

Act No. 574  
Public Acts of 2018  
Approved by the Governor  
December 28, 2018  
Filed with the Secretary of State  
December 28, 2018  
EFFECTIVE DATE: January 1, 2020

**STATE OF MICHIGAN  
99TH LEGISLATURE  
REGULAR SESSION OF 2018**

**Introduced by Senators Schmidt, Emmons, Proos, Hansen, Hildenbrand, MacGregor, Jones and Knollenberg**

# **ENROLLED SENATE BILL No. 752**

AN ACT to amend 1939 PA 280, entitled “An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates,” 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:*

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

(a) “Adult-supervised household” means either of the following:

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

(ii) A living arrangement not described in subparagraph (i) that the department approves as a family setting that provides care and control of a minor parent and his or her child and supportive services including, but not limited to, counseling, guidance, or supervision.

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

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

(i) Under the age of 18.

- (ii) Age 18 and a full-time high school student.
- (d) "Family" means 1 or more of the following:
  - (i) A household consisting of a child and either of the following:
    - (A) A parent or stepparent of the child.
    - (B) A caretaker of the child.
  - (ii) A pregnant woman.
  - (iii) A parent of a child in foster care.
- (e) "Family independence program assistance" means financial assistance provided to a family under the family independence program.
- (f) "Family independence program assistance group" means all those members of a program group who receive family independence program assistance.
- (g) "Family independence program" means the program of financial assistance established under section 57a.
- (h) "Family self-sufficiency plan" means a document described in section 57e that is executed by a family in return for receiving family independence program assistance.
- (i) "Medical review team" means the team composed of a disability examiner and a physician as a medical consultant who certifies disability for the purpose of eligibility for assistance under this act.
- (j) "Negative action period" means the time frame a client is given notice for a benefit decrease or closure of the family independence program benefit.
- (k) "Minor parent" means an individual under the age of 18 who is not emancipated under 1968 PA 293, MCL 722.1 to 722.6, and who is either the biological parent of a child living in the same household or a pregnant woman.
- (l) "PATH program" means the PATH: partnership. accountability. training. hope. work partnership program. A reference to the JET program means the PATH program.
- (m) "Payment standard" means the standard upon which family independence program assistance benefits are based.
- (n) "Program group" means a family and all those individuals living with a family whose income and assets are considered for purposes of determining financial eligibility for family independence program assistance, except as provided in section 57a(6).
- (o) "Recipient" means an individual receiving family independence program assistance.
- (p) "Substance abuse" means that term as defined in section 100d of the mental health code, 1974 PA 258, MCL 330.1100d.
- (q) "Substance abuse treatment" means outpatient or inpatient services or participation in Alcoholics Anonymous or a similar program.
- (r) "Supplemental security income" means the program of supplemental security income provided under title XVI.
- (2) A reference in this act to "aid to dependent children" or "aid to families with dependent children" means "family independence program assistance".

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

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

- (a) Provide financial support to eligible families while they pursue self-improvement activities and engage in efforts to become financially independent.
  - (b) Ensure that recipients who are minor parents live in adult-supervised households in order to reduce long-term dependency on financial assistance.
  - (c) Assist families in determining and overcoming the barriers preventing them from achieving financial independence.
  - (d) Ensure that families pursue other sources of support available to them.
- (3) The department shall establish income and asset levels for eligibility, types of income and assets to be considered in making eligibility determinations, payment standards, composition of the program group and the family independence program assistance group, program budgeting and accounting methods, and client reporting requirements to meet the following goals:
- (a) Efficient, fair, cost-effective administration of the family independence program.
  - (b) Provision of family independence program assistance to families willing to work toward eventual self-sufficiency.

(4) In accordance with 42 USC 608(a)(7)(A) and 45 CFR 260.31, the department shall not provide family independence program assistance to any program group that includes an adult who has received assistance under any state program funded with temporary assistance for needy families for more than 60 months, whether or not consecutive, after October 1, 1996. This subsection does not apply to a program group that includes an adult who is exempt from participation in the PATH program under section 57f(3) or (4)(b), (e), or (f), if that adult also was exempt from participation in the former JET program under section 57f(3) or (4)(b), (e), or (f) on January 9, 2013. No other provision of this act prohibits the department from terminating family independence program assistance under this subsection.

