[No. 82]

(SB 235)

AN ACT to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2002; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; family independence agency.

FAMILY INDEPENDENCE AGENCY

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the family independence agency for the fiscal year ending September 30, 2002, from the funds indicated in this part. The following is a summary of the appropriations in this part:

FAMILI INDEPENDENCE AGENCI	
Full-time equated classified positions	
Unclassified positions6.0	
Total full-time equated positions13,505.6	
GROSS APPROPRIATION	\$ 3,636,782,600
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	965,300
ADJUSTED GROSS APPROPRIATION	\$ 3,635,817,300
Federal revenues:	
Total federal revenues	2,302,601,750
Special revenue funds:	
Total private revenues	9,710,550
Total local revenues	90,293,200
Total other state restricted revenues	53,233,900
State general fund/general purpose	\$ 1,179,977,900
Executive operations.	
Executive operations. Sec. 102. EXECUTIVE OPERATIONS	
Sec. 102. EXECUTIVE OPERATIONS	
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions927.3	
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 502,100
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 502,100 36,343,900
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$,
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 36,343,900
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 36,343,900 10,313,300
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 36,343,900 10,313,300 7,427,700
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 36,343,900 10,313,300 7,427,700 9,036,300
Sec. 102. EXECUTIVE OPERATIONS Total full-time equated positions	\$ 36,343,900 10,313,300 7,427,700 9,036,300 27,154,100

		For Fiscal Year Ending Sept. 30, 2002
Child support automation—28.0 FTE positions	\$	102,261,100
Child support distribution computer system—8.0 FTE positions Supplemental security income advocates, salaries and	,	17,150,300
wages—16.0 FTE positions		1,047,700
Commission on disability concerns—8.0 FTE positions		952,100
Commission for the blind—108.0 FTE positions		18,037,700
GROSS APPROPRIATION	\$	276,744,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG-ADP user fees		150,000
ADJUSTED GROSS APPROPRIATION	\$	276,594,500
Appropriated from:		
Federal revenues:		
Total federal revenues		179,681,100
Special revenue funds:		
Total private revenues		1,840,000
Total local revenues		475,000
Total other state restricted revenue		477,300
State general fund/general purpose	\$	94,121,100
Family independence services administration.		
Sec. 103. FAMILY INDEPENDENCE SERVICES		
ADMINISTRATION		
Full-time equated classified positions		
Salaries and wages—299.0 FTE positions	\$	14,702,900
Contractual services, supplies, and materials	Ψ	5,776,500
Child support incentive payments		32,409,600
Legal support contracts		125,896,400
State incentive payments		2,510,200
Employment and training support services		15,101,700
Project zero—84.0 FTE positions		12,087,200
Wage employment verification reporting—2.0 FTE positions		2,170,200
Urban and rural empowerment/enterprise zones		100
Training and staff development—53.0 FTE positions		10,752,200
Community services block grant		22,400,000
GROSS APPROPRIATION	\$	243,807,000
Appropriated from:		
Federal revenues:		
Total federal revenues		222,525,700
Special revenue funds:		
Total local revenues - donated		340,000
State general fund/general purpose	\$	20,941,300
Child and family services.		
Sec. 104. CHILD AND FAMILY SERVICES		
Full-time equated classified positions		
Salaries and wages—43.3 FTE positions	\$	2 688 000
Contractual services, supplies, and materials	Φ	2,688,900 1,683,500
Contractual services, supplies, and materials		1,000,000

		For Fiscal Year Ending Sept. 30, 2002
Refugee assistance program—5.0 FTE positions	\$	7,400,900
Foster care payments		186,217,000
Wayne County foster care payments		124,143,100
Adoption subsidies		178,371,300
Adoption support services—9.0 FTE positions		12,590,600
Youth in transition—10.0 FTE positions		13,347,600
Interstate compact		300,000
Children's benefit fund donations		21,000
Domestic violence prevention and treatment—6.0 FTE positions		13,138,800
Teenage parent counseling—4.0 FTE positions		4,424,800
Family preservation and prevention services—20.0 FTE positions.		79,014,900
Black child and family institute		100,000
Rape prevention and services		2,600,000
Children's trust fund administration—7.0 FTE positions		469,900
Children's trust fund grants		3,615,000
Attorney general contracts		2,458,700
Guardian contract		600,000
County shelters		300,000
Prosecuting attorney contracts		1,061,700
GROSS APPROPRIATION	\$	634,547,700
Federal revenues: Total federal revenues		264 210 400
Special revenue funds:		364,819,400
Private - children's benefit fund donations		21,000
Private - collections		5,033,900
Local funds - county payback		42,919,200
Children's trust fund		2,119,700
State general fund/general purpose	\$	219,634,500
Juvenile justice services.		
Sec. 105. JUVENILE JUSTICE SERVICES		
Full-time equated classified positions		
Child care fund	\$	110,900,000
Child care fund administration—7.5 FTE positions		884,000
Juvenile justice operations—1,206.6 FTE positions		102,746,400
Federally funded activities—12.0 FTE positions		1,860,800
W.J. Maxey memorial fund		45,000
Juvenile accountability incentive block grant—4.0 FTE positions		7,741,600
Juvenile boot camp program		1,600,000
Committee on juvenile justice administration—4.0 FTE positions		462,100
Committee on juvenile justice grants	ф	5,000,000
GROSS APPROPRIATION	\$	231,239,900
Appropriated from:		
Federal revenues:		95 950 100
Total federal revenues		35,372,100
Special revenue funds:		45,000
Total private revenues		45,000

		For Fiscal Year Ending Sept. 30, 2002
Local funds - county payback	\$ \$	46,061,500 149,761,300
Local office staff and operations.		
Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS		
Full-time equated classified positions10,161.9		
Field staff, salaries and wages—10,011.4 FTE positions	\$	414,634,300
Contractual services, supplies, and materials		30,267,300
Outstationed eligibility workers—60.0 FTE positions		5,333,500
Wayne County gifts and bequests		100,000
Volunteer services and reimbursement—90.5 FTE positions		7,415,500
GROSS APPROPRIATION	\$	457,750,600
Appropriated from:		
Federal revenues:		250 050 400
Total federal revenues		279,050,100
Special revenue funds:		100 100
Local funds - donated funds		193,100
Private funds - hospital contributions		2,670,650 100,000
State general fund/general purpose	\$	175,736,750
State general fund/general purpose	φ	110,100,100
Disability determination services.		
Sec. 107. DISABILITY DETERMINATION SERVICES		
Full-time equated classified positions628.0		
Disability determination operations—602.0 FTE positions	\$	68,896,800
Medical consultation program—21.0 FTE positions	Ψ.	3,078,200
Retirement disability determination—5.0 FTE positions		824,500
GROSS APPROPRIATION	\$	72,799,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from DMB - office of retirement sytems		815,300
ADJUSTED GROSS APPROPRIATION	\$	71,984,200
Appropriated from:		
Federal revenues:		
Total federal revenues		69,795,400
State general fund/general purpose	\$	2,188,800
Central support accounts.		
Sec. 108. CENTRAL SUPPORT ACCOUNTS		
Rent	\$	47,158,500
Occupancy charge		12,785,100
Travel		7,880,500
Equipment		3,052,900
Worker's compensation		5,247,000
Advisory commissions		17,900
Payroll taxes and fringe benefits		170,739,300
GROSS APPROPRIATION	\$	246,881,200

		For Fiscal Year Ending Sept. 30, 2002
Appropriated from:		
Federal revenues:		
Total federal revenues	\$	139,515,550
Special revenue funds:		
Local funds - county payback		304,400
State general fund/general purpose	\$	107,061,250
Public assistance.		
Sec. 109, PUBLIC ASSISTANCE		
Full-time equated classified positions		
Family independence program	\$	351,900,000
Homestead property tax credit for low-income families	·	27,000,000
Transitional work support		15,000,000
State disability assistance payments		19,617,600
Food stamp program benefits		415,018,300
State supplementation		60,933,300
State supplementation administration		2,383,300
Low-income home energy assistance program—10.0 FTE		
positions		67,047,300
State emergency relief—2.0 FTE positions		41,712,400
Weatherization assistance		10,900,000
Day care services		461,500,000
GROSS APPROPRIATION	\$	1,473,012,200
Appropriated from:		
Federal revenues:		
Total federal revenues		1,011,842,400
Special revenue funds:		
Child support collections		43,232,100
Supplemental security income recoveries		5,104,800
Public assistance recoupment revenue	_	2,300,000
State general fund/general purpose	\$	410,532,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Total state spending; payments to local units of government.

