



Fact Sheet: More hurt for Michigan families

Cash assistance time limits misguided during tough times

Who is affected by time limits?

Since October 2011, approximately 12,000 families, with almost 30,000 children, were cut from the cash assistance caseload—known as the Michigan Family Independence Program. The estimated total number of families to be cut from FIP during FY 2012 is 14,062

A federal judge ruled that families had not been given proper notice and the cutoffs were delayed by one month. A Genesee County judge issued a preliminary injunction against the cuts in a lawsuit filed by the Center for Civil Justice that argued the department violated state law. However, the Michigan Court of Appeals lifted the injunction.

Why

House Bills 4409 and 4410 were signed into law in September 2011 by Gov. Rick Snyder enacting strict 48-month time limits with very few exemptions and the Snyder administration internally decided to use a 60-month lifetime limits for all cases.

Former Gov. John Engler and Gov. Jennifer Granholm did not cut support to families as long as parents were working or looking for work. FIP for families reaching a 60-month limit continued under a hardship rule. Michigan does not have to set a limit.

How do we compare?

The 48-month limit makes Michigan the harshest in the Midwest. Indiana has a 24-month limit but only for adults. In Indiana, the family gets a reduced grant to recognize children in the family.

Why is this bad timing?

The August 2011 unemployment rate was 11.2 percent, making Michigan the third-highest in the country. Until recently, Michigan had the highest unemployment for four years running. Michigan families have been suffering during this recession. Most of those working part time want full-time work but cannot find any jobs.

Why is this bad public policy?

We need to be lifting families up during tough times, not blaming them for the recession.

Research shows that the more we can help children in poverty, especially young children, the better chance they have of becoming financially stable as adults.

The retroactive nature of the limits – applying new rules to months that have already passed – raises the question of fairness. In addition, even small amounts of help are included in the time limits.

Won't this hurt the kids?

Yes.



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