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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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Senate Bill 703 (as reported with amendments)

Sponsor: Senator Joseph Conroy

Committee: State Affairs, Tourism, and Transportation

Date Completed: 2-22-90

RATIONALE

The Department of Social Services (DSS) has requested that the State acquire, on behalf of the DSS, the Flint Regional Detention Center, which consists of a facility and approximately nine acres. According to the DSS, the State leases the property from Genesee County for \$1 annually and is responsible for all ordinary maintenance and repair. Because the property is not State-owned, however, it is ineligible for State capital outlay funding for major maintenance or renovations. The facility is designed to house 68 youths for short-term detention but, the DSS reports, the present temporary licensed capacity is 102 youths and the average daily population is near this level. The DSS also reports that the physical plant is inadequate to accommodate more than 68 youths. According to the Department, planning for the improvement project was approved by Public Act 124 of 1987, and the State's acquisition of the property would permit the appropriation of State capital outlay funds for necessary renovations to house additional youths.

CONTENT

The bill would allow the State Administrative Board, on behalf of the Department of Social Services, to acquire for \$1 the Flint Regional Detention Center. The acquisition would have to provide that:

- The Genesee County Board of Commissioners would retain a 30-foot-wide right-of-way easement for ingress

to and egress from a landlocked parcel adjacent to the property.

- The land would be used exclusively for a regional detention and treatment center.
- The premises would be kept in good repair.
- If the land were not used for the specified purpose, or the proposed renovations as outlined in the capital outlay program statement were not made by the State within 10 years, the property would revert immediately to Genesee County, which would not be liable for any improvements made by the State.

All documents regarding the acquisition of the property and retention of the right-of-way easement would have to be approved by the Attorney General.

FISCAL IMPACT

The bill would cost the State \$1 to acquire the cited property for the proposed renovation of the regional detention and treatment center. As there are additional conditions to this acquisition--e.g., the State would have to improve the property within a set time period or the property would revert to Genesee County--it should be noted that the State most likely would experience additional capital outlay costs from the renovation of the center, currently estimated at \$5,000,000.

ARGUMENTS

Supporting Argument

By authorizing the State to acquire, and requiring the State to improve, the youth detention center, the bill would enable the State to alleviate crowded conditions at its only secure youth detention facility. According to the DSS, the continued operation of the Flint Regional Detention Center is a key element in providing necessary services for the care of delinquent youths, and projections for bed space needs do not indicate a decline in the need for short-term secure detention beds.

Further, the bill would provide for the continuity of operations in a State-owned facility, as opposed to negotiations for extending the lease every five years. The current lease arrangement does not adequately serve to provide permanency, fill major maintenance needs, or offer a solution to alleviate crowding.

Finally, the bill would streamline the facility's operating account, which currently is subject to a rollercoaster effect because it must include "big ticket items" that normally would be covered by capital outlay funds. By making the facility eligible for these funds, once it became State property, the bill would put the facility's operating expenses into the proper perspective.

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