

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. By January 15, 2005, the department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director on the number of children supervised by the department and by private agencies who remain in foster care between 12 and 24 months, and those who remain in foster care longer than 24 months.

(2) By October 1, 2004, the department shall discontinue the Michigan children's institute (MCI) preliminary consent denial review process implemented in August 2003. The department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director on MCI standards for timely review and consent for adoption cases by January 15, 2005.

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.

Adoption subsidy payments after eighteenth birthday.

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 nineteenth birthday.
- (d) Is not eligible for federal supplemental security income (SSI) payments.

Foster care private collections.

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.

Children's trust fund; child abuse and neglect prevention board.

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.

(3) From the funds appropriated in part 1 for children's trust fund, the department may utilize interest and investment revenue from the current fiscal year only for programs,

administration, services, or all sanctioned by the child abuse and neglect prevention board.

Preserving or reuniting 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.

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.

Placement of child 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, 2005, 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.

(c) The number of cases in category III closed during the time period covered by the report categorized as follows:

- (i) Transfer to foster care.
- (ii) Risk of further child abuse or neglect has been reduced to an acceptable level.
- (iii) The perpetrator no longer has access to the child victim.
- (iv) Unsatisfactory family response - referral to court not feasible.
- (v) Child protective services not needed - family is receiving services from another program.
- (vi) Client unavailable for services, location of client unknown.
- (vii) Other.

Foster care permanency program.

Sec. 515. From the funds appropriated in part 1 for foster care payments and Wayne County foster care payments and related administrative costs, the department shall implement a performance based managed care approach to contracting for foster care services with private, nonprofit agencies. The goal of these contracts shall be to provide incentives for agencies to improve the process of placing children in permanent placements and reducing the time children spend in foster care. The department shall report to the senate and house appropriations subcommittees on the family independence agency budget, the senate and house fiscal agencies and policy offices, and the state budget office on this foster care permanency program and make recommendations for program expansion to all the counties of this state no later than August 30, 2005.

Community-based collaborative prevention services.

Sec. 517. (1) From the funds appropriated in part 1, 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) Funds appropriated in part 1 for zero to three 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 preapplication materials for fiscal year 2004-2005 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.

Youth in transition, domestic violence prevention and treatment, and teenage parent counseling; allocation and use of TANF funds; report; matching funds.

Sec. 523. (1) 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.

(2) The agencies receiving teenage parent counseling TANF funds shall report to the family independence agency on both of the following:

(a) Whether program services have impacted the following issue areas:

(i) The number of teen participants having fewer repeat pregnancies.

(ii) The completion rate for high school diplomas or GEDs.

(iii) The teen participants' rate of self-sufficiency.

(iv) The number of father participants.

(b) How many teens participate in the programs and have access to any or all of the following services:

(i) Adult supervised, supportive living arrangements.

(ii) Pregnancy prevention services or referrals.

(iii) Required completion of high school or receipt of GED, including child care to assist young mothers to focus on achievement.

(iv) Support services, including, but not limited to, health care, transportation, and counseling.

(v) Parenting and life-skills training.

(vi) Education, job training, and employment services.

(vii) Transition services in order to achieve self-sufficiency.

(viii) Instruction on self-protection.

(3) Agencies receiving teenage parent counseling funds shall provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations.

Prevention programs; report.

Sec. 524. The department shall submit a report on prevention programs for which funds are appropriated in part 1 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 no later than March 15, 2005 that includes all of the following information:

- (a) The average cost per recipient served by the program.
- (b) Information on program goals and outcome measures and results used to monitor progress toward these goals.

Payments of federal revenues to local units of government; agreement.

Sec. 531. (1) From the funds appropriated in part 1, the department may make claims for and pay to local units of government a portion of federal title IV-E revenues earned as a result of eligible costs incurred by local units of government.

