

RICK SNYDER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF HUMAN SERVICES LANSING

MAURA D. CORRIGAN DIRECTOR

September 21, 2011

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 682 of 2010 Public Act No. 190 requires the Department of Human Services to notify the legislature regarding JET savings for the previous year and the details on the proposed use of that money.

The JET program is not administered or funded in such a way that discrete savings of federal or general fund dollars can be identified. This is because clients leaving FIP due to employment or increased income may or may not be able to directly attribute their success to the JET program.

In addition to the difficulty definitively demonstrating that the JET program is the specific cause of case closures, there is also the budgetary limitation that any identified "savings" for the prior fiscal year would not be available to spend without re-appropriation by the legislature.

If you have any questions about the information provided, please feel free to contact my office.

Sincerely,

Susan Kangas

Chief Financial Officer

cc: Senate and House Appropriations Subcommittees on DHS

Senate and House Fiscal Agencies Senate and House Policy Offices

State Budget Director