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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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Senate Bill 956 Sponsor: Senator Jack Welborn  
Committee: Criminal Justice, Urban Affairs, and Economic Development

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### **SUMMARY OF SENATE BILL 956 as introduced 7-1-88:**

The bill would create the "Children and Youth Services Act" to establish and prescribe the duties and responsibilities of the "Department of Children and Youth Services". The proposed Department would assume many of the duties and responsibilities of the Office of Children and Youth Services, which is in the Department of Social Services (DSS). The bill would do all of the following:

- Specify the purpose and responsibilities of the proposed Department of Children and Youth Services.
- Require the Department to make recommendations to the Legislature and the Governor regarding the allocation of public funds.
- Require the Department to take certain actions concerning delinquent and abused or neglected children.
- Establish the "Office of Juvenile Justice" within the proposed Department.
- Authorize the establishment of county departments of children and youth services.
- Require the establishment of a county children and youth services board in counties that created county departments.
- Specify the duties and responsibilities of a county board.
- Repeal certain provisions of the Social Welfare Act and re-enact those provisions within the proposed Act.
- Repeal certain acts and parts of acts.

The bill would take effect on January 1, 1990, and is tie-barred to Senate Bills 957-974, which would amend various acts to transfer certain activities from other departments and agencies to the proposed Department of Children and Youth Services. Senate Bills 957-974 would take effect on October 1, 1988.

#### Purpose and Responsibilities

The purpose of the proposed Department of Children and Youth Services would be to "develop policies and provide services" that would do all of the following:

- Prevent family disintegration.
- Protect children and youth in danger of abuse or neglect, and treat troubled or emotionally disturbed children and youth.
- Provide services for children and youth involved in the juvenile justice system.
- Identify the children and youth to be served, their needs, and the services required to meet those needs.

The proposed Department would "possess the powers and perform the duties granted and imposed" by the bill. The Director of the Department would be appointed by the Governor with the advice and consent of the Senate, and

would be exempt from classified civil service. The Director's compensation would be determined by the Legislature. He or she would serve as a special assistant to the Governor on the problems of youth and children, and any authority vested in any entity or employee of the proposed Department would be exercisable at the Director's option.

The Department of Children and Youth Services would be the "primary entity" in Michigan concerning children and youth services issues. The bill would require the proposed Department to deliver any required high cost, low volume services and to coordinate with county departments for the delivery of other required services. It also would have to plan, develop, and evaluate youth services provided under the bill, as well as conduct research necessary for providing "effective and adequate" services and programs. In addition, the Department would have to coordinate education and public information programs to promote general awareness regarding the problems of children and youth; encourage professional groups to recognize and deal with problems confronting youth; make information about the problems of youth available both to organizations dealing with juvenile problems and to the general public; and encourage the development of community programs that aimed to improve the status of children and youth.

The bill would require the Department to evaluate court rules, statutes, and funding arrangements related to children and youth and to propose changes that would "insure equity in the availability of services and the protection of the rights of children and youth". The Department also would be required to do all of the following:

- Monitor and evaluate services and programs, make recommendations, and monitor corrective action for the improvement of those services and programs.
- Establish and interpret policy for services administered by the Department; and consolidate research, policy, and program development and evaluation activities for children and youth services.
- Develop and implement reporting methods for gathering program and statistical data on children and youth affected by the Department's services and programs; and develop and operate a children and youth services information system.
- Establish and implement uniform standards of practice for services and programs operated by the State.
- Operate child and adolescent psychiatric hospitals and residential mental health services for emotionally disturbed children; and consult with the Office of Substance Abuse Services concerning services for children and youth.

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- Determine the minimum level of children and youth services needed in Michigan and develop programs and policies to provide for the delivery of those services.
- Recommend to the Legislature and the Governor methods for improving the effectiveness of public and private services and programs.