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2001-2002 is \$1,233,211,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2001-2002 is \$173,288,400.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

FAMILY INDEPENDENCE AGENCY
CHILD AND FAMILY SERVICES

Adoption subsidies	\$ 68.256.500

JUVENILE JUSTICE SERVICES Child care fund County juvenile officers	100,900,000 2,973,200
PUBLIC ASSISTANCE	
State disability program	1,158,700
TOTAL	\$ 173,288,400

Appropriations subject to §§ 18.1101 to 18.1594.

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Definitions.

Sec. 203. As used in this act:

- (a) "ADP" means automated data processing.
- (b) "Department" means the family independence agency.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "Temporary assistance for needy families" (TANF) or "title IV" means title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 655, 656 to 660, 663 to 669b, 670 to 673, 673b, 674 to 679, and 679b.
- (f) "Title IV-A" means part A of title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 601 to 604, 605 to 608, and 609 to 619.
- (g) "Title IV-D" means part D of title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 651 to 655, 656 to 660, and 663 to 669b.
- (h) "Title IV-E" means part E of title IV of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 670 to 673, 673b to 679, and 679b.

Billing by department of civil service.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Hiring freeze; exceptions.

- Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from one position to another within a department.
- (2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the thirtieth of each month to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

Contingency funds; availability for expenditure.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

- (2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Privatization; project plan.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Transmission of reports via electronic mail; use of internet.

Sec. 208. The department shall continue to pilot the use of the internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on the internet or legislative intranet site. The senate and house appropriations subcommittees and senate and house fiscal agencies shall be notified in writing of the internet or intranet site of any such report. Quarterly, the department shall provide a cumulative listing of the reports submitted during the most recent 3-month period along with the internet or intranet site of each report, and a list of those reports expected to be transmitted in the following quarter.

Purchase of foreign goods or services.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

Businesses in deprived and depressed communities; contracts to provide services or supplies.

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Individual and family grant disaster assistance program.

Sec. 211. The department may receive and expend advances or reimbursements from the department of state police for the administration of the individual and family grant disaster assistance program. An account shall be established in the department for this purpose when a disaster is declared. The authorization and allotment for the account shall be in the amount advanced or reimbursed from the department of state police.

Write-offs and prior year obligations.

Sec. 212. In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues or current year revenues that are in excess of the authorized amount.

Food stamps overissuance; retained collections.

Sec. 213. The department may retain all of the state's share of food stamp overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food stamp overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the executive operations appropriation unit.

Budgeting line items and salaries and wages line items; program allocation report; FTEs in pay status report.

Sec. 214. (1) The department shall submit a report to the chairpersons of the senate and house appropriations subcommittees on the family independence agency budget and to the senate and house fiscal agencies on the details of allocations within program budgeting line items and within the salaries and wages line items in the field services appropriation unit. The report shall include a listing, by account, dollar amount, and fund source, of salaries and wages; longevity and insurance; retirement; contractual services, supplies, and materials; equipment; travel; and grants within each program line item appropriated for the fiscal year ending September 30, 2002.

(2) On a bimonthly basis, the department shall report on the number of FTEs in pay status by type of staff.

Loss of federal financial participation; notification.

Sec. 215. If a legislative objective of this act or the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented without loss of federal financial participation because implementation would conflict with or violate federal regulations, the department shall notify the house and senate appropriations committees and the house and senate fiscal agencies of that fact. Upon receipt of the notification, a joint house and senate committee made up of the members of the house and senate appropriations subcommittees dealing with appropriations for the family independence agency may be appointed to meet with the director of the department to review the substantive, procedural, and legal ramifications of the legislative objective and to develop a plan to attain that legislative objective.

Receipt and retention of reports.

Sec. 217. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Temporary assistance for needy families (TANF) federal block grant; report; notice of proposed changes.

Sec. 218. (1) The department shall prepare a semiannual report on the temporary assistance for needy families (TANF) federal block grant. The report shall include projected expenditures for the current fiscal year, an accounting of any previous year funds carried forward, and a summary of all interdepartmental or interagency agreements relating to the use of TANF funds. The report shall be forwarded to the house and senate appropriations subcommittees on the family independence agency budget on or before October 15, 2001, and April 15, 2002.

(2) The state budget director shall give prior written notice to the members of the house and senate appropriations subcommittees for the family independence agency and to the house and senate fiscal agencies of any proposed changes in utilization or distribution of TANF funding or the distribution of TANF maintenance of effort spending relative to the amounts reflected in the annual appropriations acts of all state agencies where TANF funding is appropriated.

Veterans receiving food stamps, family independence program assistance, and Medicaid; report.

Sec. 219. The department shall include in its quality control reporting the number of veterans receiving food stamps, family independence program assistance, and Medicaid.

Contracts with faith-based organizations; limitations; requirements.

Sec. 220. (1) In contracting with faith-based organizations for mentoring or supportive services, and in all contracts for services, the department shall ensure that no funds provided directly to institutions or organizations to provide services and administer programs shall be used or expended for any sectarian activity, including sectarian worship, instruction, or proselytization.

- (2) If an individual requests the service and has an objection to the religious character of the institution or organization from which the individual receives or would receive services or assistance, the department shall provide the individual within a reasonable time after the date of the objection with assistance or services and which are substantially the same as the service the individual would have received from the organization.
- (3) Notwithstanding subsections (1) and (2), the department shall cooperate with faith-based organizations so that they are able to compete on the same basis as any other private organization for contracts to provide services to recipients of department services, including, but not limited to, mentoring or supportive services. The department shall not discriminate against an organization that applies to become a contractor on the basis that the organization has a religious character.
- (4) The department shall follow guidelines related to faith-based involvement established in section 104 of title I of the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 42 U.S.C. 604a.

Carrying forward excess revenue.

Sec. 221. If the revenue collected by the department from private and local sources exceeds the amount appropriated in part 1, the revenue may be carried forward, with approval from the state budget director, into the subsequent fiscal year.

Internal auditor report.

Sec. 222. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The report is due biennially on May 1 of the fiscal year and shall be submitted to the governor, auditor general, the senate and house appropriations committees, the senate and house fiscal agencies, and the director.

Medicaid eligibility determination; time limitation.

Sec. 223. The department shall make a determination of Medicaid eligibility not later than 60 days after all information to make the determination is received from the applicant when disability is an eligibility factor. For all other Medicaid applicants, the department shall make a determination of Medicaid eligibility not later than 45 days after all information to make the determination is received from the applicant.

Local department offices; system of flexible hours.

Sec. 224. It is the intent of the legislature that the department develop a system of flexible hours at local department offices in order to maintain some nontraditional business hours.

Contractual purchase of services; completion of negotiations with providers.

Sec. 225. It is the intent of the legislature that the department institute a process that ensures the negotiations with providers for contractual purchase of services are completed prior to the beginning of the fiscal year. This process will include development of agency-wide standards of promptness, establishment of time frames within each program area for completion of contract steps, and prompt notification of availability of funds. The department will also ensure that providers receive full reimbursement for allowable expenditures within 30 days of the end of the first quarter of the contract period.

