

Legislative Analysis



WORK FIRST EXEMPTION

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House Bill 5860

Sponsor: Rep. Michael C. Murphy

Committee: Family and Children Services

Complete to 6-23-04

A SUMMARY OF HOUSE BILL 5860 AS INTRODUCED 5-6-04

The bill would amend the Social Welfare Act to exempt the parent of a child under the age of 12 months from the Work First participation requirements placed on recipients of Family Independent Program (FIP) assistance. The Family Independence Agency could require an exempted parent to participate in family services (such as instruction in parenting, nutrition, and child development) beginning six weeks after the birth of the child and lasting until the child reaches 12 months of age.

The act currently exempts parents of children under three months of age from the Work First participation requirements and permits the FIA to require those parents to participate in family services. That exemption will expire at the end of 2004. [Note: House Bill 5417 of this session would allow those parents, as well as other individuals now exempt from the work requirements, to remain exempt beyond 2004. That bill was reported out of the House Committee on Family and Children Services earlier this month and is currently pending on the House floor.]

FISCAL IMPACT:

The fiscal impact is indeterminate at this time. Based on current data pulled together by the Family Independence Agency, just under 3,700 cases receive a deferral for having a child less than 3 months old and 8.9% of these cases have earned or unearned income averaging \$255 per month. Approximately 6,300 cases have children between from 4 to 12 months and 19.6% of these cases have earned or unearned income averaging approximately \$289 per month. Based on this point in time data, nearly 10,000 cases would be eligible for the deferral under the new legislation. Spending in the Family Independence Program may increase slightly due to lower earnings depending on how much individuals choose to participate in work activities. However, Child Day Care expenditures could be significantly lower depending on how much individuals participate in approved activities, such as work, family services, and education. There would be indeterminate savings to the Work First program by this bill.

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