



STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

RICK SNYDER  
GOVERNOR

MAURA D. CORRIGAN  
DIRECTOR

November 1, 2012

The Honorable Bruce Caswell, Chair  
Senate Appropriations Subcommittee on DHS  
Michigan State Senate  
Lansing, Michigan 48933

The Honorable David Agema, Chair  
House Appropriations Subcommittee on DHS  
Michigan House of Representatives  
Lansing, Michigan 48933

Dear Senator Caswell and Representative Agema:

Section 231 of 2011 Public Act Number 63 requires the Department of Human Services to utilize all Temporary Assistance to Needy Families (TANF) contingency funds the state receives to increase the family independence program earned income disregard or for reform measures that will fundamentally improve public assistance programs by emphasizing work. DHS is required to provide an annual report on the expenditures and programs paid by these TANF contingency funds no later than November 1, 2012.

During fiscal year 2012, DHS utilized \$68,176,988 in TANF contingency funds in support of the Family Independence Program (FIP). FIP provides temporary cash assistance as a fundamental component of the DHS's comprehensive approach to reducing dependence on public assistance and increasing family independence through employment and work readiness services. On October 1, 2011, the earned income disregard for FIP was increased from \$200 plus 20% to \$200 plus 50% of countable earnings, as directed by the Legislature.

If you have any questions about this information, please contact me at (517) 373-7787.

Sincerely,

A handwritten signature in black ink that reads "Susan Kangas".

Susan Kangas  
Chief Financial Officer

cc: Senate and House Appropriations Subcommittees on DHS  
Senate and House Fiscal Agencies  
Senate and House Policy Offices