BY: Finance Committee

AMENDMENTS TO HOUSE BILL NO. 1059 (Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute "Department of Human Resources -Welfare and Child Support Enforcement Innovation Act of 1999"; strike beginning with "authorizing" in line 3 down through the semicolon in line 5 and substitute "requiring the Executive Director of the Family Investment Administration of the Department of Human Resources to develop a certain process addressing cash assistance payment errors; requiring the Executive Director to require all local departments of social services to submit certain plans and to monitor the local departments' success in achieving the objectives of the plans; requiring the Department of Human Resources to conduct or contract for a certain audit of each local department and to prepare a certain report; requiring the audit to comply with certain auditing standards;"; strike beginning with "altering" in line 13 down through the semicolon in line 15; in line 17, after the semicolon insert "clarifying certain retirement rights of certain former State employees hired by a private contractor under the Child Support Enforcement Privatization Pilot Program;"; in line 18, after "Privatization" insert "Pilot"; strike beginning with "and" in line 20 down through "report" in line 22; in line 24, after "to" insert "the Department of Human Resources, the Family Investment Program, and"; in line 25, after "Privatization" insert "Pilot"; in lines 25 and 26, strike "and job enhancement skills programs for certain welfare recipients".

On page 2, in line 3, strike "53A" and substitute "<u>1A and 3(a)</u>"; in line 8, strike "<u>10-119.2(a)</u> through (f)" and substitute "<u>10-119.2</u>"; and in line 13, after "Section" insert "<u>13 and</u>".

AMENDMENT NO. 2

On pages 2 and 3, strike in their entirety the lines beginning with line 17 on page 2 through line 23 on page 3, inclusive, and substitute:

"<u>1A.</u>

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(a) <u>The Family Investment Administration is established within the Department of</u> <u>Human Resources. All of the powers, duties, and responsibilities provided for the Social Services</u> <u>Administration in the following programs are transferred to the Family Investment Administration:</u> <u>the Family Investment Program and related cash benefit programs; public assistance to adults;</u> <u>emergency assistance; food stamps; and medical assistance eligibility determinations. References to</u> <u>the "Social Services Administration", "State Department", or "State Administration" in the laws of</u> <u>this State that concern these programs are deemed to mean the Family Investment Administration.</u>

(b) The Secretary of Human Resources shall appoint an Executive Director of Family Investment with the approval of the Governor. The Executive Director shall be the head of the Family Investment Administration and shall hold office at the pleasure of the Secretary of Human Resources. All powers, duties, and responsibilities that pertain to programs transferred to the Family Investment Administration and the personnel who administer them which are provided in the laws of this State for the State Director of Social Services are transferred to the Executive Director of Family Investment.

(c) The exercise of all authority, duties, and functions vested in the Family Investment Administration or the Executive Director of Family Investment under this article or any other law of this State shall be subject to the authority of the Secretary of Human Resources as set forth in Article 41 of this Code or elsewhere in the laws of this State.

(D) THE EXECUTIVE DIRECTOR OF FAMILY INVESTMENT SHALL:

(1) DEVELOP A COMPREHENSIVE PROCESS TO:

ERRORS;

(I) SYSTEMATICALLY ANALYZE CASH ASSISTANCE PAYMENT

(II) FORMULATE STRATEGIES, INCLUDING IMPROVEMENTS IN THE ELIGIBILITY DETERMINATION PROCESS, TO REDUCE THE ERRORS; AND

(III) MONITOR IMPLEMENTATION OF THE STRATEGIES;

(2) REQUIRE EACH LOCAL DEPARTMENT OF SOCIAL SERVICES TO

SUBMIT ANNUAL PLANS THAT CONTAIN MEASURABLE OBJECTIVES, INCLUDING OBJECTIVES FOR PARTICIPATION IN WORK ACTIVITIES, TO MEET THE GOALS OF THE FAMILY INVESTMENT PROGRAM; AND

FIN

(3) MONITOR THE SUCCESS OF THE LOCAL DEPARTMENTS OF SOCIAL SERVICES IN ACHIEVING THE OBJECTIVES OF THE PLANS.

<u>3.</u>

(a) (1) The State Department shall be the central coordinating and directing agency of all social service and public assistance activities in this State, including the Family Investment Program, public assistance to adults, child welfare services, food stamps, and any other social service and public assistance activities financed in whole or in part by the State Department. For the purposes of these powers, child welfare services being provided to persons under the age of 18 may continue after their eighteenth birthday but not beyond their twenty-first birthday.

(2) All of the activities of the local departments in the counties and in Baltimore City, which the State Department finances, in whole or in part, shall be subject to the supervision, direction and control of the State Department.

(3) (I) AT LEAST ONCE EVERY 2 YEARS, THE STATE DEPARTMENT SHALL CONDUCT OR CONTRACT FOR A FINANCIAL AND COMPLIANCE AUDIT OF EACH LOCAL DEPARTMENT OF SOCIAL SERVICES AND SHALL PREPARE A WRITTEN REPORT OF THE AUDIT FINDINGS.

(II) THE AUDIT SHALL COMPLY WITH THE AUDITING STANDARDS ISSUED BY THE INSTITUTE OF INTERNAL AUDITORS.".

AMENDMENT NO. 3

On page 4, in lines 11 and 12, strike "<u>AS REQUIRED BY FEDERAL GUIDELINES</u>"; in line 32, strike the opening bracket; and in line 35, strike the closing bracket.

On page 5, in line 20, strike the opening bracket; in the same line, strike "(h)" and substitute

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"(<u>G</u>)"; in the same line, strike "An employee" and substitute "<u>A FORMER STATE EMPLOYEE</u>"; in line 22, strike the closing bracket; in line 33, strike "<u>the</u>" and substitute "<u>A</u>".

On page 6, in line 2, strike the second "<u>the</u>" and substitute "<u>A</u>"; in line 18, before "<u>shall</u>" insert "<u>AFTER ITS DESIGNATION AS A DEMONSTRATION SITE</u>"; in line 20, strike "<u>the</u>" and substitute "<u>A</u>"; in line 21, after "<u>employee</u>" insert "<u>PRIOR TO ITS DESIGNATION AS A DEMONSTRATION SITE</u>"; after line 24, insert:

"(g) <u>The Secretary shall establish a performance incentive program to provide pay</u> incentives for employees in [the] A demonstration site.

(h) The powers of the Secretary to carry out the provisions of this section shall be construed liberally.".

AMENDMENT NO. 4

On page 6, after line 25, insert:

"SECTION 13. AND BE IT FURTHER ENACTED, That an individual who is a State employee as of November 1, 1996, who is hired by a private contractor under Section 3 of this Act, and who remains employed by the contractor as of the termination of the Privatization Program established under Section 3 of this Act:

(1) may return to State service at any time while the Pilot Program is in existence and on the termination of the Pilot Program at a grade and step comparable to the grade and step that the employee would have attained but for the implementation of the Pilot Program and full restoration of benefits and seniority rights; and

(2) notwithstanding limits under §§ 22-216 and 23-214 of the State Personnel and Pensions Article, may be reinstated as a member of the Employees' Pension System PART II, CONTRIBUTORY PENSION BENEFIT, or the Employees' Retirement System in accordance with their membership as a State employee and be entitled to the restoration of any service credit to which the individual was entitled before employment with the private contractor whether or not the individual was vested under those systems.".

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AMENDMENT NO. 5

On page 7, in line 14, strike "<u>hired</u>" and substitute "<u>recruited</u>"; and in line 17, after "<u>for</u>" insert "<u>recruiting and</u>".