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BILL ANALYSIS

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Senate Bill 97 (as reported without amendment)  
Sponsor: Senator Bill Hardiman  
Committee: Families and Human Services

## **CONTENT**

The bill would amend the child care licensing Act to require a child care organization, within 24 hours of receiving notice that the Department of Human Services (DHS) was conducting a high-risk special investigation, to make a good faith effort to give oral notification to each parent or legal guardian of the children who were under the organization's care at the site and at the time of the incident being investigated, and, if the individual being investigated were still present at the child care organization at the time of the investigation, each parent or guardian of children who had or would come into contact with that individual for as long as he or she was present at the organization. Within one business day after the initial good faith attempt at oral notification, the child care organization would have to send written notification by mail service, facsimile transmission, or electronic mail.

If the DHS determined in its investigation that there were no substantiated rule violations, it would have to post that information on its website, and give notice of its determination to the child care organization, which could share the notice with parents and guardians.

The bill also would establish criminal penalties for making a false report that caused the DHS to conduct a special investigation requiring notification under the bill. If the incident reported would not constitute a crime or would constitute a misdemeanor if true, the offense would be a misdemeanor punishable by imprisonment for up to 93 days and/or a fine of up to \$100. If the incident reported would constitute a felony if true, the offense would be a felony punishable by the penalty for the incident falsely reported, or imprisonment for up to four years and/or a maximum fine of \$2,000, whichever was less.

Proposed MCL 722.113f & 722.115h

Legislative Analyst: Curtis Walker

## **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on the Department of Human Services. The DHS regulates approximately 16,300 licensed child day care centers, and group and family homes that provide out-of-home care for children. The Department's Office of Children and Adult Licensing indicates that 78 facilities in calendar year 2006 received a recommendation for a license revocation or refusal to renew. The Office also reports that 25 facilities were served with a summary suspension notice, which stopped their ability to provide services during the investigation. It is not known at this time how many facilities would be affected by the bill.

There are no data to indicate how many offenders would be convicted of the proposed offense. Local governments would incur the costs of misdemeanor probation and incarceration in local facilities, which vary by county. The State would incur the cost of felony probation at an average annual cost of \$2,000, as well as the cost of incarceration in a State facility at an average annual cost of \$31,000. Additional penal fine revenue would benefit public libraries.

Date Completed: 2-8-07

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