

# MICHIGAN ENERGY ASSISTANCE ACT

## Act 615 of 2012

AN ACT to provide energy assistance for low-income households; and to prescribe certain powers and duties of certain state departments and agencies.

**History:** 2012, Act 615, Eff. Mar. 28, 2013

*The People of the State of Michigan enact:*

### 400.1231 Short title.

Sec. 1.

This act shall be known and may be cited as the "Michigan energy assistance act".

**History:** 2012, Act 615, Eff. Mar. 28, 2013

### 400.1232 Definitions.

Sec. 2.

As used in this act:

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

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

(c) "Crisis" means 1 of the following:

(i) An individual or recipient has received a past due notice on an energy bill for the individual's or recipient's household.

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

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

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

(d) "Department" means the department of health and human services.

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

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

(i) Electricity.

(ii) Natural gas.

(iii) Propane.

(iv) Heating oil.

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

(g) "Federal poverty guidelines" means the poverty guidelines published annually in the federal register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.

(h) "Funds" means a portion of the money received from the federal low income home energy assistance program

block grant that is not used for the home heating credit, money received from the low-income energy assistance fund, or any other money appropriated for this program.

(i) "Program" means the Michigan energy assistance program established in section 3.

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

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

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

(ii) Is an individual with a disability.

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

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

**History:** 2012, Act 615, Eff. Mar. 28, 2013 ;-- Am. 2024, Act 170, Eff. Apr. 2, 2025

#### **400.1233 Michigan energy assistance program; administration; use and distribution of funds; services; application; report.**

##### **Sec. 3.**

(1) Subject to state appropriations, not later than October 1, 2013, the department shall establish and administer the Michigan energy assistance program statewide to provide energy assistance to eligible low-income households.

(2) The department may use funds received from a federal energy assistance program and any funds collected or appropriated to fund the program. The department shall distribute the funds described in this subsection for energy assistance and may use a portion of the funds for necessary administrative expenses. Necessary administrative expenses must be calculated using an established cost allocation methodology.

(3) Energy assistance must prioritize vulnerable populations and, as appropriate for the household, include services that will enable participants to become or move toward becoming self-sufficient. Services that assist participants in becoming self-sufficient include, but are not limited to, providing assistance to help participants in paying their energy bills on time, assisting participants in budgeting for and contributing to their ability to provide for energy expenses, and referral to weatherization or energy waste reduction programs and services. By October 1, 2014, each entity that carries out a contract with the department under this section shall provide or coordinate these services. The department shall attempt to coordinate its efforts with the efforts of other state departments or agencies to assist low-income households in becoming or moving toward becoming self-sufficient and reducing energy insecurity.

(4) The department shall develop a simplified, single application for all applicants to use to apply for energy assistance under the program. The single application must be made available to all entities that contract with the department to provide services under the program.

(5) Not later than December 1, 2014, and annually thereafter, the department shall provide a report to the legislature, the senate and house appropriations subcommittees on the department budget, the senate and house committees on issues relating to energy, and the senate and house fiscal agencies on how money from the program was distributed. Beginning with the program year that begins October 1, 2025, the annual report required under this subsection must be filed no later than March 1, 2027.

(6) The department shall notify participants that they are eligible for other services under the program including, but not limited to, energy waste reduction products and services offered by an energy provider or a home weatherization assistance program.

**History:** 2012, Act 615, Eff. Mar. 28, 2013 ;-- Am. 2024, Act 198, Eff. Apr. 2, 2025

#### **400.1234 Low-income energy assistance fund; use.**

##### **Sec. 4.**

The department shall only use money from the low-income energy assistance fund for energy assistance.

**History:** 2012, Act 615, Eff. Mar. 28, 2013 ;-- Am. 2024, Act 170, Eff. Apr. 2, 2025

#### **400.1234a Eligibility guidelines; exception for providers.**

##### **Sec. 4a.**

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

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

**History:** Add. 2024, Act 170, Eff. Apr. 2, 2025

#### **400.1235 Contracts; self-sufficiency services guidelines.**

##### **Sec. 5.**

(1) The department, in consultation with the commission, may contract with different public or private entities or local units of government to provide energy assistance.

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

(3) The department, in consultation with the commission, shall set a minimum allocation of funds that must be used by entities with which the department contracts under subsection (1) for energy assistance.

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

**History:** 2012, Act 615, Eff. Mar. 28, 2013 ;-- Am. 2024, Act 170, Eff. Apr. 2, 2025

#### **400.1236 Repealed. 2023, Act 105, Imd. Eff. July 27, 2023.**

**Compiler's Notes:** The repealed section pertained to a sunset of the Michigan energy assistance act.