

SENATE BILL NO. 18

January 22, 2025, Introduced by Senator IRWIN and referred to Committee on Housing and Human Services.

A bill to amend 1994 PA 203, entitled
"Foster care and adoption services act,"
(MCL 722.951 to 722.960) by adding section 8f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 8f. (1) The department shall do all of the following:**
2 **(a) At the discretion of the department, screen a child in**
3 **foster care for potential eligibility for state or federal benefits**
4 **within 90 days after the child enters foster care, and annually if**
5 **the child in foster care remains in foster care.**

1 (b) As appropriate, consult with the parents or guardian ad
2 litem, if one has been appointed, of a child in foster care to make
3 decisions regarding state and federal benefits in the best
4 interests of the child in foster care.

5 (c) Using information collected under subdivisions (a) and
6 (b), apply for state and federal benefits for which a child in
7 foster care may be eligible and is not already receiving, as
8 appropriate to the child's best interests.

9 (2) Except as otherwise provided in this subsection, this
10 state shall not use payments from state or federal benefits of a
11 child in foster care, or any other assets or income that the child
12 in foster care has earned, owned, or received, as reimbursement for
13 the cost of care for the child in foster care. The department may,
14 after appropriate consultation with the child in foster care's
15 parents or guardian ad litem, if one has been appointed, do 1 or
16 more of the following if the department determines that it is in
17 the best interests of the child in foster care:

18 (a) Use the child in foster care's state or federal benefits
19 for special needs services for the child in foster care that are
20 not otherwise provided by the department.

21 (b) Conserve the state or federal benefits for reasonably
22 foreseeable future special needs services for the child in foster
23 care.

24 (3) If the department applies for state or federal benefits
25 for a child in foster care, the department shall, in cooperation
26 with the child in foster care's guardian ad litem, if one has been
27 appointed, do either of the following:

28 (a) Provide information to assist payors of state or federal
29 benefits in identifying an appropriate representative payee or

1 fiduciary in accordance with the requirements of 20 CFR 404.2021
2 and 416.621, as applicable.

3 (b) Serve as the representative payee, if designated by a
4 payor of state or federal benefits, or fiduciary for the child in
5 foster care if payments cannot be made in accordance with
6 subdivision (a).

7 (4) Consistent with federal law, if the department serves as
8 the representative payee or in any other fiduciary capacity for a
9 child in foster care that receives state or federal benefits, the
10 department shall do all of the following until the department no
11 longer serves as the representative payee or fiduciary:

12 (a) Conserve the state or federal benefits in the child in
13 foster care's best interests or use the state or federal benefits
14 as authorized under subsection (2).

15 (b) Subject to subsection (2), appropriately monitor any asset
16 or resource limits for the state or federal benefits and ensure
17 that the child in foster care's best interests are served by using
18 or conserving the state or federal benefits in a way that avoids
19 violating any asset or resource limits that would affect the child
20 in foster care's continued eligibility to receive the state or
21 federal benefits.

22 (c) Provide an annual accounting to the child in foster care
23 and the child in foster care's guardian ad litem, if one has been
24 appointed, of how the child in foster care's state or federal
25 benefits have been used or conserved in accordance with this
26 section.

27 (5) If a child in foster care is 14 years of age or older and
28 is able to receive financial literacy training, the department
29 shall provide the child in foster care with financial literacy

1 training that are consistent with the needs of the child in foster
2 care.

3 (6) The department shall immediately notify a child in foster
4 care, through the child in foster care's guardian ad litem, if one
5 has been appointed, of any of the following:

6 (a) An application for state or federal benefits made on
7 behalf of the child in foster care or any application to become
8 representative payee for state or federal benefits on behalf of the
9 child in foster care.

10 (b) A decision or communication from this state or the federal
11 government regarding an application for state or federal benefits
12 described under subdivision (a).

13 (c) An appeal or other action requested by the department with
14 regard to an application for state or federal benefits described
15 under subdivision (a).

16 (7) If the department serves as the representative payee or
17 otherwise receives state or federal benefits on behalf of a child
18 in foster care, the department must provide notice to the child in
19 foster care, through the child in foster care's guardian ad litem,
20 if one has been appointed, of all of the following before each
21 permanency planning hearing regarding the child in foster care:

22 (a) The amount of state or federal benefits received on behalf
23 of the child in foster care since any previous notification to the
24 child in foster care's guardian ad litem, if one has been
25 appointed, and the date of each receipt.

26 (b) Information regarding the disposition of funds described
27 in subdivision (a) including an accounting of any funds disbursed
28 or expended and the balance of any deposit or trust accounts.

29 (8) The department shall facilitate the transfer of any assets

1 or income that the child in foster care has earned, owned, or
2 received to the child in foster care when the child in foster care
3 is discharged from foster care or reaches the age of 18, whichever
4 is sooner. The department shall assist the child in foster care in
5 nominating a representative payee, for consideration by a payor of
6 state or federal benefits, if applicable. If the child in foster
7 care dies while in foster care, the department shall facilitate the
8 transfer of any of the child in foster care's assets or income to
9 the heirs of the child in foster care. If the child in foster care
10 is discharged from foster care into the care of a parent, guardian,
11 or conservator, the department shall facilitate the transfer of any
12 assets or income to the parent, guardian, or conservator of the
13 child in foster care to be managed for the benefit of the child in
14 foster care. The department's responsibilities under this
15 subsection apply only to funds for which the department is the
16 payee or fiduciary.

17 (9) As appropriate, the department or the child in foster
18 care's guardian ad litem, if one has been appointed, shall file
19 timely appeals to a denial, overpayment, or cessation of state or
20 federal benefits on behalf of a child in foster care.

21 (10) A transfer of assets under this section must be in
22 accordance with the rules promulgated by United States Social
23 Security Administration.

24 (11) This section does not affect any additional notice
25 required by a state court.

26 (12) As used in this section:

27 (a) "Federal benefits" means either of the following:

28 (i) Social Security benefits.

29 (ii) United States Department of Veterans Affairs benefits.

1 **(b) "State benefits" means state supplemental payments for**
2 **recipients of federal supplemental security income.**

3 Enacting section 1. This amendatory act takes effect October
4 1, 2026.