



Senate Fiscal Agency
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Senate Bill 418, 419, and 421 through 423 (Substitute S-1 as reported)

Sponsor: Senator Sylvia Santana (S.B. 418 & S.B. 419)

Senator Veronica Klinefelt (S.B. 421)

Senator Kristen McDonald Rivet (S.B. 422)

Senator Roger Victory (S.B. 423)

Committee: Civil Rights, Judiciary, and Public Safety

CONTENT

Senate Bill 418 (S-1) would amend the Social Welfare Act to do the following:

- Specify that the Department of Health and Human Service's (DHHS) Child Care Fund (CCF) could be used for juvenile justice services starting when a complaint, referral, or petition is generated by the local prosecutor, law enforcement, or authorized school personnel for a youth at risk of juvenile court involvement through residential placement and reentry.
- Modify county child care fund reimbursement rates from the DHHS's CCF for specified juvenile justice services, such as by requiring the CCF to reimburse a county's child care fund at a rate of 75% of annual expenditures for in-home expenses and per diem rates for the use of respite care and shelter for less than 30 days.
- Require a county to use funds received from the State to adopt a validated risk screening tool, a validated risk assessment tool, and a detention screening tool, and to use research-based juvenile specific probation standards.

Senate Bill 419 (S-1) would amend the Juvenile Diversion Act to do the following:

- Allow a risk screening and mental health screening tool to be conducted on a minor before a decision to divert the minor from a court petition was made.
- Establish standards for a risk screening and mental health screening tool.
- Prohibit a minor accused or charged with a "specified juvenile violation" from being diverted and define the term.
- Specify that the results of a risk screening and mental health screening tool would not be admissible into evidence in any adjudicatory hearing in which the minor was accused and would not be subject to subpoena or any other court process for use in any other proceeding or for any other purpose.
- Modify the definition of "diversion" to allow a diversion to take place during an investigation into a minor's alleged offense.

Senate Bill 421 (S-1) would amend the juvenile Code to do the following:

- Require a designated, trained individual or agency to conduct a risk and needs assessment for each juvenile before a disposition decision.
- Require a court to consider the results of a risk and needs assessment and several other factors when making a disposition decision.
- Require an additional assessment to be conducted if six months had passed since the prior assessment, if the juvenile experienced a major life event, or a major change occurred in the juvenile's proceedings.

Senate Bill 422 (S-1) would amend the juvenile Code to require a court to consider the results of a risk screening tool and mental health screening tool conducted on a juvenile before

placing the juvenile's case on the consent calendar and classify the results of the screenings tool as confidential case records. It also would prohibit a court from considering restitution when determining if a juvenile's case should be placed on a consent calendar.

Senate Bill 423 (S-1) would amend the juvenile Code to require an individual or agency designated by the court to use a detention screening tool on a juvenile before the juvenile could be detained in a secure facility, pending a hearing. It also would specify that any statement, admission, confession, or incriminating evidence obtained from a juvenile during the screening would not be admissible as evidence in any court proceeding.

Senate Bills 419, 421, 422, and 423 are tie-barred to Senate Bill 418, and each of those bills would take effect October 1, 2024.

MCL 400.117a (S.B. 418)
722.822 et al. (S.B. 419)
712A.18 (S.B. 421)
712A.2f (S.B. 422)
712A.15 & 712A.16 (S.B. 423)

BRIEF RATIONALE

Governor Whitmer signed Executive Order 2021-6 on June 9, 2021, which created the Task Force on Juvenile Justice Reform (Task Force) within the DHHS. The Task Force was charged with analyzing Michigan's juvenile justice system and recommending changes to State law, policy, and appropriations aimed to improve youth outcomes. The Task Force found a lack of uniform juvenile justice policies in the State that may lead to disparate outcomes for youth. Among other recommendations, the Task Force suggested that the CCF be enhanced to create a minimum framework of juvenile best practices across the State.

PREVIOUS LEGISLATION

(Please note: This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

Senate Bills 418, 419, 421, 422, and 423 are companion bills to House Bills 4624, 4625, 4627, 4628, and 4629, respectively.

Legislative Analyst: Tyler P. VanHuyse

FISCAL IMPACT

Regarding statewide judicial costs, Public Act 119 included new ongoing funding of \$2.025 million and 13.0 FTEs for a Juvenile Justice Services Division within the State Court Administrative Office. It is likely this new administrative division will be responsible for several statewide responsibilities proposed by the bill package, including the creation of guidelines on the use of risk screening tools and mental health screening tools related to diversion, the creation of guidelines on the use of a risk and needs assessment tool, the provision of training for court officers on the application of a risk and needs assessment tool, the possible promulgation of rules for the use of a detention screening tool, and the collaboration with local courts on the selection of an appropriate detention screening tool.

Regarding costs to local court systems, new procedures would have to be adopted, including the adoption of a validated risk screening tool, a validated risk assessment tool, a detention screening tool, the utilization of juvenile-specific probation standards, and the employment of a local quality assurance specialist to support the implementation of new practices. These costs are currently indeterminate.

The cost for the enhanced reimbursement rate for community-based services for juvenile youth is estimated to be \$31.5 million, which was appropriated in the FY 2023-24 budget. The bill package would have an immediate fiscal impact of roughly \$32.0 million to the DHHS and a savings of between \$25.5 to \$28.5 million for the counties based on the enhanced reimbursement rate offered by the State to the counties for community-based services and the cost of the required quality assurance specialist and screening tools. The cost of the enhanced reimbursement rate to the State is approximately \$31.5 million, which has been appropriated in the FY 2023-24 budget, and an equal savings to the counties and local units of government. The costs of the county quality assurance specialist, validated screening tools, and State oversight would be up to \$300,000 for the State and from \$3.0 to \$6.0 million on the counties. Starting in FY 2024-2025 (October 1, 2024), the State would no longer cover 100% of the costs of youth in the juvenile justice system, reverting back to the 50% cost sharing or 75% for qualified community-based services. This would represent \$15.0 million savings for the State and \$15.0 million increased costs to counties. The immediate cost to the DHHS would be approximately \$32.0 million and beginning FY 2024-2025 it would cost \$17.0 million with the savings from reverting back to the normal reimbursement for 17-year-old youth. Counties and local units of government would see an immediate savings of \$25.5 to \$28.5 million based on the savings from the enhanced reimbursement rate and costs of implementing the quality assurance specialist and validated screening tools, and beginning in FY25, reassuming the cost for 17-year-old youth would drop the savings down to \$10.5 to \$13.5 million.

Indirectly, it is likely that implementation of these new procedures regarding juvenile adjudication, and the application of the research-based tools associated with them, would result in a statewide reduction in juvenile incarceration. There is likely to be a cost reduction for corrections statewide as a result. The amount of any savings is not known and could vary widely.¹

Lastly, a reduction in youth incarceration would result in a correlating reduction in legal liability to the State if, or when, incarcerated juveniles were subjected to abuse or mistreatment. Any such reduction in this kind of liability is indeterminate; however, Michigan has settled such claims in the past for tens of millions of dollars.

Date Completed: 10-2-23

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¹ See the Justice Center's cost calculator, based upon Michigan incarceration data from 2019-20 and found at: <https://csgjusticecenter.org/projects/course-corrections/cost-calculator/>.

Bill Analysis @ www.senate.michigan.gov/sfa
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