



Senate Fiscal Agency  
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## BILL ANALYSIS

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Senate Bill 97 (as introduced 1-25-07)  
Senate Bill 155 (as introduced 2-1-07)  
Sponsor: Senator Bill Hardiman (S.B. 97)  
          Senator Cameron S. Brown (S.B. 155)  
Committee: Families and Human Services

Date Completed: 2-5-07

**CONTENT**

**Senate Bill 97 would amend the child care licensing Act to require a child care organization to notify the parents or guardians of certain children in its care if it were the subject of a high-risk special investigation by the Department of Human Services (DHS). The bill also would establish criminal penalties for making a false report that led to a special investigation requiring this notice.**

**Senate Bill 155 would amend the Code of Criminal Procedure to include in the sentencing guidelines making a false report that initiated a special investigation. The offense would be a Class F felony against public order, with a statutory maximum of four years' imprisonment.**

Senate Bill 155 is tie-barred to Senate Bill 97. Senate Bill 97 is described in detail below.

Under the bill, if the DHS notified a child care organization that a special investigation classified as high-risk was being conducted, the organization would have to make a good faith effort within 24 hours to give oral notification to each parent or legal guardian of the following:

- Children who were under the child care organization's care at the site at the time the incident being investigated occurred.
- If the individual being investigated were still present at the organization at the time of the investigation, children who had or would come into contact with that individual as long as he or she was present.

Within one business day after the initial good faith attempt at oral notification, the child care organization would have to send written notice by mail service, facsimile transmission, or electronic mail.

If the DHS determined that a child care organization was not complying with either of these notification requirements, it could suspend the organization's license under the Act, pending review.

If, upon completion of the special investigation, the DHS determined that there were no substantiated rule violations, it would have to give the child care organization written notice of that determination, which the organization could share with the parents or legal guardians who had received notification of the high-risk investigation. The DHS also would have to make this information available on its website.

Under the bill, "special investigation that the department classifies as high risk" would mean an investigation in which the DHS became aware of the existence of one or more of the conditions specified in Section 8(3)(a) to (c) of the Child Protection Law, i.e., abuse or neglect is the suspected cause of a child's death, the child is the victim of suspected sexual abuse or sexual exploitation, or abuse or neglect resulted in severe physical injury to the child.

The bill would prescribe criminal penalties for a person who made a false report to the DHS regarding a child care organization that caused the DHS to initiate a special investigation for which the child care organization had to send notice. If the incident reported would not constitute a crime or would constitute a misdemeanor if the report were true, the person making the false report would be guilty of a misdemeanor punishable by imprisonment for up to 93 days or a maximum fine of \$100, or both.

If the incident reported would constitute a felony if the report were true, the person making the false report would be guilty of a felony punishable by the lesser of the following:

- The penalty for the incident falsely reported.
- Imprisonment for up to four years or a maximum fine of \$2,000, or both.

The bill would not apply to a child caring institution, child placing agency, foster family home, or foster family group home.

(Under the Act, the term "child care organization" includes organizations commonly described as child care centers, child caring institutions, child placing agencies, children's camps, day care centers, day care homes, foster homes, group homes, nursery schools, and parent cooperative preschools.)

Proposed MCL 722.113f & 722.115h (S.B. 97)  
MCL 777.15g (S.B. 155)

Legislative Analyst: Curtis Walker

### **FISCAL IMPACT**

Senate Bill 97 would have an indeterminate fiscal impact on the Department of Human Services. The Department 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 suspension. 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 proposed criminal penalties and sentencing guidelines changes in Senate Bills 97 and 155.

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.

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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.