" shall be construed to include the City of Baltimore, unless otherwise
5 specified or unless the context clearly indicates otherwise.

6 (c) "Dependent child" means a needy person who: (1) (i) is under the age of
7 eighteen years; or (ii) is under the age of 19 years and is a full-time student enrolled in a
8 program at a secondary school or in the equivalent level of vocational or technical
9 training and who reasonably may be expected to complete the program or training before
10 attaining the age of 19; (2) has been deprived of parental support or care by reason of the
11 death, continued absence from the home, or physical or mental incapacity of a parent;
12 and (3) is living with his father, mother, grandfather, grandmother, brother, sister,
13 stepfather, stepmother, stepbrother, stepsister, uncle, aunt, niece, nephew, or first cousin,
14 and/or any and all other relatives as the laws of the federal government governing federal
15 aid to families with dependent children may from time to time include, in a place of
16 residence maintained by one or more of such relatives as his or their own home. "Person"
17 shall include a person born out of wedlock; for the purpose of clause (2), such person
18 shall be considered the child of both parents although paternity has not been established
19 by legal proceedings or otherwise, or is in fact unknown; for the purposes of clause (3)
20 such person shall be treated as if it were legitimate in determining relationships through
21 its mother, and also through its father, when the paternity of such person is established to
22 the satisfaction of the local unit by such proof as it deems adequate. Support from
23 relatives shall be regarded as a potential resource and evaluated as to amount and
24 availability, as determined by rule and regulation of the State Department.

25 (d) In the event that future federal legislation makes available grants in aid to the
26 states for all needy children, the limitations set forth in this section may be rendered null
27 and void by rule and regulation of the State Department, if it is found desirable to
28 conform thereto.

29 (e) "Assistance" means money payments with respect to a dependent child or
30 children, and payments necessary for services for such children, including the specified
31 relative or relatives with whom the dependent child or children is living.

32 (f) No provisions of this section shall be repealed by any other Maryland law
33 unless this section is specifically referred to in such repeal.]

34 [46.

35 The State Department shall:

36 (a) Supervise the administration of assistance to dependent children under this
37 article by local units;

38 (b) Make such rules and regulations and take such action as may be necessary or
39 desirable for carrying out the provisions of this subtitle. All rules and regulations made by
40 the State Department shall be binding upon the counties or Baltimore City, and shall be
41 complied with by the respective local units;

15

1 (c) Prescribe the form of and print and supply to local units such forms as it may
2 deem necessary and advisable;

3 (d) Cooperate with the federal government in matters of mutual concern
4 pertaining to assistance to dependent children;

5 (e) Make such reports, in such form and containing such information, as the
6 federal government may from time to time require, and comply with such provisions as
7 the federal government may from time to time find necessary to assure the correctness
8 and verification of such reports;

9 (f) Exercise all of the powers and perform the duties defined by this article.]

10 [47.

11 Local units shall have the duties and responsibilities as prescribed in this article,
12 and shall:

13 (1) Administer the provisions of this subtitle in the respective counties and
14 in Baltimore City; and

15 (2) Report to the State Department at such time and in such manner and
16 form as the State Department may from time to time direct.]

17 [48.

18 Assistance shall be given under this subtitle on condition that the applicant for or
19 recipient of the assistance:

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

21 (2) Assigns to the State any right, title, and interest in support from any other
22 person that the applicant or recipient has in his own behalf or in behalf of any other
23 family member for whom he is applying for or receiving assistance, including any right
24 accrued when the assignment is executed;

25 (3) Lives in a family home in which there is no reasonable indication of neglect, as
26 that term is defined in the law applicable to juvenile causes in the county or Baltimore
27 City where the child resides, which meets the standards of care and health fixed by the
28 laws of this State and any rules and regulations adopted pursuant to them, and in which,
29 if possible, the child's particular religious faith is fostered and protected except that if an
30 otherwise eligible child is living in a home in which there is indicated neglect or which
31 does not appear to meet the standards of care and health, assistance shall be given or
32 continued as follows:

33 (i) During a period of 90 days in which the local unit is investigating the home,
34 helping the child's parents or custodian to eliminate the indicated neglect or substandard
35 conditions of care and health, or assisting the parent or custodian to make plans for the
36 child;

37 (ii) Pending investigation and determination of neglect by the juvenile court on
38 petition filed by the local unit or others;

16

1 (iii) When, after determining that neglect exists, the court shall permit the child to
2 remain in the home under supervision of a probation officer or the local unit pending
3 placement elsewhere or while intensive efforts are being made to ameliorate the
4 conditions resulting in the child's neglect; and

5 (iv) During such time as the local unit, after the expiration of the ninety-day
6 period, shall inadvertently fail to file the petition alleging neglect or the court, for any
7 reason, shall fail to dispose of the petition; and

8 (4) Meets the other requirements determined by the Administration.]

9 [48A.

10 If upon investigation it is determined by a local unit that there is reasonable cause
11 to believe that a child for whom assistance is sought or is being paid is neglected, the local
12 unit shall:

13 (1) Fully inform the person having the child in care as to the nature of the
14 apparent neglect and the conditions under which assistance may be given or continued;

15 (2) Afford the person having the child in care a sufficient period, not
16 exceeding ninety days, in which to either eliminate indicated neglect or substandard
17 conditions of health and care, or to make plans for the child; and

18 (3) At the expiration of such period, and in any event no later than ninety
19 days after its commencement, if the child remains in the person's home and the
20 conditions of apparent neglect have not been corrected, file a petition in the appropriate
21 juvenile court alleging neglect; and said petition may be filed notwithstanding the
22 person's withdrawing his application for public assistance.]

23 [49.

24 The amount of assistance which shall be granted for any dependent child shall be
25 determined by the local units with due regard to the available resources and necessary
26 expenditures of the family and the conditions existing in each case and shall be sufficient,
27 when added to all other income and support available to the child, to provide such child
28 with a reasonable subsistence compatible with decency and health.]

29 [50.