(5) Except as provided in subsections (6) and (7), when determining financial eligibility for family independence program assistance, the department shall disregard the income of a new parent or new stepparent, who becomes a new program group member as the result of marriage, from 1 month after the date of the marriage until 18 months after that date unless the income disregard results in a decrease of eligible assistance. Disregard of a new parent's or new stepparent's income only applies if the program group's income and assets do not exceed twice the income and asset limits set by the department.

(6) A new parent or stepparent described in subsection (5) and his or her children shall not be included in determining an increase in the size of the recipient's program group. If the recipient wishes to increase the size of his or her program group as a result of marriage, he or she may choose to reject the income disregard described in subsection (5). If the recipient rejects the income disregard described in subsection (5), his or her new spouse and the spouse's children, as determined by the department under federal rules and regulations, may be included in determining the size of the recipient's program group.

(7) The income disregard described in subsection (5) and section 57b(1)(b) only applies if the department receives approval from the federal government to implement this program.

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

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

(b) Is a member of a program group whose income and assets are less than the income and asset limits set by the department. Except as provided in section 57a(6) and (7), when determining a program group's income and assets, the department shall disregard the income and assets of a new parent or new stepparent, who becomes a new program group member as the result of marriage, from 1 month after the date of the marriage until 18 months after that date unless the income and assets disregard results in a decrease of eligible assistance. The disregard of a new parent's or new stepparent's income and assets only applies if the program group's income and assets do not exceed twice the income and asset limits set by the department.

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

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

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

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

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

(2) A minor parent and the minor parent's child shall not receive family independence program assistance unless they live in an adult-supervised household. The family independence program assistance shall be paid on behalf of the minor parent and child to an adult in the adult-supervised household. Child care in conjunction with participation in education, employment readiness, training, or employment programs, that have been approved by the department, shall be provided for the minor parent's child. The minor parent and child shall live with the minor parent's parent, stepparent, or legal guardian unless the department determines that there is good cause for not requiring the minor parent and child to live with a parent, stepparent, or legal guardian. The department shall determine the circumstances that constitute good cause, based on a parent's, stepparent's, or guardian's unavailability or unwillingness or based on a reasonable belief that there is physical, sexual, or substance abuse, or domestic violence, occurring in the household, or that there is other risk to the physical or emotional health or safety of the minor parent or child. If the department determines that there is good cause for not requiring a minor parent to live with a parent, stepparent, or legal guardian, the minor parent and child shall live in another adult-supervised household. A local office director may waive the requirement set forth in this subsection with respect to a minor parent who is at least 17 years of age, attending secondary school full-time, and participating in a department service plan or a teen parenting program, if moving would require the minor parent to change schools.

(3) If a recipient who is otherwise eligible for family independence program assistance under this section is currently applying for supplemental security income and seeking exemption from the PATH program, the recipient shall be evaluated and assessed as provided in this section before a family self-sufficiency plan is developed under section 57e.

Based on a report resulting from the evaluation and assessment, the caseworker shall make a determination and referral as follows:

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

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

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

(4) The department may contract with a legal services organization to assist recipients with the process for applying for supplemental security income. The department may also contract with a nonprofit rehabilitation organization to perform the evaluation and assessment described under subsection (3). If the department contracts with either a nonprofit legal or rehabilitation services organization, uniform contracts shall be used statewide that include, but are not limited to, uniform rates and performance measures.

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

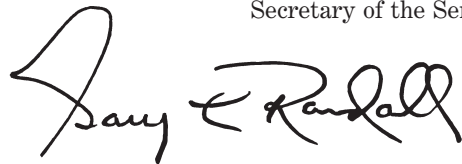
(6) Except as provided in subsection (7) and beginning after the date on which the department implements the policy described in subsection (7), a family independence program assistance group shall not receive family independence program assistance if a member of the program group does not meet the attendance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

(7) Not later than June 11, 2016, the department shall implement a policy that it must follow before terminating a family independence program assistance group from receiving family independence program assistance as provided in subsection (6) or before removing a child from the program group as provided in subsection (6). The department shall apply the policy described in this subsection before removing a family independence program assistance group from receiving family independence program assistance as described in subsection (6) and before removing a child from a family independence program assistance group as described in subsection (6).

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



Secretary of the Senate



Clerk of the House of Representatives

Approved .....

.....  
Governor