

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 752

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending sections 57, 57a, and 57b (MCL 400.57, 400.57a, and
400.57b), section 57 as amended by 2014 PA 375, section 57a as
amended by 2012 PA 607, and section 57b as amended by 2015 PA 56.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 57. (1) As used in this section and sections 57a to

2 ~~57v~~**57z**:

3 (a) "Adult-supervised household" means either of the
4 following:

5 (i) The place of residence of a parent, stepparent, or legal
6 guardian of a minor parent.

7 (ii) A living arrangement not described in subparagraph (i)

1 that the department approves as a family setting that provides care
2 and control of a minor parent and his or her child and supportive
3 services including, but not limited to, counseling, guidance, or
4 supervision.

5 (b) "Caretaker" means an individual who is acting as parent
6 for a child in the absence or because of the disability of the
7 child's parent or stepparent and who is the child's legal guardian,
8 grandparent, great grandparent, great-great grandparent, sibling,
9 stepsibling, aunt, great aunt, great-great aunt, uncle, great
10 uncle, great-great uncle, nephew, niece, first cousin, or first
11 cousin once-removed, a spouse of any person listed above, a parent
12 of the putative father, or an unrelated individual aged 21 or older
13 whose appointment as legal guardian of the child is pending.

14 (c) "Child" means an individual who is not emancipated under
15 1968 PA 293, MCL 722.1 to 722.6, who lives with a parent or
16 caretaker, and who is either of the following:

17 (i) Under the age of 18.

18 (ii) Age 18 and a full-time high school student.

19 (d) "Family" means 1 or more of the following:

20 (i) A household consisting of a child and either of the
21 following:

22 (A) A parent or stepparent of the child.

23 (B) A caretaker of the child.

24 (ii) A pregnant woman.

25 (iii) A parent of a child in foster care.

26 (e) "Family independence program assistance" means financial
27 assistance provided to a family under the family independence

1 program.

2 (f) "Family independence program assistance group" means all
3 those members of a program group who receive family independence
4 program assistance.

5 (g) "Family independence program" means the program of
6 financial assistance established under section 57a.

7 (h) "Family self-sufficiency plan" means a document described
8 in section 57e that is executed by a family in return for receiving
9 family independence program assistance.

10 ~~— (i) "JET program" means the jobs, education and training~~
11 ~~program administered by the Michigan economic development~~
12 ~~corporation or a successor entity for applicants and recipients of~~
13 ~~family independence program assistance or a successor program. A~~
14 ~~reference to the JET program means the PATH program.~~

15 (I) ~~(j)~~ "Medical review team" means the team composed of a
16 disability examiner and a physician as a medical consultant who
17 certifies disability for the purpose of eligibility for assistance
18 under this act.

19 (J) ~~(k)~~ "Negative action period" means the time frame a client
20 is given notice for a benefit decrease or closure of the family
21 independence program benefit.

22 (K) ~~(l)~~ "Minor parent" means an individual under the age of 18
23 who is not emancipated under 1968 PA 293, MCL 722.1 to 722.6, and
24 who is either the biological parent of a child living in the same
25 household or a pregnant woman.

26 (L) ~~(m)~~ "PATH program" means the PATH: partnership.
27 accountability. training. hope. work partnership program. **A**

1 **REFERENCE TO THE JET PROGRAM MEANS THE PATH PROGRAM.**

2 (M) ~~(n)~~ "Payment standard" means the standard upon which
3 family independence program assistance benefits are based.

4 (N) ~~(e)~~ "Program group" means a family and all those
5 individuals living with a family whose income and assets are
6 considered for purposes of determining financial eligibility for
7 family independence program assistance, **EXCEPT AS PROVIDED IN**
8 **SECTION 57A(6) .**

9 (O) ~~(p)~~ "Recipient" means an individual receiving family
10 independence program assistance.

11 (P) ~~(q)~~ "Substance abuse" means that term as defined in
12 section 100d of the mental health code, 1974 PA 258, MCL 330.1100d.

13 (Q) ~~(r)~~ "Substance abuse treatment" means outpatient or
14 inpatient services or participation in ~~alcoholics anonymous~~
15 **ALCOHOLICS ANONYMOUS** or a similar program.

16 (R) ~~(s)~~ "Supplemental security income" means the program of
17 supplemental security income provided under title XVI.

18 (2) A reference in this act to "aid to dependent children" or
19 "aid to families with dependent children" means "family
20 independence program assistance".

21 Sec. 57a. (1) The department shall establish and administer
22 the family independence program to provide temporary assistance to
23 families who are making efforts to achieve independence. Family
24 independence program assistance is not an entitlement.

25 (2) The department shall administer the family independence
26 program to accomplish all of the following:

27 (a) Provide financial support to eligible families while they

1 pursue self-improvement activities and engage in efforts to become
2 financially independent.

3 (b) Ensure that recipients who are minor parents live in
4 adult-supervised households in order to reduce long-term dependency
5 on financial assistance.

6 (c) Assist families in determining and overcoming the barriers
7 preventing them from achieving financial independence.

