

SENATE BILL 686

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By: **Senator Garagiola**

Introduced and read first time: February 1, 2013

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Family Investment Program – Earned Income Disregard Pilot Program**

3 FOR the purpose of establishing an Earned Income Disregard Pilot Program within
4 the Family Investment Program; requiring the Department of Human
5 Resources to select a certain number of counties for participation in the Pilot
6 Program; requiring a county that participates in the Pilot Program to
7 administer benefits under the Family Investment Program in a certain manner;
8 altering the amount of the earned income that is disregarded for the purpose of
9 determining the amount of assistance an individual may receive under the Pilot
10 Program; requiring the Department to collect and report certain information to
11 certain committees of the General Assembly by certain dates; requiring the
12 Department to adopt certain regulations; defining a certain term; providing for
13 the termination of this Act; and generally relating to the Earned Income
14 Disregard Pilot Program under the Family Investment Program.

15 BY repealing and reenacting, without amendments,

16 Article – Human Services
17 Section 5–301(b) and 5–310(a)
18 Annotated Code of Maryland
19 (2007 Volume and 2012 Supplement)

20 BY adding to

21 Article – Human Services
22 Section 5–310.1
23 Annotated Code of Maryland
24 (2007 Volume and 2012 Supplement)

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

27 **Article – Human Services**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 5-301.

2 (b) "FIP" means the Family Investment Program.

3 5-310.

4 (a) (1) For applicants to the FIP, the amount of assistance shall be
5 computed by counting no more than 4 weeks of earned income in any month and
6 disregarding 20% of that earned income.

7 (2) For eligible recipients who obtain unsubsidized employment, the
8 amount of assistance shall be computed by counting no more than 4 weeks of earned
9 income in any month and disregarding 40% of that earned income.

10 **5-310.1.**

11 (A) **IN THIS SECTION, "PILOT PROGRAM" MEANS THE EARNED INCOME**
12 **DISREGARD PILOT PROGRAM ESTABLISHED UNDER THIS SECTION.**

13 (B) **THERE IS AN EARNED INCOME DISREGARD PILOT PROGRAM**
14 **WITHIN THE FIP.**

15 (C) **THE DEPARTMENT SHALL SELECT TO PARTICIPATE IN THE PILOT**
16 **PROGRAM:**

17 (1) **TWO OR MORE RURAL COUNTIES; AND**

18 (2) **ONE URBAN OR SUBURBAN COUNTY.**

19 (D) **EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE**
20 **COUNTIES PARTICIPATING IN THE PILOT PROGRAM SHALL ADMINISTER THE**
21 **FIP IN ACCORDANCE WITH THIS SUBTITLE.**

22 (E) (1) **NOTWITHSTANDING § 5-310(A) OF THIS SUBTITLE, FOR**
23 **APPLICANTS TO THE PILOT PROGRAM, THE AMOUNT OF ASSISTANCE SHALL BE**
24 **COMPUTED BY COUNTING NO MORE THAN 4 WEEKS OF EARNED INCOME IN ANY**
25 **MONTH AND DISREGARDING 20% OF THAT EARNED INCOME.**

26 (2) **FOR ELIGIBLE RECIPIENTS WHO OBTAIN UNSUBSIDIZED**
27 **EMPLOYMENT, THE AMOUNT OF ASSISTANCE SHALL BE COMPUTED BY**
28 **COUNTING NO MORE THAN 4 WEEKS OF EARNED INCOME IN ANY MONTH AND**
29 **DISREGARDING:**

1 **(I) 100% OF THAT EARNED INCOME FOR THE FIRST 3**
2 **MONTHS OF EMPLOYMENT;**

3 **(II) 60% OF THAT EARNED INCOME FOR EMPLOYMENT**
4 **EXCEEDING 3 MONTHS, BUT LESS THAN 10 MONTHS; AND**

5 **(III) 40% OF THAT EARNED INCOME FOR EMPLOYMENT**
6 **EXCEEDING 9 MONTHS.**

7 **(F) THE DEPARTMENT SHALL:**

8 **(1) COLLECT INFORMATION NECESSARY TO ASSESS THE**
9 **EFFECTIVENESS OF THE PILOT PROGRAM, INCLUDING:**

10 **(I) THE NUMBER OF CLIENTS RECEIVING FIP BENEFITS**
11 **AFTER RECEIVING BENEFITS UNDER THE PILOT PROGRAM;**

12 **(II) THE NUMBER OF CLIENTS WORKING FOR AN EMPLOYER**
13 **COVERED BY MARYLAND UNEMPLOYMENT INSURANCE; AND**

14 **(III) WHETHER THE CLIENTS MADE PROGRESS IN THEIR**
15 **QUARTERLY EARNINGS; AND**

16 **(2) (I) ON OR BEFORE SEPTEMBER 30, 2015, SUBMIT AN**
17 **INTERIM REPORT OF ITS FINDINGS TO THE SENATE FINANCE COMMITTEE, THE**
18 **HOUSE APPROPRIATIONS COMMITTEE, AND THE JOINT COMMITTEE ON**
19 **WELFARE REFORM, IN ACCORDANCE WITH § 2-1246 OF THE STATE**
20 **GOVERNMENT ARTICLE; AND**

21 **(II) ON OR BEFORE SEPTEMBER 30, 2016, SUBMIT A FINAL**
22 **REPORT OF ITS FINDINGS TO THE SENATE FINANCE COMMITTEE, THE HOUSE**
23 **APPROPRIATIONS COMMITTEE, AND THE JOINT COMMITTEE ON WELFARE**
24 **REFORM, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**
25 **ARTICLE.**

26 **(G) THE DEPARTMENT SHALL ADOPT ANY REGULATIONS NECESSARY**
27 **TO IMPLEMENT THIS SECTION.**

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2013. It shall remain effective for a period of 3 years and, at the end of
30 September 30, 2016, with no further action required by the General Assembly, this Act
31 shall be abrogated and of no further force and effect.