

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 942 (Substitute S-1 as reported)
Sponsor: Senator Joel D. Gougeon
Committee: Families, Mental Health and Human Services

CONTENT

The bill would amend the Social Welfare Act to require that the Family Independence Agency (FIA) allow religious organizations to compete for contracts to provide services.

The FIA would have to cooperate with religious organizations to allow them to compete on the same basis as any other private organizations for contracts to provide services to recipients, including mentoring or supportive services. The FIA could not discriminate against a religious organization seeking such a contract on the basis of the organization's religious character. A religious organization could not discriminate against an individual in regard to rendering assistance funded by the FIA on the basis of religion, a religious belief, or refusal to participate actively in a religious practice.

A religious organization that accepted funds from the FIA to provide services would have to retain its independence from Federal, State, and local governments, including the organization's control over the definition, development, practice, and expression of its religious beliefs. The organization would not have to alter its form of internal governance, to remove religious art, icons, scripture, or other symbols in order to be eligible to contract to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, funded by the FIA.

The bill would define "religious organization" as a "church, ecclesiastical corporation, or group not organized for pecuniary profit that gathers in common membership for mutual support and edification in piety, religious observances, and worship of a supreme deity".

Proposed MCL 400.57i

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government. The ability of a religious organization to compete for service contracts would not necessarily change the number of contracts awarded by the Department or increase or decrease the appropriations for the Department, because contracts are awarded based on the demand for services.

Date Completed: 3-9-98

Fiscal Analyst: C. Cole