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BILL ANALYSIS



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Senate Bill 1300 (as introduced 5-7-08)
Sponsor: Senator Gilda Z. Jacobs
Committee: Families and Human Services

Date Completed: 6-10-08

CONTENT

The bill would amend the Social Welfare Act to prohibit the payment of a fee to an attorney or other representative of a person in a claim to obtain retroactive benefits under the Supplemental Security Income program if the Social Security Administration or the person already had paid a fee or if the attorney or representative were eligible for the Social Security Administration to pay a fee.

Under the Act, the Department of Human Services must pay a fee to an attorney or other competent professional who represents a person in obtaining benefits from the Social Security Administration in a proceeding establishing retroactive benefits for that person under the Supplemental Security Income for the aged, blind, and disabled program (Title XVI of the Social Security Act). The Department must pay the fee only if the proceeding results in direct reimbursement to the Department of interim assistance paid to the person for the period covered by the award.

The bill would prohibit the payment of a fee under that provision if the Social Security Administration or the person applying for benefits had paid a fee related to his or her claim, or if the attorney or representative were eligible for the Social Security Administration to pay a fee related to the person's Title XVI claim.

An attorney or representative requesting a fee under these provisions would have to take all the necessary steps to become eligible for payments by the Social Security Administration under the Title XVI claim.

MCL 400.44

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would likely reduce the proportion of retroactive supplemental security income (SSI) benefits allocated to attorneys or representatives of recipients, creating a positive fiscal impact on the State. The extent of the savings achieved by the State would be associated with the number of successful claims for retroactive SSI benefits made by representatives who already had received a fee from the Social Security Administration or their client.

Fiscal Analyst: David Fosdick

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