The proposed Department also would be authorized to enter into contracts to perform its duties and execute its policies. Such contracts could be with a State or local public agency, or a private agency, organization, association, or person; and could be to enhance, improve, or provide the quality and availability of services and programs. The Department would be required to coordinate its activities with Federal programs. If appropriate, the Department could enter into agreements with other states or the Federal government for the purpose of joint research and planning.

#### Funding of the Department

The bill specifies that the proposed Department of Children and Youth Services would have to establish guidelines for the development of services, budgets, and program plans. The Department would have to do all of the following:

- Make recommendations to the Governor and the Legislature for the allocation of public funds for services and programs.
- Administer grants, subsidies, incentive payments and other fiscal programs that the Legislature authorized.
- Accept grants, gifts, bequests, and other donations. (Any funds or property accepted by the Department would have to be used as directed by the donor and in accordance with law and the Department's rules and procedures.)
- Apply for, accept, and distribute Federal and private grants.
- Establish a fiscal management system for State and Federal funds.
- Serve as a "special advisor" to the Governor on children and youth services budgets and programs.

#### Delinquent, Abused, and Neglected Children

The bill would require the proposed Department to assist in the development of programs and standards for youth services and to "promote programs and policies encouraging the prevention of dependency, neglect, delinquency, and other conditions adversely affecting the welfare of children and youth". Such programs and policies would have to include services for families of troubled or "at risk" children. The Department also would be responsible for encouraging and assisting the development and coordination of both new and existing programs at all levels of government and with both public and private nonprofit organizations.

When requested by the Probate Court, the Department would have to investigate matters concerning dependent, neglected, and delinquent children and "wayward minors" under the Court's jurisdiction. The Department also would have to provide supervision and foster care as provided by court order.

With the approval of the Legislature, the Department would have to establish training programs for delinquent youth. Such programs would have to be established by contract with government and private agencies. The programs could be conducted either through camps that the Department established, or in cooperation with the Department of Natural Resources or other organizations. Further, the Department would have to operate training schools, halfway houses, the Children's Institute, youth

camps, State-operated regional detention facilities, diagnostic centers, group homes, regional short-term treatment centers, and other out-of-home care facilities and programs approved by the Legislature for children in the Department's custody.

The Department also would have to inspect county infirmaries and detention facilities for juveniles in order to evaluate their usefulness and management, and to "promote proper, efficient, and humane administration of those infirmaries and places of detention". A "reasonable order" of the proposed Department setting minimum standards for fire protection, sanitation, food, and lodgings could be enforced by the Attorney General through injunction or mandamus in Circuit Court. The Department would have the burden of proof to establish the order's reasonableness. The Department also would have to do all of the following:

- Gather and make available information and statistics concerning the various State, regional, and local components of the programs and services.
- Cooperate with the Office of Criminal Justice programs in the development of the State plan required by the Federal Juvenile Justice and Delinquency Prevention Act of 1974.
- Develop a coordinated system of care for delinquent and neglected children committed to the Department.
- Devise and make available a supervision system for juveniles on conditional release from Department facilities.
- Undertake studies concerning the development of intensive probation, new probationary methods, and other services aimed at reduction of detention and out-of-home care.
- Assist the Legislature in evaluating the plan developed under the former Juvenile Justice Services Act. (Sections of that Act have either expired or been repealed.)
- Operate an adolescent sex offender program.

#### Office of Juvenile Justice

The bill would create the "Office of Juvenile Justice" within the proposed Department of Children and Youth Services. Budget development, procurement, and related management functions of the Office would have to be performed by the Department. The Administrator of the Office would be appointed by the Director of the Department, and would be authorized to enter into contracts with Federal agencies and State, district, and private parties pursuant to the Federal Juvenile Delinquency Prevention and Control Act of 1968. The Office of Juvenile Justice would have to do all of the following:

- Prepare plans or applications required by law, based on an analysis of the State's juvenile justice needs and problems in conformity with State and Federal requirements; and encourage and assist State agencies and county departments in the development of such plans or applications.
- Cooperate with the "committee" in providing technical assistance to State agencies, county departments, or private agencies with regard to juvenile justice. (Note: The bill does not define "committee".)
- Apply and contract for, receive, and expend appropriations and grants from the State or its political subdivisions, the Federal government, or other sources of funds. (Funds acquired by the Office would have to be spent as specified in the appropriation or grant.)
- Request an audit by a State, Federal, or county department authorized to conduct either a program or fiscal audit of the Office, a contractor of the Office, or a subgrantee of the Office.