Budget savings.

Sec. 226. In order to recognize savings within the budget, both of the following apply:

- (a) From the funds appropriated in part 1, no funds shall be expended for leased space at 899 West Baltimore Street, Detroit, Michigan.
- (b) From the funds appropriated in part 1 for the family independence program, up to 3% may be used by the department for administrative purposes allowable under TANF guidelines.

Temporary assistance for needy families' maintenance; realignment of financing.

Sec. 227. The family independence agency, with the approval of the state budget director, is authorized to realign sources of financing authorizations in order to maximize temporary assistance for needy families' maintenance of effort countable expenditures. This realignment of financing shall not be made until 15 days after notifying the chairs of the house and senate appropriations subcommittees on the family independence agency and house and senate fiscal agencies, and shall not produce an increase or decrease in any line-item expenditure authorization.

EXECUTIVE OPERATIONS

Use of debit cards; distribution of cash assistance.

Sec. 301. (1) The department may distribute cash assistance to recipients electronically by using debit cards.

(2) The department shall report to the house and senate appropriations subcommittees on the family independence agency, the house and senate fiscal agencies, and the house and senate policy staff by February 15, 2002, on a proposal for the fiscal year ending September 30, 2003, that would limit purchases from the children's clothing allowance to school clothing only.

Tuition payments for blind clients.

Sec. 302. The appropriation in part 1 for the Michigan commission for the blind includes funds for case services. These funds may be used for tuition payments for blind clients for the school year beginning September 2001.

Commissions and boards; per diem payments to members.

Sec. 303. The appropriation in part 1 for commissions and boards may be used for per diem payments to members of commissions or boards for a full day of committee work at which a quorum is present for performing official business as authorized by each respective commission or board. The per diem payment for the Michigan commission for the blind shall be at a rate of \$50.00 per day.

FAMILY INDEPENDENCE SERVICES ADMINISTRATION

Legal support contracts, state incentive payments, and salaries and wages for office of child support staff; retention of incentive funds; noncompliance with federal child support enforcement system requirements; penalties; certification; reports.

Sec. 401. (1) From the federal money received for child support incentive payments, up to \$4,365,200.00 shall be retained by the state and expended for legal support contracts, state incentive payments, and salaries and wages for office of child support staff.

- (2) At the end of the current fiscal year, the department may, when it is cost beneficial to the state and counties, withhold from submitting to the federal office of child support administrative expenses eligible for federal financial participation. The department may recoup earned but unclaimed federal funds from the resulting increased federal child support incentive. The recoupment by the department shall be made prior to distribution of the increased incentive to the counties. Any incentive funds retained by the state under this section shall be separate and apart from incentive funds retained in any other section of this act.
- (3) A county shall not be penalized due to the failure to comply with federal child support enforcement system requirements if the department determines that all of the following conditions are met:
- (a) The county, friend of the court, and the department have a written agreement that outlines the county's commitment to participate in the system.
- (b) The county and the friend of the court are fully and timely cooperating with the work plan outlined in the child support enforcement memorandum of understanding between the department and the county.

- (c) The county and the friend of the court are implementing the child support enforcement system required for federal certification.
- (d) The prosecuting attorney's office for the county cooperates with the implementation of the legal module of the system.
- (4) The department shall report on the progress of reaching the child support enforcement system federal certification on a quarterly basis to the senate and house appropriations subcommittees on the family independence agency, the senate and house human services standing committees, the senate and house fiscal agencies, and the senate and house policy staff. The report shall include, but not be limited to, the number of counties that have implemented the system, the further steps needed to be taken for system certification by the state and the counties, and an update on the anticipated penalties the state shall be required to pay as a result of this and any further delay.
- (5) In addition to the amount specified in subsection (1), the family independence agency may retain any federal title IV-D incentive payment revenues withheld from counties pursuant to the imposition of financial penalties, and may use the federal revenues retained for any child support program purpose. If action is taken under this section, the department shall include in the report required under subsection (4) the county, the amount of funds withheld, and the manner in which the funds are now being used.

Community services block grant; proposed use and distribution plan; public hearing.

Sec. 403. Not later than September 30 of each year, the department shall submit for public hearing to the chairpersons of the house and senate appropriations subcommittees dealing with appropriations for the family independence agency the proposed use and distribution plan for community services block grant funds appropriated in section 103 for the succeeding fiscal year.

Community services block grant funds; recommendations from department of civil rights and Indian organizations.

Sec. 404. The department shall develop a plan based on recommendations from the department of civil rights, and Indian organizations such as the Michigan urban Indian consortium as the central representative of all human service-oriented off-reservation Indian organizations and the inter-tribal council of Michigan to assure that the community services block grant funds are equitably distributed. The plan must be developed by October 31, 2001, and the plan shall be delivered to the appropriations subcommittees on the family independence agency in the house and senate.

Wayne county third circuit court cooperative reimbursement contract; judiciary budget.

Sec. 405. The state general fund/general purpose contribution related to the Wayne County third circuit court cooperative reimbursement contract resides in the judiciary budget. There are no general fund/general purpose funds appropriated for this purpose in the family independence agency budget.

TANF funds; allocations; use.

Sec. 407. From the funds appropriated in part 1 for family preservation and prevention services, the department shall contract with Created for Caring for \$112,500.00 in TANF funds for TANF allowable services. The department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Escheated title IV-D-related child support collections; budget adjustment.

Sec. 412. If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 C.F.R. 304.50.

Field investigation or home visit; training program; another department employee or law enforcement officer.

Sec. 413. (1) The department shall develop, implement, and provide a training program to each department employee who is required to perform a field investigation or home visit. The training program shall include both of the following:

- (a) Mandatory training on defusing threatening behavior.
- (b) Mandatory training on how to perform a safe investigation or home visit and recognize a potentially dangerous situation.
- (2) If a department employee who is required to perform a field investigation or home visit has documented a risk that leads to a reasonable apprehension regarding the safety of performing a field investigation or home visit, that employee shall complete the field investigation or home visit with another department employee who has been trained as required in subsection (1) or with a law enforcement officer.

Community action agencies; TANF funding.

Sec. 414. (1) Of the funds appropriated in part 1 for community services block grants, \$3,000,000.00 represents TANF funding earmarked for community action agencies.

(2) From the funds appropriated in part 1 for community services block grants, the department is authorized to make allocations of TANF funds only to the community action agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Fatherhood initiative.

- Sec. 415. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency shall expend up to \$1,000,000.00 in TANF to fund a fatherhood initiative. The department may choose providers that will work with counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support. Program topics may include, but are not limited to, parental guidance, infant care, food preparation, effective communication, anger management, children's financial support, respect, drug-free lifestyle, vocational training referrals, and job placement.
- (2) The providers will measure outcomes as agreed upon by the department and based on required TANF reporting guidelines.
- (3) The department is authorized to make allocations of TANF funds, of not more than \$200,000.00 per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

(4) The department shall award grants or contracts to independent contractors utilizing a request for proposal process.

Marriage initiative.

- Sec. 416. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency may expend up to \$250,000.00 in TANF to fund a marriage initiative. The department may choose providers to work with counties that will work to support and strengthen marriages of those eligible under the TANF guidelines. The areas of work may include, but are not limited to, marital counseling, domestic violence counseling, family counseling, effective communication, and anger management as well as parenting skills to improve the family structure.
- (2) The providers will measure outcomes as agreed upon by the department and based on required TANF reporting guidelines.
- (3) The department is authorized to make allocations of TANF funds, of not more than \$50,000.00 per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.
- (4) The department shall choose only providers who are licensed through the department of consumer and industry services and who meet the standards of the public health code, 1978 PA 368, MCL 333.1101 to 333.25211.
 - (5) The department shall choose providers through the request for proposal process.

Innovation grants.

