

Fiscal Analysis

CREATE POVERTY BUREAU/COMMISSION



Bill/Sponsor **HOUSE BILL 4502 SUBSTITUTE H-1 , Rep. Sandra Caul**

House Committee **Family and Children Services**

Analysis

Summary

This bill would amend the PA 230, Michigan Economic and Social Opportunity Act of 1981 to rename and revise the functions of the Bureau of Community Services and the Commission on Economic and Social Opportunity within the Family Independence Agency to reduce the causes of poverty and promote social and economic opportunities for persons at or below the poverty level. The bill would also change the makeup of the Commission and expand the range of activities that community action agencies may engage in to fulfill the intent of the Act.

Fiscal Impact

This bill will not increase state costs. This is because there is federal revenue available from the Community Service Block Grant (CSBG) for administrative costs.

For FY 2003, FIA projected a total CSBG of approximately \$24 million, with \$1.2 million allocated to state administration costs and an additional \$1.2 million allocated to discretionary costs. For FY 2004, boilerplate language in the FIA budget bill, if enacted, will allocate roughly half of the administration funds to the new bureau and new commission.

Analyst(s)

Richard Child

FLOOR ANALYSIS - 5/23/03

Mitchell Bean, Director – House Fiscal Agency
124 N. Capitol Avenue, Lansing, MI 48909
Phone: (517)373-8080, Fax: (517)373-5874
<http://www.house.mi.gov/hfa>