

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 6 Session of 2017

INTRODUCED BY REGAN, ARGALL, SCARNATI, CORMAN, RESCHENTHALER, EICHELBERGER, McGARRIGLE, VULAKOVICH, FOLMER, AUMENT, WHITE AND DISANTO, JANUARY 25, 2017

REFERRED TO HEALTH AND HUMAN SERVICES, JANUARY 25, 2017

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
 2 act to consolidate, editorially revise, and codify the public
 3 welfare laws of the Commonwealth," in public assistance,
 4 further providing for definitions, for resources and for
 5 verification system, prohibiting eligibility for individuals
 6 convicted of drug distribution, prohibiting eligibility for
 7 violators of sexual offender registration, further providing
 8 for false statements, investigations and penalty and for
 9 prohibited use of public assistance funds, providing for lost
 10 access devices and further providing for violation and
 11 penalty.

12 This act shall be referred to as the Public Assistance
 13 Integrity Act.

14 The General Assembly of the Commonwealth of Pennsylvania
 15 hereby enacts as follows:

16 Section 1. Section 402 of the act of June 13, 1967 (P.L.31,
 17 No.21), known as the Human Services Code, is amended by adding a
 18 definition to read:

19 Section 402. Definitions.--As used in this article, unless
 20 the content clearly indicates otherwise:

21 "Access device." An electronic benefit transfer card that is
 22 issued by the department to convey public assistance benefits to

1 a recipient.

2 * * *

3 Section 2. Section 432.5(c) of the act is amended and the
4 section is amended by adding a subsection to read:

5 Section 432.5. Resources.--* * *

6 (c) Other property in excess of two hundred fifty dollars
7 (\$250) for a single person applying for or receiving assistance
8 and other property in excess of one thousand dollars (\$1,000)
9 for assistance groups with more than one person shall be
10 considered an available resource. The following items shall not
11 be considered an available resource, unless such consideration
12 is required under Federal law or regulations:

13 (1) Wedding and engagement rings, family heirlooms, clothing
14 and children's toys.

15 (2) Household furnishings, personal effects and other items
16 used to provide, equip, and maintain a household for the
17 applicant and recipient.

18 (3) Equipment and material which are necessary to implement
19 employment, rehabilitation, or self care plan for the applicant
20 or recipient.

21 (4) One motor vehicle with a fair market value, according to
22 a standard guide resource available to the automobile industry
23 and consumers that determines the value of new and used
24 automobiles, of less than thirty-five thousand dollars (\$35,000)
25 per assistance group.

26 (5) Retroactive assistance payments received as a result of
27 a prehearing conference or a fair hearing decision.

28 * * *

29 (g) For the purpose of determining a recipient's eligibility
30 for assistance, individual lottery winnings of six hundred

1 dollars (\$600) or more shall be considered an available
2 resource. Lottery winnings shall be calculated on a prorated
3 basis over a twelve-month period following receipt of such
4 winnings.

5 Section 3. Section 432.23(a) of the act is amended by adding
6 a paragraph to read:

7 Section 432.23. Verification System.--(a) The department
8 shall establish a computerized income eligibility verification
9 system to verify eligibility, eliminate duplication of
10 assistance and deter fraud: Provided, however, that the
11 department, in good faith, attempts to obtain the cooperation by
12 Federal authorities or other states, or both; and further
13 provided, that the data be accessible by the department. Subject
14 to section 432.19, prior to authorizing assistance under section
15 432.2(b) or continuing assistance under section 432.2(c), the
16 department shall match the social security number of each
17 applicant and recipient with the following:

18 * * *

19 (20) Lottery winners database maintained by the Pennsylvania
20 Lottery.