- Sec. 417. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency may expend up to \$250,000.00 in TANF to fund innovation grants. The department may choose providers to work with counties, with no county receiving more than \$50,000.00, that will use TANF funds to encourage innovation within the state for any TANF-eligible reasons. The department will use TANF guidelines for reporting outcomes and defining expectations for success that could be implemented in other communities in the future.
- (2) From the funds appropriated in part 1 for employment and training support services, up to \$1,000,000.00 in TANF may be used to support a youth learning innovations training center designed to enhance technical literacy.
- (3) The department is authorized to make allocations of TANF funds under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.
- (4) The department shall award grants or contracts to independent contractors utilizing a request for proposal process.

CHILD AND FAMILY SERVICES

Children in foster care; duration; state goal; priority.

Sec. 501. The following goal is established by state law. During the fiscal year ending September 30, 2002, not more than 3,000 children supervised by the department shall remain in foster care longer than 24 months. The department shall give priority to reducing the number of children under 1 year of age in foster care.

Children under jurisdiction of Indian tribal courts; foster care reimbursement.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Adoptee after eighteenth birthday; adoption subsidy payment criteria.

Sec. 503. The department shall continue adoption subsidy payments to families after the eighteenth birthday of an adoptee who meets the following criteria:

- (a) Has not yet graduated from high school or passed a high school equivalency examination.
 - (b) Is making progress toward completing high school.
 - (c) Has not yet reached his or her twenty-first birthday.

Foster care private collections; revenues.

Sec. 504. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but shall include revenues collected during the fiscal year in excess of the amount specified in part 1.

Child welfare and juvenile justice services; multiyear contracts.

Sec. 506. (1) In order to promote continuity of service for children and families, the department shall, to the maximum extent possible, enter into multiyear contracts for child welfare and juvenile justice services.

(2) The bid specifications and contract award determinations for child welfare and juvenile justice services shall include criteria relative to provider experience, placing emphasis on total years of experience in providing child welfare and juvenile justice services, provision of services to persons of similar characteristics as the target clientele, quality of prior child welfare and juvenile justice services, length of service in the targeted geographic area, and the adequacy of the provider's plan for coordinating the provision of services in the targeted geographic area.

Children's trust fund; state child abuse and neglect prevention board; initiation of joint project.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure in an amount not to exceed \$800,000.00.

(2) The state child abuse and neglect prevention board may initiate a joint project with another state agency to the extent that the project supports the programmatic goals of both the state child abuse and neglect prevention board and the state agency. The department may invoice the state agency for shared costs of a joint project in an amount authorized by the state agency, and the state child abuse and neglect prevention board may receive and expend funds for shared costs of a joint project in addition to those authorized by part 1.

Preservation or reunion of family.

Sec. 509. (1) From the funds appropriated in part 1, the department shall not expend funds to preserve or reunite a family, unless there is a court order requiring the preservation or reuniting of the family or the court denies the petition, if either of the following would result:

- (a) A child would be living in the same household with a parent or other adult who has been convicted of criminal sexual conduct against a child.
- (b) A child would be living in the same household with a parent or other adult against whom there is a substantiated charge of sexual abuse against a child.
- (2) Notwithstanding subsection (1), this section shall not prohibit counseling or other services provided by the department, if the service is not directed toward influencing the child to remain in an abusive environment, justifying the actions of the abuser, or reuniting the family.

Contracts with service providers; bids not required.

Sec. 510. The department shall not be required to put up for bids contracts with service providers if currently only 1 provider in the service area exists.

Foster care pilot projects.

Sec. 512. From the funds appropriated in part 1 for foster care payments, the department may expend up to \$1,500,000.00 for foster care pilot projects that include ways to increase foster parent recruitment, improve foster parent retention, and increase delivery of training and supportive services to foster parents.

Child placement in out-of-state facility.

Sec. 513. The department shall not expend funds appropriated in part 1 to pay for the placement of a child in an out-of-state facility unless all of the following conditions are met:

- (a) There is no appropriate placement available in this state.
- (b) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.
- (c) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.
- (d) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, and reviewed licensing records and reports on the facility and believes that the facility is an appropriate placement for the child.

Children's protective services; report.

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices, by January 1, 2002, that shall include all of the following:

- (a) Statistical information including, at a minimum, all of the following:
- (i) The total number of reports of abuse or neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.
- (ii) Characteristics of perpetrators of abuse or neglect and the child victims, such as age, relationship, socioeconomic status, race, and ethnicity.

- (iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.
- (b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

Title IV-E child welfare waiver managed care demonstration project.

Sec. 515. From the funds appropriated in part 1 for foster care payments and related administrative costs, the department may implement the federally approved title IV-E child welfare waiver managed care demonstration project.

Special needs adoptions; report.

Sec. 516. The department, with the involvement of private nonprofit agencies providing adoption services for special needs children through contracts with the department, shall prepare an annual report on the status of special needs adoptions and submit the report to the house and senate appropriations subcommittees on the family independence agency budget, the house and senate fiscal agencies, and the house and senate policy offices by June 1, 2002. The report shall include, at a minimum, all of the following:

- (a) For each private nonprofit agency contract, and in aggregate, the number and percentage of adoptions in each of the payment categories specified in contracts with the department for calendar year 2001.
- (b) The total number of special needs adoptions completed in the fiscal year ending September 30, 2001.

At-risk children and families; community-based collaborative prevention services; criteria; "state human services directors" defined.

Sec. 517. (1) From the funds appropriated in part 1 for family preservation and prevention services, the department is authorized to allocate funds to multipurpose collaborative bodies to address issues raised in the Binsfeld children's commission report issued in July 1996. Priority for activities and services will be given to at-risk children and families and cases classified by the department as category III or category IV under sections 8 and 8d of the child protection law, 1975 PA 238, MCL 722.628 and 722.628d.

- (2) From the funds appropriated in part 1 for family preservation and prevention services, up to \$4,000,000.00 may be used to fund community-based collaborative prevention services designed to do any of the following:
- (a) Foster positive parenting skills especially for parents of children under 3 years of age.
 - (b) Improve parent/child interaction.
 - (c) Promote access to needed community services.
 - (d) Increase local capacity to serve families at risk.
 - (e) Improve school readiness.
- (f) Support healthy family environments that discourage alcohol, tobacco, and other drug use.

- (3) The appropriation provided for in subsection (2) is to fund secondary prevention programs as defined in the children's trust fund's pre-application materials for fiscal year 2001-2002 direct services grants.
- (4) Projects funded through the appropriation provided for in subsection (2) shall meet all of the following criteria:
- (a) Be awarded through a joint request for proposal process established by the department in conjunction with the children's trust fund and the state human services directors.
- (b) Be secondary prevention initiatives. Funds are not intended to be expended in cases in which neglect or abuse has been substantiated.
- (c) Demonstrate that the planned services are part of a community's integrated comprehensive family support strategy endorsed by the local multipurpose collaborative body.
- (d) Provide a 25% local match of which not more than 10% is in-kind goods or services unless the maximum percentage is waived by the state human services directors.
- (5) As used in this section, "state human services directors" means the director of the department of community health, the director of the department of education, and the director of the family independence agency.

Strong families/safe children allocations to local multipurpose collaborative bodies.

Sec. 518. (1) It is the intent of the legislature that the funds appropriated in part 1 for family preservation and prevention services in the 2001-2002 fiscal year reflect strong families/safe children allocations to local multipurpose collaborative bodies that are no less than the allocations in effect on April 1, 1997.

- (2) In order to maintain this level of funding, the department may use up to \$8,000,000.00 in TANF funds provided that the local multipurpose collaborative bodies submit data to the department that will enable the department to document potential federal claimable expenditures.
- (3) No later than March 1, 2002, each local multipurpose collaborative body shall submit a report to the department that includes the number of people receiving strong families/safe children services, the local goals for this program, and a measure of the effectiveness in meeting these goals.