30 Application for assistance under this subtitle shall be made to the local unit in
31 which the dependent child resides. The application shall be made in the form and manner
32 prescribed by the State Department.]

33 [51.

34 Whenever a local unit receives a notification of the dependency of a child or an
35 application for assistance, a record shall promptly be made of the circumstances
36 establishing the dependency of the child and the facts supporting the application made
37 under this subtitle, and such other information as may be required by the State
38 Department. Each local unit and the State Department and the officers and authorized
39 employees thereof shall have the power to administer oaths and affirmations, conduct
40 examinations, subpoena witnesses, require the attendance of witnesses and the
41 production of books, records and papers, and may make application to the circuit court of

17

1 the county to compel the attendance of witnesses and the production of such books,
2 records and papers.]

3 [52.

4 The local unit shall decide whether the child is eligible for assistance under the
5 provisions of this subtitle and determine, in accordance with the rules and regulations of
6 the State Department, the amount of such assistance and the date on which such
7 assistance shall begin. It shall make an award which shall be binding upon the county or
8 Baltimore City as the case may be, and be complied with until such an award is modified
9 or vacated. The local unit shall notify the applicant of its decision. Such assistance shall
10 be paid monthly to the applicant upon order of the local unit out of any funds available
11 for said purpose. Should the fund or funds available be insufficient to make payment in
12 accordance with the amount of assistance established to be needed, the State Department
13 shall, by rule and regulation, provide for a uniform method of adjusting individual
14 payments.]

15 [53.

16 If an application is not acted upon by the local unit within a reasonable time after
17 the filing of the application, or is denied in whole or in part, or if any award of assistance
18 is modified or cancelled under any provision of this subtitle, the applicant or recipient
19 may appeal to the State Department in the manner and form prescribed by the State
20 Department. The State Department shall, upon receipt of such an appeal, give the
21 applicant or recipient reasonable notice and opportunity for a fair hearing. The State
22 Department may also, upon its own motion, review any decision of a local unit, and may
23 consider any application upon which a decision has not been made by the local unit within
24 a reasonable time. The State Department may make such additional investigation as it
25 may deem necessary, and shall make such decision as to the granting of assistance and the
26 amount of assistance to be granted as in its opinion is justified and in conformity with the
27 provisions of this subtitle. Applicants or recipients affected by such decisions of the State
28 Department shall, upon request, be given reasonable notice and opportunity for a fair
29 hearing by the State Department.

30 All decisions of the State Department shall be final and shall be binding upon the
31 county or Baltimore City involved and shall be complied with by the local units.]

32 [54.

33 All assistance granted under this subtitle shall be reconsidered as frequently as may
34 be required. The amount of assistance may be changed or assistance may be entirely
35 withdrawn if the child's circumstances have altered sufficiently to warrant such action.
36 The local unit may at any time cancel and revoke assistance for cause and it may for cause
37 suspend assistance for such period as it may deem proper.]

38 [54A.

39 (a) (1) In this section the following terms have the meanings indicated.

40 (2) "AFDC" means Aid to Families with Dependent Children.

18

1 (3) "Benefit" means cash assistance received under the program of Aid to
2 Families with Dependent Children established under Title IV, Part A, of the Social
3 Security Act.

4 (4) "Business" means any for-profit or nonprofit corporation.

5 (5) "Community service" means the performance of work for a political
6 subdivision of the State, a private nonprofit agency or institution, or other activity which
7 benefits the public, as defined by the Secretary.

8 (6) "Community work experience program" means a program established by
9 the Department under the pilot to provide work experience to a recipient who was unable
10 to obtain full-time paid employment through the pilot. This program is designed to
11 improve the employability of the participant.

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

13 (8) "Grant diversion program" means a program that pays businesses for
14 hiring AFDC recipients.

15 (9) "Pilot" means a welfare reform pilot program.

16 (10) "Recipient" means all individuals in an Aid to Families with Dependent
17 Children case.

18 (11) "Secretary" means Secretary of Human Resources.

19 (b) (1) The Secretary shall create and establish a welfare reform pilot program.

20 (2) The Secretary shall select project areas in Baltimore City and Prince
21 George's and Anne Arundel Counties in which to implement the pilot.

22 (3) Except as otherwise indicated, the provisions of this section shall only
23 apply to the pilot program.

24 (4) The provisions of this section are not intended to create incentives for
25 individuals to seek AFDC benefits instead of employment.

26 (c) (1) A recipient shall participate in the pilot to the extent required by this
27 section and the waiver requirements of the U.S. Department of Health and Human
28 Services and the U.S. Department of Agriculture.

29 (2) A recipient shall be subject to the pilot requirement for the life of the
30 project, even if the recipient moves to a nonpilot site in this State.

31 (3) A recipient may not be required to participate in the pilot training and
32 work requirements if the recipient meets the criteria for exemption from required
33 participation in Project Independence, with the following changes:

34 (i) A recipient is not required to participate if the recipient is caring
35 for a child 3 years of age or older;

19

1 (ii) After selection for participation in the pilot, a recipient will not
2 later be exempt from required participation as a result of caring for any children under
3 the age of 6 years; and

4 (iii) A recipient may not be exempt from required participation
5 because of a medically certified disabling condition that continues formore than 12
6 months unless:

7 1. The recipient applies for supplementary security income; and

8 2. The application is pending or in the appeal stage.

9 (d) (1) (i) Applicants for assistance under or current recipients assigned to
10 the pilot program shall be referred to a case worker for a family assessment.

11 (ii) All applicants or recipients shall be assessed regarding:

12 1. Reasons for applying for or continued reliance on assistance;

13 2. Technical and financial eligibility for AFDC;

14 3. Any medically certified disability that would preclude
15 participation in employment and training activities;

16 4. Suitability for use of the welfare avoidance grant, as specified
17 in subsection (o) of this section;

18 5. Educational level, job skills and readiness, aptitudes, and
19 interests that will determine the appropriate training or employment activity; and

20 6. Any other need for support services necessary for
21 participation in the pilot.