21 * * *

22 Section 4. The act is amended by adding sections to read:

23 Section 432.25. Eligibility for Individuals Convicted of
24 Drug Distribution.--(a) (1) Notwithstanding sections 405.1 and
25 432.24, to the extent permitted by Federal law, no individual
26 who, after the effective date of this section, has been
27 convicted under section 13(a)(14), (30) or (37) of the act of
28 April 14, 1972 (P.L.233, No.64), known as "The Controlled
29 Substance, Drug, Device and Cosmetic Act," when the amount of
30 controlled substances involved is equivalent to or greater than

1 the amount of controlled substances set forth in 18 Pa.C.S. §
2 7508(a)(1)(iii), (2)(iii), (3)(iii), (4)(iii), (7)(iii) or (8)
3 (iii) (relating to drug trafficking sentencing and penalties)
4 while receiving public assistance shall be eligible for public
5 assistance unless:

6 (i) the individual is complying with or has already complied
7 with the obligations imposed by the criminal court; and

8 (ii) the individual is actively engaged in or has completed
9 a court-ordered substance abuse treatment program and
10 participates in periodic drug tests for ten years after the
11 drug-related conviction or for the duration of probation,
12 whichever is of longer duration.

13 (2) Upon a second or subsequent conviction under section
14 13(a)(14), (30) or (37) of "The Controlled Substance, Drug,
15 Device and Cosmetic Act" when the amount of controlled
16 substances involved is equivalent to or greater than the amount
17 of controlled substances set forth in 18 Pa.C.S. § 7508(a)(1)
18 (iii), (2)(iii), (3)(iii), (4)(iii), (7)(iii) or (8)(iii), the
19 individual shall no longer be eligible for public assistance.

20 (b) An individual who takes a drug test pursuant to
21 subsection (a)(1)(ii) and fails the test shall be subject to the
22 following sanctions:

23 (1) For failing a drug test the first time, an individual
24 shall be provided an assessment for addiction and provided
25 treatment for addiction as indicated by treatment criteria
26 developed by the Single State Authority on Drugs and Alcohol.
27 Assessments shall be conducted by the Single County Authority
28 (SCA) on Drugs and Alcohol or a designee. Treatment recommended
29 shall be provided by facilities licensed by the Division of Drug
30 and Alcohol Program Licensure in the Department of Drug and

1 Alcohol Programs. Medicaid eligibility and determinations shall
2 be expedited to ensure access to assessment and addiction
3 treatment through Medicaid. If the individual cooperates with
4 the assessment and treatment, no penalty shall be imposed. If
5 the individual refuses to cooperate with the assessment and
6 treatment, the public assistance shall be suspended for six
7 months. The department must notify the individual of the failed
8 drug test no later than seven days after receipt of the drug
9 test results, and the suspension in public assistance will begin
10 on the next scheduled distribution of public assistance and for
11 every other distribution of public assistance until the
12 suspension period lapses. After suspension, an individual may
13 apply for public assistance but shall submit to a retest.

14 (2) For failing a drug test or retest the second time, the
15 individual shall no longer be entitled to public assistance.

16 (c) Nothing in this section shall be construed to render
17 applicants or recipients who fail a drug test or drug retest
18 ineligible for:

19 (1) a Commonwealth program that pays the costs for
20 participating in a drug treatment program;

21 (2) a medical assistance program; or

22 (3) another benefit not included within the definition of
23 public assistance as defined under subsection (f).

24 (d) Notwithstanding any other provision in this section, the
25 department shall, in its sole discretion, determine when it is
26 cost effective to implement the provisions of this section.

27 (e) This section shall not apply to benefits which are
28 afforded to the minor children of those individuals who are
29 denied eligibility to receive public assistance benefits under
30 subsection (a).

1 (f) As used in this section, the term "public assistance"
2 means Temporary Assistance to Needy Families (TANF), general
3 assistance and State supplemental assistance.

4 Section 432.26. Eligibility for Violators of Sexual Offender
5 Registration.--An individual required to register as a convicted
6 sexual offender pursuant to 42 Pa.C.S. § 9799.13 (relating to
7 applicability) who is not compliant with the registration
8 requirements imposed upon the individual by 42 Pa.C.S. §§
9 9799.15 (relating to period of registration), 9799.19 (relating
10 to initial registration) and 9799.25 (relating to verification
11 by sexual offenders and Pennsylvania State Police) shall not be
12 eligible for assistance until the individual can prove
13 compliance with the applicable registration requirements. The
14 eligibility for assistance of minor children living in the
15 household shall not be affected by an individual being deemed
16 ineligible for assistance by this section.

