

# Legislative Analysis



## EXTEND SUNSET FOR NEW JOBS TRAINING PROGRAM

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<http://www.house.mi.gov/hfa>

**House Bill 4573 as introduced**  
**Sponsor: Rep. Carol Glanville**  
**Committee: Higher Education**  
**Complete to 6-13-23**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 4573 would amend several sections of the Community College Act to modify the wage criteria used to determine an eligible job for purposes of a program agreement and extend a community college district's authorization to enter into new agreements, or authorize, issue, or sell bonds for such a program, by ten years, with a new end date of December 31, 2033.

Presently, one of the criteria for a community college and an employer to enter into a new jobs training program agreement is that the jobs must pay at least 175% of the state minimum wage, or approximately \$17.68 per hour or \$36,764 annually based on a 40-hour work week. The bill would add a second method of determining minimum eligible pay, the county ALICE (Asset Limited, Income Constrained, Employed) household survival budget for a household of one adult and one child. Specifically, this means an amount equal to the minimum hourly wage rate necessary to pay the minimal estimate of the total household essentials in the county in which a job is primarily performed, based on the most recent data provided by United for ALICE.<sup>1</sup> The lesser pay of these two methods would become the new threshold for pay in order for the jobs to be eligible for an agreement.

MCL 389.161, 389.162, and 389.164

### FISCAL IMPACT:

House Bill 4573 would have a minimal fiscal impact on the state and community colleges. Community colleges would be allowed to issue bonds up to the new expiration date of the program in 2033, which would allow them to finance training programs as intended, resulting in a minimal fiscal impact on participating colleges. Overall program costs would remain at the \$50.0 million bonding cap, with new agreements cycling into the program only if there is enough remaining cap space to do so. According to the most recent report from the Department of Treasury in 2021, approximately \$6.2 million would be available for new training agreements.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

<sup>1</sup> United for ALICE: <https://www.unitedforalice.org/>