Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4750 (Substitute H-1 as discharged)
Sponsor: Representative Kathy Schmaltz
House Committee: Families and Veterans
Senate Committee: Housing and Human Services (discharged)

CONTENT

(COMPANION BILL TAG: S.B. 18)

The bill would amend the Foster Care and Adoption Services Act to do the following:

-- Require the Department of Health and Human Services (DHHS) to screen a child for potential eligibility for benefits within 60 days after a child enters into foster care and annually thereafter.[1]
-- Require the DHHS to identify a representative payee or fiduciary for a child in foster care to apply for benefits and require the DHHS to apply to become the representative payee if no suitable candidate were available.
-- Prohibit the DHHS from using such benefits to reimburse the State for the cost of a child's foster care.
-- Require certain percentages of a child in foster care's benefits to be conserved or used for specified purposes between the age of 14 years old and 18 years old, according a tiered system.
-- Require the DHHS to provide specific financial training to the child in foster care.
-- Require the DHHS to notify the child through the child's attorney of any information regarding benefit funds, assets, and resources before each juvenile court hearing.

Proposed MCL 722.958f

PREVIOUS LEGISLATION

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

The bill is similar to House Bill 4694 from the 2023-2024 Legislative Session.

Legislative Analyst: Jessica Gebbie

FISCAL IMPACT

The bill would have a negative fiscal impact on the State and local governments. The bill would prevent the DHHS from collecting Federal benefits, unqualified benefits, assets, or income of foster care youth and using the funds to offset the costs of their care.

The bill would amount to lost revenue of approximately $3.5 to $3.8 million that would have to be replaced by General Fund/General Purpose in fiscal year 2026-27 and adjusted accordingly in future appropriations. Additionally, the DHHS could incur additional administrative costs if the existing financial education curriculum for youth aging out of the foster care system needed to be expanded to cover all the areas of financial education as outlined in the bill.

Date Completed: 7-13-26

Fiscal Analyst: Jaymie Tibbits

[1] These benefits would include Federal Supplemental Security Income, Social Security benefits, United States Department of Veterans Affairs benefits, and other benefits for which the child was eligible.

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.