Adoption subsidies; rate increase.

Sec. 519. From the funds appropriated in part 1 for foster care payments, Wayne County foster care payments, and adoption subsidies, the department shall increase the rate of payments for foster parents and parents receiving adoption subsidies by 1% effective October 1, 2002.

Kinship care.

Sec. 520. It is the intent of the legislature that the funds appropriated in part 1 for kinship care in the fiscal year ending September 30, 2002, reflect the legislature's commitment to reduce the benefit discrepancy between kinship care and a similar family size within the family independence agency program (FIP). The legislature recognizes the commitment of relatives to provide family continuity, nurturance, and care for this special population of children who can no longer remain in their parents' care due to abuse, neglect, or other social problems.

TANF eligibility reporting requirements; allocations of funds.

Sec. 523. From the funds appropriated in part 1 for youth in transition, domestic violence prevention and treatment, and teenage parent counseling, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Prevention services program; status report.

Sec. 524. The department shall submit to the senate and house appropriations subcommittees on the family independence agency, the senate and house standing committees having jurisdiction over human services matters, the senate and house fiscal agencies, and the senate and house policy offices a quarterly report, beginning April 2, 2001, detailing the status of the prevention services program.

Public child welfare workers; staff turnover rates.

Sec. 529. The department shall analyze actual staff turnover rates for public child welfare workers within a sample of 10 counties as compared to findings on staff retention rate surveys at the national level.

Foster parent recruitment and retention programs.

Sec. 530. Of funds available for foster care recruitment pilots, the department shall develop and implement foster parent recruitment and retention programs. The programs shall focus on diversity of foster parents, and recruitment of homes appropriate for teens and other high-risk placements. The programs should draw from models including, but not limited to, one church one child, foster home mentoring, neighborhood-based recruitment, and multimedia outreach.

PUBLIC ASSISTANCE

Shelter vendor payment; termination; conditions; weatherization and conservation.

Sec. 601. (1) The department may terminate a vendor payment for shelter upon written notice from the appropriate local unit of government that a recipient's rental unit is not in compliance with applicable local housing codes or when the landlord is delinquent on property tax payments. A landlord shall be considered to be in compliance with local housing codes when the department receives from the landlord a signed statement stating that the rental unit is in compliance with local housing codes and that statement is not contradicted by the recipient and the local housing authority. The department shall terminate vendor payments if a taxing authority notifies the department that taxes are delinquent.

(2) Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

(3) In order to participate in the rent vendoring programs of the department, a landlord shall cooperate in weatherization and conservation efforts directed by the department or by an energy provider participating in an agreement with the department when the landlord's property has been identified as needing services.

Transitional shelter facilities for homeless families.

Sec. 602. The department, together with other agencies, may establish special projects to provide special needs shelter payment levels for the family independence program that will support the development of transitional shelter facilities for homeless families. These facilities are to provide supportive services to families and to support the development of permanent low-income housing.

Agreements with energy providers.

- Sec. 603. (1) The department, as it determines is appropriate, shall enter into agreements with energy providers by which cash assistance recipients and the energy providers agree to permit the department to make direct payments to the energy providers on behalf of the recipient. The payments may include heat and electric payment requirements from recipient grants and amounts in excess of the payment requirements.
- (2) The department shall establish caps for natural gas, wood, electric heat service, deliverable fuel heat services, and for electric service based on available federal funds.
- (3) The department shall negotiate with positive billing utility companies to develop extended payment plans. Such plans shall allow clients who terminate from positive billing due to increased income to make monthly payments in order to gradually liquidate utility arrears.
- (4) It is the intent of the legislature that the department review and adjust the standard utility allowance for the state food stamp program to ensure that it reflects current energy costs in the state.

State disability assistance program; eligibility.

- Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:
- (a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.
- (b) A person with a physical or mental impairment which meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.
- (c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance abuse treatment center.
 - (d) A person receiving 30-day postresidential substance abuse treatment.
 - (e) A person diagnosed as having acquired immunodeficiency syndrome.
- (f) A person receiving special education services through the local intermediate school district.
 - (g) A caretaker of a disabled person as defined in subdivision (a), (b), (e), or (f) above.
- (2) Applicants for and recipients of the state disability assistance program shall be considered needy if they:
- (a) Meet the same asset test as is applied to applicants for the family independence program.

- (b) Have a monthly budgetable income that is less than the payment standards.
- (3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.
- (4) A refugee or asylee who loses his or her eligibility for the federal supplemental security income program by virtue of exceeding the maximum time limit for eligibility as delineated in section 402 of title IV of the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who otherwise meets the eligibility criteria under this section shall be eligible to receive benefits under the state disability assistance program.

State disability assistance; reimbursement to recipients in licensed adult foster care facilities.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

State disability assistance; repayment upon receipt of retroactive supplemental security income benefits.

Sec. 606. County family independence agencies shall require each recipient of state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the state disability assistance program upon receipt of retroactive supplemental security income benefits.

Recovery and recoupment revenues.

Sec. 607. The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but shall include all related net recoveries received during the current fiscal year.

Adult foster care facilities and homes for the aged residents; reimbursement rate for recipients of supplemental security income; limitation.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income provided that the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

State supplementation level under supplemental security income program; reduction; prohibition.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the fiscal year beginning October 1, 2001 and ending September 30, 2002.

State emergency relief program; good cause criteria; exemptions.

Sec. 610. In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

Indigent burials; additional payment.

Sec. 611. (1) The department shall not require providers of burial services to accept state payment for indigent burials as payments in full. Providers shall be permitted to collect additional payment, not to exceed \$2,600.00, from relatives or other persons on behalf of the deceased.

(2) Any additional payment collected pursuant to subsection (1) shall not increase the maximum charge limit for state payment as established by law.

State emergency relief; housing affordability eligibility.

Sec. 612. For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

Indigent burials; allowable charge limit.

Sec. 613. From the funds appropriated in part 1 for state emergency relief, the maximum allowable charge limit for indigent burials shall be \$1,160.00.

Burial services; eligibility.

Sec. 614. The funds available pursuant to this section shall be available if the deceased was an eligible recipient and an application for emergency relief funds was made within 10 days of the burial or cremation of the deceased person. Each provider of burial services shall be paid directly by the department.

Public assistance to illegal alien; limitation.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks or emergency shelter providers who may, as a normal part of doing business, provide food or emergency shelter to individuals.

Weatherization program.

Sec. 616. (1) The appropriation in part 1 for the weatherization program shall be expended in such a manner that at least 25% of the households weatherized under the program shall be households of families receiving 1 or more of the following:

- (a) Family independence assistance.
- (b) State disability assistance.

- (c) Food stamps.
- (d) Supplemental security income.
- (2) Any unencumbered balances of the weatherization program shall not lapse and may be carried forward to fiscal year 2003.

Minor living with partner as supervising adult.

Sec. 617. In operating the family independence program with funds appropriated in part 1, the department shall not approve as a minor parent's adult supervised household a living arrangement in which the minor parent lives with his or her partner as the supervising adult.

Reduction, termination, or suspension of assistance; notice; exception; appeal.

Sec. 618. (1) Except as otherwise provided in subsection (2), the department shall provide not less than 10 days' notice before reducing, terminating, or suspending assistance provided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

- (2) The department may only reduce, terminate, or suspend assistance provided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of the following situations:
 - (a) The only eligible recipient has died.
- (b) A recipient member of a program group or family independence assistance group has died.
 - (c) A recipient child is removed from his or her family home by court action.
- (d) A recipient requests in writing that his or her assistance be reduced, terminated, or suspended.
- (e) A recipient has intentionally violated 1 or more of the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.
 - (f) A recipient has been approved to receive assistance in another state.
- (g) A change in either state or federal law that requires automatic grant adjustments for classes of recipients.
- (3) If a recipient appeals the department's determination to reduce, terminate, or suspend his or her assistance within 10 days from the mailing of the notice of negative action, the department shall not reduce, terminate, or suspend that assistance until there is a final determination of that appeal upholding the department's determination to reduce, terminate, or suspend that assistance.