17 Section 5. Sections 481(b) and 484 of the act are amended to
18 read:

19 Section 481. False Statements; Investigations; Penalty.--* *
20 *

21 (b) Any person violating subsection (a) commits the grade of
22 crime determined from the following schedule:

23 Amount of Assistance	Degree of Crime
24 or Food Stamps	
25 [\$3,000 or more	Felony of the third degree
26 \$1,500 to \$2,999	Misdemeanor of the first degree
27 \$1,000 to \$1,499	Misdemeanor of the second degree
28 \$ 999 and under, or	
29 an attempt to commit	
30 any act prohibited in	

1 subsection (a) Misdemeanor of the third degree
2 Pursuant to 42 Pa.C.S. § 1515(a)(7) (relating to jurisdiction
3 and venue), jurisdiction over cases graded a misdemeanor of the
4 third degree under this section shall be vested in district
5 justices.]

6 \$1,000 or more Felony of the third degree
7 \$999 and under, or an
8 attempt to commit any
9 act prohibited in

10 subsection (a) Misdemeanor of the first degree

11 * * *

12 Section 484. Prohibited Use of Public Assistance Funds.--(a)

13 It shall be unlawful for any individual to [purchase]:

14 (1) Purchase liquor or alcohol with [a gift certificate or a
15 gift card which is in the form of an electronic benefits card
16 issued to convey public assistance benefits administered by the
17 Department of Public Welfare or a debit card issued to convey
18 support payment moneys] an access device.

19 (2) Purchase tobacco, or tobacco paraphernalia, with an
20 access device.

21 (3) Withdraw funds from an access device for any transaction
22 in a casino or gaming establishment or any retail establishment
23 that provides adult-oriented entertainment in which performers
24 disrobe or perform in an unclothed state for entertainment.

25 (b) It shall be unlawful for an entity licensed by the
26 Pennsylvania Gaming Control Board or the Pennsylvania Liquor
27 Control Board to allow for the withdrawal of funds from an
28 access device or, through a point-of-sale transaction, to allow
29 the use of public assistance benefits administered by the
30 department.

1 (c) The Pennsylvania Gaming Control Board and the
2 Pennsylvania Liquor Control Board, in consultation with the
3 department, shall take appropriate measures to prevent the use
4 of public assistance funds for the purposes proscribed in this
5 section.

6 Section 6. The act is amended by adding a section to read:

7 Section 485. Lost Access Devices.--(a) A recipient who
8 requests the replacement of an access device shall pay a
9 replacement fee of five dollars (\$5) for the first replacement
10 access device requested.

11 (b) A recipient who requests the replacement of additional
12 access devices shall pay a replacement fee of one hundred
13 dollars (\$100) for the second and each subsequent replacement
14 access device requested.

15 (c) Payments made pursuant to subsections (a) and (b) shall
16 be made to the department prior to the issuance of any
17 replacement access device.

18 (d) The department shall notify the Office of Inspector
19 General of the name of any recipient who has requested
20 replacement of two or more access devices in a calendar year.

21 Section 7. Section 488 of the act is amended to read:

22 Section 488. Violation; Penalty.--(a) Any bank, industrial
23 bank, credit union, trust company, bank and trust company,
24 private banker, building and loan association, or other
25 financial institution doing business in Pennsylvania, or
26 employer who or which wilfully violates the provisions of
27 section 487 of this act, or who or which wilfully makes any
28 false or misleading statement in connection with any disclosure
29 required by said section, shall be guilty of a misdemeanor, and
30 upon conviction thereof, shall be sentenced to pay a fine not

1 exceeding one thousand dollars (\$1000).

2 (b) Any retailer that wilfully violates the provisions of
3 section 484 of this act commits a misdemeanor and shall, upon
4 conviction, be sentenced to pay a fine not exceeding one
5 thousand dollars (\$1000).

6 Section 8. This act shall take effect in 60 days.