PUBLIC ASSISTANCE HOME REPAIR, WEATHERIZATION, AND SHUTOFF PROTECTION ACT

Act 35 of 1984

AN ACT to provide for an energy analysis, housing weatherization, and limited repair program; and to prescribe certain powers and duties of certain state departments and agencies.

History: 1984, Act 35, Eff. Apr. 12, 1984

The People of the State of Michigan enact:

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400.1151 Short title.

Sec. 1.

This act shall be known and may be cited as the "public assistance home repair, weatherization, and shutoff protection act".

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1152 Meanings of words and phrases.

Sec. 2.

For purposes of this act, the words and phrases defined in sections 3 and 4 have the meanings ascribed to them in those sections.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1153 Definitions.

Sec. 3.

(1) "Assisted household" means the household of a person who is receiving a heating allowance as part of a grant of general assistance or aid to families with dependent children under the social welfare act, Act No. 280 of the Public Acts of 1939, being sections 400.1 to 400.121 of the Michigan Compiled Laws.

(2) "Home repairs" means energy-related structural repairs identified by a home energy analysis as being necessary or desirable before weatherization measures are installed. Home repairs include, but are not limited to, repair or replacement of windows, window frames, exterior doors, roofs, heating systems, and appropriate thermostats.

(3) "Low-income persons" means self-supporting individuals whose incomes are below 125% of poverty, as defined annually by the United States office of management and budget.

(4) "Weatherization measures" means the modification of homes and home heating systems to improve heating efficiency, including, but not limited to, caulking and weather-stripping, insulation of ceilings, attics, walls, floors, or water heaters, and installation of furnace ignition systems, clock thermostats, storm windows, or storm doors.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1154 Additional definitions.

Sec. 4.

(1) "Home energy analysis" means a survey, audit, report, and detailed evaluation performed by a program utility to assess which home repairs and weatherization measures can be applied to improve the energy efficiency of a residential structure, including estimates of materials needed, the cost of performing the work and the conservation results expected. A home energy analysis shall utilize procedures developed by the program utility for home energy analyses conducted pursuant to the Michigan residential conservation services plan administered by the Michigan public service commission, altered as necessary by this act.

(2) "Program utility" means an investor-owned electric or gas utility which provides energy analysis services to residents pursuant to the Michigan residential conservation services plan administered by the public service commission.

(3) "Shutoff protection" means the right accorded to an assisted household by which the household is protected against termination of heating utility service for nonpayment of bills.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1155 Payment for home repair work and weatherization measures performed; selection of assisted households.

Sec. 5.

The department of social services shall pay for home repair work performed pursuant to this act. The department of labor shall pay for weatherization measures performed pursuant to this act. Assisted households which annually consume in excess of 200,000 cubic feet of natural gas or an equivalent dollar value of other heating fuels shall be selected by the department for installation of home repair and weatherization measures. Assisted households shall be selected in the order of greatest to least consumption of natural gas or other heating fuels, except that all assisted households whose annual consumption exceeds 130% of the annual consumption caps specified in section 8 of the Michigan low income heating assistance and shut-off protection act, or the dollar equivalent in other heating fuels, shall be weatherized before September 30 of the state fiscal year in which the households were selected.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1156 Home energy analysis by program utility; report; utility surcharges not to increase; review and recovery of costs; limitation on allowable costs.

Sec. 6.

(1) The department of social services shall request that a program utility perform a home energy analysis for each assisted household the department selects under section 5.

(2) The program utility shall conduct the home energy analysis and shall forward a report to the department of social services which includes a designation of which home repairs and weatherization measures, if any, are cost effective for the assisted household. Home repairs and weatherization measures may include the installation of thermostats where none exist or where existing thermostats do not operate properly.

(3) The utility surcharges for the Michigan residential conservation services programs which exist on the effective date of this act shall not be increased as a result of the program utility performing the home energy analysis described in this section. The home energy

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analysis shall be performed instead of residential conservation service audits so that there is no increase in utility rates because of the home energy analysis program. The costs incurred by a program utility in performing the home energy analyses requested by the department shall be reviewed by the Michigan public service commission in its annual reconciliation proceedings associated with the Michigan residential conservation program. The Michigan public service commission shall authorize the program utility to recover the reasonable costs of the home energy analyses as part of the residential conservation program. The allowable costs for the Michigan residential conservation services program, including costs incurred for performing home energy analyses, shall not exceed the level of costs currently authorized by the Michigan public service commission on the effective date of this act.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1157 Authorization of home repairs and weatherization measures; prohibition; limitation of amount authorized.

Sec. 7.

(1) The department of social services shall have final authority to authorize the home repairs and weatherization measures, if any, which shall be performed on assisted households. The department of social services shall not authorize a home repair or weatherization measure which is not designated in the program utility's home energy analysis report conducted pursuant to section 6. The department of social services shall authorize for an assisted household an amount which is cost effective, and is within available resource constraints, but is not greater than $5,000.00 or 50% of the estimated market value of the assisted household's dwelling, as determined by the department of social services, whichever is less.