Felons exempt from denial of assistance and food stamp benefits.

Sec. 619. The department shall exempt from the denial of title IV-A assistance and food stamp benefits, contained in section 115 of title I of the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, provided that the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

- (a) A third-party payee or vendor shall be required for any cash benefits provided.
- (b) An authorized representative shall be required for food stamp receipt.

Notification of additional programs; right to exit interview.

Sec. 620. (1) The department shall ensure that all family independence agency clients are informed in writing of additional programs for which they may potentially be eligible. Notification of programs should at a minimum include information on transitional Medicaid, LIF Medicaid, Healthy Kids, and MIChild, transitional child day care services, extended payment plans with positive billing utility companies as negotiated under section 603(3) of this act including emergency assistance with utility arrearages, tax credits available to low-income households, opportunities for skills development, training and education, summer employment opportunities that are available to family youth through the department of transportation, training programs administered by the department of career development, individual development account opportunities, and instructions on the application process for each program benefit.

(2) At the client's discretion, the department shall grant an exit interview to discuss issues pertaining to self-sufficiency including all of the information outlined in subsection (1). Clients shall be notified of their right to an exit interview.

Multicultural assimilation and support services.

Sec. 621. Funds appropriated in part 1 may be used to support multicultural assimilation and support services. The department shall distribute all of the funds described in this section based on assessed community needs.

Individual development accounts.

Sec. 624. The department shall maintain a plan to provide for the implementation of individual development accounts pursuant to section 57k of the social welfare act, 1939 PA 280, MCL 400.57k, by individuals who apply for or receive public assistance from the department.

Individual accounts programs; implementation in low-income designated credit unions.

Sec. 625. The department in collaboration with the Michigan state university center for urban affairs and its partner organizations, the Michigan credit union league and the national federation of community development credit unions, shall further the work begun in fiscal year 1999-2000 that implemented the individual development accounts programs in the growing number of low-income designated credit unions, i.e., community development credit unions (CDCUs) located in this state's poorest communities. This further work will extend capacity-building and technical assistance services to existing and emerging CDCUs serving low-income populations and will include:

- (a) Creation of a Michigan-based support system for the capacity-building of existing and emerging CDCUs serving low-income individuals and families, including development and testing of training, technical assistance, and professional development initiatives and related materials, and other capacity-building services to Michigan CDCUs.
- (b) Other related support to assist existing and emerging CDCUs in becoming selfsupporting institutions to assist impoverished Michigan residents in becoming economically independent.
- (c) Training and technical assistance to CDCUs in the development of support services, such as economic literacy, credit counseling, budget counseling, and asset management programs for low-income individuals and families.

Day care provider training programs.

Sec. 626. (1) From the funds appropriated in section 109 for day care services, the department shall expend funds for day care provider training programs administered under contract. Training shall be made available to all day care providers including those who work out of centers, group homes, family homes, and the homes of relatives, and in-home aides.

(2) From the funds appropriated in subsection (1), a contractor or multiple contractors shall administer a training pilot project targeting in-home aides and persons providing child care to relatives. Providers who verify that they have received day care payments for at least 3 months from the department and who successfully complete at least 15 hours of approved child care training shall be eligible to receive a 1-time lump sum payment of up to \$150.00 for training received after October 1, 2000. The total paid in lump sum payments and training costs shall not exceed \$300,000.00. Approved training may include programs operated by the Michigan community coordinated child care association, the Michigan association for the education of young children, community colleges, universities, or university extension programs.

Enhance quality improvement program.

- Sec. 627. (1) From the funds appropriated in section 109 for day care services, the department shall contract to administer an amount not to exceed \$1,350,000.00 for the "enhance quality improvement program" (EQUIP) grants. A priority for the expenditure of EQUIP funds shall be given to providers to expand access to child care, specifically 24-hour care and weekend care. A child care program shall not be eligible for an EQUIP grant unless 25% or more of its clients receive day care payments from the department.
- (2) From the funds appropriated in part 1 for day care services, the department shall establish an additional fund of at least \$350,000.00 for a grant pool for an "enhance quality improvement program" (EQUIP) specifically to establish new family and group home day care providers.
- Sec. 628. (1) From the funds appropriated in part 1, up to \$100,000.00 may be used to support the continuation of the "ready to succeed dialogue with Michigan" to continue the exploration and development of a system of early childhood education, care, and support in this state that meets the needs of every child. This appropriation shall be used to leverage other private and public funding to bring together leaders from state and local governments, corporate and small business, the faith community, law enforcement, educators, parents, experts in early childhood development, current providers, and others to continue the development of a voluntary system of universal access to early childhood education, care, and support that respects the diversity of Michigan families.
- (2) The "ready to succeed dialogue with Michigan" shall provide a report to the legislature on its activities and recommendations not later than September 30, 2002. The report shall address at least the following items:
 - (a) Helping parents obtain safe, high-quality early childhood education and care.
 - (b) Improving the quality of care in Michigan and the qualifications of providers.
- (c) Educating parents and community about the importance of quality education and care in the first years of a child's life.
 - (d) Improving the environment in Michigan for young children including access to

 $[\]textbf{Compiler's note:} \ \ \textbf{The shaded text was vetoed by the Governor, whose veto message appears in this volume under the heading "Vetoes."}$

quality care for all young children, especially those with special needs and those whose parents work nontraditional hours.

- (e) Efforts to organize local community leadership to address the needs of families with young children and coordinate local services to better achieve this goal.
- (3) Organizational leadership for planning and conducting the ready to succeed dialogue with Michigan shall be provided by the ready to succeed coordinating committee. Committee membership includes representatives from C.S. Mott, Frey foundation, McGregor fund, the Skillman foundation, W.K. Kellogg foundation, family independence agency, department of education, union organizations, ECEC organizations, 6 legislators from the legislative children's caucus, and leaders from priority action teams. The coordinating committee shall name a fiduciary agent and may authorize the expenditure of funds and hiring people to accomplish its work. The committee shall provide the department with a full accounting of its revenues and expenditures for the period covered by this appropriation.
- Sec. 629. (1) From the funds appropriated in part 1, up to \$100,000.00 in TANF funds shall be utilized by the department to contract with multicultural organizations to initiate a careertracked approach to employment of individuals receiving TANF funds. The career training program will include the following criteria:
- (a) Eligible participants shall include family independence program recipients and work first clients who are referred by the department to the program.
- (b) Training shall be directed to achieving or gaining skills that will lead to full-time employment of the participants.
- (c) Eligible participants, as referenced in subdivision (a), who commence employment, will be allowed to complete the training and receive additional support needed to facilitate participation so long as all program participation requirements are met.
- (2) It is the intent of this section that program participants satisfy the state work requirements and the program satisfies TANF reporting requirements.

Work first participants; postemployment training support; work participation requirements; guidelines.

Sec. 630. (1) The department and the department of career development shall continue to collaborate on refining and making available to work first participants clear joint guidelines on the eligibility of participants for postemployment training support and on how training/education hours can be applied toward federal work participation requirements. These guidelines shall balance the ability of participants to obtain training and subsequent long-term, high-wage employment with the need to connect participants with the workplace. Any and all training/education, with the exception of high school completion, and GED preparation, must be occupationally relevant and in demand in the labor market as determined by the workforce development board. Participants must make satisfactory progress while in training/education. The department shall submit a progress report on these continuing efforts to the house and senate appropriations subcommittees with jurisdiction over the department and over the department of career development and to the house and senate fiscal agencies by October 1, 2001.

