

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 353**

A bill to amend 2012 PA 615, entitled
"Michigan energy assistance act,"
by amending sections 2, 4, and 5 (MCL 400.1232, 400.1234, and
400.1235) and by adding section 4a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Categorical eligibility" means policies that make a
3 household eligible for energy assistance based on the household's
4 involvement in other low-income assistance programs that utilize
5 similar eligibility criteria.

6 (b) "Commission" means the Michigan public service commission
7 created under 1939 PA 3, MCL 460.1 to 460.11.

8 (c) ~~(a)~~—"Crisis" means 1 of the following:

1 (i) An individual or recipient has received a past due notice
 2 on an energy bill for ~~his or her~~ **the individual's or recipient's**
 3 household.

4 (ii) A residential fuel tank is estimated to contain not more
 5 than ~~25%~~ **30%** of its heating fuel capacity.

6 (iii) A stated need for deliverable fuel or a nontraditional
 7 fuel source in which there is no meter or regular energy bill
 8 provided.

9 (iv) A notice that the balance in a prepayment account is below
 10 a minimum amount.

11 (d) ~~(b)~~ "Department" means the department of **health and** human
 12 services.

13 (e) ~~(e)~~ "Eligible low-income household" means, **until September**
 14 **30, 2025**, a household with a household income of not more than 150%
 15 of the federal poverty guidelines. **After October 1, 2025, eligible**
 16 **low-income household means a household with a household income of**
 17 **not more than 60% of the state median income and whose electric**
 18 **utility does not opt-out of collecting the low-income energy**
 19 **assistance funding factor under section 9t of 1939 PA 3, MCL**
 20 **460.9t.**

21 (f) ~~(d)~~ "Energy assistance" means a program to ~~assist~~ **reduce**
 22 **energy insecurity by assisting** eligible low-income households in
 23 meeting their home energy costs for their primary residence through
 24 payment or partial payment of bills for 1 or more of the following:

25 (i) Electricity.

26 (ii) Natural gas.

27 (iii) Propane.

28 (iv) Heating oil.

29 (v) Any other deliverable fuel used to provide heat.

1 **(g)** ~~(e)~~—"Federal poverty guidelines" means the poverty
2 guidelines published annually in the federal register by the United
3 States ~~department of health and human services~~ **Department of Health**
4 **and Human Services** under its authority to revise the poverty line
5 under ~~section 673(2) of subtitle B of title VI of the omnibus~~
6 ~~budget reconciliation act of 1981,~~ 42 USC 9902.

7 **(h)** ~~(f)~~—"Funds" means a portion of the money received from the
8 federal low income home energy assistance program block grant that
9 is not used for the home heating credit, money received from the
10 low-income energy assistance fund, or any other money appropriated
11 for this program.

12 **(i)** ~~(g)~~—"Program" means the Michigan energy assistance program
13 established in section 3.

14 **(j)** "State median income" means the state median income
15 promulgated by the secretary of the United States Department of
16 Health and Human Services in accordance with procedures established
17 under section 2002 of the social security act, 42 USC 1397a, and
18 adjusted, in accordance with regulations prescribed by the
19 secretary, to take into account the number of individuals in the
20 household.

21 **(k)** "Vulnerable populations" means eligible low-income
22 households that have at least 1 member that meets the following
23 criteria:

24 **(i)** Is a child under 5 years of age.

25 **(ii)** Is an individual with a disability.

26 **(iii)** Is an individual who is 60 years of age or older.

27 **(iv)** Is an individual who has experienced homelessness in the
28 preceding 12 months and who needs energy assistance to secure
29 housing.

1 Sec. 4. ~~(1)~~The department shall only use money from the low-
2 income energy assistance fund for energy assistance.

3 ~~(2) Money from the low-income energy assistance fund may be~~
4 ~~used for the program's crisis season, which begins on November 1~~
5 ~~and ends May 31 each year. Not more than 30% of the funds received~~
6 ~~for the program shall be spent outside of the crisis season.~~

7 **Sec. 4a. (1) The department may establish guidelines for**
8 **verifying eligibility of all applicants to ensure assistance funds**
9 **are provided only to eligible low-income households. In**
10 **establishing guidelines under this subsection, the department shall**
11 **consider opportunities to incorporate categorical eligibility.**

12 **(2) An electric provider, natural gas provider, or other**
13 **energy provider is not required to verify eligibility of program**
14 **applicants.**

15 Sec. 5. (1) The department, in consultation with the Michigan
16 ~~public service commission~~, may contract with different public or
17 private entities or local units of government to provide energy
18 assistance.

19 (2) The department shall include clear performance metrics in
20 any contract with an entity under this section.

21 (3) ~~Except as provided in this subsection, an entity with~~
22 ~~which the department contracts under subsection (1) shall use not~~
23 ~~less than 92% of the funds received from the department for energy~~
24 ~~assistance. An entity with which the department contracts under~~
25 ~~subsection (1) may, upon approval from the department, use less~~
26 ~~than 92% but not less than 90% of the funds received for the~~
27 ~~program for energy assistance.~~**The department, in consultation with**
28 **the commission, shall set a minimum allocation of funds that must**
29 **be used by entities with which the department contracts under**

1 subsection (1) for energy assistance.

2 (4) By October 1, 2025, the department, in consultation with
3 the commission, shall provide guidelines on the provision of self-
4 sufficiency services. Beginning with the program year that begins
5 on October 1, 2026, the guidelines must be incorporated into the
6 performance metrics developed under subsection (2).

7 Enacting section 1. This amendatory act does not take effect
8 unless all of the following bills of the 102nd Legislature are
9 enacted into law:

10 (a) Senate Bill No. 880.

11 (b) Senate Bill No. 881.

12 (c) Senate Bill No. _____ or House Bill No. 6075 (request no.
13 06960'24).