- Enter into a contract with a county department and private agencies for the performance of duties required by grants awarded under State or Federal law; and develop, propose, and implement policies, plans, applications, and programs for improving the juvenile justice system in Michigan.
- Request and receive from an agency or political subdivision of the State, a county department, or a public authority the necessary information, assistance, and data to enable the Office to carry out its functions, duties, and powers.

#### County Departments

The bill would allow a county board of commissioners to establish a county children and youth services department. Such a county department could provide youth services directly, by contracting with another organization or agency, or by a combination of the two methods.

The Director of a county department would have to be appointed by the county children and youth services board. The county director would have to implement the policies and perform the services as directed by the county board. If a county board of commissioners elected not to establish a county department, the proposed Department of Children and Youth Services would have to provide youth services in that county.

A county program could be established by any single county or any combination of adjoining counties by a majority vote of each county's board of commissioners.

#### County Children and Youth Services Board

Any county or combination of counties that elected to establish a county department would have to establish a 12-member county children and youth services board, except as provided below. Each board of commissioners would have to appoint members to the county board from its county. When a combination of counties established a board, the board membership would be divided among the counties proportional to each county's population. Each county would be entitled to at least one member.

If a single county that included a city with a population of at least 500,000 established a board, six of the 12 board members would have to be appointed to the board by the city's chief executive. Those six members would have to be residents of the city, and the six appointed by the county would have to be residents of the county, but not of that city. A county adjacent to a county that had an established county program could join that program by a majority vote of its board of commissioners. The joining would have to be approved by the boards of commissioners of the counties that already participated in the program. The joining would be effective on January 1 following final approval. When the county joined the established program, the county board would have to be dissolved and a new board appointed to reflect the new membership.

Two county programs could merge under the bill. A merger would have to be approved by a majority vote of each county's board of commissioners and would be effective on the next January 1. In such a situation, each county's board of commissioners could elect to appoint one or more of the community mental health board members to the new board, even if that would change the size or composition of the new board. (The size and composition of the new board would have to be brought into compliance with the bill's requirements within three years, however.) Such appointments could be made only if both counties' boards of commissioners agreed to them.

A county board of commissioners could terminate its participation in a county program by an official notification to the proposed Department and the boards of commissioners of other concerned counties, if any. Unless the Director of the proposed Department approved an earlier date, the termination of participation would become effective two years after receipt of the notification. The county's participation in the program during the interim period would have to be maintained.

The bill would require membership on a county board to represent providers of children and youth services, recipients of children and youth services, and the general public, and that membership to "reflect the cultural demographics of the county or counties". Up to four members could be county commissioners, except that a board that represented five or more counties could have as many commissioners as counties represented. (In such a case, the total membership of the board would have to be increased by the number of commissioners on the board that exceeded four.) No more than half of a board's membership could be State, county, or local public officials. One member would have to be a probate judge.

The term of office of a board member would be two years, except that six members of the initial board would be appointed to a term of one year. Vacancies would be filled in the same manner as original appointment. The appointing board of commissioners could remove a member from the children and youth services board "for neglect of official duty or misconduct in office". Before removal, the member would have to be given a written statement of the reasons for the action and an opportunity to be heard on the matter.

