



Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

Senate Bill 1302 (Substitute S-1) Sponsor: Senator Michael Switalski

. Committee: Families and Human Services

Date Completed: 9-1-10

## **CONTENT**

The bill would amend the Social Welfare Act to allow the Director of the Department of Human Services (DHS) to organize up to three counties into a single administrative unit for purposes of administrative efficiency. Currently, the Director may organize two counties into a single administrative unit.

The bill would require the DHS to have a formal consultation with the boards of the affected counties, before a decision was made to organize them into a single administrative unit.

MCL 400.48

## **BACKGROUND**

Under the Social Welfare Act, a county DHS office is created in each county of the State. A county office consists of a three-member county DHS board, the director of the county office, and employees. The county DHS board is responsible for the administration of the county office and other duties spelled out in the Act.

If two counties are organized into a single administrative unit, the director of the unit must be appointed by the DHS from among individuals certified as eligible and recommended by the Department Director and by all of the affected county boards. If the county boards cannot reach an agreement within three months after being notified of a vacancy, the DHS must appoint the unit director from among eligible individuals recommended by the Department and by one or more of the affected county boards.

A 1996 amendment to the Act allowed the DHS Director to establish a pilot project combining Lapeer, Huron, and Tuscola Counties into a single administrative unit. Within two years after the amendment, the Department was required to report to the Legislature on the effect of the pilot project.

Legislative Analyst: Suzanne Lowe

## **FISCAL IMPACT**

If the ability to combine more than the currently-allowed two counties led to greater administrative efficiency, then it is possible the affected jurisdictions could see savings, though likely of not a large magnitude.

Fiscal Analyst: Kathryn Summers

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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.