

# HOUSE BILL No. 4195

January 30, 1997, Introduced by Reps. Scott, DeHart, LaForge, Varga, Murphy, Schermesser, Hale, Parks and Vaughn and referred to the Committee on Human Services and Children.

A bill to amend 1939 PA 280, entitled  
"The social welfare act,"  
by amending section 57a (MCL 400.57a), as added by 1995 PA 223.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 57a. (1) The family independence agency shall estab-  
2 lish and administer the family independence program to provide  
3 assistance to families who are making efforts to achieve  
4 independence.

5       (2) The family independence agency shall administer the  
6 family independence program to accomplish all of the following:

7       (a) Provide financial support to eligible families while  
8 they pursue self-improvement activities and engage in efforts to  
9 become financially independent.

1 (b) Ensure that recipients who are minor parents live in  
2 adult-supervised households in order to reduce long-term  
3 dependency on financial assistance.

4 (c) Assist families in determining and overcoming the barri-  
5 ers preventing them from achieving financial independence.

6 (d) Ensure that families pursue other sources of support  
7 available to them.

8 (3) The family independence agency shall establish income  
9 and asset levels for eligibility, types of income and assets to  
10 be considered in making eligibility determinations, payment stan-  
11 dards, composition of the program group and the family indepen-  
12 dence assistance group, program budgeting and accounting methods,  
13 and client reporting requirements to meet the following goals:

14 (a) Efficient, fair, cost-effective administration of the  
15 family independence program.

16 (b) Provision of family independence assistance to families  
17 willing to work toward eventual self-sufficiency.

18 (4) POLICIES REGARDING TYPES OF INCOME AND ASSETS TO BE CON-  
19 sidered for eligibility shall include the following:

20 (A) A RECIPIENT'S BUSINESS ASSETS USED IN A SELF-EMPLOYMENT  
21 ENTERPRISE SHALL BE EVALUATED AND SEPARATED FROM THE RECIPIENT'S  
22 PERSONAL ASSETS. UP TO \$5,000.00 IN SELF-EMPLOYMENT BUSINESS  
23 ASSETS SHALL BE DISREGARDED, FOR A PERIOD OF NOT MORE THAN 2  
24 YEARS, IN THE DETERMINATION OF ELIGIBILITY FOR FAMILY INDEPEN-  
25 DENCE ASSISTANCE.

26 (B) IF A RECIPIENT'S INCOME OR RETURN ON CAPITAL FROM A  
27 SELF-EMPLOYMENT ENTERPRISE IS REINVESTED IN THE ENTERPRISE, THAT

**1** INCOME OR RETURN ON CAPITAL SHALL BE DISREGARDED IN THE

**2** DETERMINATION OF ELIGIBILITY FOR FAMILY INDEPENDENCE ASSISTANCE.