

Legislative Analysis



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House Bill 4964 (reported from committee as H-1)

Sponsor: Rep. Leslie Love

Committee: Criminal Justice

Complete to 4-26-16

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

The bill requires the Department of Health and Human Services (DHHS), subject to appropriations, to pay 100 percent of the amount a county expends above an amount determined to be a benchmark amount annually expended to provide juvenile justice services for 17-year-olds who are prosecuted in adult criminal court.

The bill is part of the legislative package on juvenile justice. (Other bills in the package include HB 4947-4963 and 4965-4966.)

House Bill 4964 amends the Social Welfare Act (MCL 400.117a). Currently, the DHHS provides for the distribution of money appropriated by the Legislature to counties for the cost of juvenile justice services as provided in the act. For a county that is not a county juvenile agency, the amount distributed, with some exceptions, must equal 50% of the annual expenditures from the county's child care fund.

In addition to the above provision, and subject to appropriations, the bill requires the DHHS to pay 100 percent of the amount that is expended by a county above the amount determined, in a study commissioned by the Legislature, to be the benchmark amount annually expended by the counties to provide juvenile justice services for 17-year-olds who are prosecuted as adults in adult criminal courts.

FISCAL IMPACT:

House Bill 4964 (H-1) would amend the Social Welfare Act to require that in addition to the currently required 50% reimbursement to counties for eligible expenses from county Child Care Funds, the state may, subject to appropriations, reimburse counties for additional expenditures for juvenile justice services. The bill requires the state to pay 100% of counties' juvenile justice expenditures that are above a benchmark amount of the annual expenditures of the counties to provide juvenile justice services for 17-year-olds who are prosecuted in adult criminal courts. The relevant benchmark amount is to be determined by a study commissioned by the Legislature.

The state Child Care Fund (CCF) is a fund appropriated in the DHHS budget from which the state reimburses counties for 50% of eligible expenditures concerning the care and treatment for children who are court wards. The Fund reimburses counties for programs that serve neglected, abused, and delinquent youth, and funding may be expended for out-of-home placements such as foster homes or county-operated facilities. Expenditures may

also be made for in-home services which allow children to remain in their own homes, and may include job training skills, intensive probation, community wraparound services, mentoring, family counseling, electronic tethers, alternatives to detention, and other community-based services.

In FY 2013-14, the counties expended \$111.8 million for in-home services from their county child care funds. The state was required to reimburse the counties for half of those expenses; that amount of reimbursement was approximately \$55.9 million. Under the requirements of the bill, the state would need to reimburse the counties for 100% of any amount of eligible expenditures over the determined benchmark amount.

The fiscal impact of House Bill 4964 (H-1) to the state of Michigan is indeterminate at this time. Any additional cost to the state would depend on whether the amount of county expenditures are greater than the established benchmark amount and, if so, by how much. Any amount of additional state Child Care Fund reimbursement to counties would save the counties a similar amount.

House Bill 4964 (H-1) is part of a large package of legislative bills – some of which, if enacted, may increase the number of individuals that will require juvenile justice services financed by county child care funds and which may require a larger increase to the state's cost than mentioned above. (Note: Other bills in this legislative package may also provide savings to the state as well.)

POSITIONS:

The Michigan League for Public Policy indicated support for the bill. (4-26-16)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.