Board members would be paid an amount, on a per diem basis, no larger than the highest per diem paid to members of other county advisory boards, and could be reimbursed for travel expenses for meetings attended. Mileage expenses would be fixed by the board, but could not exceed the reimbursement rate determined by the State Officers Compensation Commission. The proposed Department would have to reimburse the county departments pursuant to regulations for district allotments and matchable expenses.

#### Duties and Responsibilities of County Boards

A county children and youth services board would have to do all of the following:

- Annually examine and evaluate the needs of its county or counties and the youth services necessary to meet those needs.
- Develop and submit to the proposed Department a two-year plan and budget for the county department. (The format and documentation requirements would have to be set by the Department, subject to the Director's approval; and submission of the plan would constitute an official application for State funds.)
- Take actions it considered necessary and appropriate to secure private, Federal, and other public funds to support the county's program.
- Approve and authorize contracts for the provision of services; and review and evaluate the quality, effectiveness, and efficiency of services provided.
- Appoint a qualified county department director and establish policy guidelines within which he or she would have to administer the county department's program.

The bill specifies that a county department would have to provide "compensatory education programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children" of at least four, but less than five years of age who had "extraordinary need

of special assistance". The bill further specifies that a county department would have to provide any service that the proposed Department or county board directed, including all of the following:

- State-operated or -administered day care programs as well as day care referral programs.
- Latchkey and other programs for the after-school care of children.
- Prenatal programs and parent training programs.
- Training programs for child care workers.
- Mental health services for emotionally disturbed children.
- Programs for the prevention and treatment of domestic violence.

Under the bill, a county department would have to assume responsibility for all children committed to it by the juvenile division of Probate Court (juvenile court) or the court of general criminal jurisdiction. The county department could provide various types of children and youth services and programs in order to meet the needs of those children. The county department could provide those services itself or obtain them from other State agencies, local public agencies, other county departments, or private agencies. If another State agency's program were considered to serve the child's needs best, then the other agency or department would have to give priority to the child.

A county department would have to study and act upon a request for services for neglect, exploitation, abuse, cruelty, or abandonment by a parent, guardian, custodian, or person serving in loco parentis. The county department would have to assure, if necessary, the provision of services to the child, parent, guardian, custodian, or person serving in loco parentis "to reinforce and supplement the parental capabilities, so that the behavior or situation causing the problem is corrected or the child is otherwise protected". In so doing, the county department would be required to encourage other governmental units or licensed agencies to participate. The county department could initiate an appropriate court action as the conduct of a parent, guardian, or custodian required. Local citizen participation in establishing service programs would have to be permitted by the county department in order "to assure local understanding, coordination, and cooperative action with other community resources". Maximum use of the community's resources would be required in the provision of those services.

#### Additional Responsibilities of the Department

In addition to other duties specified in the bill, the proposed Department of Children and Youth Services would have to do all of the following:

- Provide services for children, youth, and families authorized in Title IV of the Federal Social Security Act (42 U.S.C. 601 et al.) and in Title XX of the Social Security Act (42 U.S.C. 1397-1397e).
- License, monitor, and evaluate county departments and local providers; and license and regulate child care organizations.
- Develop and implement training programs for employees of the Department engaged in the provision of children and youth services programs; and provide for the administration and supervision of employees of institutions operated or maintained by the Department.
- Establish uniform statewide daily rates for the care of children. (In the case of child care organizations licensed and regulated by the Department, the rates could include an amount for Department supervision.)
- Administer the Children's Trust Fund.
- Request that the Attorney General, when appropriate, bring an action to enforce the terms of a contract or agreement.

- Analyze the need for, and provide a report to the Legislature on, the implementation of the comprehensive computer information service by January 1, 1992.
- Promulgate rules necessary to implement the bill.

