

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, DISANTO, RAFFERTY, WAGNER, YUDICHAK, VOGEL, STEFANO AND BROOKS, JANUARY 25, 2017

AS AMENDED ON THIRD CONSIDERATION, JULY 9, 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

1 issued by the department to convey public assistance benefits to
2 a recipient.

3 * * *

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

6 Section 432.5. Resources.--* * *

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

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

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

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

22 (4) One motor vehicle with a fair market value, according to
23 a standard guide resource available to the automobile industry
24 and consumers that determines the value of new and used
25 automobiles, of less than forty thousand dollars (\$40,000) per
26 assistance group.

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

29 * * *

30 (g) For the purpose of determining a recipient's eligibility

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

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

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

19 * * *

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

22 * * *

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

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

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

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

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

14 (2) Upon a second or subsequent conviction under section
15 13(a)(14), (30) or (37) of "The Controlled Substance, Drug,
16 Device and Cosmetic Act" when the amount of controlled
17 substances involved is equivalent to or greater than the amount
18 of controlled substances set forth in 18 Pa.C.S. § 7508(a)(1)
19 (iii), (2)(iii), (3)(iii), (4)(iii), (7)(iii) or (8)(iii), the
20 individual shall no longer be eligible for public assistance. BE <--
21 SUSPENDED FROM RECEIVING PUBLIC ASSISTANCE FOR A PERIOD OF TEN
22 YEARS. AFTER THE TEN-YEAR SUSPENSION, THE INDIVIDUAL MAY APPLY
23 FOR PUBLIC ASSISTANCE.

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

27 (1) For failing a drug test the first time, an individual
28 shall be provided an assessment for addiction and provided
29 treatment for addiction as indicated by treatment criteria
30 developed by the Single State Authority on Drugs and Alcohol.

1 Assessments shall be conducted by the Single County Authority
2 (SCA) on Drugs and Alcohol or a designee. Treatment recommended
3 shall be provided by facilities licensed by the Division of Drug
4 and Alcohol Program Licensure in the Department of Drug and
5 Alcohol Programs. Medicaid eligibility and determinations shall
6 be expedited to ensure access to assessment and addiction
7 treatment through Medicaid. If the individual cooperates with
8 the assessment and treatment, no penalty shall be imposed. If
9 the individual refuses to cooperate with the assessment and
10 treatment, the public assistance shall be suspended for six
11 months. The department must notify the individual of the failed
12 drug test no later than seven days after receipt of the drug
13 test results, and the suspension in public assistance will begin
14 on the next scheduled distribution of public assistance and for
15 every other distribution of public assistance until the
16 suspension period lapses. After suspension, an individual may
17 apply for public assistance but shall submit to a retest.

18 (2) For failing a drug test or retest the second time, the
19 individual shall no longer be entitled to public assistance. BE <--
20 SUSPENDED FROM RECEIVING PUBLIC ASSISTANCE FOR A PERIOD OF TEN
21 YEARS. AFTER THE TEN-YEAR SUSPENSION, AN INDIVIDUAL MAY APPLY
22 FOR PUBLIC ASSISTANCE BUT SHALL SUBMIT TO A RETEST.

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

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

28 (2) a medical assistance program; or

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

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

4 (e) This section shall not apply to benefits which are
5 afforded to the minor children of those individuals who are
6 denied eligibility to receive public assistance benefits under
7 subsection (a).

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

11 Section 432.26. Eligibility for Violators of Sexual Offender
12 Registration.--An individual required to register as a convicted
13 sexual offender pursuant to 42 Pa.C.S. § 9799.13 (relating to
14 applicability) who is not compliant with the registration
15 requirements imposed upon the individual by 42 Pa.C.S. §§
16 9799.15 (relating to period of registration), 9799.19 (relating
17 to initial registration) and 9799.25 (relating to verification
18 by sexual offenders and Pennsylvania State Police) shall not be
19 eligible for assistance until the individual can prove
20 compliance with the applicable registration requirements. The
21 eligibility for assistance of minor children living in the
22 household shall not be affected by an individual being deemed
23 ineligible for assistance by this section. The department shall
24 issue regulations necessary to effectuate compliance with the
25 registration requirements for individuals it considers transient
26 or homeless to include any address or location where public
27 assistance funds are to be sent on behalf of an eligible
28 individual.

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

1 Section 481. False Statements; Investigations; Penalty.--* *

2 *

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

5 Amount of Assistance	Degree of Crime
6 or Food Stamps	
7 [\$3,000 or more	Felony of the third degree
8 \$1,500 to \$2,999	Misdemeanor of the first degree
9 \$1,000 to \$1,499	Misdemeanor of the second degree
10 \$ 999 and under, or	
11 an attempt to commit	
12 any act prohibited in	
13 subsection (a)	Misdemeanor of the third degree

14 Pursuant to 42 Pa.C.S. § 1515(a)(7) (relating to jurisdiction
15 and venue), jurisdiction over cases graded a misdemeanor of the
16 third degree under this section shall be vested in district
17 justices.]

