

THE SOCIAL WELFARE ACT (EXCERPT)
Act 280 of 1939

400.63 Aid, relief, or assistance; nonassignability; breach of lease agreement; conveyance of amount to judgment creditor; federal waiver; processing fee; biennial report; "recipient" defined.

Sec. 63. (1) Except as provided in subsection (2), all aid, relief, or assistance given under this act is absolutely inalienable by any assignment, sale, garnishment, execution, or otherwise, and in the event of bankruptcy, shall not pass to or through any trustee or other person acting on behalf of creditors.

(2) To the extent allowed by law, if a judgment is entered against a recipient for damages arising from the recipient's breach of an oral or written lease agreement for rental housing and the judgment creditor submits a certified copy of the judgment to the department, the department shall deduct up to 10% of each cash grant for which the department determines the recipient is eligible and convey that amount to the judgment creditor until the judgment is satisfied. This subsection applies only to a lease agreement for property that has not been found to be in violation of an applicable housing code by a state or local agency authorized to enforce housing laws. This subsection does not create a cause of action against the department for damages caused by a recipient's breach of a lease agreement.

(3) If a federal waiver is necessary to implement subsection (2), the department shall promptly seek the waiver. In the absence of a necessary waiver, the department shall apply this section only to recipients of assistance programs financed entirely by state or local revenues.

(4) The judgment creditor shall pay a \$1.00 processing fee to the department for each payment made under subsection (2). The department may deduct the processing fee from each payment made to the judgment creditor.

(5) The department shall include in its biennial report required under section 17 the number of cases and the dollar amounts deducted under subsection (2). The report shall include statewide totals and information broken down by county.

(6) As used in this section, "recipient" means an individual receiving direct cash assistance under this act.

History: 1939, Act 280, Imd. Eff. June 16, 1939;—CL 1948, 400.63;—Am. 1995, Act 235, Eff. Mar. 28, 1996.

Popular name: Act 280