(2) The department shall make payments under subsection (1) only to local units of government that have entered into formal agreements with the department. The agreement must include all of the following:

- (a) Provide for the department to retain 50% of the federal revenues earned.
- (b) Provide for agency review and approval of the local unit's plan for allocating costs to title IV-E.
- (c) Provide for the local unit of government to submit bills at times, and in the format, specified by the department.
- (d) Specify that the local unit of government is responsible for meeting all federal title IV-E regulation requirements, including reporting requirements, with regard to the activities and costs being billed to title IV-E.
- (e) Provide for the local unit of government to pay the state for the amount of any federal revenues paid to the local unit that may subsequently be disallowed by the federal government.
- (f) Be signed by the director of the department, the chief executive officer of the local government agency providing the title IV-E services, the chair of the county board of commissioners, and the chief executive officer of the county.

Licensing and contract compliance reviews.

Sec. 532. (1) The department, in collaboration with representatives of private child and family agencies, shall continue to review policies, practices, and procedures involving the annual licensing review and the annual contract compliance review conducted by the department regarding child placing agencies and child caring institutions. The review shall include efforts to identify duplication of staff activities and information sought from child placing agencies and child caring institutions in the annual review process.

(2) The department shall develop a streamlined licensing contract compliance review process where possible, including potential for utilizing deeming status for nationally accredited agencies. The department shall report to the house and senate appropriations subcommittees on the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director on or before January 15, 2005 on the implementation of the licensing and contract compliance review process.

Private nonprofit child placing facilities; payments.

Sec. 533. (1) The family independence agency shall make payments to private nonprofit child placing facilities for title IV-E out-of-home care services within 30 days of receiving all necessary documentation from those agencies.

(2) The department shall explore various types of automated payments to private nonprofit child placing facilities to improve speed and accuracy of payments.

Foster care; geographically based assignment system.

Sec. 536. The family independence agency shall not implement a geographically based assignment system for foster care unless determined to be in the best interests of the foster children.

Foster care services for new foster children; placement by private nonprofit licensed agencies.

Sec. 537. (1) The department shall offer private nonprofit licensed agencies the first opportunity to provide foster care services for new foster children entering the system in a county when the department's direct care caseload for foster care is greater than 20 cases per foster care worker. This section only applies if the private nonprofit licensed agency has an available placement at the time the child needs to be placed, the placement is not contrary to the best interests of the child or the child's siblings, and the private nonprofit licensed agency has a direct care caseload for foster care that is no greater than 20 cases per foster care caseworker.

(2) The department, in conjunction with private child placing agencies, shall develop a methodology for measuring goals, objectives, and performance standards for the delivery of foster care and adoption services. These goals, objectives, and performance standards shall apply to both public and private delivery of child welfare services, and data shall be collected from both private and public child welfare programs that can be used to evaluate performance achievements, including, but not limited to, the following:

(a) Average caseload per foster care worker.

(b) Average cost per case to the department and any other governmental agency.

(c) Range of services provided.

(d) Program outcomes, including the average length of stay in residential treatment and foster care.

(3) The department shall submit a quarterly report to the legislature, beginning December 31, 2004, outlining the progress of the development of the goals, objectives, and performance standards, as well as the information collected through the implementation of the measurement program.

Placement of children requiring residential treatment.

Sec. 539. The department shall work in collaboration with representatives from private nonprofit child placing agencies to ensure appropriate placement for children who have been adjudicated abused, neglected, or delinquent and for whom residential treatment is required. The department and the representatives from the private nonprofit child placing agencies shall focus on statewide placement criteria to address the best interest of the child in need of services.

Detention services.

Sec. 540. 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; reporting requirements.

Sec. 541. 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.

Service spending plan.

Sec. 542. As a condition of receiving funds appropriated in part 1 for the child care fund, by February 15, 2005, counties shall have an approved service spending plan for the fiscal year ending September 30, 2005. Counties must submit the service spending plan to the department by December 15, 2004 for approval.

Criminal sexual conduct involving underage youth; plan to reduce incidences.

Sec. 543. The department shall develop a comprehensive plan to provide education and training to reduce the incidences of criminal sexual conduct involving underage youth. The plan shall be designed to reach state and local law enforcement officials, schools and education agencies, health care, counseling, and pregnancy prevention services, and any other agency the department considers relevant. The department shall issue a report, by November 1, 2004, to the house and senate appropriations subcommittees on the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director that shall contain at least all of the following:

(a) The names of the task force members or committee members, and their representative organizations, who helped develop the plan.

