

# 2020 BUDGET PRIORITY: MAKE MICHIGAN'S PUBLIC ASSISTANCE PROGRAMS MORE RESPONSIVE TO NEED

## LEAGUE RECOMMENDATION:

Improve access to public assistance for vulnerable families and individuals by eliminating the drug felony ban and updating the cash assistance payment standard.

## BACKGROUND:

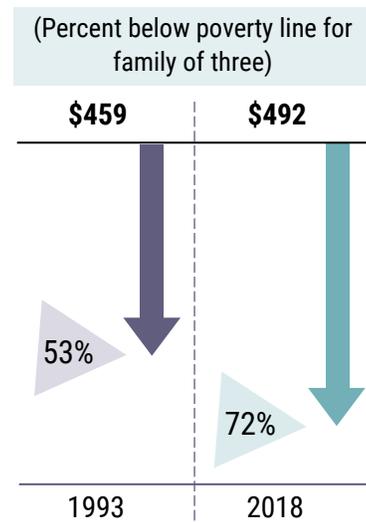
Food assistance through the Supplemental Nutrition Assistance Program (SNAP) and/or temporary cash assistance through the Family Independence Program (FIP) can help give Michigan residents the financial stability they need to get training and work supports, affordable housing and transportation. Through restrictive policies and spending, however, Michigan has created many barriers for families and individuals facing unemployment or with very low incomes. These include banning individuals with more than one drug felony conviction from receiving assistance and restricting cash assistance to very few households in poverty by not updating the payment standard since 2008.

Between 1993 and 2018, the maximum cash assistance monthly grant fell 39% when adjusted for inflation.

**The federal “welfare reform” legislation of 1996 bars states from allowing individuals with drug felonies to receive food or cash assistance, but states may request waivers from this prohibition.**

Michigan has a partial waiver in place that allows persons with only one drug felony since 1996 to receive assistance, while keeping those with more than one drug felony ineligible.

## MICHIGAN'S FAMILY INDEPENDENCE PROGRAM MONTHLY GRANT



Since the beginning of Michigan’s “welfare reform” in 1993, the FIP payment standard (which determines both the monthly benefit amount and the maximum household income allowed for eligibility) has been increased in a meaningful way only once, in 2006. This has resulted in both the income eligibility level and the benefit level eroding greatly with inflation and falling far below the federal poverty line. A family must have income not exceeding 47% of the poverty level (considered “deep poverty”) to get cash assistance, and a three-person family with no other income will get a maximum of only \$492 per month—72% below the poverty line and far too little to pay for rent, clothing and other household needs.

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## WHY DOES IT MATTER?

**Citizens returning from incarceration who are able to find employment and housing are more able to reintegrate into society and avoid recidivism than those who do not.** The ban on those with more than one drug felony prevents many returning citizens from receiving assistance as they get back on their feet, since many have more than one drug conviction. One study found that males with “drug trafficking” convictions who were subject to the ban were nine percentage points more likely to end up in prison than their counterparts who had access to SNAP benefits.

**Children in families below the poverty level face increased risks to their well-being, including poor nutrition, frequent changes in residence, low academic performance, higher levels of stress and more exposure to environmental threats like lead.** Updating the FIP benefit and eligibility level helps to provide some economic stability to families and reduce such risks.