



Fact Sheet: **Michigan's Family Independence Program: Offering Help to Needy Families**

What Is It?

The Family Independence Program (FIP) provides cash assistance to low-income families with minor children as well as pregnant women. It is designed to help families become self-supporting. FIP helps families in Michigan pay for basic expenses such as food, heat and shelter.

Who Gets It?

Based on the idea that work is the means to overcoming economic hardship, FIP requires recipients to work and it can sometimes provide supports such as child care to help facilitate this. Cash assistance recipients meet their work requirements through the Jobs, Education and Training (JET) program or other employment-related activity. Recipients who are temporarily deferred from job requirements must participate in activities to increase their employability.

How Much?

In 1993, when Michigan's first phase of welfare reform took place, the grant was set at \$459 a month for a family of three. Since that time, the same grant has risen to only \$492 a month. With only a slight increase and without increases for inflation, recipients are able to purchase far less to meet the needs of their families.

How Long?

Under current Michigan law, a recipient cannot receive FIP for more than 48 months in their

lifetime, unless they qualify for an extension or exception. Some of those include:

- Being the mother of a child under 3 months of age;
- Suffering domestic violence;
- Short-term mental or physical illness;
- Being employed and meeting the work requirements of a self sufficiency plan;
- Residing in a county where the unemployment rate is 25 percent above the state average.

The clock for time limits began on October 1, 2007. It was not retroactive.

Proposed Changes to Time Limits

Beginning on October 1, 2011, some families will reach their 48 month limit. Language in Governor Snyder's proposed budget includes a lifetime limit of 48 months with exemptions for incapacity and hardship. The meaning of those exemptions has not been clarified. The proposed budget estimates that over 12,600 families will lose their FIP benefits in the next fiscal year.

The Impact of Changes

Ending assistance, without regard to a family's current financial situation, could leave families without the ability to meet basic needs. It could put children at risk. In some cases, it will leave families homeless. It will also shift the cost from FIP to other emergency programs.