(2) After the completion of home repairs and weatherization services authorized for a dwelling under this act, the department of social services shall inspect home repair work and the department of labor shall inspect the weatherization measures performed pursuant to this act.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1158 Home repairs and weatherization measures for rental premises; written agreement; conditions; restrictions and duties binding on successor in ownership; relocation to another dwelling; discontinuing payments for rent.

Sec. 8.

(1) The department may authorize home repairs and weatherization measures for rental premises occupied by an assisted household only if the owner of the premises agrees in writing, on a form prescribed by the department of social services, to all of the following conditions:

(a) That the rent paid by the assisted household will not be increased for a period of 12 consecutive calendar months after completion of all home repairs and weatherization measures for the rental premises. The restriction described in this subdivision shall apply so long as the premises are rented to an assisted household.

(b) That during the 24 consecutive calendar months which begin at the end of the period described in subdivision (a), any percentage of increase in the rent charged to the assisted household will be not greater than the percentage increase for the same period in the rate of inflation as measured by the all urban Detroit consumer price index for all items except for

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increased costs which can be documented, such as increases in taxes, special assessments or increases brought about due to variable rate mortgages. The restriction in this subdivision shall apply so long as the premises are rented to an assisted household.

(c) That if, during a 5-year period beginning when the home repairs and weatherization measures are completed, the rental premises are rented to a person or persons other than an assisted household, the owner shall immediately pay to the department of social services an amount equal to 1/60 of the total expenditures for weatherization measures and home repairs for the rental premises, multiplied by the number of months left in the 5-year period.

(2) The restrictions and duties described in this section shall bind any successor in ownership of the rental premises to the extent of the time periods described in this section.

(3) If an owner of rental premises fails to agree to the conditions in subsection (1), the department of social services shall assist the assisted household in relocating to another dwelling. The department of social services shall discontinue payments for rent for a dwelling 12 months from the date it determines that the owner has failed to agree to the conditions under subsection (1), until the owner agrees to those conditions.

History: 1984, Act 35, Eff. Apr. 12, 1984

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400.1159 Expenditure of funds.

Sec. 9.

Subject to federal law, the department of social services shall authorize the expenditure of money appropriated for home repairs by the legislature and the federal government. The department of labor shall expend on assisted households at least 40% of the funds appropriated by the legislature for weatherization. The remaining funds appropriated by the legislature for weatherization shall be expended to serve low-income persons in accordance with the weatherization plan administered by the department of labor.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1160 Competitive bids or contractual arrangements for home repairs performed pursuant to MCL 339.2403; time limitation; installation of weatherization by private for-profit companies; completion date; rules; supervision; applicability of subsection (3).

Sec. 10.

(1) The department of social services may provide for home repairs to be performed either by seeking competitive bids on individual dwellings or by entering into contractual arrangements involving more than 1 dwelling. Home repairs shall be performed in accordance with section 2403 of the occupational code, Act No. 299 of the Public Acts of 1980, being section 339.2403 of the Michigan Compiled Laws. Home repairs shall be completed within 60 days of the date the repairs are authorized.

(2) When the department of social services authorizes the department of labor to perform the installation of weatherization measures as provided under this act, the department of labor shall ensure that private for-profit companies are offered the opportunity to perform the installation of weatherization measures. The percentage of work to be offered to private for-profit companies pursuant to this subsection shall be not less than 50% for the state fiscal year ending September 30, 1984; not less than 60% for the state fiscal year ending September 30, 1985; not less than 70% for the state fiscal year ending September 30, 1986; and not less than 75% for the state fiscal year ending September 30, 1987 and each state fiscal year thereafter.

The department of labor shall ensure that weatherization measures are completed within 60 days after notification has been received from the department of social services that authorized home repairs have been completed. The department of labor shall promulgate rules pursuant to this act that provide penalties for operators or contractors failing to complete weatherization of dwellings within 60 days of authorization.

(3) An individual authorized to perform installation of home weatherization measures shall be supervised by a person licensed under article 24 of Act No. 299 of the Public Acts of 1980. This subsection shall not apply until 12 months after the effective date of this act.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1161 Shutoff protection; duration; report; review and investigation of excess energy consumption; reduction of excess consumption; vacating dwelling; emergency needs recipient as resident.

Sec. 11.

(1) Program utilities shall provide shutoff protection to all dwellings occupied by assisted households which receive weatherization measures in accordance with this act. The shutoff protection shall begin with the department of social services' authorization, pursuant to section 7, of weatherization measures, and will continue in accordance with this section unless the department of social services notifies the program utility that it will not authorize the necessary work because the weatherization would not be cost effective. Shutoff protection for dwellings which receive weatherization measures in accordance with this act shall continue at least until the end of the first full fiscal year following the fiscal year during which the weatherization measures were completed. If an assisted household whose annual consumption exceeds 130% of the annual consumption caps specified in section 8 of the Michigan low income heating assistance and shut-off protection act, or the dollar equivalent in other heating fuels, has not been weatherized within the period required by section 5, the department of social services and the department of labor shall report to the legislative oversight committee created in section 13 on the reasons for such failure.

