



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 35 (as introduced 1-19-23)
Sponsor: Senator Jeff Irwin
Committee: Housing and Human Services

(Senate-passed version)

Date Completed: 2-10-23

CONTENT

The bill would amend the Social Welfare Act to delete a requirement that the Department of Health and Human Services (DHHS) apply an asset test to determine financial eligibility for the Food Assistance Program (FAP).

MCL 400.10d

BACKGROUND

The United States Department of Agriculture administers Federal funding for food assistance through the Supplemental Nutrition Assistance Program, commonly referred to as SNAP or food stamps. The State of Michigan, in turn, distributes the Federal benefits and determines eligibility through the State's FAP. The Federal government determines most of the eligibility requirements and payment levels for individuals who are enrolled in the FAP.¹

Generally, Public Act 79 of 2012 requires the DHHS to apply an asset test for the purpose of determining financial eligibility for the FAP. Section 400.6(3) of the Social Welfare Act allows the Department to develop policies to establish income and asset limits, types of income and assets to be considered for eligibility. According to the DHHS, effective December 1, 2019, the FAP asset assistance limit increased from \$5,000 to \$15,000. Among other things, the policy update also allowed the DHHS to accept a client statement of assets rather than requiring applicants to complete an assets verification checklist. Additionally, vehicles were removed from the asset check.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: John P. Maxwell

¹ Maxwell, John P., "Population, Poverty, and Public Assistance Trends in MI 2002-2014", Senate Fiscal Agency Issue Paper, January 2016.

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