8 (d) Ensure that families pursue other sources of support
9 available to them.

10 (3) The department shall establish income and asset levels for
11 eligibility, types of income and assets to be considered in making
12 eligibility determinations, payment standards, composition of the
13 program group and the family independence program assistance group,
14 program budgeting and accounting methods, and client reporting
15 requirements to meet the following goals:

16 (a) Efficient, fair, cost-effective administration of the
17 family independence program.

18 (b) Provision of family independence program assistance to
19 families willing to work toward eventual self-sufficiency.

20 (4) In accordance with 42 USC 608(a)(7)(A) and 45 CFR 260.31,
21 the department shall not provide family independence program
22 assistance to any program group that includes an adult who has
23 received assistance under any state program funded with temporary
24 assistance for needy families for more than 60 months, whether or
25 not consecutive, after October 1, 1996. This subsection does not
26 apply to a program group that includes an adult who is exempt from
27 participation in the ~~JET~~**-PATH** program under section 57f(3) or

1 (4)(b), (e), or (f), if that adult also was exempt from
2 participation in the **FORMER** JET program under section 57f(3) or
3 (4)(b), (e), or (f) on ~~the effective date of the 2012 amendatory~~
4 ~~act that added this subsection.~~ **JANUARY 9, 2013.** No other provision
5 of this act prohibits the department from terminating family
6 independence program assistance under this subsection.

7 (5) EXCEPT AS PROVIDED IN SUBSECTIONS (6) AND (7), WHEN
8 DETERMINING FINANCIAL ELIGIBILITY FOR FAMILY INDEPENDENCE PROGRAM
9 ASSISTANCE, THE DEPARTMENT SHALL DISREGARD THE INCOME OF A NEW
10 PARENT OR NEW STEPPARENT, WHO BECOMES A NEW PROGRAM GROUP MEMBER AS
11 THE RESULT OF MARRIAGE, FROM 1 MONTH AFTER THE DATE OF THE MARRIAGE
12 UNTIL 18 MONTHS AFTER THAT DATE UNLESS THE INCOME DISREGARD RESULTS
13 IN A DECREASE OF ELIGIBLE ASSISTANCE. DISREGARD OF A NEW PARENT'S
14 OR NEW STEPPARENT'S INCOME ONLY APPLIES IF THE PROGRAM GROUP'S
15 INCOME AND ASSETS DO NOT EXCEED TWICE THE INCOME AND ASSET LIMITS
16 SET BY THE DEPARTMENT.

17 (6) A NEW PARENT OR STEPPARENT DESCRIBED IN SUBSECTION (5) AND
18 HIS OR HER CHILDREN SHALL NOT BE INCLUDED IN DETERMINING AN
19 INCREASE IN THE SIZE OF THE RECIPIENT'S PROGRAM GROUP. IF THE
20 RECIPIENT WISHES TO INCREASE THE SIZE OF HIS OR HER PROGRAM GROUP
21 AS A RESULT OF MARRIAGE, HE OR SHE MAY CHOOSE TO REJECT THE INCOME
22 DISREGARD DESCRIBED IN SUBSECTION (5). IF THE RECIPIENT REJECTS THE
23 INCOME DISREGARD DESCRIBED IN SUBSECTION (5), HIS OR HER NEW SPOUSE
24 AND THE SPOUSE'S CHILDREN, AS DETERMINED BY THE DEPARTMENT UNDER
25 FEDERAL RULES AND REGULATIONS, MAY BE INCLUDED IN DETERMINING THE
26 SIZE OF THE RECIPIENT'S PROGRAM GROUP.

27 (7) THE INCOME DISREGARD DESCRIBED IN SUBSECTION (5) AND

1 **SECTION 57B(1) (B) ONLY APPLIES IF THE DEPARTMENT RECEIVES APPROVAL**
2 **FROM THE FEDERAL GOVERNMENT TO IMPLEMENT THIS PROGRAM.**

3 Sec. 57b. (1) An individual who meets all of the following
4 requirements is eligible for family independence program
5 assistance:

6 (a) Is a member of a family or a family independence program
7 assistance group.

8 (b) Is a member of a program group whose income and assets are
9 less than the income and asset limits set by the department. **EXCEPT**
10 **AS PROVIDED IN SECTION 57A(6) AND (7), WHEN DETERMINING A PROGRAM**
11 **GROUP'S INCOME AND ASSETS, THE DEPARTMENT SHALL DISREGARD THE**
12 **INCOME AND ASSETS OF A NEW PARENT OR NEW STEPPARENT, WHO BECOMES A**
13 **NEW PROGRAM GROUP MEMBER AS THE RESULT OF MARRIAGE, FROM 1 MONTH**
14 **AFTER THE DATE OF THE MARRIAGE UNTIL 18 MONTHS AFTER THAT DATE**
15 **UNLESS THE INCOME AND ASSETS DISREGARD RESULTS IN A DECREASE OF**
16 **ELIGIBLE ASSISTANCE. THE DISREGARD OF A NEW PARENT'S OR NEW**
17 **STEPPARENT'S INCOME AND ASSETS ONLY APPLIES IF THE PROGRAM GROUP'S**
18 **INCOME AND ASSETS DO NOT EXCEED TWICE THE INCOME AND ASSET LIMITS**
19 **SET BY THE DEPARTMENT.**

20 (c) In the case of a minor parent, meets the requirements of
21 subsection (2).

