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BILL ANALYSIS

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House Bill 4825 (as passed by the House)
Sponsor: Representative Michael C. Murphy
House Committee: Family and Children Services
Senate Committee: Families and Human Services

Date Completed: 6-27-05

CONTENT

The bill would amend Public Act 249 of 1982, which provides for the Children's Trust Fund, to allow the disbursement of Fund money by the Child Abuse and Neglect Prevention Board, without regard to the total amount in the Fund.

Under the Act, until the total amount of assets in the Fund exceeds \$20.0 million, not more than half of the money contributed to the Fund each year, plus the interest and earnings credited to the Fund during the previous fiscal year, may be available for disbursement upon the authorization of the State Child Abuse and Neglect Prevention Board as provided in Section 9 of the Child Abuse and Neglect Prevention Act.

(Under that section, the Board may authorize the disbursement of available Fund money, upon legislative appropriation, for the following purposes:

- To fund a private nonprofit or public organization in the development or operation of a child abuse and neglect prevention program that meets certain conditions.
- To fund local councils with the primary purpose of developing and facilitating a collaborative community prevention program in a specific geographical area.
- To fund the Board for its actual and necessary operating expenses.)

Under the bill, the money would be available for distribution regardless of the total amount of assets in the Fund.

The bill also would delete a provision that, if the State Treasurer certifies that Fund assets exceed \$20.0 million, only the interest and earnings credited to the Fund may be available for disbursement upon the Board's authorization.

MCL 21.171

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State. From FY 1999-2000 to FY 2003-2004, the appropriation for the Children's Trust Fund grants has been \$3.6 million each year. The expenditures during that period have increased approximately 13%, from \$2 million to \$2.3 million. The fund sources include the State Children's Trust Fund and Federal funds. The Trust Fund expenditures have increased 94% and Federal funds have decreased 42%. Currently, the Fund interest and earnings are available for allocation by

the Child Abuse and Neglect Prevention Board. The amendments would make available half of the contributions in addition to interest and earnings each year, removing the limit on how much can be distributed.

Fiscal Analyst: Bill Bowerman
Constance 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.