



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4399 (Substitute H-4 as passed by the House)
Sponsor: Representative Jack Horton
House Committee: Human Services
Senate Committee: Families, Mental Health and Human Services

Date Completed: 9-25-96

CONTENT

The bill would amend the Social Welfare Act to allow the Director of the Family Independence Agency to establish a pilot project combining Lapeer, Huron, and Tuscola Counties into a single administrative unit. The director of the unit would have to be appointed according to the provisions of the Act.

The bill also would require the Family Independence Agency to report to the Legislature on the effect of the pilot project within two years after the effective date of the bill.

The Act currently allows the Director of the Agency to organize two counties into a single administrative unit for purposes of administrative efficiency. The director of the unit is appointed by the Agency from among persons certified as eligible and recommended by the Agency and by all of the affected county boards. If the affected county boards are unable to reach agreement on recommended candidates within three months after being notified of a vacancy, the director of the unit is appointed by the Agency from among persons certified as eligible and recommended by the Agency and by one or more of the affected county boards.

MCL 400.48

Legislative Analyst: L. Burghardt

FISCAL IMPACT

The bill could have a minimal fiscal impact on State government. The organization of three counties into a single administrative unit could conceivably save on costs for administration and eliminate program duplication. The cost of personnel could be minimized--for example, one director and administrative support for multiple-county administration instead of a director and support for each single county. Operating one program over a multiple-county area could provide efficiencies in service and program operations, including transportation, payroll, and equipment. A program with a small client caseload in the single counties could be combined under a multicounty administration unit.

Fiscal Analyst: C. 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.