

Tens of thousands lose cash welfare assistance in Michigan

By Debra Watson
3 September 2012

According to Michigan Department of Human Services (DHS) statistics, about 60,000 welfare recipients comprising 20,000 families have been removed from state welfare rolls since last fall.

With unemployment in Michigan rising again, topping 9 percent in July, another purge of Michigan residents from cash assistance is imminent. According to Center for Civil Justice (CCJ) executive director Terri Stangl, a June Michigan circuit court decision establishing that Michigan DHS had overstepped its authority in purging welfare rolls last fall has been overturned.

Last fall, state DHS director Maura Corrigan ordered state social services agencies to use the most stringent federal time limits possible to remove families receiving benefits. She ordered strict enforcement of restrictions imposed during the infamous federal welfare reform signed by Democratic president Bill Clinton in 1996.

The 1996 Personal Responsibility and Work Opportunity Act (PRWORA) ended welfare as an entitlement program, turning federal money into block grants to the states.

Lifetime benefits were limited to 60 months. Other limitations included sanctions (reduction or elimination of benefits) for adult recipients who were not making sufficient progress related to work activities and for their children.

“The state used the excuse that it was the cost to state dollars that made the rule change necessary. But we argued in the court that it was the state itself that amended their state plan to say we will not use federal dollars for exceptions that put them in the situation the first place. They themselves wrote the plan that now they say they cannot follow,” Stangl said.

The CCJ is appealing to the Supreme Court, but so is

the state of Michigan.

Also last fall, the Michigan legislature enacted its own welfare reforms that would force even more families off welfare. The state imposed its own lifetime welfare time limit of 48 months in 2007, under Michigan Democratic governor Jennifer Granholm. Now, exemptions for hardships to existing state cash assistance time limits are also eliminated.

The CCJ objected to Michigan applying both the state and the federal criteria at the same time.

Stangl explained: “What they did is start counting months back to 1996. Some people had been exempted because Federal laws state that even if an individual case goes beyond the 60-month limit, each state can exempt 20 percent of their caseload.... Michigan had been one of the most lenient states. Now because the state has started counting back all the way to 1996 many people got caught up in it.

“Very few people stay on welfare for an extended period of time. What they do is go on and off benefits according to their situation. This affects many different types of families. You have low-wage workers, people who are caring for disabled kids, people with large families, people with seasonal work like those up in the UP [upper peninsula] doing farm work. You can imagine after ten or fifteen years of going on welfare for a few months each year when you don’t have work, you are going to get to that 60-month limit.”

Although the original order remains in place until the Michigan Supreme Court’s final disposition, most welfare recipients removed from the rolls over the past 10 months were not even considered for review.

“What is sad is that the very same time limits are set up to make it harder to do the education and training that people need,” Terri Stangl also noted. “PRWORA did not allow education and training to count as work.

This meant post-secondary education could not count toward meeting the work requirements. Back in 1996 things were not as bad. Now, more and more people are out of work and it takes more and more skills to get the work that does exist.”

The WSWS spoke to Barbara Jones, an instructor at Wayne County Community College, at a back-to-school free immunization fair in Detroit she was attending with her daughter and her grandchildren.

Ms. Jones said: “I have seen one effect of the welfare cuts on students in my classes. Most of our students are unemployed, some get food stamps, many of them have children at home. Some get a small cash allowance through a grant. But then they take out loans for daily living expenses.

“They get student loans just to survive...they do it because there just is nothing for them out there. So now they are supporting families with loans. When that little three thousand dollars or whatever doesn’t go very far then, they are looking at dropping out and then how will they ever pay all that back? The government may have reduced the welfare rolls, but that will just shift the cost to the federal government from the state.”

Other state support for the long-term unemployed was also recently gutted. Almost half of the unemployed in Michigan have been out of work for more than 52 weeks. Yet in March 2011, Governor Rick Snyder signed into law a bill that made Michigan the first state to reduce unemployment benefits from 26 to 20 weeks, effective January 15, 2012. In December 2011, another law made it easier to withhold three additional weeks of unemployment benefits and eliminates benefits entirely for certain unemployed workers who voluntarily take extremely low-paying jobs.

Thousands of children are among those removed from cash support these past 10 months. Tanya, a young mother who had brought her four children, related her experience having some of her benefits restored recently. “I was cut off when I was two months pregnant with my last child. They said it was a mistake, but they won’t fix it.

“I was denied last October after being cut off in June 2011. Now I’m back in Work First [the mandatory work program for those receiving cash assistance], and they gave me half of my June benefit and all of July. That’s \$800. I had just had the baby, but they never

paid me back from before I had the baby. I feel like this was wrong. I wasn’t in the max-out category. I was going to a hearing, but then they threw me back in Work First.”

A tragic event last week in Detroit speaks to the shredding of the social safety net. Seven-month-old Coby Johnson was killed in a daytime house fire that began while he was asleep upstairs and his father was downstairs in their East Side home. At least five children under age four lived in the house along with Coby, his father, and his aunt. They had just moved in in June.

DTE energy says there has been no record of utility service to the house since April, and an “illegal hook-up” of electricity was removed in June. A DTE spokesman revealed that the company had investigated 100,000 possible illegal utility hook-ups in the past few years and had cut off service to 60,000 that were confirmed.

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>