(b) The recommendations the department is making to each of the following:

(i) State and local law enforcement agencies.

(ii) Schools and education agencies.

(iii) Health care professionals.

(iv) Counseling agencies.

(v) Pregnancy prevention programs.

(c) The annual goals for reporting and reducing incidences of criminal sexual conduct involving underage youth.

(d) A summary of past plans and their outcomes submitted in compliance with federal guidelines.

Accelerated residential treatment; pilot projects.

Sec. 544. The department shall consider approval of pilot projects with applications pending for accelerated residential treatment.

Payment increases to child placing agencies and residential facilities; development and implementation of new specialized foster care system.

Sec. 545. (1) From the funds appropriated in part 1 for foster care payments, Wayne County foster care payments, adoption subsidies, and adoption support services,

\$7,390,700.00 shall be used to provide a 3.0% rate increase to child placing agencies and residential facilities beginning October 1, 2004, and a 1.0% rate increase to foster care parents and parents receiving adoption subsidies beginning October 1, 2004.

(2) By April 1, 2005, the department shall develop and implement, in conjunction with representatives from private child placing agencies, a new specialized foster care system. Prior to implementation, the department shall provide a report describing the new system to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director. From the funds appropriated in part 1 for foster care payments and Wayne County foster care payments, up to \$1,000,000.00 may be used to implement the new specialized foster care system.

(3) As part of a new system, the department shall provide for approval of new specialized foster care programs.

TANF funding to Barry County; compliance with domestic violence board standards and reporting requirements.

Sec. 546. From the funds appropriated in part 1 for domestic violence prevention and treatment, the department shall allocate \$75,000.00 in TANF funds to Barry County for services that comply with all domestic violence board standards and reporting requirements.

Review of court order placing child into foster care.

Sec. 547. The department shall develop and implement a plan to review each court order placing a child into foster care within 60 days to verify federal compliance and shall report on the results by October 1, 2004 to the senate and house appropriations subcommittees for the family independence agency budget, the senate and house fiscal agencies and policy offices, and the state budget director.

Children of color in child welfare and juvenile justice system; task force; report.

Sec. 548. (1) The director of the department shall convene a task force to study the disproportionate representation of African-American and other children of color in the child welfare and juvenile justice systems of this state. The department shall collaborate with private sector entities to develop a methodology for the task force to follow in conducting the study and to seek public or private funding for the task force. At a minimum, the task force shall examine the level of involvement of African-American and other children of color at each stage in the systems, including the points of entry and each point at which a treatment decision is made and the outcomes for children exiting the systems.

(2) The task force convened under subsection (1) shall consist of experts in social work, law, child welfare, psychology, or related fields, and shall be appointed as follows:

(a) Two members appointed by the senate majority leader.

(b) Two members appointed by the speaker of the house.

(c) Three members appointed by the governor, including a representative of the department.

(3) The task force created under subsection (1) shall report to the department on the results of the study required by subsection (1) and make administrative and legislative recommendations for appropriate program services to reduce existing disparities and bias in the systems and improve the long-term outcomes for children of color who are served by the systems.

(4) By December 31, 2005, the department shall report the results of the study received under subsection (3) to the senate and house of representatives appropriations subcommittees on the family independence agency, the senate and house of representatives standing committees with jurisdiction over families and human services issues, the senate and house fiscal agencies and policy offices, and the state budget office.

PUBLIC ASSISTANCE

Noncompliance of landlord with local housing codes; termination of vendor payments.

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.

Direct payments to 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) It is the intent of the legislature that the department review and adjust the standard utility allowance for the state food assistance program to ensure that it reflects current energy costs in the 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, 8 USC 1612, and who otherwise meets the eligibility criteria under this section shall be eligible to receive benefits under the state disability assistance program.

Disability assistance recipients in licensed foster care facilities; reimbursement.

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.

Receipt of retroactive supplemental security income benefits; repayment of state disability assistance.

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.

Recoveries and accruals pertaining to state disability assistance.

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 serving residents receiving supplemental security income.

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.

Supplemental security income program; state supplementation level.

