



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5598 (Substitute S-2 as reported)
Sponsor: Representative Bruce Caswell
House Committee: Employment Relations, Training and Safety
Senate Committee: Commerce and Labor

CONTENT

The bill would amend the Michigan Employment Security Act, which governs the State's unemployment benefits system, to exclude from the term "employment" service performed in an AmeriCorps program under certain conditions.

Under the Act, "employment" generally means "service, including service in interstate commerce, performed for remuneration or under any contract of hire, written or oral, express or implied". The definition specifically excludes various types of service. The bill would add to the list of exclusions service performed in an AmeriCorps program if both of the following conditions were met:

- The individual performed the service under a contract or agreement that provided for a guaranteed stipend opportunity.
- The individual received the full amount of the guaranteed stipend before the contract's or agreement's ending date.

(AmeriCorps is a network of national service programs in which individuals provide service in the areas of education, public safety, health, and the environment. AmeriCorps is part of the Corporation for National and Community Service. According to the Corporation's website, in exchange for a year of service, AmeriCorps members receive an education award of \$4,725 that can be used to pay for college or graduate school or to repay qualified student loans. About half of the members also receive a living allowance of \$9,300 and health benefits.)

MCL 421.43

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 6-24-04

Fiscal Analyst: Maria Tyszkiewicz