18 <u>\$1,000 or more</u>	<u>Felony of the third degree</u>
19 <u>\$999 and under, or an</u>	
20 <u>attempt to commit any</u>	
21 <u>act prohibited in</u>	
22 <u>subsection (a)</u>	<u>Misdemeanor of the first degree</u>

23 * * *

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

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

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

1 (2) Withdraw funds from an access device for any transaction
2 in a ~~casino or gaming establishment~~ LICENSED FACILITY or any <--
3 retail establishment that provides adult-oriented entertainment
4 in which performers disrobe or perform in an unclothed state for
5 entertainment.

6 (b) It shall be unlawful for an ~~entity licensed by the~~ <--
7 ~~Pennsylvania Gaming Control Board or the Pennsylvania Liquor~~
8 ~~Control Board~~ A LICENSED GAMING ENTITY to allow for the <--
9 withdrawal of funds from an access device or, through a point-
10 of-sale transaction, to allow the use of public assistance
11 benefits administered by the department.

12 (c) The Pennsylvania Gaming Control Board ~~and the~~ <--
13 ~~Pennsylvania Liquor Control Board,~~ in consultation with the
14 department, shall take appropriate measures to prevent the use
15 of public assistance funds for the purposes proscribed in this
16 section.

17 (D) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES <--
18 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

19 "LICENSED FACILITY" MEANS A "LICENSED FACILITY" AS DEFINED IN
20 4 PA.C.S. § 1103 (RELATING TO DEFINITIONS).

21 "LICENSED GAMING ENTITY" MEANS A "LICENSED GAMING ENTITY" AS
22 DEFINED IN 4 PA.C.S. § 1103.

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

24 Section 485. Lost Access Devices.--(a) A recipient who
25 requests the replacement of an access device shall pay a
26 replacement fee of five dollars (\$5) for the first replacement
27 access device requested.

28 (b) A recipient who IS SIXTY-FOUR YEARS OF AGE OR YOUNGER <--
29 WHO requests the replacement of additional access devices shall
30 pay a replacement fee of one hundred dollars (\$100) for the

1 second and each subsequent replacement access device requested.

2 (B.1) A RECIPIENT WHO IS SIXTY-FIVE YEARS OF AGE OR OLDER <--
3 WHO REQUESTS THE REPLACEMENT OF ADDITIONAL ACCESS DEVICES SHALL
4 PAY A REPLACEMENT FEE OF FIVE DOLLARS (\$5) FOR THE SECOND AND
5 EACH SUBSEQUENT REPLACEMENT ACCESS DEVICE REQUESTED.

6 (c) Payments made pursuant to subsections (a) and ~~(b)~~, (B) <--
7 AND (B.1) shall be made to the department prior to the issuance
8 of any replacement access device.

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

12 (e) The department shall not assess a replacement fee in
13 accordance with subsection (a) ~~or (b)~~, (B) OR (B.1) and no <--
14 notification shall be made in accordance with subsection (c) if:

15 (1) A recipient is able to prove that the access device
16 assigned to the recipient has been lost in postage or has
17 otherwise been lost by the department.

18 (2) The access device assigned to a recipient by the
19 department is damaged or does not function.

20 (3) A recipient's original access device was lost or damaged
21 in a fire, flood or other natural disaster.

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

23 Section 488. Violation; Penalty.--(a) Any bank, industrial
24 bank, credit union, trust company, bank and trust company,
25 private banker, building and loan association, or other
26 financial institution doing business in Pennsylvania, or
27 employer who or which wilfully violates the provisions of
28 section 487 of this act, or who or which wilfully makes any
29 false or misleading statement in connection with any disclosure
30 required by said section, shall be guilty of a misdemeanor, and

1 upon conviction thereof, shall be sentenced to pay a fine not
2 exceeding one thousand dollars (\$1000).

3 ~~(b) Any retailer that wilfully violates the provisions of~~ <--

4 (B) (1) ANY LICENSED GAMING ENTITY OR RETAILER THAT <--

5 WILFULLY VIOLATES THE PROVISIONS OF section 484 of this act
6 commits a misdemeanor and shall, upon conviction, be sentenced
7 to pay a fine not exceeding one thousand dollars (\$1000).

8 (2) AS USED IN THIS SUBSECTION, THE TERM "LICENSED GAMING <--

9 ENTITY" SHALL HAVE THE SAME MEANING AS PROVIDED IN 4 PA.C.S. §
10 1103 (RELATING TO DEFINITIONS).

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