Legislative Analysis

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GUARDIANSHIP ASSISTANCE

House Bill 4696 as reported from committee
Sponsor: Rep. Luke Meerman

House Bill 4697 as reported from committee
Sponsor: Rep. Stephanie A. Young

1st Committee: Families and Veterans
2nd Committee (HB 4696): Rules
Complete to 4-10-26

SUMMARY:

Taken together, House Bills 4696 and 4697 would amend the Guardianship Assistance Act to allow a child to be placed with relatives who are not licensed foster parents but have been approved by the Department of Health and Human Services (DHHS). House Bill 4696 would amend the definition of the term *relative* for purposes of the act, and HB 4697 would make the other changes described below. Neither bill can take effect unless both are enacted.

Relative

Currently, whenever used in the act, the term ***relative*** means an individual who is at least 18 years old and is either of the following:

- Related to the child within the fifth degree by blood, marriage or adoption, including the spouse of an individual related to the child within the fifth degree, even after the marriage has ended by death or divorce, the parent who shares custody of a half-sibling, and the parent of a man whom the court has found probable cause to believe is the putative father if there is no man with legally established rights to the child.
- Not related to a child within the fifth degree by blood, marriage, or adoption but who has a strong positive emotional tie or role in the child's life or the child's parent's life if the child is an infant, as defined by the department or, if the child is an Indian child, as determined by the Indian child's tribe.

The bills would additionally require the individual to have been approved for foster care placement to be considered a *relative* for purposes of the act.

Prospective guardian

Currently, a prospective guardian (an individual seeking guardianship of a child if an order appointing that guardianship has not been finalized by the court) may receive guardianship assistance on behalf of an eligible child if all of the following requirements are met:

- The prospective guardian is the eligible child's relative or legal custodian.
- The prospective guardian is a licensed foster parent and approved for guardianship assistance by DHHS.[1]

[1] Under both current law and the bills, the approval process must include criminal record checks and child abuse and child neglect central registry checks on the guardian, all successor guardians, and all adults living in the guardian's or successor guardian's home, as well as submission of the guardian's or successor guardian's fingerprints to the Department of State Police and the Federal Bureau of Investigation for a criminal history check.

- The eligible child has resided with the prospective guardian in the prospective guardian's residence for a minimum of six months before the application for guardianship assistance is received by DHHS.

The bills would remove the provision that allows a legal custodian to be a prospective guardian and would allow a prospective guardian to be either the child's relative or a licensed foster parent (rather than, as now, requiring a prospective guardian to be a child's relative or legal custodian and a licensed foster parent).

Under the bills, then, a prospective guardian could be approved by DHHS for guardianship assistance on behalf of an eligible child if the child has resided with the prospective guardian in their residence for a minimum of six months before the application for guardianship assistance is received by DHHS and either of the following criteria is met:

- The prospective guardian is the eligible child's relative.
- The prospective guardian is a licensed foster parent.

Guardianship assistance

Currently, only a relative who is a licensed foster parent caring for a child who is eligible to receive Title IV-E-funded foster care payments for six consecutive months after licensure of the family is eligible for federal funding under Title IV-E for guardianship assistance. A child who is not eligible for Title IV-E funding who is placed with a licensed foster parent, related or unrelated, and who meets the requirements of section 3(1)(a) to (e) of the act[2] may be eligible for state-funded guardianship assistance.

The bills would revise these provisions, notably removing the requirement that relatives be licensed foster parents from the first sentence, adding placement with relatives to the second sentence, and removing the "related or unrelated" qualifier of licensed foster parents from the second sentence. (In short, under the bills, relatives would not be required to be licensed foster parents, but they would require approval as described in the bills' definition of *relative*.)

Under the bills, then, a relative who cares for an eligible Title IV-E funded child in an approved or licensed foster parent home for six consecutive months after relative approval or licensure would be eligible for federal funding under Title IV-E for guardianship assistance when the eligibility criteria are met. A child who is not eligible for Title IV-E funding who is placed with relative or a child placed with a licensed foster parent, regardless of Title IV-E eligibility, and who meets the requirements of section 3(1)(a) to (e) could be eligible for state-funded guardianship assistance.

MCL 722.872 (HB 4696)
MCL 722.874 (HB 4697)

BACKGROUND:

House Bills 4696 and 4697 are a reintroduction, divided into two bills, of House Bill 6025 of 2023-24 legislative session as that bill was passed by the House.

[2] https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-722-873

FISCAL IMPACT:

House Bills 4696 and 4697 would increase costs for the Department of Health and Human Services and local units of government by an indeterminate amount. The fiscal impact of the bills would be dependent on an increased number of relatives who become juvenile guardians as well as an increase in the number of children placed under guardianship. Licensed foster parents, unlicensed relative caregivers, adoptive parents, and juvenile guardians receive a daily maintenance rate based on the age of the child placed in their care. Currently, caregivers of children aged 0 to 12 are paid a maintenance rate of $22.35 per day. Caregivers of children aged 13 to 18 receive a maintenance payment of $26.69 per day. Caregivers may also receive additional funds through determination of care (DOC) payments for children who require additional care. Funding for daily maintenance payments comes from a combination of state, federal title IV-E, federal TANF, and local funds. A federal rule change now allows unlicensed relatives to receive federal title IV-E funding. If a child is not eligible to receive federal Title IV-E funded maintenance payments, they may still be eligible to receive state-funded maintenance payments, which would further increase state expenditures.

POSITIONS:

Representatives of the following entities testified in support of the bills:

- Department of Health and Human Services (12-16-25)
- D.A. Blodgett–St. John's (12-16-25)
- Michigan's Children and the Michigan Kinship Care Coalition (3-12-26)

The following entities indicated support for the bills:

- Mackinac Center for Public Policy (2-24-26)
- Michigan County Social Services Association (12-16-25)
- Michigan Federation for Children and Families (2-24-26)
- National Association of Social Workers Michigan Chapter (3-19-26)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.