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, 2004 and ending September 30, 2005.

Emergency relief program.

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.

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

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

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; limitation.

Sec. 613. From the funds appropriated in part 1 for state emergency relief, the maximum allowable charge limit for indigent burials shall be \$947.00. The funds shall be

distributed as follows: \$603.00 for funeral directors; \$200.00 for cemeteries or crematoriums; and \$144.00 for the provider of the vault.

Burial services; availability of funds; payment.

Sec. 614. The funds available in part 1 for burial services 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 aliens; 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. 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 assistance.
- (d) Supplemental security income.

Minor parent's adult supervised household; approval of living arrangement.

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; exceptions.

Sec. 618. 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 been approved to receive assistance in another state.
- (f) A change in either state or federal law that requires automatic grant adjustments for classes of recipients.

Felon receiving federal assistance and food assistance benefits; denial prohibited.

Sec. 619. The department shall exempt from the denial of title IV-A assistance and food assistance benefits, contained in section 115 of title I of the personal responsibility

and work opportunity reconciliation act of 1996, 21 USC 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 assistance receipt.

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.

EQUIP funds.

Sec. 627. (1) From the funds appropriated in part 1 for day care services, the department may 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 may 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.

Individuals with history of 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.

U.S. citizens living in household with legal immigrants; calculation of food assistance allotment.

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

Listing of child day care provider on child abuse and neglect central registry; denial of application for 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.

Infant and toddler incentive payments.

Sec. 640. (1) From the funds appropriated in part 1 for day care services, the department shall continue 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.

Homeless shelters receiving TANF funds; reporting requirements.

Sec. 643. 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.

Individual or family escaping domestic violence; considered 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.

Assistance to recipients beyond 5-year limit; conditions.

Sec. 648. From the funds appropriated in part 1 for public assistance, the department may make assistance payments to recipients beyond the 5-year limit set by 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 and clearly demonstrates that he or she is making progress in becoming self-sufficient.

Victim of domestic violence; exception to food assistance limitation.

Sec. 653. From the funds appropriated in part 1 for food assistance, 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 assistance under section 6(o)(6) of the food stamp act of 1977, Public Law 88-525, 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Before- or after-school program.

Sec. 657. (1) The department shall fund a statewide before- or after-school program to provide youth with a safe, engaging environment to motivate and inspire learning outside the traditional classroom setting. Before- or after-school program eligibility is limited to

geographic areas near school buildings that do not meet federal no child left behind annual yearly progress (AYP) requirements and that include the before- or after-school programs in the AYP plans as a means to improve outcomes. 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 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, through a competitive bid process, provide grants or contracts up to \$5,000,000.00 in TANF funds for the program based on community needs. 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 before- or after-school programs within day care services, the department is authorized to make allocations of funds only to the agencies that report necessary data to the department for the purpose of meeting TANF and maintenance of effort eligibility reporting requirements. The use of funds under this section should not be considered an ongoing commitment of funding.

(4) The before- or after-school programs shall include academic assistance, including assistance with reading and writing, and 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) Preparation toward future self-sufficiency.
- (e) Leadership development.
- (f) Case management or mentoring.
- (g) Parental involvement.
- (h) 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 25% in matching funds. The matching funds may either be fulfilled through local, state, or federal funds, and/or through in-kind or other donations.

(6) A referral to a 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, 2005, the department before- or after-school 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 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.

Food bank council activities; allocations of TANF funds; reporting requirements.

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.

Public transportation needs of TANF-eligible individuals.

Sec. 665. The department shall partner with the department of transportation to use TANF and other sources of available funding to support public transportation needs of TANF-eligible individuals. By January 1, 2005, the department shall report on the new transportation initiatives developed to the senate and house appropriations subcommittees on the family independence agency, senate and house standing committees on human services matters, the senate and house fiscal agencies, the senate and house policy offices, and the state budget director.

Federal earned income tax credit; increase in participation.

Sec. 666. The department shall continue to implement the plan developed during the fiscal year ending in 2004 to increase the participation of eligible family independence program recipients in the federal earned income tax credit. The department shall report the details of the plan to the senate and house appropriations subcommittees on the family independence agency budget, the senate and house standing committees on human services, the senate and house fiscal agencies and policy offices, and the state budget director no later than December 31, 2004.

