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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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Senate Bill 836 (as passed by the Senate)  
 Sponsor: Senator Connie Binsfeld  
 Committee: Human Resources and Senior Citizens

Date Completed: 5-17-90

**RATIONALE**

In order to supplement programs providing services to senior citizens, Public Acts 247 and 259 of 1986 amended the Older Michiganians Act to establish a volunteer service credit program in which seniors, as well as persons of any age who belong to a nonprofit tax-exempt organization, may deposit credits earned by performing volunteer support and respite services for other seniors, and from which the senior volunteers can withdraw when in need of services themselves. While Public Act 247 authorized the Office of Services to the Aging (OSA) to set up a program in one or more counties, Public Act 259 required the OSA to establish a computer-based volunteer skills bank to implement the program, permitted the Office to establish up to five pilot program sites, and authorized the Office to provide grants to public or private organizations to establish similar projects. Public Act 259 contained an expiration date of April 1, 1989, which was postponed for one year by Public Act 235 of 1988. It has now been suggested that the expiration date be eliminated entirely since, according to the OSA, the program has been shown to be a popular and cost-effective way to augment State and Federal dollars.

**CONTENT**

The bill would amend the Older Michiganians Act to delete the April 1, 1990, repealer on provisions that:

- Require the Office of Services to the Aging to establish a computer-based volunteer skills bank for the purpose of implementing the Act's volunteer service credit program.

- Allow the Office to establish up to five program sites for the purpose of assessing the effectiveness of the volunteer service credit program.
- Allow the Office to provide grants to public and private organizations or groups to establish demonstration service credit programs separate from the volunteer service credit program established by the Act.

The bill also would delete the December 9, 1989, deadline for the report on the program's effectiveness that the Office is required to make to the Legislature, and instead would require that the report be made annually.

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

**ARGUMENTS****Supporting Argument**

According to the Office of Services to the Aging, the volunteer service credit approach has been shown to be effective: programs have been set up in 30 counties, with approximately 2,200 volunteers participating and 40,000 hours of service already logged, and grant amounts varying from \$12,000 to \$20,750 have been distributed. Volunteerism provides an innovative, cost-effective way to supplement governmentally funded services that assist older Michiganians. In addition to the obvious benefit of making volunteer services available to senior citizens in need of them, the program enables people to stay in their own home,

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rather than resorting to institutionalization, and offers relief to the primary caregiver and other family members. According to the OSA's December 1989 report to the Legislature, many studies indicate that primary caregivers need support, guidance, and assistance to reduce the physical, emotional, and financial stress that, if not alleviated, can result in the premature institutionalization of the older person. The report also states that recipients of service who have previously refused in-home care are more willing to accept assistance when they realize the volunteer is receiving something in return.

For the volunteers, the program creates an opportunity to feel useful to the community as well as to bank credits for themselves, which provides the positive reinforcement to keep participants actively involved. With the banking of service credits, however, the program needs time for its participant population to evolve into one that is using credits that have been earned and banked.

In addition, the OSA report indicates that the program is successful in attracting not only older volunteers wanting to bank their service credit, but also a group of volunteers who do not customarily become involved in voluntary efforts. A large number of young people have participated by providing volunteer support to caregivers of the elderly. OSA statistics reveal that the program is intergenerational, with 45% of the volunteers aged 45 and younger. This is especially noteworthy because this group does not bank its service credits, but donates them to an aging member of the community in need of assistance.

The bill would ensure that this successful and highly popular program continued to provide these benefits.

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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.