

HOUSE BILL No. 4394

March 21, 2017, Introduced by Reps. Chang, Pagan, Hammoud, Love, Yanez, Neeley, Wittenberg, Moss, Sneller, Phelps, Geiss, Hoadley, Gay-Dagnogo, Rabhi, Ellison and LaGrand and referred to the Committee on Local Government.

A bill to amend 1939 PA 280, entitled "The social welfare act," (MCL 400.1 to 400.119b) by adding sections 14m, 14n, 14o, and 14p.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 14M. AS USED IN THIS SECTION AND SECTIONS 14N TO 14P:**

2 **(A) "ELIGIBLE CUSTOMER" MEANS A PROVIDER'S CUSTOMER WHOSE**
3 **HOUSEHOLD INCOME DOES NOT EXCEED 200% OF THE FEDERAL POVERTY**
4 **GUIDELINES OR WHO MEETS ANY OF THE FOLLOWING REQUIREMENTS:**

5 **(i) HAS RECEIVED ASSISTANCE FROM A STATE EMERGENCY RELIEF**
6 **PROGRAM WITHIN THE PAST YEAR.**

7 **(ii) RECEIVES FOOD ASSISTANCE UNDER THE FEDERAL SUPPLEMENTAL**
8 **NUTRITION ASSISTANCE PROGRAM ADMINISTERED BY THE STATE.**

9 **(iii) RECEIVES MEDICAL ASSISTANCE ADMINISTERED THIS ACT.**

10 **(iv) RECEIVES ANY OTHER FORM OF FEDERAL OR STATE PUBLIC**
11 **ASSISTANCE.**

1 (B) "NONAFFORDABILITY AFFIDAVIT" MEANS THE NONAFFORDABILITY
2 AFFIDAVIT PROVIDED TO AN INDIVIDUAL UNDER SECTION 3 OF THE WATER
3 SHUTOFF PROTECTION ACT.

4 (C) "PROVIDER" MEANS ANY WATER AND SEWERAGE SYSTEM THAT
5 PROVIDES WATER OR SEWERAGE SERVICE IN THIS STATE.

6 (D) "TASK FORCE" MEANS THE TASK FORCE CREATED IN SECTION 140.

7 (E) "WATER RATE AFFORDABILITY PROGRAM" OR "WRAP" MEANS THE
8 WATER RATE AFFORDABILITY PROGRAM CREATED IN SECTION 14N.

9 SEC. 14N. (1) THE WATER RATE AFFORDABILITY PROGRAM IS CREATED
10 WITHIN THE DEPARTMENT TO ADDRESS REDUCTION OR RETIRING OF WATER AND
11 SEWERAGE BILL ARREARAGES AND TO ENSURE THAT AN ELIGIBLE CUSTOMER'S
12 MONTHLY WATER AND SEWERAGE BILL IS BASED ON THE ELIGIBLE CUSTOMER'S
13 HOUSEHOLD INCOME. THE DEPARTMENT SHALL DEVELOP AND ADMINISTER THE
14 WATER RATE AFFORDABILITY PROGRAM CREATED UNDER THIS ACT.

15 (2) NOT LATER THAN 30 DAYS AFTER THE DEPARTMENT RECEIVES A
16 SIGNED NONAFFORDABILITY AFFIDAVIT, THE DEPARTMENT SHALL COMPLETE AN
17 INCOME ELIGIBILITY REVIEW TO DETERMINE IF THE INDIVIDUAL MEETS THE
18 ELIGIBILITY REQUIREMENT FOR THE WATER RATE AFFORDABILITY PROGRAM.
19 THE DEPARTMENT SHALL DETERMINE ELIGIBILITY FOR THE WATER RATE
20 AFFORDABILITY PROGRAM THROUGH THE SAME PROCESS BY WHICH IT
21 DETERMINES ELIGIBILITY FOR CASH ASSISTANCE UNDER THIS ACT.

22 (3) IN ADDITION TO ANY OTHER VERIFICATION OF INCOME ACCEPTED
23 BY THE DEPARTMENT, THE DEPARTMENT MAY ACCEPT A FEDERAL INCOME TAX
24 RETURN AS DOCUMENTATION OF INCOME. WHEN APPLICABLE, THE DEPARTMENT
25 SHALL USE PUBLICLY AVAILABLE INFORMATION REGARDING STANDARD BENEFIT
26 AMOUNTS FOR SUPPLEMENTAL SECURITY INCOME AND TEMPORARY ASSISTANCE
27 FOR NEEDY FAMILIES. AN APPLICANT HAS NO OBLIGATION TO PROVIDE

1 CONFIRMATION OF THE AMOUNT OF BENEFITS HE OR SHE RECEIVES FROM
2 SUPPLEMENTAL SECURITY INCOME AND TEMPORARY ASSISTANCE TO NEEDY
3 FAMILIES.

4 (4) ELIGIBILITY FOR THE WATER RATE AFFORDABILITY PROGRAM IN
5 ALL CASES REQUIRES A SHOWING OF FINANCIAL HARDSHIP OR AN INABILITY
6 TO PAY A PROVIDER FOR SERVICES RENDERED. AN APPLICANT WHO
7 DEMONSTRATES A MONTHLY INCOME THAT DOES NOT EXCEED 200% OF THE
8 FEDERAL POVERTY GUIDELINES AS DETERMINED BY THE DEPARTMENT HAS
9 SATISFIED THIS ELIGIBILITY REQUIREMENT.