Community-based program available to children ages 6 to 15; allocations of TANF funds; reporting requirements; matching funds.

Sec. 668. (1) In coordination with the Michigan alliance of boys and girls clubs, the department may expend \$250,000.00 in TANF funds to make allocations for a statewide collaborative project to develop a community-based program available to children ages 6 to 15.

(2) The department shall make allocations of TANF funds under this section only to agencies that report necessary data to the department for the purpose of meeting the TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment.

(3) The department shall grant priority in funding to programs that provide at least 10% in matching funds. The matching funds requirement shall be fulfilled through any combination of local, state, or federal funds or in-kind or other donations. A program that cannot meet the matching requirement shall not be excluded from applying for a contract.

Cash and food assistance; electronic distribution by debit cards; annual clothing allowance.

Sec. 669. (1) The department shall distribute cash and food assistance to recipients electronically by using debit cards.

(2) The department shall allocate up to \$6,850,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children as defined by the department.

Kinship care.

Sec. 670. It is the intent of the legislature that the funds appropriated in part 1 for kinship care in the fiscal year ending September 30, 2005 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.

Internet-based information system providing centralized information; use by volunteer counselors.

Sec. 671. The department shall work with private nonprofit service providers to implement an Internet-based information system providing centralized benefit eligibility information and electronic application forms and application submission. This system may be used by volunteer counselors to assist users in obtaining all available public assistance.

Food assistance outreach efforts; report.

Sec. 672. By January 1, 2005, the department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate standing committees on human services, the house and senate fiscal agencies and policy offices, and the state budget director on the department's food assistance outreach efforts.

Child day care program; notice of reduction or elimination of client's eligibility.

Sec. 673. The department shall immediately send notification to a client participating in the state child day care program and his or her child day care provider if the client's eligibility is reduced or eliminated.

Child day care program; plan to reduce waste, fraud, and abuse; report.

Sec. 674. The department shall develop and implement a plan to reduce waste, fraud, and abuse within the child day care program, including feasibility for expanding wage match and employer verification, unannounced home call verification at day care sites, and other process changes. Quarterly, beginning December 31, 2004, the department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director on plan details and implementation status.

Child day care rate structure; implementation costs; report.

Sec. 675. The department shall utilize the most recent market rate survey to explore potential costs to implement a child day care rate structure that more accurately reflects the costs of care by vicinity. By March 1, 2005, the department shall report the results of the analysis to the senate and house subcommittees on the family independence agency budget, the senate and house fiscal agencies and policy offices, and the state budget office.

Michigan after-school partnership.

Sec. 676. (1) The department shall collaborate with the state board of education to extend the duration of the Michigan after-school initiative, to be renamed the Michigan after-school partnership, and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after-school initiative's report of December 15, 2003.

(2) From the funds appropriated in part 1, \$25,000.00 may be used to support the Michigan after-school partnership and shall be used to leverage other private and public funding to engage the public and private sectors in building and sustaining high-quality out-of-school-time programs and resources. The co-chairs shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after-school partnership.

(3) Participation in the Michigan after-school partnership shall be expanded beyond the membership of the initial Michigan after-school initiative to increase the representation of parents, youth, foundations, employers, and others with experience in education, child care, after-school and youth development services, and crime and violence prevention, and to include representation from the department of community health. Each year, on or before December 31, the Michigan after-school partnership shall report its progress in reaching the recommendations set forth in the Michigan after-school initiative's report to the legislature and the governor.

JUVENILE JUSTICE SERVICES**Juvenile justice facilities; 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.

Leaving property of maximum security facility 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 within property used for K-12 educational program.

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.

Juvenile justice residential programs.

Sec. 705. (1) The department, in conjunction with private juvenile justice residential programs, shall develop a methodology for measuring goals, objectives, and performance standards for the delivery of juvenile justice residential programs. These goals, objectives, and performance standards shall apply to both public and private delivery of

juvenile justice residential programs, and data shall be collected from both private and public juvenile justice residential programs that can be used to evaluate performance achievements, including, but not limited to, the following:

(a) Admission and release data and other information related to demographics of population served.