#### Repeal and Re-Enactment

The bill would repeal and re-enact various sections of the Social Welfare Act. The following sections of that Act would be repealed and re-enacted as part of the proposed "Children and Youth Services Act":

- Sections 117a and 117b, which outline juvenile justice services and funding requirements (MCL 400.117a and 400.117b).
- Section 117c, which requires the creation and maintenance of a county child care fund (MCL 400.117c). (Currently, the county treasurer is the custodian of such a fund, but under the bill a county department would assume that role.)
- Sections 117d and 117e, which specify requirements regarding the allocation of funds to county juvenile justice services programs (MCL 400.117d and 400.117e).
- Section 115f, which provides for the granting and continuation of adoption subsidies (MCL 400.115f).
- Section 115c, which requires approval of the placement of a child, in a family unrelated to that child, by an out-of-state person or agency (MCL 400.115c). (Under current law, the responsibility to approve or disapprove of such a placement is granted to the Office of Children and Youth Services in the DSS; under the bill such authority would be given to the proposed Department.)
- Sections 115d and 115e, which require the establishment, operation, and maintenance of regional detention facilities (MCL 400.115d and 400.115e). (Under current law this is required of the Office of Children and Youth Services; under the bill, it would be required of the proposed Department.)
- Section 116, which specifies requirements with respect to juvenile court probation staff (MCL 400.116).
- Section 1c, which allows a worker at a juvenile detention facility who is injured as a result of an assault by a recipient of services to collect supplemental benefits in addition to workers' disability compensation benefits (MCL 400.1c).
- Sections 120 and 121, which created and specify the duties and responsibilities of the Youth Parole and Review Board (MCL 400.120 and 400.121).
- Section 119a, which specifies requirements of other departments and agencies of the executive branch with respect to children's services and programs (MCL 400.119a).

#### Repealers

The following sections of the Social Welfare Act would be repealed:

- Sections 18c and 18d, which pertain to the provision of foster care (MCL 400.18c and 400.18d).
- Sections 113-115b, which created and specify the duties and responsibilities of the Office of Children and Youth Services within the DSS (MCL 400.113-400.115b). (Many of these responsibilities would be assigned to the proposed Department.)
- Sections 118 and 119, which created and specify the duties and responsibilities of the Youth Advisory Commission (MCL 400.118 and 400.119).
- Section 119b, which requires the Office of Children and Youth Services to report to the Legislature and the Governor on its objectives, goals, and effectiveness (MCL 400.119b).

The bill also would repeal the following:

- Public Act 181 of 1956, which pertains to the establishment and operation of a boys' vocational school (MCL 803.211-803.215).
- Public Acts 229 of 1962 and 145 of 1963, which pertain to the establishment and operation of a conservation and rehabilitation camp for male delinquent youths (MCL 803.317 and 803.321-803.323, respectively).
- Public Act 145 of 1965, which authorized the transfer of Camp LaVictoire from the Department of Corrections to the Department of Social Services.

Legislative Analyst: P. Affholter

## ***FISCAL IMPACT***

The proposed legislation could increase State expenditures for the delivery of children and youth services. Senate Bill 956 would require that those services currently being provided for children and youth in existing departments be transferred to a new Department of Children and Youth Services. This would require additional administrative (central office) staff. Personnel in the original departments who had responsibility for more than children's services (i.e., children and adults) would have to be replaced. There are currently no available estimates on the number of central office staff members who would be affected. Likewise, if county departments of children and youth services were established, a similar situation would occur. Currently, personnel at the local level perform tasks across service delivery areas. Additional administrative, services, and support staff would need to be hired. Again, the cost estimates are unknown.

There would also be additional, although small, costs associated with the creation of separate boards for the county department of children and youth services. These costs would be limited to the reimbursement of travel expenses for board members.

In the event that a county did not wish to establish a department of children and youth services, the central office (Department of Children and Youth Services) would be responsible for providing the services. It is unclear if the central office would be staffed with resources that could accommodate this situation. Also, one would need to determine if those services offered by the Department would be more costly than those provided by the local offices.

With these issues aside, combining children and youth services in one Department, in and of itself, could result in a budget neutral effort.

Fiscal Analyst: W. Griffith

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.