22 (2) As a result of the assessment, the Department and a recipient shall sign
23 an agreement that:

24 (i) Requires the recipient to comply with reasonable requests for
25 cooperation by case management workers in applying for programs or resources that may
26 be available to the recipient;

27 (ii) Requires the Department to provide supportive services, including
28 transportation and child care, necessary for the recipient to meet the recipient's
29 obligations under the pilot; and

30 (iii) Specifies the training and employment activities in which the
31 recipient will participate.

32 (3) Under the pilot, in order to establish eligibility for AFDCbenefits, a
33 recipient shall:

34 (i) Cooperate with the local child support enforcement office if the
35 paternity of any of the recipient's children has not been established; and

36 (ii) Participate in job search and life skills activities as defined by
37 Project Independence for 1 week.

20

1 (4) If assessed as job-ready, a recipient shall continue supervised job search
2 activities for the next 11 weeks following participation in the job search and life skills
3 activities required under paragraph (3)(ii) of this subsection, including life skills training.

4 (5) If a recipient's participation in a training or employment activity is
5 unsatisfactory or if the recipient is assessed as not job-ready, the recipient shall receive
6 more intensive case management services.

7 (6) A recipient may only be required to participate in job search, job
8 training, and other pilot program requirements to the extent that necessary child care
9 resources and transportation are available.

10 (e) (1) A recipient may not receive more than 3 monthly benefit payments,
11 unless:

12 (i) An extension is granted for good cause; or

13 (ii) The recipient fulfills the work requirements provided in this
14 subsection.

15 (2) For purposes of this subsection, good cause exists if:

16 (i) A recipient, with the assistance of the Department, is unable to
17 find necessary and suitable child care;

18 (ii) A recipient has a verified illness which prevents the recipient from
19 participating in the work requirements;

20 (iii) A recipient has complied with all pilot program requirements and
21 has not completed an education or training program;

22 (iv) The recipient is pursuing or agrees to pursue an educational or
23 training program for which the recipient is eligible and otherwise suited, provided that
24 the completion of the program will substantially improve the recipient's prospects of
25 obtaining permanent employment in a full-time, unsubsidized job, and the recipient
26 provides periodic evidence to the Department of satisfactory progress; or

27 (v) A recipient meets any other specific criteria as defined by the
28 Secretary by regulation.

29 (3) Whenever the Department grants an extension, the Department must
30 make an affirmative finding that good cause exists, including a statement specifying the
31 statutory or regulatory authority for the extension and the facts upon which the extension
32 is granted.

33 (4) A recipient shall fulfill the work requirements of this subsection in one
34 of the following ways:

35 (i) By working at least 30 hours per week for a business that
36 participates in a grant diversion program;

37 (ii) By participating in a community work experience program, under
38 which the recipient shall perform community service interspersed with job search
39 activities and shall be required to work a minimum of 20 hours per week;

21

1 (iii) By working part time in an unsubsidized job and participating in a
2 community work experience program for a minimum of 20 hours per week; or

3 (iv) By working full time in an unsubsidized job.

4 (5) A recipient may only be required to participate in the work requirements
5 of this subsection to the extent that necessary child care resources, work placement
6 resources, and transportation are available.

7 (6) Contingent on the receipt of a federal waiver providing for at least 50
8 percent federal matching funds, a recipient who obtains full-time, unsubsidized
9 employment shall, if health insurance is not provided by the employer, receive up to 2
10 years of medical assistance coverage from the date of employment.

11 (7) The amounts paid to a recipient under the grant diversion program shall
12 be considered to be earned income, as defined in § 32 (c)(2) of the Internal Revenue
13 Code, for purposes of the earned income tax credit to the extent allowed by law.

14 (f) (1) The Secretary shall create and establish a grant diversion program as
15 part of the pilot under this section.

16 (2) The Secretary shall solicit participation in the grant diversion program
17 from businesses willing to hire AFDC recipients.

18 (3) The Secretary shall pay businesses for their participation in the grant
19 diversion program from State and federal funds that have been appropriated for AFDC
20 payments and food stamps.

21 (4) Payments to a business for its participation in the grant diversion
22 program are subject to the following conditions:

23 (i) Pursuant to paragraph (5), the recipient shall be placed in a job
24 and work at least 30 hours per week;

25 (ii) The recipient shall be employed for 1 month prior to the first
26 payment;

27 (iii) The business shall be paid once per month for participating in the
28 program;

29 (iv) The payments to the business by the State each month shall not
30 exceed the amount of the State and federal share of the recipient's AFDC grant and food
31 stamps for that month; and

32 (v) The business may continue to receive a payment for hiring a
33 recipient for up to 6 months from the date of hire for that recipient.

34 (5) A placement made in accordance with paragraph (4) of this subsection
35 may not replace:

36 (i) A laid off employee;

37 (ii) An employee on strike; or

22

1 (iii) An employee receiving State or federal training assistance.

2 (g) (1) The Secretary shall establish a schedule of benefit reductions and
3 terminations for noncompliance with the training and work requirements of the pilot. The
4 schedule shall include the benefit reductions and terminations provided for in this
5 subsection.

6 (2) Once an individual is found to be not in compliance, the social services
7 caseworker shall investigate the reasons for the noncompliance and provide assistance.

8 (3) (i) For the first cumulative 6 months of noncompliance, the individual
9 not in compliance shall be removed from the calculation of AFDC benefits until the
10 individual is in compliance.

11 (ii) If after a total of 6 months the individual is still not in compliance,
12 the AFDC case shall be closed and the family shall be ineligible for future AFDC benefits
13 unless the individual:

14 1. Reapplies for AFDC benefits; and

15 2. Complies with the requirements of the pilot for 30 days prior
16 to receiving AFDC benefits.

17 (4) In any case where AFDC benefits are reduced or terminated under this
18 subsection, the family shall retain eligibility for:

19 (i) Medical assistance; and

20 (ii) Food stamps at a benefit level that does not exceed the food stamp
21 benefit based on the total amount of AFDC benefits that the recipient would otherwise
22 have been entitled to as income if a benefit reduction or termination was not imposed
23 under this subsection.

