



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5598 (Substitute H-1 as passed by the House)
Sponsor: Representative Bruce Caswell
House Committee: Employment Relations, Training and Safety
Senate Committee: Commerce and Labor

Date Completed: 6-21-04

CONTENT

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

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 (e.g., service performed as a migrant farm worker; service in the employ of another state; certain types of domestic service; student-employment service at a school, college, or university; newspaper delivery service; and service performed as a product demonstrator). The bill would add service performed in an AmeriCorps program to the list of excluded service.

MCL 421.43

BACKGROUND

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, and is made up of three programs: AmeriCorps*State and National, AmeriCorps*VISTA, and AmeriCorps*NCCC (National Civilian Community Corps).

According to the Corporation for National and Community Service website, 50,000 Americans provide 20 to 40 hours of community service per week through AmeriCorps. 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.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

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

Fiscal Analyst: Maria Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.