(2) Work first participants may meet the work participation requirement by combining a minimum of 10 hours per week of work with training/education. Training/education may

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last up to 12 months and the calculated hours may include actual classroom seat time up to 10 hours per week plus up to 1 hour of study time for each hour of classroom seat time. The combined work and training/education hours must equal the minimum number of hours required to meet the federal work participation requirements, 30 hours per week for a single parent, 35 hours per week for 2-parent families (55 hours if utilizing federally funded day care), and 20 hours per week for single parents with a child under the age of 6. Work first participants may enroll in additional hours of classroom seat time beyond 10 hours. However, these hours and the related study time will not count toward the work participation requirements. The training may be no longer than a 1-year program, or the final year of a 2- or 4-year undergraduate program that is designed to lead to immediate labor force attachment.

- (3) Work first participants may meet the federal work participation requirement through enrollment in a short-term vocational program requiring 30 hours of classroom seat time per week for a period not to exceed 6 months, or by enrollment in full-time internships, practicums, or clinicals required by an academic or training institution for licensure, professional certification, or degree completion, without additional work requirements. Two-parent families who receive federally funded day care must work an additional 25 hours per week to meet the federal work participation requirement. In cases where a short-term vocational program lasts less than 6 months, the participant shall be eligible to enroll in 1 additional short-term vocational program for a combined period not to exceed a total of 6 months.
- (4) Work first participants who lack a high school diploma or GED and who enroll in high school completion or classes to obtain a GED may count up to 10 hours of classroom seat time, combined with a minimum number of hours of work per week, to meet their federal work participation requirement. There shall be no time limit on high school completion. GED preparation shall be limited to 6 months.
- (5) The department and the department of career development shall develop a procedure to ensure that the guidelines established under this section are effectively communicated to all possible participants of the postemployment training and education program, including the provision of outreach activities in community colleges.

Domestic violence; policies and procedures.

Sec. 631. The department shall maintain policies and procedures to achieve all of the following:

- (a) The identification of individuals on entry into the system who have a history of domestic violence, while maintaining the confidentiality of that information.
 - (b) Referral of persons so identified to counseling and supportive services.
- (c) In accordance with a determination of good cause, the waiving of certain requirements of family independence programs where compliance with those requirements would make it more difficult for the individual to escape domestic violence or would unfairly penalize individuals who have been victims of domestic violence or who are at risk of further domestic violence.

Food stamp allotment; U.S. citizens in household with legal immigrants.

Sec. 632. The department shall calculate the food stamp allotment for applicants who are United States citizens and who live in a household with legal immigrants in a manner that maximizes the food stamps available to these United States citizens under federal law.

Parenting skills and career development pilot program; report.

Sec. 634. (1) From the funds appropriated in part 1 for the family independence program, the family independence agency shall expend up to \$250,000.00 to develop and fund a parenting skills and career development pilot program that meets all of the following criteria:

- (a) Identification of single parents eligible for cash assistance having children up to 3 years old.
- (b) Referral of persons identified under subdivision (a) to a local collaborative program responsible for the development and supervision of a comprehensive parenting skills and career development plan for each referred client.
- (c) Each referred client shall participate in 20 hours a week of parenting skills training that is a formal professional program with either a trainer or facilitator and career development activities as detailed in his or her comprehensive plan and monitored by the local collaborative program.
- (d) Participation in the above activities for the hours specified would satisfy cash assistance work requirements.
- (e) The program must not place the state of Michigan in violation of work requirements as defined in the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 110 Stat. 2105.
- (2) The local collaborative program shall provide the department with a report not later than September 30, 2002 that includes all of the following:
 - (a) The number of participants served.
 - (b) The family size of participants served.
 - (c) Participants' rate of compliance with their comprehensive plans.
- (d) The number of participants attending postsecondary education or vocational training programs.
 - (e) Parenting skills training outcomes.
 - (f) The number of participants working at the time the report is completed.
 - (g) The average cost per participant of the program.
 - (h) Any other information that the department considers relevant.

Child day care provider listed on child abuse and neglect central registry; denial of payments.

Sec. 635. Within 6 business days of receiving all information necessary to process an application for payments for child day care, the family independence agency shall determine whether the child day care provider to whom the payments, if approved, would be made, is listed on the child abuse and neglect central registry. If the provider is listed on the central registry, the family independence agency shall immediately send written notice denying the applicant's request for child day care payments.

Late payments to child day care providers; report.

Sec. 636. The department shall submit a report to the house and senate appropriations committees and the house and senate standing committees having jurisdiction over human services matters by March 1, 2002, on the subject of late payments to child day care providers for the year of 2001. The report shall include the number of payments 30 to 45 days late, the number of payments over 45 days late, and the reasons for any late payments made to providers.

Infant and toddler incentive payments.

Sec. 640. (1) From the funds appropriated in part 1 for day care services, the family independence agency shall expend up to \$8,000,000.00 to provide infant and toddler incentive payments to child day care providers serving children from 0 to 2-1/2 years of age who meet licensing or training requirements.

(2) The use of the funds under this section should not be considered an ongoing commitment of funding.

Emergency shelter bed capacity; condition for receipt of TANF funds.

Sec. 643. It is the intent of the legislature that an additional \$250,000.00 in TANF funds shall be used to expand emergency shelter bed capacity. As a condition of receipt of federal TANF funds, homeless shelters shall collaborate with the family independence agency to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless shelters within state emergency relief, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements which exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Non-energy-related home repairs; increase lifetime limit.

Sec. 644. Effective October 1, 2001, from the funds in part 1 for public assistance, the department shall increase the lifetime limit for non-energy-related home repairs to \$1,750.00.

Individual or family escaping from domestic violence; consider as homeless.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the family independence agency's policies on good cause for not cooperating with child support and paternity requirements.

Homestead property tax credits for low-income families.

Sec. 646. From the funds appropriated in part 1, the department shall not expend more than \$27,000,000.00 of federal TANF funding for payment of homestead property tax credits for low-income families.

Assistance payments beyond time limit.

Sec. 648. From the funds appropriated in part 1 for assistance payments, the department shall continue to make assistance payments to recipients beyond the federal 5-year limit set under the personal responsibility and work opportunity reconciliation act of 1996, Public Law 104-193, 110 Stat. 2105, providing the recipient is complying with asset, income, and participation standards set as a condition of eligibility to receive assistance.

Victim of domestic violence; exemption from food stamp limitation.

Sec. 653. From the funds appropriated in part 1 for food stamps, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food stamps under section 6(o)(6)

of the food stamp act of 1977, Public Law 88-525, 7 U.S.C. 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Surrendering newborns to emergency service provider; distribution of information.

Sec. 654. From the funds appropriated in section 104, the family independence agency shall expend up to \$100,000.00 for developing and distributing pamphlets and other forms of public service information regarding procedures for individuals who surrender their newborns to an emergency service provider.

Before- or after-school programs.

- Sec. 657. (1) The department shall continue to offer quality before- or after-school programs that provide youth with a safe, engaging environment to motivate and inspire learning outside the traditional classroom setting. Before-school programs are limited to elementary school-aged children. Effective before- or after-school programs combine academic, enrichment, and recreation activities to guide learning and inspire children and youth in various activities. The before- or after-school programs can meet the needs of the communities served by the programs.
- (2) The department shall work in collaboration with independent contractors to put into practice a pilot program establishing quality before- or after-school programs for children in kindergarten to ninth grades. In order for an independent contractor to receive TANF funds, a child served must be a member of a family with an income that does not exceed 200% of the federal poverty guidelines published by the United States department of health and human services.
- (3) The department shall allocate through grants or contracts up to \$10,000,000.00 in TANF funds for pilot programs. A county shall receive no more than 20% of the funds appropriated in part 1 for this program. From the funds appropriated in part 1 for beforeor after-school pilot programs within day care services, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.
- (4) The before- or after-school pilot programs shall include, at a minimum, at least 3 of the following topics:
 - (a) Abstinence-based pregnancy prevention.
 - (b) Chemical abuse and dependency including nonmedical services.
 - (c) Gang violence prevention.
 - (d) Academic assistance, including assistance with reading and writing.
 - (e) Preparation toward future self-sufficiency.
 - (f) Leadership development.
 - (g) Case management or mentoring.
 - (h) Parental involvement.
 - (i) Anger management.
- (5) The department may enter into grants or contracts with independent contractors including, but not limited to, faith-based organizations, boys or girls clubs, schools, or nonprofit organizations. The department shall grant priority in funding independent contractors who secure at least 10% in matching funds. The matching funds may either be fulfilled through local, state, or federal funds, and/or through in-kind or other donations.

