



**House
Legislative
Analysis
Section**

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MICH. WORK-STUDY PROGRAMS

House Bill 4529

Sponsor: Rep. Lynn H. Jondahl

**Committee: Colleges and
Universities**

Complete to 3-27-91

A SUMMARY OF HOUSE BILL 4529 AS INTRODUCED 3-11-91

The bill would amend the act regulating the Michigan undergraduate student work-study program (MWS) to create state-funded college work-study programs for public service employers (defined in the bill as "a private nonprofit agency that was exempt from federal income taxes and that provided services directly to the community"). The employer would have to meet the following eligibility requirements:

- Enter into a signed agreement with an eligible postsecondary school to provide public service employment for students recommended by the school.
- Employ MWS students only for public service employment.
- Not use MWS students to displace employed workers.
- Not pay MWS students a wage that was less than the full federal minimum wage for employees over 19 years of age.

Under the bill, "public service employment" would mean work that was performed for the community welfare and that included one or more of the following activities:

- Recycling, or environmental preservation or protection.
- Food banks, homeless shelters, or other poverty programs.
- Mental health, senior citizen, handicapper, or other human services.
- Arts education or performance programs.

Currently, under the act, an eligible postsecondary school receives at least \$5,000 per fiscal year for student wages, plus an amount proportionate to its Pell grant funds for the most recent year statistics are available. Under the bill, a school's allocation could be adjusted by an amount equal to the percentage difference between the average amount of MWS program funds the school had received for the three most recent years for which statistics were available, and the average amount the school had disbursed. In addition, the bill would require that the Michigan Higher Education Authority deposit up to five percent of the total annual MWS appropriation for each fiscal year through fiscal year 1993-94 in an Allocation Adjustment Fund. Through fiscal years 1993-94, a school could receive an

additional five percent of its total grant from this fund if the authority determined that its need was greater than the amount calculated. The allocation would be made not later than March 31 of each year.

MCL 390.1371 et al.