24 (5) In any case where AFDC benefits are resumed under this subsection,
25 the individual or family may not recover any grants that the individual or family would
26 have received if the benefit reduction or termination was not imposed.

27 (6) The Secretary shall establish by regulation exemptions from the benefit
28 reductions or terminations for noncompliance with the training and work-related
29 requirements of the pilot.

30 (7) After termination of AFDC benefits under this subsection, the recipient
31 may receive transitional assistance.

32 (8) If the case worker determines that transitional assistance is to be
33 provided, the AFDC benefit that would have been paid to the recipient shall be paid
34 instead to a third party on behalf of the recipient for a period of up to 3 months.

35 (9) The third party shall provide transitional assistance to the recipient in
36 one or more of the following forms:

37 (i) Counseling;

38 (ii) Housing;

23

1 (iii) Child care;

2 (iv) Household supplies and equipment;

3 (v) Direct assistance other than a cash payment; or

4 (vi) Any other assistance as may be necessary to assist the recipient to
5 make the transition from welfare.

6 (10) The third party shall be selected by the case worker in conjunction with
7 the recipient and shall be approved by the Secretary.

8 (11) The third party may be:

9 (i) A religious organization that is exempt from taxation under §
10 501(c)(3) of the U.S. Internal Revenue Code.

11 (ii) A volunteer group; or

12 (iii) A charitable organization that is exempt from taxation under §
13 501(c)(3) of the U.S. Internal Revenue Code.

14 (12) No portion of the funds provided through transitional assistance may be
15 used for the furtherance of sectarian religious instruction.

16 (h) (1) The Department shall, as appropriate, refer the recipient to family
17 planning counseling and services.

18 (2) Family planning counseling and services may not be offered or
19 conducted in a manner that:

20 (i) Will have a coercive effect on the recipient; or

21 (ii) Will violate the recipient's bona fide religious beliefs and practices
22 or confidentiality.

23 (3) The Department and the Department of Health and Mental Hygiene
24 shall provide family planning referrals at the offices of local departments of social
25 services.

26 (i) The Secretary shall revise the schedule of program assistance to allow, once
27 eligibility for a recipient is otherwise established, that the recipient will not lose eligibility
28 solely because one or more wage earners in the family unit works more than 100 hours per
29 month.

30 (j) The Secretary shall revise the rules of eligibility to permit two-parent families
31 to be exempt from the requirement that the principal wage earner must have worked for
32 a specified time prior to applying for AFDC.

33 (k) The Secretary shall revise the schedule of program assistance so that:

34 (1) Countable earned income under the AFDC Program is subtracted from
35 the sum of full State AFDC standard of need specified in the regulations related to the
36 Maryland standards of need for AFDC and AFDC-UP and allowable amounts to be paid
37 based on available funds; and

24

1 (2) The amount of assistance given under this subtitle is equal to the lesser
2 of:

3 (i) 85% of the deficit between the full AFDC standard of need
4 specified in the regulations referred to in paragraph (1) of this subsection and a
5 recipient's countable income; or

6 (ii) The maximum payment specified in the regulations referred to in
7 paragraph (1) of this subsection made to a family of the same size without any income.

8 (l) (1) The Secretary shall revise the rules of eligibility to permit a child who is
9 living with the child's natural parent and a stepparent in a household in which the
10 household income exceeds the State eligibility standard for assistance to be eligible to
11 receive assistance if:

12 (i) The requirements of § 48 of this subtitle are met;

13 (ii) Based upon the income of the natural parent and that parent's
14 children, the natural parent and the child would be eligible for assistance; and

15 (iii) The total income of the stepparent does not exceed 150 percent of
16 the official poverty level, adjusted for family size, established under the federal
17 Community Services Block Grant Act.

18 (2) The amount of assistance to be paid under paragraph (1) of this
19 subsection shall be:

20 (i) Computed without regard to the income of the stepparent if the
21 total income of the stepparent does not exceed 100 percent of the official poverty level,
22 adjusted for family size, established under the federal Community Services Block Grant
23 Act; and

24 (ii) Reduced by 50 percent of the State eligibility standard for the
25 assistance unit if the total income of the stepparent is at least 100 percent, but not more
26 than 150 percent, of the official poverty level, adjusted for family size, established under
27 the federal community services block grant.

28 (m) The Secretary shall revise the schedule of program assistance to allow
29 ownership of an automobile with a maximum equity value of up to \$5,000 without it
30 counting as an asset for purposes of AFDC and food stamp eligibility.

31 (n) The Secretary shall revise the schedule of program assistance to:

32 (1) Permit recipients and their children to save up to \$5,000;

33 (2) Disregard the earned income of a dependent child who is:

34 (i) A student;

35 (ii) In a job training partnership act program; or

36 (iii) In a job opportunities and basic skills training program; and

25

1 (3) Permit a dependent child over the age of 17 years, who is a full-time
2 student in secondary school or the equivalent, to be eligible for inclusion in the AFDC
3 grant if the education program is expected to be completed in the calendar year the child
4 turns 20 years of age.

5 (o) The Secretary shall establish a schedule of program assistance for a
6 one-time-only welfare avoidance grant of up to 3 months of AFDC cash benefits for
7 eligible applicants. These grants are intended to meet immediate needs so that a recipient
8 can avoid continued welfare assistance.

9 (p) (1) Except for a control group, the provisions of this subsection shall apply
10 to all AFDC recipients in the State.

11 (2) The Secretary shall revise the rules of eligibility with regard to minor
12 parents to include the following provisions:

13 (i) Except as provided in subparagraph (ii) of this paragraph, a minor
14 parent shall be required to live:

15 1. With a parent, legal guardian, custodian, or other adult
16 relative who will be the protective payee of the minor parent; or

17 2. In an adult supervised group living arrangement that shall
18 provide a protective payee; and

19 (ii) A minor parent may be exempt from the requirements of
20 subparagraph (i) of this paragraph if a social service worker confirms that the minor
21 parent or child's physical safety or emotional health would be in jeopardy.

