

REPRINT  
**SUBSTITUTE FOR**  
**SENATE BILL NO. 1185**

(As Passed the Senate June 11, 1998)

A bill to allow counties to authorize acceptance of certain juveniles committed to their care and responsibility; to prescribe the procedure and effect of that authorization; and to prescribe powers, duties, and obligations of those counties.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. This act shall be known and may be cited as the  
2 "county juvenile agency act".

3       Sec. 2. As used in this act:

4       (a) "County juvenile agency" means a county that has  
5 approved a resolution in accordance with section 3.

6       (b) "County juvenile agency services" means that term as  
7 defined in section 117a of the social welfare act, 1939 PA 280,  
8 MCL 400.117a.

9       (c) "Juvenile" means an individual who is any of the  
10 following:

**SB 1185, As Passed Senate, December 10, 1998**

Senate Bill No. 1185

2

1       (i) Within or likely to come within the jurisdiction of the  
2 court for the county under section 2(a) or (d) of chapter XIIIA of  
3 1939 PA 288, MCL 712A.2.

4       (ii) Within the jurisdiction of the circuit court in the  
5 county under section 606 of the revised judicature act of 1961,  
6 1961 PA 236, MCL 600.606.

7       (d) "Juvenile justice service" means that term as defined in  
8 section 117a of the social welfare act, 1939 PA 280, MCL  
9 400.117a.

10       (e) "Public ward" means that term as defined in section 2 of  
11 the youth rehabilitation services act, 1974 PA 150, MCL 803.302.

12       Sec. 3. (1) A majority of the board of commissioners of a  
13 county may approve a resolution authorizing the county to become  
14 a county juvenile agency.

15       (2) Subject to subsection (3), the county shall become a  
16 county juvenile agency on October 1 following adoption of the  
17 resolution.

18       (3) A resolution under this section is not effective until  
19 the county and the state enter into a written agreement contain-  
20 ing all of the following:

21       (a) Outcome criteria and reporting requirements necessary to  
22 comply with all applicable federal regulations.

23       (b) An agreement that any federal penalty related to the  
24 county juvenile agency's failure to meet the outcome criteria and  
25 reporting requirements necessary to comply with applicable fed-  
26 eral regulations are the county's obligation.

1 (c) Authorization for the state to offset the federal  
2 penalties described in subdivision (b) against amounts due to the  
3 county from distributions of the county block grant authorized  
4 under section 117a(4)(b) of the social welfare act, 1939 PA 280,  
5 MCL 400.117a.

(4) Becoming a county juvenile agency under this act constitutes an exercise of the county's option to provide a new activity or service or to increase the level of activity or service offered beyond that required by existing law as of the effective date on which the county becomes a county juvenile agency, as the elements of that option are defined by 1979 PA 101, MCL 21.231 to 21.244, and a voluntary acceptance by the county of all expenses and capital improvements initiated and approved by the county that may result from becoming a county juvenile agency. This subsection applies only for the period during which the county is a county juvenile agency.

6 Sec. 4. (1) A majority of the board of commissioners who  
7 approved a resolution under section 3 may revoke it by a subsequent  
8 resolution adopted before December 31.

9 (2) Except as otherwise provided, revocation is effective  
10 October 1 of the next year. If a county revokes authorization  
11 within 5 years after it becomes a county juvenile agency under  
12 section 3, the revocation is not effective until the earlier of  
13 the following:

14 (a) October 1 of the fifth year after the year in which the  
15 county became a county juvenile agency.

16 (b) October 1 of the state fiscal year for which the state  
17 fails to appropriate the amount required to be distributed to the  
18 county under the social welfare act, 1939 PA 280, MCL 400.1 to  
19 400.119b, and for which a loan has not been authorized for the  
20 deficiency under the emergency municipal loan act, 1980 PA 243,  
21 MCL 141.931 to 141.942, on terms acceptable to the county.

22 (3) The county shall cease to be a county juvenile agency on  
23 the effective date of the resolution.

24 Sec. 5. (1) The board of commissioners of a county that has  
25 adopted a charter under 1966 PA 293, MCL 45.501 to 45.521, shall  
26 not proceed under section 3 or 4 unless requested by the county  
27 executive or chief administrative officer.

1       (2) The board of commissioners of a county that has adopted  
2 an optional unified form of county government under 1973 PA 139,  
3 MCL 45.551 to 45.573, shall not proceed under section 3 or 4  
4 unless requested by the county executive or county manager.

5       Sec. 6. This act does not apply to a county unless that  
6 county is eligible for a transfer of title IV-E funds from the  
7 state under the waiver granted in 1997 by the United States  
8 department of health and human services for part 3 of the family  
9 independence agency's request under the child welfare demonstra-  
10 tion project.

