



HOUSE BILL No. 5714

March 28, 1996, Introduced by Reps. Scott, Vaughn, Stallworth, Parks, Wallace, DeMars, Hanley and Pitoniak and referred to the Committee on Human Services.

A bill to amend section 57a of Act No. 280 of the Public Acts of 1939, entitled as amended "The social welfare act," as added by Act No. 223 of the Public Acts of 1995, being section 400.57a of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 57a of Act No. 280 of the Public Acts of
2 1939, as added by Act No. 223 of the Public Acts of 1995, being
3 section 400.57a of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 57a. (1) The family independence agency shall estab-
6 lish and administer the family independence program to provide
7 assistance to families who are making efforts to achieve
8 independence.

1 (2) The family independence agency shall administer the
2 family independence program to accomplish all of the following:

3 (a) Provide financial support to eligible families while
4 they pursue self-improvement activities and engage in efforts to
5 become financially independent.

6 (b) Ensure that recipients who are minor parents live in
7 adult-supervised households in order to reduce long-term depen-
8 dency on financial assistance.

9 (c) Assist families in determining and overcoming the barri-
10 ers preventing them from achieving financial independence.

11 (d) Ensure that families pursue other sources of support
12 available to them.

13 (3) The family independence agency shall establish income
14 and asset levels for eligibility, types of income and assets to
15 be considered in making eligibility determinations, payment stan-
16 dards, composition of the program group and the family indepen-
17 dence assistance group, program budgeting and accounting methods,
18 and client reporting requirements to meet the following goals:

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

21 (b) Provision of family independence assistance to families
22 willing to work toward eventual self-sufficiency.

23 (4) POLICIES REGARDING TYPES OF INCOME AND ASSETS TO BE CON-
24 sidered for eligibility shall include the following:

25 (A) A RECIPIENT'S BUSINESS ASSETS USED IN A SELF-EMPLOYMENT
26 ENTERPRISE SHALL BE EVALUATED AND SEPARATED FROM THE RECIPIENT'S
27 PERSONAL ASSETS. UP TO \$5,000.00 IN SELF-EMPLOYMENT BUSINESS

1 ASSETS SHALL BE DISREGARDED, FOR A PERIOD OF NOT MORE THAN 2
2 YEARS, IN THE DETERMINATION OF ELIGIBILITY FOR FAMILY INDEPEN-
3 DENCE ASSISTANCE.

4 (B) IF A RECIPIENT'S INCOME OR RETURN ON CAPITAL FROM A
5 SELF-EMPLOYMENT ENTERPRISE IS REINVESTED IN THE ENTERPRISE, THAT
6 INCOME OR RETURN ON CAPITAL SHALL BE DISREGARDED IN THE DETERMI-
7 NATION OF ELIGIBILITY FOR FAMILY INDEPENDENCE ASSISTANCE.