22 (q) (1) Custodial parents under the age of 20 years shall be required to attend
23 classes on:

24 (i) Family health, unless attendance would violate their bona fide
25 religious beliefs and practices; and

26 (ii) Parenting skills.

27 (2) Failure to consistently attend class as provided under paragraph (1) of
28 this subsection shall result in the removal of the custodial parent from the calculation of
29 the AFDC benefit.

30 (r) The Secretary shall revise the rules of eligibility so that noncustodial parents
31 in need of education and job training in order to pay child support obligations shall be
32 served in Project Independence, to the extent resources permit.

33 (s) (1) The Secretary, through Project Independence, shall train interested and
34 appropriate recipients in child care provider skills in order to meet the growing need for
35 child care services in the State.

36 (2) To the extent practicable, the Secretary shall utilize these trained
37 individuals to provide community-based child care services to present and former AFDC
38 recipients.

26

1 (t) (1) The provisions of this subsection shall apply to all AFDC recipients in
2 the State.

3 (2) The Secretary shall revise the schedule of program assistance by
4 requiring benefits to be paid beginning 14 days after the application date.

5 (u) (1) The provisions of this subsection shall apply to all AFDC recipients in
6 the State.

7 (2) The Secretary shall revise the schedule of program assistance by
8 requiring State-only assistance for pregnant women who have no other children to be
9 paid beginning 14 days after the application date.

10 (v) (1) Except for a control group, the provisions of this subsection shall apply
11 to all AFDC recipients in the State.

12 (2) Except as provided in paragraph (4) of this subsection, the Secretary
13 shall revise the schedule of AFDC benefits to be paid to a recipient under the AFDC
14 program by eliminating the increment in cash benefits under the program for which a
15 recipient would otherwise be eligible as a result of the birth of a dependent child 10 or
16 more months after:

17 (i) The recipient's initial application for AFDC benefits; or

18 (ii) For existing recipients on the effective date of the federal waiver
19 required to implement the provisions of this section, the first redetermination of
20 eligibility for AFDC benefits that occurs after the effective date of the approved federal
21 waiver.

22 (3) AFDC benefit payments may not be made to any other family for that
23 child unless placed in that home by the Social Services Administration.

24 (4) This subsection does not apply if the birth of a dependent child is the
25 result of:

26 (i) Rape; or

27 (ii) Incest.

28 (5) (i) Notwithstanding any other provision of law, a single custodial
29 parent who is ineligible for grant assistance under paragraphs (2) and (3) of this
30 subsection shall receive the total value of all child support payments due and collected for
31 that dependent child.

32 (ii) The value of child support payments made under subparagraph (i)
33 of this paragraph may not be counted as income for the purposes of AFDC eligibility and
34 grant determination.

35 (6) (i) The Secretary shall provide for a recipient ineligible for grant
36 assistance under paragraphs (2) or (3) of this subsection a child-specific benefit not to
37 exceed, when combined with any child support payments made under subparagraph (5),
38 the monthly or quarterly value of the increment eliminated by paragraphs (2) and (3) of

27

1 this subsection for the purchase of goods specified by the Secretary assuitable for the
2 care of a minor.

3 (ii) The Secretary may arrange for the child-specific benefit to be
4 provided through:

5 1. A segregated account on the recipient's electronicbenefit
6 transfer system card, if found to be feasible in accordance with law;

7 2. The transitional assistance program contained in subsection
8 (g) of this section without being required to impose a time limit; or

9 3. A voucher system consistent with federal requirements
10 concerning the family cap.

11 (w) (1) On or before January 1 of each year that the pilot is effective, the
12 Secretary shall submit an evaluation report of the pilot to the Governor and, subject to §
13 2-1312 of the State Government Article, the General Assembly.

14 (2) The evaluation report shall assess the pilot for its effectiveness and
15 success in achieving the following objectives:

16 (i) Protecting the future of all children;

17 (ii) Addressing a recipient's basic needs, not just in addressing a
18 recipient's employability status;

19 (iii) Bringing recipients into the mainstream of the economic, social,
20 and civic life of the community in which they live;

21 (iv) Reducing poverty in the State; and

22 (v) Building economic opportunities for recipients in the community
23 in which they live.

24 (3) The Secretary shall include in the evaluation report the plans of the
25 Secretary for improving the effectiveness and success of the pilot in achieving the
26 objectives listed in paragraph (2) of this subsection.

27 (x) (1) On or before July 1, 1995, the Secretary shall establish an evaluation
28 committee.

29 (2) The Evaluation Committee shall assist the Secretary and theGeneral
30 Assembly in monitoring and evaluating the success or failure of the pilot and any welfare
31 reform initiatives implemented in conjunction with or in addition to the pilot.

32 (3) The Evaluation Committee shall consist of:

33 (i) Two members of the Senate of Maryland, appointed by the
34 President of the Senate;

35 (ii) Two members of the House of Delegates, appointed by the
36 Speaker of the House;

28

1 (iii) Two individuals who are AFDC recipients, appointed by the
2 Governor; and to the extent possible, one of whom shall be a participant in the pilot
3 program;

4 (iv) One individual who is a former AFDC recipient, appointed by the
5 Governor;

6 (v) Two individuals, one of whom is from a pilot county, who are
7 directors of local departments of social services, appointed by the Governor from a list
8 submitted by the Maryland Association of Local Social Service Directors;

9 (vi) One individual who is a representative of the Department,
10 appointed by the Governor; and

11 (vii) Five members of the general public, representative of different
12 geographic areas of the State, appointed by the Governor.

13 (y) The Secretary shall adopt any regulations necessary to carry out the provisions
14 of this section.]

15 [55.

16 Any child qualified for and receiving assistance pursuant to the provisions of this
17 subtitle, in any county of this State, who moves or is taken to another county in this State
18 shall be entitled to receive assistance in the county to which he has moved or been taken,
19 and the local unit of the county from which he has moved shall transfer all necessary
20 records relating to the child to the local unit of the county to which he has moved.]