22 (d) Is a United States citizen, a permanent resident alien, or
23 a refugee. If the applicant indicates that he or she is not a
24 United States citizen, the department shall verify the applicant's
25 immigration status using the federal systematic alien verification
26 for entitlements (SAVE) program.

27 (e) Is a resident of this state as described in section 32.

1 (f) Meets any other eligibility criteria required for the
2 receipt of federal or state funds or determined by the department
3 to be necessary for the accomplishment of the goals of the family
4 independence program.

5 (g) Is a member of a program group that meets the requirements
6 of subsection (6).

7 (2) A minor parent and the minor parent's child shall not
8 receive family independence program assistance unless they live in
9 an adult-supervised household. The family independence program
10 assistance shall be paid on behalf of the minor parent and child to
11 an adult in the adult-supervised household. Child care in
12 conjunction with participation in education, employment readiness,
13 training, or employment programs, that have been approved by the
14 department, shall be provided for the minor parent's child. The
15 minor parent and child shall live with the minor parent's parent,
16 stepparent, or legal guardian unless the department determines that
17 there is good cause for not requiring the minor parent and child to
18 live with a parent, stepparent, or legal guardian. The department
19 shall determine the circumstances that constitute good cause, based
20 on a parent's, stepparent's, or guardian's unavailability or
21 unwillingness or based on a reasonable belief that there is
22 physical, sexual, or substance abuse, or domestic violence,
23 occurring in the household, or that there is other risk to the
24 physical or emotional health or safety of the minor parent or
25 child. If the department determines that there is good cause for
26 not requiring a minor parent to live with a parent, stepparent, or
27 legal guardian, the minor parent and child shall live in another

1 adult-supervised household. A local office director may waive the
2 requirement set forth in this subsection with respect to a minor
3 parent who is at least 17 years of age, attending secondary school
4 full-time, and participating in a department service plan or a teen
5 parenting program, if moving would require the minor parent to
6 change schools.

7 (3) If a recipient who is otherwise eligible for family
8 independence program assistance under this section is currently
9 applying for supplemental security income and seeking exemption
10 from the PATH program, the recipient shall be evaluated and
11 assessed as provided in this section before a family self-
12 sufficiency plan is developed under section 57e. Based on a report
13 resulting from the evaluation and assessment, the caseworker shall
14 make a determination and referral as follows:

15 (a) A determination that the recipient is eligible to
16 participate in the PATH program and a referral to the PATH program.

17 (b) A determination that the recipient is exempt from PATH
18 program participation under section 57f and a referral to a
19 sheltered work environment or subsidized employment.

20 (c) A determination that the recipient is exempt from PATH
21 program participation under section 57f and a referral for
22 supplemental security income advocacy.

23 (4) The department may contract with a legal services
24 organization to assist recipients with the process for applying for
25 supplemental security income. The department may also contract with
26 a nonprofit rehabilitation organization to perform the evaluation
27 and assessment described under subsection (3). If the department

1 contracts with either a nonprofit legal or rehabilitation services
2 organization, uniform contracts shall be used statewide that
3 include, but are not limited to, uniform rates and performance
4 measures.

5 (5) The auditor general shall conduct an annual audit of the
6 evaluation and assessment process required under this section and
7 submit a report of his or her findings to the legislature.

8 (6) Except as provided in subsection (7) and beginning after
9 the date on which the department implements the policy described in
10 subsection (7), a family independence program assistance group
11 shall not receive family independence program assistance if a
12 member of the program group does not meet the attendance
13 requirements of section 1561 of the revised school code, 1976 PA
14 451, MCL 380.1561, with respect to a child under the age of 16.
15 Except as provided in subsection (7) and beginning after the date
16 on which the department implements the policy described in
17 subsection (7), if a member of the program group does not meet the
18 attendance requirements of section 1561 of the revised school code,
19 1976 PA 451, MCL 380.1561, with respect to a child age 16 and
20 above, the child shall be removed from the program group. The
21 department shall implement policies in accordance with this
22 subsection that are effective and binding on all program groups and
23 are exempt from the rule promulgation requirements of the
24 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
25 24.328.

26 (7) Not later than ~~1 year after the effective date of the~~
27 ~~amendatory act that added this subsection,~~ **JUNE 11, 2016**, the

1 department shall implement a policy that it must follow before
2 terminating a family independence program assistance group from
3 receiving family independence program assistance as provided in
4 subsection (6) or before removing a child from the program group as
5 provided in subsection (6). The department shall apply the policy
6 described in this subsection before removing a family independence
7 program assistance group from receiving family independence program
8 assistance as described in subsection (6) and before removing a
9 child from a family independence program assistance group as
10 described in subsection (6).

11 Enacting section 1. This amendatory act takes effect January
12 1, 2020.