



**House  
Legislative  
Analysis  
Section**

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**DOMESTIC VIOLENCE GRANTS**

AS ENROLLED

**House Bill 4163 with committee  
amendments  
First Analysis (2-11-93)**

**Sponsor: Rep. Jack Horton  
Committee: Human Services & Children**

***THE APPARENT PROBLEM:***

Public Act 389 of 1978, the domestic violence prevention and treatment act, provides the framework for state funding assistance to domestic violence programs across the state. Forty-two shelters for battered women are funded under the act, with funding approved for two new shelters in the current fiscal year. The act limits the amount that any one grant recipient may receive under the act to \$75,000. Until now, this limit evidently has not been a problem. However, this year the state stands to receive federal funds for shelter services in an amount substantially over what was received last year. Those familiar with the act say that without a change in the law, the domestic violence board will not be able to disburse all the available state and federal funds. It has been proposed that the law be amended to apply the \$75,000 cap only to state funds, thus allowing federal funds to be distributed without regard to the \$75,000 figure.

In addition, the act limits the state share of a shelter's funding to 75 percent, meaning that a shelter must provide matching funds of at least 25 percent; the market value of in-kind contributions such as hours worked by volunteers may be used to satisfy the match requirement. Match requirements such as this one serve a dual purpose: they ensure that programs develop stability through local support and funding avenues independent of the state, and they use state money to create a "leverage", promoting program expansion through the distribution of state incentive funds. If shelters are to be able to receive more in combined state and federal funds than the \$75,000 now allowed, then there would arguably be a reduction in the level of local support needed to meet the requirement to match state funds. To maintain equivalent demands for local support, it has been suggested that the match requirement should be amended to include federal funds in the state match limit.

***THE CONTENT OF THE BILL:***

Public Act 389 of 1978 established the Domestic Violence Prevention and Treatment Board, which oversees a grant program that provides funds to support local domestic violence programs such as domestic violence shelters, training for domestic violence workers, and domestic violence prevention and treatment programs. The statute limits the amount received by any one grant recipient (that is, a "prime sponsor" in the form of a local unit of government or a private nonprofit association) to \$75,000 in a fiscal year. The bill would specify that this limit applies to state general fund-general purpose appropriations.

The act also limits the state share of a recipient's funding to 75 percent, meaning that the recipient must provide matching cash and in-kind contributions of at least 25 percent of the program's cost. The bill would include federal funds in the state funding cap.

MCL 400.1506

***FISCAL IMPLICATIONS:***

According to the Department of Social Services, the bill would have no impact on the general fund. Rather, it would enable the Domestic Violence Prevention and Treatment Board to distribute \$192,000 in additional federal funds allocated for the current fiscal year, resulting in an increase of \$4,570 to each shelter. The department notes, however, that the net fiscal impact for shelters cannot be determined, as they are experiencing cuts from other funding sources. (2-10-93) According to board staff, the \$192,000 in federal funds would be in addition to current year shelter funding of about \$300,000 in federal funds, about \$2.85 million in state general fund/general purpose money for the 42 shelters now funded, and about \$150,000 in

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general fund money for two shelters being newly funded this year. (2-10-93)

### ***ARGUMENTS:***

#### ***For:***

In 1991, someone was killed by domestic violence every five days in Michigan; crimes of domestic violence, widely acknowledged to be seriously underreported, were reported over 27,000 times that year. A critical component in dealing with domestic assault is the availability of shelters where battered women and their children can escape the violence and find temporary shelter and services. However, shelters, like many such service-oriented programs, must manage with a chronic shortage of funds. By exempting federal funds from the disbursement cap in the domestic violence prevention act, the bill would enable shelters to receive additional federal funds available this year and perhaps in the future.

#### ***Against:***

The committee amendment to add federal funds to the state's match limit would in effect increase the match requirement for domestic violence shelters. Shelters do not at present have to match federal funds, as they would have to do under the amendment. While shelters may be able to document enough in the way of in-kind contributions and volunteer hours to meet the new match requirement, such documentation would impose a substantial administrative burden on shelter staff, draining time and effort that could otherwise be used to help battered women and their children, raise funds, and recruit volunteers. In fact, the current match requirement dates to 1990, when the match requirement was eased in response to concerns about the burdens of documenting in-kind contributions. The additional federal funds do not constitute a windfall for which shelters should be made to pay with a more oppressive match requirement.

#### ***Response:***

Without a change in the match requirement to accompany the change in the \$75,000 disbursement cap, local programs would be able to get more for less. They would get more in the way of combined state and federal funding, while having to use less in the way of local support to meet the state match requirement: increases in federal funds could be used to meet the requirement to match state funds. To ensure that shelters continue to have to maintain substantial local support, an alteration in the match requirement is needed. Including federal funds in

the match requirement means that current demands for local support would be maintained. Shelters should be able to meet the proposed match requirement relatively easily; board staff told the House Committee on Human Services and Children that meeting the proposed match requirement would not be a problem, and noted that the value of local volunteer services to shelters totalled about \$2.5 million in 1992.

### ***POSITIONS:***

The Department of Social Services supports the bill. (2-10-93)

The Domestic Violence Prevention and Treatment Board supports the bill. (2-10-93)