21 [57.

22 Each local unit shall keep such records and accounts in relation to assistance to
23 dependent children as the State Department shall prescribe. The State Department shall
24 allocate to each local unit such amounts, not in excess of the total amount available for
25 such purpose, and upon such conditions as said State Department may prescribe.]

26 [58.

27 All assistance granted under this subtitle shall be deemed to be granted and to be
28 held subject to the provisions of any amendment or repealing act that may hereafter be
29 passed, and no recipient shall have any claim for compensation, or otherwise, by reason of
30 his assistance being affected in any way by any amendment or repealing act.]

31 62A.

32 (a) The local unit may pay the reasonable funeral expenses of recipients of [aid
33 to families with dependent children, general public assistance,] TEMPORARY CASH
34 ASSISTANCE, TRANSITIONAL EMERGENCY, MEDICAL AND HOUSING ASSISTANCE,
35 public assistance to adults, and [on and after January 1, 1974] all Maryland recipients of
36 assistance payments from the federal Supplemental Security Income Program under Title
37 XVI of the Social Security Act in an amount [not to exceed:

38 (1) For the fiscal year commencing July 1, 1991, \$735;

39 (2) For the fiscal year commencing July 1, 1992, \$820; and

1 (3) For the fiscal year commencing July 1, 1993 and for each subsequent
2 fiscal year, \$900] TO BE ESTABLISHED IN REGULATION BY THE SECRETARY OF
3 HUMAN RESOURCES.

4 (b) No payments for funeral expenses under this section may be provided by the
5 local unit unless every person legally responsible for the support of the decedent is unable
6 to pay the expenses, and other resources, including available death benefits of the estate
7 of the decedent, are insufficient to pay the funeral expenses.

8 (c) Payments provided in accordance with this section shall be charged to State
9 funds.

10 [65A.

11 (a) The Social Services Administration shall promptly establish, implement and
12 modify as necessary a program of State funded assistance payments to residents of the
13 State of Maryland who are temporarily in need but not eligible for any other State or
14 federal category of assistance; such program to be known as general public assistance.

15 (b) The program established in paragraph (a) shall be in effect in all political
16 subdivisions of this State and shall be administered by the local units in conformity with
17 rules and regulations of the Social Services Administration.

18 (c) Eligibility and all other requirements, not set forth in this subtitle, shall be
19 established by rules and regulations promulgated by the Social Services Administration.

20 (d) Support from children shall be regarded as a potential resource and evaluated
21 as to amount and availability, as determined by rule and regulation of the State
22 Administration.

23 (e) The Administration may not consider monetary or in-kind contributions that
24 are up to the difference between the State's standard of need and the sum of the total
25 grant and the amount of food stamps, whether received on a one-time or continuing basis,
26 as income or as a potential resource in determining:

27 (1) An individual's eligibility for assistance; or

28 (2) The amount of assistance that an individual receives.

29 (f) An applicant may not make an assignment or transfer of property for the
30 purpose of rendering himself eligible for assistance under this section at any time within
31 3 years immediately prior to the filing of application for assistance or the receipt of
32 assistance pursuant to the provisions of this article.]

33 [65B.

34 (a) The State Administration promptly shall establish and implement and, as
35 necessary, modify a program of general public assistance to employables. The program
36 shall provide State and locally funded assistance payments to employable residents of this
37 State, who temporarily require assistance.

38 (b) The program shall be in effect in any political subdivision that elects to
39 participate and enters into an agreement with the State Administration that describes the

30

1 operation of the program in the subdivision and sets forth the financial responsibility of
2 each party to the agreement.

3 (c) (1) The State Administration shall adopt rules and regulations establishing
4 eligibility and other requirements not set forth in this section.

5 (2) Support from children shall be considered as a potential resource and
6 the amount and availability shall be evaluated in accordance with the rules and
7 regulations of the State Administration.

8 (3) An applicant for assistance may not transfer or assign property to
9 become eligible for the assistance at any time within the three years immediately before
10 filing the application for or receiving the assistance.

11 (4) The Administration may not consider monetary or in-kind contributions
12 that are up to the difference between the State's standard of need and the sum of the
13 total grant and the amount of food stamps, whether received on a onetime or continuing
14 basis, as income or as a potential resource in determining:

15 (i) An individual's eligibility for assistance; or

16 (ii) The amount of assistance that an individual receives.]

17 **Article - Family Law**

18 4-402.

19 (a) To implement the policies set forth in this subtitle, the Secretary shall
20 establish in each local department of social services a program of services to families with
21 children. The program shall be available to:

22 (1) those families who are receiving [aid to families with dependent
23 children] TEMPORARY CASH ASSISTANCE or supplemental security income; and

24 (2) those families whose gross income is 80% or less of this State's median
25 income adjusted for family size in accordance with rules and regulations adopted by the
26 Social Services Administration.

27 (b) For purposes of this subtitle, services to families with children are:

28 (1) functional services to help a family resolve a situational crisis brought on
29 by catastrophe, deprivation of income, lack of shelter, physical illness, mental illness,
30 death, desertion, or abandonment;

31 (2) family counseling:

32 (i) to resolve marital conflict, familial conflict, and parent-child
33 relationship problems; and

34 (ii) to teach child care and development and parenting skills;

35 (3) information and referral services to teach families how to locate and use
36 community services, including health care services; and

31

1 (4) home management services to teach the management of household
2 duties and responsibilities, including budgeting skills.

3 4-606.

4 (a) To assist displaced homemakers in becoming gainfully employed, the center
5 shall provide them with:

6 (1) counseling;

7 (2) training;

8 (3) skills;

9 (4) services; and

10 (5) education.

11 (b) To the extent the center has the resources available, the center may also
12 provide these services to persons who are at least 30 years old and:

13 (1) who satisfy the criteria for displaced homemakers under § 4-601(2), (3),
14 (4), and (5) of this subtitle; or

15 (2) who have depended on Aid to Families with Dependent Children OR
16 TEMPORARY CASH ASSISTANCE for at least 24 months.