(2) If the dwelling is weatherized in accordance with this act and the consumption of the dwelling remains at the level projected in the home energy analysis, the dwelling will continue to receive shutoff protection for as long as an assisted household resides in the dwelling provided an assisted household continues to pay to the program utility the amount available for heat through the appropriate public assistance program, and the department of social services guarantees payment to the program utility for the difference between the level projected in the home energy analysis and the amounts available in the appropriate public assistance program.

(3) The department of social services shall, after the first full fiscal year following the completion of the authorized services, or sooner, if, in the department's estimation, the consumption of a dwelling remains at unexpectedly high levels, review and investigate the case of any assisted household consumption which exceeds the calculated consumption level. The department of social services shall determine the cause of the excess energy consumption.

(4) If, after review and investigation conducted pursuant to subsection (3), the department of social services concludes that reasonable and prudent action by the assisted household will eliminate the excess energy consumption, the department of social services shall advise the assisted household of measures to be taken to reduce excess consumption. If the assisted household does not comply with the department of social services' suggested corrections, and the household's actual consumption exceeds the calculated consumption level, the household

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shall not be entitled to shutoff protection for the remainder of the state fiscal year and for any subsequent state fiscal year until the assisted household complies with the suggested corrections.

(5) If, after a review and investigation conducted pursuant to subsection (3), the department of social services concludes that the excess consumption cannot be remedied by the assisted household, the department of social services shall use available resources and means to reduce the excess consumption.

(6) If an assisted household which is receiving shutoff protection vacates the dwelling which was weatherized in accordance with this act, the shutoff protection shall cease for that dwelling unless the new occupants are general assistance or aid to families with dependent children recipients who qualify for payments in accordance with subsection (2).

(7) If an emergency needs program recipient, other than a recipient of general assistance or aid to families with dependent children administered under the social welfare act, Act No. 280 of the Public Acts of 1939, being sections 400.1 to 400.121 of the Michigan Compiled Laws, takes up residence in a dwelling that has been weatherized under this program and the occupancy was within 2 years of the date of weatherization, and was immediately after an aid to dependent children or general assistance recipient moved out, the emergency needs recipient will, for purposes of this act, be treated in the same manner as an aid to dependent children or general assistance recipient in all respects by both the department of social services and the program utility.

History: 1984, Act 35, Eff. Apr. 12, 1984

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400.1162 Sale of dwelling by owner of assisted household; payment to department of social services.

Sec. 12.

If weatherization or home repairs are performed on a dwelling in which an assisted household resides and which is owned by the assisted household, a member of the assisted household, or a relative within the first degree of consanguinity of a member of the assisted household, and if, during a 3-year period beginning when the home repairs and weatherization measures are completed, the owner sells the dwelling, the owner shall immediately pay to the department of social services an amount equal to 1/36 of the total expenditures for weatherization measures and home repairs for the rental premises, multipled by the number of months left in the 3-year period.

History: 1984, Act 35, Eff. Apr. 12, 1984
Compiler's Notes: In the last line of Sec. 12, the word “multipled” evidently should read “multiplied.”

400.1163 Legislative oversight committee; creation; composition; report.

Sec. 13.

A legislative oversight committee is created. The committee shall consist of 3 members of the house of representatives appointed by the speaker of the house of representatives and 3 members of the senate appointed by the majority leader of the senate. The committee shall report to the legislature at intervals of 2 years each on the costs and benefits of the Michigan residential conservation services program, residential conservation programs provided for in section 6c of Act No. 3 of the Public Acts of 1939, the weatherization analysis provided for in this act, and residential conservation programs authorized by order of the Michigan public

service commission and existing on the effective date of this act, which are funded by utility surcharges. The report shall make recommendations to the legislature as to whether the costs and benefits of programs warrant continuation or modification.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1164 Rules.

Sec. 14.

The department shall promulgate rules to implement this act pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

History: 1984, Act 35, Eff. Apr. 12, 1984

400.1165 Conditional effective date.

Sec. 15.

This act shall not take effect unless all of the following bills of the 82nd Legislature are enacted into law:

(a) House Bill No. 4970.
(b) House Bill No. 4971.
(c) House Bill No. 4974.
(d) House Bill No. 4975.
(e) House Bill No. 4976.

History: 1984, Act 35, Eff. Apr. 12, 1984
Compiler's Notes: The following House Bills, referred to in Sec. 15, were enacted into law as follows:House Bill No. 4970 was approved by the Governor on March 22, 1984, and became P.A. 1984, No. 34.House Bill No. 4971 was approved by the Governor on March 22, 1984, and became P.A. 1984, No. 36.House Bill No. 4974 was approved by the Governor on March 22, 1984, and became P.A. 1984, No. 37.House Bill No. 4975 was approved by the Governor on April 12, 1984, and became P.A. 1984, No. 49.House Bill No. 4976 was approved by the Governor on March 12, 1984, and became P.A. 1984, No. 26.

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