An independent contractor who cannot fulfill the match described in this subsection shall not be excluded from applying for a before- or after-school program contract.

- (6) A referral to a pilot program may be made by, but is not limited to, any of the following: a teacher, counselor, parent, police officer, judge, or social worker.
- (7) By August 30, 2002, the department before- or after-school pilot program expenditures shall be audited and the department shall work in collaboration with independent contractors to provide a report on the before- or after-school pilot program to the senate and house standing committees dealing with human services, the senate and house appropriations subcommittees for the family independence agency budget, the senate and house fiscal agencies, and the senate and house policy offices. The report shall include the number of participants and the average cost per participant, as well as changes noted in program participants in any of the following categories:
 - (a) Juvenile crime.
 - (b) Aggressive behavior.
 - (c) Academic achievement.
 - (d) Development of new skills and interests.
 - (e) School attendance and dropout rates.
 - (f) Behavioral changes in school.

Family independence program eligibility requirements; recipient with child under 6 years.

Sec. 659. For the purpose of the family independence program eligibility, a recipient with a child under 6 years of age must meet work first participation requirements unless child care is not available and that fact is verified by the family independence program caseworker.

Allocations of TANF funds; report of necessary data.

Sec. 660. From the funds appropriated in part 1 for food bank council activities within state emergency relief, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

Transitional work support program; report.

Sec. 661. From the funds appropriated in part 1 for transitional work support, the department shall expend up to \$15,000,000.00 in general fund/general purpose funds to develop and fund a transitional work support program. The department shall provide the house and senate appropriations subcommittees on the family independence agency, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director with a report that includes all of the following:

- (a) The number of participants served.
- (b) The average cost per program participant.
- (c) Any other information that the department considers relevant.

Removing barriers to achieving self-sufficiency; report on initiatives.

Sec. 662. The department shall report to the senate and house appropriations subcommittees on the family independence agency, the senate and house standing committees having jurisdiction over human services matters, and the senate and house fiscal agencies on any current or new programs and policies and all initiatives aimed at removing the barriers to achieving self-sufficiency.

FTE positions for day care inspections; federal funding.

Sec. 664. It is the intent of the legislature that the department maximize their best efforts with the department of consumer and industry services to obtain any available federal funding for the purpose of transferring necessary funds to the department of consumer and industry services for up to 20 FTE positions for day care inspections.

Public transportation needs.

Sec. 665. The department shall continue to partner with the department of transportation to use TANF and other sources of available funding to support public transportation needs of TANF-eligible individuals.

Federal earned income tax credit; participation.

Sec. 666. The department shall develop and implement a plan to increase the participation of eligible family independence program recipients in the federal earned income tax credit.

JUVENILE JUSTICE SERVICES

Federal juvenile accountability incentive block grant; use.

Sec. 701. The department shall expend a portion of the federal juvenile accountability incentive block grant to support the boot camp program. The remainder of the state allocation of the juvenile accountability incentive block grant shall be used to provide funding to enable juvenile courts, juvenile probation offices, and community-based programs to be more effective and efficient in holding juvenile offenders accountable and reducing recidivism, treating substance abuse problems, and developing community-based alternatives for female offenders and the following:

- (a) To better address gang, drug, and youth violence.
- (b) For training, equipment, and technology.
- (c) For the establishment of programs that protect students and school personnel from drug, gang, and youth violence.

Expansion of facilities; public hearing.

Sec. 702. Expansion of facilities funded under part 1 for juvenile justice services shall not be authorized by the joint capital outlay subcommittee of the appropriations committees until the department has held a public hearing in the community where the facility proposed to be expanded is located.

Juvenile placed in maximum security program; leaving property prohibited; exception.

Sec. 703. A juvenile adjudicated and placed in a state-operated maximum security program funded under part 1 for juvenile justice services shall not be allowed to leave the

property of the maximum security facility at which the program is located except when required to leave the property for medical treatment, court appearances, or other good cause approved by the facility director. For purposes of this section, "juvenile" means that term as defined in section 115n of the social welfare act, 1939 PA 280, MCL 400.115n.

Location of new facilities; limitation.

Sec. 704. New facilities funded under part 1 for juvenile justice services shall not be located within 1,500 feet of property in use for a K-12 educational program.

W.J. Maxey facility; report; treatment assessment.

Sec. 705. (1) The department shall report on the W.J. Maxey facility to the house and senate appropriations subcommittees on the family independence agency budget as part of their annual budget presentation. The report shall include the following:

- (a) Population reintegration goals for juvenile justice wards including, but not limited to, the categorization of positive outcomes and recidivism by age and incarceration type.
- (b) Facility media policy to ensure reinforcement and consistency with treatment plans and desired ward outcomes.
 - (c) Staff and resident safety.
- (d) Outcome based service and treatment program plan for wards who are sex offenders or substance abusers.
- (e) Facility procedure following traumatic campus occurrences such as, but not limited to, violent and sexual assaults.
 - (f) Progress of facility construction including, but not limited to:
 - (i) Scope and cost of the construction contract.
 - (ii) Construction schedule.
 - (iii) Radio and security system warranties.
 - (g) Quality control process for resident service and release plans.
- (2) The department shall ensure that all juveniles coming into care receive an assessment that includes a review of dysfunctional behavior in adolescents. In addition, the department shall ensure that all treatment addresses:
 - (a) Dysfunctional family practices, such as substance abuse and domestic violence.
 - (b) Sexual harassment and gender bias.
 - (c) Cultural and ethnic sensitivity.

Alternative regional detention services; charge back.

Sec. 706. Counties shall be subject to 50% charge back for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Reimbursement for child care fund expenditures; reports.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

State-operated juvenile detention or treatment facility; education funding.

Sec. 708. It is the intent of the legislature that the department work with the department of education and any other agency necessary to explore a procedure to secure funding through the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, to educate pupils assigned by a court or the family independence agency to reside in a state-operated juvenile detention or treatment facility.

Child care fund; approved service spending plan.

Sec. 709. As a condition of receiving funds appropriated in part 1 for the child care fund, by February 15, 2002, counties shall have an approved service spending plan for the fiscal year ending September 30, 2002. Counties must submit the service spending plan to the department by December 15, 2001 for approval.

County juvenile justice day treatment programs; contracts.

Sec. 710. From the funds appropriated in part 1 for juvenile justice services, the department shall continue contracts for county juvenile justice day treatment programs.

Report of noncompliance; corrective action plan.

Sec. 712. Not more than 30 days after receiving a published report from the office of auditor general that states that the department has not complied with state or federal law, rule, or regulation, the department shall provide a report to the house and senate committees having jurisdiction over the family independence agency. The report shall state the reason for the noncompliance, a corrective action plan to bring the department into compliance, and the time frame for implementing and executing the plan.

DISABILITY DETERMINATION SERVICES

Medical disability retirement.

Sec. 801. The family independence agency disability determination services in agreement with the department of management and budget office of retirement systems will develop the medical information and determine eligibility of medical disability retirement for state employees, state police, judges, and school teachers.

This act is ordered to take immediate effect. Approved July 25, 2001. Filed with Secretary of State July 25, 2001.