17 5-203.

18 (a) (1) The parents are the joint natural guardians of their minor child.

19 (2) A parent is the sole natural guardian of the minor child if the other
20 parent:

21 (i) dies;

22 (ii) abandons the family; or

23 (iii) is incapable of acting as a parent.

24 (b) The parents of a minor child:

25 (1) are jointly and severally responsible for the child's support, care,
26 nurture, welfare, and education; and

27 (2) have the same powers and duties in relation to the child.

28 (c) If one or both parents of an unemancipated minor child is a minor, the
29 parents of that minor parent are jointly and severally responsible for any child support for
30 a grandchild that is a recipient of [Aid to Families with Dependent Children]
31 TEMPORARY CASH ASSISTANCE to the extent that the minor parent has insufficient
32 financial resources to fulfill the child support responsibility of the minor parent.

33 (d) (1) If the parents live apart, a court may award custody of a minor child to
34 either parent or joint custody to both parents.

32

1 (2) Neither parent is presumed to have any right to custody that is superior
2 to the right of the other parent.

3 12-201.

4 (a) In this subtitle the following words have the meanings indicated.

5 (b) "Income" means:

6 (1) actual income of a parent, if the parent is employed to full capacity; or

7 (2) potential income of a parent, if the parent is voluntarily impoverished.

8 (c) (1) "Actual income" means income from any source.

9 (2) For income from self-employment, rent, royalties, proprietorship of a
10 business, or joint ownership of a partnership or closely held corporation, "actual income"
11 means gross receipts minus ordinary and necessary expenses required to produce income.

12 (3) "Actual income" includes:

13 (i) salaries;

14 (ii) wages;

15 (iii) commissions;

16 (iv) bonuses;

17 (v) dividend income;

18 (vi) pension income;

19 (vii) interest income;

20 (viii) trust income;

21 (ix) annuity income;

22 (x) Social Security benefits;

23 (xi) workers' compensation benefits;

24 (xii) unemployment insurance benefits;

25 (xiii) disability insurance benefits;

26 (xiv) alimony or maintenance received; and

27 (xv) expense reimbursements or in-kind payments received by a parent
28 in the course of employment, self-employment, or operation of a business to the extent
29 the reimbursements or payments reduce the parent's personal living expenses.

30 (4) Based on the circumstances of the case, the court may consider the
31 following items as actual income:

32 (i) severance pay;

33

1 (ii) capital gains;

2 (iii) gifts; or

3 (iv) prizes.

4 (5) "Actual income" does not include benefits received from means-tested
5 public assistance programs, including [Aid to Families with Dependent Children,
6 TEMPORARY CASH ASSISTANCE, Supplemental Security Income, food stamps, and
7 [General Public Assistance] TRANSITIONAL EMERGENCY, MEDICAL, AND HOUSING
8 ASSISTANCE.

9 (d) "Adjusted actual income" means actual income minus:

10 (1) preexisting reasonable child support obligations actually paid;

11 (2) except as provided in § 12-204(a)(2) of this subtitle, alimony or
12 maintenance obligations actually paid; and

13 (3) the actual cost of providing health insurance coverage for a child for
14 whom the parents are jointly and severally responsible.

15 (e) "Combined adjusted actual income" means the combined monthly adjusted
16 actual incomes of both parents.

17 (f) "Potential income" means income attributed to a parent determined by the
18 parent's employment potential and probable earnings level based on, but not limited to,
19 recent work history, occupational qualifications, prevailing job opportunities, and
20 earnings levels in the community.

21 (g) "Ordinary and necessary expenses" does not include amounts allowable by the
22 Internal Revenue Service for the accelerated component of depreciation expenses or
23 investment tax credits or any other business expenses determined by the court to be
24 inappropriate for determining actual income for purposes of calculating child support.

25 (h) (1) "Extraordinary medical expenses" means uninsured expenses over \$100
26 for a single illness or condition.

27 (2) "Extraordinary medical expenses" includes uninsured, reasonable, and
28 necessary costs for orthodontia, dental treatment, asthma treatment, physical therapy,
29 treatment for any chronic health problem, and professional counseling or psychiatric
30 therapy for diagnosed mental disorders.

31 (i) (1) "Shared physical custody" means that each parent keeps the child or
32 children overnight for more than 35% of the year and that both parents contribute to the
33 expenses of the child or children in addition to the payment of child support.

34 (2) Subject to paragraph (1) of this subsection, the court may base a child
35 support award on shared physical custody:

36 (i) solely on the amount of visitation awarded; and

37 (ii) regardless of whether joint custody has been granted.

34

1 (j) "Adjusted basic child support obligation" means an adjustment of the basic
2 child support obligation for shared physical custody.

3 (k) "Basic child support obligation" means the base amount due for child support
4 based on the combined adjusted actual incomes of both parents.

5 14-204.

6 (a) Subject to the provisions of subsection (b) of this section, the Secretary shall
7 establish a fee schedule based on financial ability to pay under which the individual who
8 receives protective services, or the individual's legally responsible relative shall reimburse
9 the federal, State, or local government for the services provided.

10 (b) An individual may not be charged a fee for protective services if:

11 (1) federal law or federal regulations prohibit an income eligibility test for
12 the protective service; or

13 (2) the recipient is eligible for continuing financial aid under:

14 (i) the federal program of Supplemental Security Income;

15 (ii) the federal-State program of [Aid to Families with Dependent
16 Children] TEMPORARY CASH ASSISTANCE; or

17 (iii) the State program of [General Public Assistance] TRANSITIONAL
18 EMERGENCY, MEDICAL, AND HOUSING ASSISTANCE.

19 **Article - Labor and Employment**

20 11-509.

21 (a) In this section, "classroom training" means training conducted in a classroom
22 or in an institutional setting with funds provided under the federal act [or with State or
23 federal funds provided to implement the Family Support Act of 1988] including
24 institutional training with private sector employers but not including on-the-job training
25 as defined in the federal act.