11       Sec. 7. (1) A county juvenile agency shall provide or con-  
12 tract for provision of all of the following:

13       (a) An effective program of supervision and care for juve-  
14 niles committed to the county juvenile agency by the family divi-  
15 sion of circuit court or court of general criminal jurisdiction.

16       (b) Appropriate county juvenile agency services.

17       (c) Appropriate services and facilities necessary for public  
18 wards it is responsible for.

19       (2) A county juvenile agency may do any of the following:

20       (a) Operate training schools or programs, halfway houses,  
21 youth camps, diagnostic centers, detention facilities, short-term  
22 treatment centers, group homes, or other facilities.

23       (b) Provide institutional care, boarding care, halfway house  
24 care, supervision in the community, or other juvenile programs or  
25 services.

26       (c) Obtain appropriate services from state, local, or  
27 private agencies[, if those services meet all applicable state and  
local government licensing standards].

1 (d) Provide appropriate juvenile justice services to any  
2 juvenile.

3 (3) Except as otherwise provided, a county juvenile agency  
4 shall pay the providers of services or materials for which it has  
5 contracted within 45 days after receiving a request for payment  
6 as provided in the contract.

7 (4) A county juvenile agency shall negotiate with providers  
8 for prepayment contract clauses that do not exceed 33%.

9 (5) Unless a county juvenile agency has negotiated a differ-  
10 ent prepayment contract clause as provided in subsection (4),  
11 payments for residential care services shall be not less than 1/4  
12 of the anticipated total cost when care is first provided, not  
13 less than 1/4 of the anticipated total cost when 1/3 of the care  
14 is provided, not less than 1/4 of the anticipated total cost when  
15 2/3 of the care is provided, and the balance owed when care is  
16 completed.

17 (6) If 1 or more appropriate juvenile residential care pro-  
18 viders located or doing business in this state have bed space  
19 available, a county juvenile agency shall use that space rather  
20 than a space available by a provider located or doing business in  
21 another state. This requirement does not apply if the provider  
22 located or doing business in another state offers a specialized  
23 program that is not available in this state.

[  
]  
[(7)] A county juvenile agency shall not use religion, race,  
color, national origin, or sex as a criterion for discriminating  
against or granting preferential treatment in contracting with  
providers.

24 Sec. 8. A county shall maintain the account for the county  
25 juvenile agency's block grant under section 117a of the social  
26 welfare act, 1939 PA 280, MCL 400.117a, separately from all other  
27 accounts of the county's funds. Expenditures of those funds

1 shall be shown as separate line items or appropriations in the  
2 county's budget.

3       Sec. 9. An annual state audit shall be conducted of all  
4 state money provided to a county for programs under this act as a  
5 county juvenile agency to insure the funds are expended as pro-  
6 vided by law.

7       Sec. 10. When a county becomes a county juvenile agency as  
8 provided in section 3, public wards and juveniles transferred to  
9 the county juvenile agency's responsibility shall remain in their  
10 existing placements, under the same terms and conditions, until  
11 the court approves a change in placement.

[Sec. 10a. If the county assumes the operation of any facility operated by the family independence agency, the county shall be a successor employer. Employees under a successor employer agreement shall not be placed in any worse position with respect to worker's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance, or any other terms and conditions of employment that the employee enjoyed as a family independence agency employees. This provision shall also apply if the county leases such a facility to a private agency or a public agency other than the state.

Sec. 10b. The family independence agency shall adopt a plan to aid employees of the family independence agency not described in section 10a who are negatively impacted as a result of this act. The plan shall be developed in conjunction with employee collective bargaining units and shall address and recommend remedies for displaced employees including, but not limited to, interdepartmental transfers, intradepartmental transfers, employee retraining, appropriate severance packages, and job placement aid. The plan, including the recommendations, shall be submitted to the house and senate appropriations committees, the state employer, and the affected collective bargaining units no later than September 1, 1999.]

12       Sec. 11. A county becoming a county juvenile agency in  
13 accordance with this act does not affect existing agreements  
14 between the family independence agency and private providers,  
15 which are guaranteed enforceable at the per diem rates as of [the  
effective date of this act. This section shall not limit the powers and authority granted under this act to a county juvenile agency, including the discretion to select and contract with providers of juvenile residential care.]

17       Enacting section 1. This act does not take effect unless  
18 all of the following bills of the 89th Legislature are enacted  
19 into law:

- 20       (a) Senate Bill No. 1183.
- 21       (b) Senate Bill No. 1184.
- 22       (c) Senate Bill No. 1186.
- 23       (d) Senate Bill No. 1187.
- 24       (e) Senate Bill No. 1196.
- 25       (f) Senate Bill No. 1197.

**SB 1185, As Passed Senate, December 10, 1998**

S03598'97 a \*\*\* (S-1) R-1

Final page.

JOJ