10 (5) IF, UPON THE DEPARTMENT'S DETERMINATION OF THE
11 INDIVIDUAL'S HOUSEHOLD INCOME, THE DEPARTMENT FINDS THAT THE
12 INDIVIDUAL IS AN ELIGIBLE CUSTOMER, THE DEPARTMENT SHALL PROVIDE
13 THAT INFORMATION, AS WELL AS THE ELIGIBLE CUSTOMER'S HOUSEHOLD
14 INCOME, TO THE ELIGIBLE CUSTOMER'S PROVIDER. UPON RECEIPT OF THE
15 INFORMATION FROM THE DEPARTMENT UNDER THIS SUBSECTION, THE ELIGIBLE
16 CUSTOMER'S PROVIDER SHALL CHARGE THE ELIGIBLE CUSTOMER A RATE THAT
17 IS AFFORDABLE BASED ON THE ELIGIBLE CUSTOMER'S HOUSEHOLD INCOME AS
18 DETERMINED BY THE DEPARTMENT. ALTERNATIVELY, THE DEPARTMENT MAY
19 PROVIDE A SUBSIDY TO THE ELIGIBLE CUSTOMER BASED ON THE
20 DEPARTMENT'S DETERMINATION OF THE ELIGIBLE CUSTOMER'S HOUSEHOLD
21 INCOME.

22 (6) THE DEPARTMENT SHALL INFORM THE INDIVIDUAL OF THE
23 DETERMINATION OF WHETHER OR NOT HE OR SHE IS AN ELIGIBLE CUSTOMER.
24 IF THE INDIVIDUAL IS AN ELIGIBLE CUSTOMER, THE DEPARTMENT SHALL
25 PROVIDE HIM OR HER WITH INFORMATION REGARDING THE WATER RATE
26 AFFORDABILITY PROGRAM AND THE RATE TO BE CHARGED BY THE PROVIDER.

27 SEC. 140. (1) NOT LATER THAN 30 DAYS AFTER THE EFFECTIVE DATE

1 OF THE AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT SHALL
2 CREATE A WATER RATE AFFORDABILITY PROGRAM TASK FORCE.

3 (2) THE DEPARTMENT DIRECTOR SHALL APPOINT MEMBERS OF THE TASK
4 FORCE THAT INCLUDE, BUT ARE NOT LIMITED TO, REPRESENTATIVES OF
5 PROVIDERS AND WATER AND SEWERAGE CUSTOMER ADVOCACY GROUPS.

6 (3) THE TASK FORCE SHALL DO ALL OF THE FOLLOWING:

7 (A) DISCUSS, AND ADVISE THE DEPARTMENT ON, BEST PRACTICES FOR
8 ADMINISTERING THE WATER RATE AFFORDABILITY PROGRAM.

9 (B) BY NO LATER THAN MARCH 1, 2016, CREATE A PLAN FOR THE
10 WATER RATE AFFORDABILITY PROGRAM THAT IS BASED ON HOUSEHOLD INCOME,
11 THAT ADDRESSES WATER AND SEWERAGE BILL ARREARAGES, AND THAT
12 INCLUDES, BUT IS NOT LIMITED TO, WRAP FUNDING AND COORDINATION OF
13 VOLUNTARY CHECK-OFF CONTRIBUTIONS WITH PROVIDERS. THIS PLAN SHALL
14 BE IMPLEMENTED BY THE DEPARTMENT NO LATER THAN OCTOBER 1, 2016.

15 SEC. 14P. (1) THE WATER RATE AFFORDABILITY PROGRAM FUND IS
16 CREATED WITHIN THE STATE TREASURY.

17 (2) THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS FROM
18 ANY SOURCE FOR DEPOSIT INTO THE FUND, INCLUDING, BUT NOT LIMITED
19 TO, MONEY RECEIVED FROM A VOLUNTARY CHECKOFF ON WATER AND SEWERAGE
20 BILLS AS PROVIDED IN THE WATER SHUTOFF PROTECTION ACT. THE STATE
21 TREASURER SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE
22 TREASURER SHALL CREDIT TO THE FUND INTEREST AND EARNINGS FROM FUND
23 INVESTMENTS.

24 (3) MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR SHALL
25 REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.

26 (4) THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR
27 AUDITING PURPOSES.

1 (5) THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, UPON
2 APPROPRIATION, ONLY FOR 1 OR MORE OF THE FOLLOWING PURPOSES:

3 (A) ADMINISTRATION OF THE WATER RATE AFFORDABILITY PROGRAM.

4 (B) PROVIDING OF A SUBSIDY TO ELIGIBLE CUSTOMERS AS DETERMINED
5 NECESSARY BY THE DEPARTMENT.

6 Enacting section 1. This amendatory act takes effect 90 days
7 after the date it is enacted into law.

8 Enacting section 2. This amendatory act does not take effect
9 unless Senate Bill No. ____ or House Bill No. ____ (request no.
10 00446'17) of the 99th Legislature is enacted into law.