

**STATE OF MICHIGAN  
96TH LEGISLATURE  
REGULAR SESSION OF 2012**

**Introduced by Senators Caswell, Nofs, Bieda, Gleason, Hopgood, Hunter, Jansen, Johnson, Pappageorge  
and Richardville**

# **ENROLLED SENATE BILL No. 1135**

AN ACT to provide energy assistance for low-income households; and to prescribe certain powers and duties of certain state departments and agencies.

*The People of the State of Michigan enact:*

Sec. 1. This act shall be known and may be cited as the “Michigan energy assistance act”.

Sec. 2. As used in this act:

(a) “Crisis” means 1 of the following:

(i) An individual or recipient has received a past due notice on an energy bill for his or her household.

(ii) A residential fuel tank is estimated to contain not more than 25% of its heating fuel capacity.

(iii) A stated need for deliverable fuel or a nontraditional fuel source in which there is no meter or regular energy bill provided.

(iv) A notice that the balance in a prepayment account is below a minimum amount.

(b) “Department” means the department of human services.

(c) “Eligible low-income household” means a household with a household income of not more than 150% of the federal poverty guidelines.

(d) “Energy assistance” means a program to assist eligible low-income households in meeting their home energy costs for their primary residence through payment or partial payment of bills for 1 or more of the following:

(i) Electricity.

(ii) Natural gas.

(iii) Propane.

(iv) Heating oil.

(v) Any other deliverable fuel used to provide heat.

(e) “Federal poverty guidelines” means the poverty guidelines published annually in the federal register by the United States department of health and human services under its authority to revise the poverty line under section 673(2) of subtitle B of title VI of the omnibus budget reconciliation act of 1981, 42 USC 9902.

(f) “Funds” means a portion of the money received from the federal low income home energy assistance program block grant that is not used for the home heating credit, money received from the low-income energy assistance fund, or any other money appropriated for this program.

(g) “Program” means the Michigan energy assistance program established in section 3.

Sec. 3. (1) Subject to state appropriations, not later than October 1, 2013, the department shall establish and administer the Michigan energy assistance program statewide to provide energy assistance to eligible low-income households.

(2) The department may use funds received from a federal energy assistance program and any funds collected or appropriated to fund the program. The department shall distribute the funds described in this subsection for energy assistance and may use a portion of the funds for necessary administrative expenses. Necessary administrative expenses shall be calculated using an established cost allocation methodology.

(3) Energy assistance must include services that will enable participants to become or move toward becoming self-sufficient, including assisting participants in paying their energy bills on time, assisting participants in budgeting for and contributing to their ability to provide for energy expenses, and assisting participants in utilizing energy services to optimize on energy efficiency. By October 1, 2014, each entity that carries out a contract with the department under this section shall provide or coordinate these services. The department shall attempt to coordinate its efforts with the efforts of other state departments or agencies to assist low-income households in becoming or moving toward becoming self-sufficient.

(4) The department shall develop a simplified, single application for all applicants to use to apply for energy assistance under the program. The single application shall be made available to all entities that contract with the department to provide services under the program.

(5) Not later than December 1, 2014, and annually after that, the department shall provide a report to the legislature, the senate and house appropriations subcommittees on the department budget, the senate and house committees on issues relating to energy, and the senate and house fiscal agencies on how money from the program created in this act was distributed.

Sec. 4. (1) The department shall only use money from the low-income energy assistance fund for energy assistance.

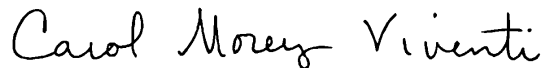
(2) Money from the low-income energy assistance fund may be used for the program's crisis season, which begins on November 1 and ends May 31 each year. Not more than 30% of the funds received for the program shall be spent outside of the crisis season.

Sec. 5. (1) The department, in consultation with the Michigan public service commission, may contract with different public or private entities or local units of government to provide energy assistance.

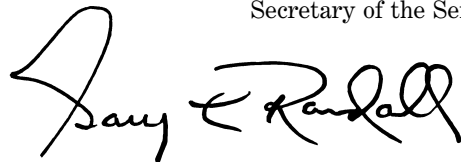
(2) The department shall include clear performance metrics in any contract with an entity under this section.

(3) Except as provided in this subsection, an entity with which the department contracts under subsection (1) shall use not less than 92% of the funds received from the department for energy assistance. An entity with which the department contracts under subsection (1) may, upon approval from the department, use less than 92% but not less than 90% of the funds received for the program for energy assistance.

Sec. 6. This act does not apply after September 30, 2016.



Secretary of the Senate



Clerk of the House of Representatives

Approved .....

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Governor