

SENATE BILL NO. 240

March 21, 2019, Introduced by Senators ALEXANDER, CHANG, GEISS, WOJNO, IRWIN, HERTEL, ANANICH and MOSS and referred to the Committee on Environmental Quality.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 14m. As used in this section and sections 14n to 14q:**
2 **(a) "Eligible customer" means a provider's customer whose**
3 **household income does not exceed 200% of the federal poverty**

1 guidelines or who meets any of the following requirements:

2 (i) Has received assistance from a state emergency relief
3 program within the past year.

4 (ii) Receives food assistance under the federal Supplemental
5 Nutrition Assistance Program administered by the state.

6 (iii) Receives medical assistance administered under this act.

7 (iv) Receives any other form of federal or state public
8 assistance.

9 (b) "Low-income water residential affordability program" means
10 the low-income water residential affordability program created in
11 section 14n.

12 (c) "Nonaffordability application" means a form that the
13 department must develop to trigger an income eligibility review for
14 the low-income water residential affordability program. The
15 nonaffordability application must include the option of
16 authorization for release of the customer's information to the
17 provider.

18 (d) "Provider" means any water and sewerage system that
19 provides water or sewerage service in this state.

20 (e) "Task force" means the task force created in section 14p.

21 Sec. 14n. (1) The low-income water residential affordability
22 program is created within the department to address reduction or
23 retiring of water and sewerage bill arrearages and to ensure that
24 an eligible customer's monthly water and sewerage bill is based on
25 the eligible customer's household income. The department shall
26 develop and administer the low-income water residential
27 affordability program created under this act.

28 (2) Not later than 30 days after the department receives a
29 signed nonaffordability application, the department shall complete

1 an income eligibility review to determine if the individual meets
2 the eligibility requirement for the low-income water residential
3 affordability program. The department shall determine eligibility
4 for the low-income water residential affordability program using
5 the same process by which it determines eligibility for cash
6 assistance under this act. The department shall immediately notify
7 the provider it has begun the eligibility review and that the
8 provider shall not pursue shutoff during the review. The department
9 shall send notification to the applicant and the provider about the
10 results of the eligibility review promptly once that review is
11 completed.

12 (3) In addition to any other verification of income accepted
13 by the department, the department may accept a federal income tax
14 return as documentation of income. When applicable, the department
15 must use publicly available information regarding standard benefit
16 amounts for supplemental security income and temporary assistance
17 for needy families. An applicant has no obligation to provide
18 confirmation of the amount of benefits he or she receives from
19 supplemental security income and temporary assistance to needy
20 families.

21 (4) If, upon the department's determination of the
22 individual's household income, the department finds that the
23 individual is an eligible customer, the department shall provide
24 that information, as well as the eligible customer's household
25 income, to that eligible customer's provider. Upon receipt of the
26 information from the department under this subsection, the eligible
27 customer's provider shall charge the eligible customer a rate that
28 is affordable based on the eligible customer's household income as
29 determined by the department. Alternatively, the department may

1 provide a subsidy to the eligible customer based on the
2 department's determination of the eligible customer's household
3 income.

4 (5) The department shall inform the individual of the
5 determination of whether or not he or she is an eligible customer.
6 If the individual is an eligible customer, the department shall
7 provide him or her with information regarding the low-income water
8 residential affordability program and the rate to be charged by the
9 provider.

10 Sec. 14o. (1) Each provider shall give notice to its customers
11 regarding the availability of the low-income water residential
12 affordability program and the process to apply for that program.
13 The notice required under this subsection must be given to each
14 customer in writing at least 1 time per year and by posting on the
15 provider's website.

16 (2) The department must inform all persons receiving services
17 from the department regarding the availability of the low-income
18 water residential affordability program and the process to apply
19 for that program.

20 Sec. 14p. (1) Not later than 30 days after the effective date
21 of the amendatory act that added this section, the department shall
22 create a low-income water residential affordability program task
23 force.

24 (2) The department director shall appoint members of the task
25 force that include, but are not limited to, representatives of
26 providers and water and sewerage customer advocacy groups.

27 (3) The task force shall do all of the following:

28 (a) Discuss, and advise the department on, best practices for
29 administering the low-income water residential affordability

1 program.

2 (b) By no later than March 1, 2020, create a plan for the low-
3 income water residential affordability program that is based on
4 household income, that addresses water and sewerage bill
5 arrearages, and that includes, but is not limited to, funding and
6 coordination of voluntary check-off contributions with providers.
7 This plan shall be implemented by the department no later than
8 October 1, 2020.

9 Sec. 14q. (1) The low-income water residential affordability
10 program fund is created within the state treasury.

11 (2) The state treasurer may receive money or other assets from
12 any source for deposit into the fund, including, but not limited
13 to, money received from a voluntary checkoff on water and sewerage
14 bills as provided in the water shutoff protection act. The state
15 treasurer shall direct the investment of the fund. The state
16 treasurer shall credit to the fund interest and earnings from fund
17 investments.

18 (3) Money in the fund at the close of the fiscal year shall
19 remain in the fund and shall not lapse to the general fund.

20 (4) The department shall be the administrator of the fund for
21 auditing purposes.

22 (5) The department shall expend money from the fund, upon
23 appropriation, only for 1 or more of the following purposes:

24 (a) Administration of the low-income water residential
25 affordability program.

26 (b) Providing of a subsidy to eligible customers as determined
27 necessary by the department.

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

1 Enacting section 2. This amendatory act does not take effect
2 unless Senate Bill No. 241 of the 100th Legislature is enacted into
3 law.