




Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

Senate Bill 1388 (Substitute S-1)  
Sponsor: Senator Alan Sanborn  
Committee: Judiciary

Date Completed: 9-30-04

### **CONTENT**

The bill would amend the Youth Rehabilitation Services Act to revise the circumstances under which a youth agency may place a public ward in an out-of-State institution. ("Youth agency" means the Family Independence Agency or a county whose board of commissioners has approved a resolution authorizing the county to become a county juvenile agency.)

Under the Act, when necessary, a youth agency may place a public ward in a public or private institution or agency that is incorporated under the laws of another state or country and is approved or licensed by that state's or country's approving or licensing agency if the program meets licensing laws, requirements, and rules required for the placement of a public ward with a public or private institution in Michigan. If one or more appropriate juvenile residential care providers located or doing business in Michigan have bed space available, the youth agency must use that space rather than an out-of-State provider, unless the out-of-State provider offers a specialized program that is not available in Michigan. Under the bill, this requirement would not apply if both of the following conditions were met:

- The youth agency considered the out-of-State institution or agency to be a greater benefit to the public ward than an available facility or program located in Michigan.
- The cost of maintaining a public ward in the out-of-State institution or agency was less than the cost of maintaining a public ward in the facility or program located in Michigan.

In addition, the current language allows placement in an institution or agency that is incorporated under the laws of another country, under the conditions that apply to other out-of-State placements. The bill would define "out-of-state institution or agency" with reference only to an institution or agency incorporated under the laws of another state.

MCL 803.304

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

The bill would have no fiscal impact on the Family Independence Agency. The section requiring the cost of out-of-State placement to be less than State cost for the same service would allow service provision to be relatively cost neutral.

Fiscal Analyst: Constance Cole

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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.