26 (b) To the extent that State funds are made available under § 11-508 of this
27 subtitle, the Secretary of Labor, Licensing, and Regulation may provide payments as
28 training allowances to provide for support services such as transportation and child care
29 to individuals who require such services in order to participate in classroom training
30 programs.

31 (c) (1) A payment to an individual under this section shall be based on the
32 actual costs of the service needs, or an approximation of these costs under a flat rate
33 system. The payment system shall be established by the Secretary for all State programs
34 and by the Private Industry Council and administering agency for a local program in a
35 service delivery area.

36 (2) Any flat rate payment system shall provide 2 tiers of allowance
37 payments. One tier shall address recipients in need of services other than child care. A
38 higher rate shall be provided for those in need of child care. The flat rates may be
39 computed on a per diem or a weekly basis.

35

1 (3) A training allowance to an individual under this section may not exceed
2 \$100 a week.

3 (4) Allowance payments may be provided to participants that are enrolled in
4 either the federal act Title II-A program, OR the federal act Title III program [or in the
5 job opportunities and basic skills training program] based solely on their need for
6 support services.

7 (d) In order to be eligible for a training allowance under this section, an
8 individual must:

9 (1) meet the eligibility requirements set forth in the federal act for
10 participation in a Title II-A or a Title III program [or the eligibility requirements set
11 forth in the Family Support Act of 1988 for participation in the job opportunities and
12 basic skills training program];

13 (2) be enrolled in and actively attending a classroom training program; and

14 (3) not be receiving unemployment compensation, but may be receiving [aid
15 to families with dependent children, general public assistance,] CASH OR OTHER
16 FINANCIAL ASSISTANCE, UNDER THE FAMILY INVESTMENT PROGRAM OR THE
17 TRANSITIONAL EMERGENCY, MEDICAL, AND HOUSING ASSISTANCE, or similar
18 federal or State cash payments.

19 (e) (1) Funds shall be allocated to each service delivery area by multiplying the
20 total amount of authorized funds by a ratio derived by dividing the funds allocated to
21 each service delivery area under Title II-A and III of the federal act by the sum of the
22 funds allocated to all service delivery areas under Title II-A of the federal act plus the
23 total amount of funds allocated to the Department of Labor, Licensing, and Regulation
24 and all service delivery areas under Title III of the federal act.

25 (2) Funds shall be allocated to the Department of Labor, Licensing, and
26 Regulation by multiplying the total amount of authorized funds by a ratio derived by
27 dividing the funds allocated to the Department under Title III of the federal act by the
28 sum of the funds allocated to all service delivery areas under Title II-A of the federal act
29 plus the total amount of funds allocated to the Department and all service delivery areas
30 under Title III of the federal act.

31 (3) Funds used for monitoring, auditing, and disbursement of training
32 allowances shall not exceed 5 percent of the funds authorized under this section.

33 (f) The Secretary of Labor, Licensing, and Regulation shall submit to the State
34 council for review and comment the Department's plan for the financial assistance
35 program established by this section to supplement available federal funds under the Job
36 Training Partnership Act [and State and federal funds provided to implement the Family
37 Support Act of 1988].

38 (g) The Secretary of Labor, Licensing, and Regulation may adopt rules and
39 regulations to administer this section.

40 (h) The Secretary of Labor, Licensing, and Regulation shall report to the
41 Governor and, subject to § 2-1312 of the State Government Article, to the General

36

1 Assembly on the number of individuals served and the levels and total amount of
2 payments under this section.

3 SECTION 3. AND BE IT FURTHER ENACTED, That the Income Maintenance
4 Administration be renamed the Family Investment Administration and that any reference
5 in law, or elsewhere, to the Income Maintenance Administration shall be deemed to refer
6 to the Family Investment Administration.

7 SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the approval of
8 the Director of the Department of Legislative Reference, the publishers of the Annotated
9 Code of Maryland shall change any and all references to the "Income Maintenance
10 Administration" in the Annotated Code of Maryland that are rendered incorrect by
11 Sections 1 and 2 of this Act.

12 SECTION 5. AND BE IT FURTHER ENACTED, That for existing recipients of
13 Aid to Families with Dependent Children on the effective date of this Act, the provisions
14 of Article 88A, § 50(e), as enacted by this Act, shall apply to any child born 10 or more
15 months after the first recertification of eligibility for temporary cash assistance benefits
16 that occurs after the effective date of this Act.

17 SECTION 6. AND BE IT FURTHER ENACTED, That the Secretary of Human
18 Resources, the Secretary of Housing and Community Development and the Secretary of
19 Health and Mental Hygiene shall jointly develop a pilot project to administer "second
20 chance homes" to provide supervised living arrangements and health care to needy teen
21 parents and their children. The pilot project shall begin on or before December 31, 1996,
22 and shall operate for no more than three years. The Secretary of Human Resources, the
23 Secretary of Housing and Community Development and the Secretary of Health and
24 Mental Hygiene shall report to the General Assembly on the success of the first year of
25 operation of the pilot project before the start of the 1998 Session of the General
26 Assembly.

27 SECTION 7. AND BE IT FURTHER ENACTED, That the Secretary of Human
28 Resources shall report to the General Assembly on the first full year of operation of the
29 Family Investment Program before the start of the 1998 Session of the General Assembly.

30 SECTION 8. AND BE IT FURTHER ENACTED, That, if on the effective date of
31 this Act, amendments to the federal Social Security Act have not been made which repeal
32 federal funding for the Aid to Families with Dependent Children Program and which
33 make federal funds available for a program satisfying the provisions of Section 2 of this
34 Act, the Secretary of Human Resources shall pursue waivers of provisions of the Social
35 Security Act necessary to establish a Family Investment Program as set forth in Section 2
36 of this Act. If the required waivers have not been approved by the U.S. Department of
37 Health and Human Services and the U.S. Department of Agriculture on or before
38 December 31, 1996, the provisions of Section 2 of this Act which require such waivers
39 shall be null and void without the necessity of further action by the General Assembly.

40 SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect
41 July 1, 1996.