

House Study Bill 507 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON MEYER)

A BILL FOR

1 An Act relating to public assistance program eligibility
2 verification.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 239.1 Definitions.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "*Applicant*" means an individual who is applying for
5 public assistance benefits in the state.

6 2. "*Asset*" means all assets of the members of the
7 applicant's household, including all of the following:

8 a. All bank accounts, excluding retirement accounts of
9 members of the household.

10 b. All cash, excluding the first two thousand dollars of
11 members of the household.

12 c. All lottery and gambling income of the household whether
13 received as a lump sum or installment payments.

14 d. All real estate, excluding the primary household
15 residence and surrounding lot.

16 e. All other personal property excluding personal
17 belongings, household goods, and one vehicle.

18 3. "*Department*" means the department of human services.

19 4. "*Public assistance*" means SNAP (the supplemental
20 nutrition assistance program), the Medicaid program, FIP (the
21 family investment program), and CHIP (the children's health
22 insurance program).

23 5. "*Recipient*" means an individual who is receiving public
24 assistance benefits in the state.

25 Sec. 2. NEW SECTION. 239.2 Public assistance programs —
26 applicant and recipient eligibility verification.

27 1. All applications for initial public assistance
28 program benefits and all determinations of ongoing recipient
29 eligibility shall be processed through a system as specified
30 in this section. Complete initial applications shall be
31 processed within the minimum period required by federal law.
32 Prior to determining initial eligibility of an applicant for,
33 or ongoing eligibility of a recipient of, public assistance,
34 the department shall access information for every applicant or
35 recipient from the following federal, state, and other sources:

1 *a.* Federal sources and information:

2 (1) Earned and unearned income information maintained by
3 the internal revenue service.

4 (2) The following sources and information maintained by the
5 United States social security administration:

6 (a) Earned income information.

7 (b) Death register information.

8 (c) Prisoner or incarceration status information.

9 (d) Supplemental security income information maintained in
10 the state data exchange database.

11 (e) Beneficiary records and earnings information maintained
12 in the beneficiary and earnings data exchange database.

13 (f) Earnings and pension information maintained in the
14 beneficiary earnings exchange record system database.

15 (3) The following sources and information maintained by the
16 United States department of health and human services:

17 (a) Income and employment information maintained in the
18 national directory of new hires database by the office of child
19 support enforcement of the administration for children and
20 families.

21 (b) Other federal data sources maintained by the office of
22 child support enforcement of the administration for children
23 and families.

24 (4) Information maintained by the United States citizenship
25 and immigration services of the United States department of
26 homeland security.

27 (5) Payment information for public housing and section 8
28 housing assistance guidelines maintained by the United States
29 department of housing and urban development.

30 (6) National fleeing felon information maintained by the
31 United States federal bureau of investigation.

32 *b.* State sources and information:

33 (1) The department's sources and information including but
34 not limited to all of the following:

35 (a) Income and employment information maintained by the

1 child support recovery unit.

2 (b) Child care assistance information maintained by the
3 division of child and family services.

4 (c) Enrollment status in other public assistance programs.

5 (2) The department of workforce development sources and
6 information including all of the following:

7 (a) Employment information.

8 (b) Employer weekly, monthly, and quarterly reports of
9 income and unemployment insurance payments.

10 (3) The Iowa public employees' retirement system for
11 earnings and pension information.

12 c. Other sources including all of the following:

13 (1) Any existing real-time database of persons currently
14 receiving benefits in other states, such as the national
15 accuracy clearinghouse.

16 (2) An available database of persons who currently hold a
17 license, permit, or certificate from any state agency, the cost
18 of which exceeds five hundred dollars.

19 (3) Wage reporting and similar information maintained by
20 states contiguous to Iowa.

21 (4) A third-party consumer reporting agency, as defined
22 by the federal Fair Credit Reporting Act, 15 U.S.C. §1681a,
23 for the purpose of obtaining real-time employment and income
24 information.

25 2. Prior to determining the initial eligibility of an
26 applicant for, or the ongoing eligibility of a recipient
27 of, public assistance benefits, the department shall access
28 information for every applicant or recipient from, at a
29 minimum, the following public records:

30 a. A nationwide public records data source of physical asset
31 ownership. The data source may include but is not limited to
32 real property, automobiles, watercraft, aircraft, and luxury
33 vehicles, or any other vehicle owned by the applicant for or
34 recipient of assistance.

35 b. A nationwide public records data source of incarcerated

1 individuals.

2 *c.* A nationwide best address and driver's license data
3 source to verify that individuals are residents of the state.

4 *d.* A comprehensive public records database from which the
5 department may identify potential identity fraud or identity
6 theft that is capable of closely associating name, social
7 security number, date of birth, phone, and address information.

8 *e.* National and local financial institutions in order
9 to locate undisclosed depository accounts or verify account
10 balances of disclosed accounts.

11 *f.* Outstanding default or arrest warrant information.

12 3. The state may contract with a third-party consumer
13 reporting agency, as defined by the federal Fair Credit
14 Reporting Act, 15 U.S.C. §1681a, for the purpose of obtaining
15 real-time employment and income information under this section.

16 Sec. 3. NEW SECTION. 239.3 Administration — rules —
17 reporting.

18 1. The department of human services shall adopt rules
19 pursuant to chapter 17A to administer this chapter.

20 2. The department shall submit a report to the governor
21 and the general assembly by January 15, 2024, and by January
22 15 annually thereafter through January 15, 2029, detailing the
23 impact of the verification measures taken under this chapter.

24 Sec. 4. IMPLEMENTATION.

25 1. The department of human services shall request federal
26 approval including for any state plan amendment or waiver
27 necessary to administer this Act.

28 2. The provisions of this Act requiring federal approval
29 shall be implemented upon receipt of such federal approval.

30 3. The provisions of this Act not requiring federal approval
31 shall be implemented no later than July 1, 2023.

32 4. The department may contract with multiple third-party
33 vendors to administer this Act.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 This bill requires that for all applications for initial
3 public assistance program benefits and all determinations of
4 ongoing recipient eligibility processed by the department of
5 human services (DHS), DHS shall access information for every
6 applicant or recipient from specified federal, state, and other
7 sources, and from specified public records.

8 The bill requires DHS to adopt administrative rules to
9 administer the bill and includes reporting and implementation
10 provisions.