(b) Program descriptions and information related to treatment, educational services, and conditions of confinement.

(c) Program outcomes including recidivism rates for youth served by the facility.

(2) The department shall submit a quarterly report to the legislature, beginning December 31, 2004, outlining the progress of the development of the goals, objectives, and performance standards, as well as the information collected through the implementation of the performance measurement program. The report shall include the following:

(a) Trends in census and population demographics.

(b) Program outcomes.

(c) Staff and resident safety.

(d) Facility profile.

(e) Fiscal information necessary for qualitative understanding of program operations and comparative costs of public and private facilities.

Mental health and substance abuse treatment and education and training services to individuals leaving system; health care to individuals committed to institution.

Sec. 713. (1) The department shall work cooperatively with judiciary and with the departments of community health and career development to coordinate and improve the delivery of mental health and substance abuse treatment and education and training services to individuals leaving the juvenile justice system, especially those aging out of the system identified as continuing to pose a serious risk to themselves or others.

(2) As required by section 18 of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.18, juveniles committed to an institution operated by the department shall receive medical, dental, surgical, or other health care as necessary. The Medicaid reimbursable rate scale shall be used as the standard for allowable charges for services rendered. The family independence agency shall reimburse providers for the actual charges less than or equal to the Medicaid reimbursable rate scale for each service provided.

Development of county information networks.

Sec. 714. (1) The family independence agency shall provide technical assistance for counties to develop information networks including, but not limited to, serious habitual offenders comprehensive action program (SHOCAP), juvenile justice on-line technology (JJOLT), and juvenile violent reporting system (JVRS).

(2) The department shall assist counties in identifying funding sources for the networks, including, but not limited to, the child care fund and the juvenile accountability incentive block grant.

(3) The local units of government shall report to the department on expenditures of their juvenile justice information networks in concert with their requests for reimbursement from the child care fund.

(4) The department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and

policy offices, and the state budget director by January 15, 2005 on department efforts to encourage county information networks development described in subsection (1).

Reduction of juvenile crime; report; implementation of recommendations.

Sec. 715. (1) It is the intent of the legislature that the primary function of the juvenile justice system shall be to promote the protection of individuals and communities through the reduction of juvenile crime.

(2) The department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director by October 30, 2004 on the status of implementing recommendations of the 2001 joint house and senate task force on juvenile justice, including, but not limited to, the following:

(a) Mentoring programs that focus on improving communication and collaboration, encourage quality mentoring programs, recruitment of mentors, and increasing public awareness of and participation in programs for at-risk youth.

(b) Discussion of programs relating to juvenile information networks as an Internet-based communication tool that assists with case management of juvenile offenders in the area.

(c) Discussion of the possibility of implementing a program modeled after the "Wisconsin citizenship initiative" to collaborate with the before- or after-school programs offered under the authority of this act.

(d) Exploration of the option of a summit conducted via the Internet to discuss measures relating to the prevention and intervention of at-risk youth.

(e) Discussion of California's "8% early intervention" program that focuses on aggressive early intervention and treatment of young, high at-risk juvenile offenders and their families.

(f) Multisystem therapy.

(g) Youth service projects.

(h) Community services projects.

Juvenile justice facilities; review; report.

Sec. 716. It is the intent of the legislature that the department continue to review juvenile justice facilities and maximize cost and efficiency. By January 15, 2005, the department shall report to the house and senate appropriations subcommittees for the family independence agency budget, the house and senate fiscal agencies and policy offices, and the state budget director on utilization of juvenile justice facilities and potential consolidation efforts.

W.J. Maxey training school; property identified as unnecessary to support department functions.

Sec. 718. The department shall notify the department of management and budget that W.J. Maxey training school property identified by the department as parcels 1, 3, and 4 is no longer necessary to support department functions.

Residents at Adrian training school and Sequoyah center; relocation.

Sec. 719. It is the intent of the legislature that the administration's proposal for the Adrian training school be implemented, except that the W.J. Maxey training school Sequoyah center shall be closed and residents at the Sequoyah center and the male residents at the Adrian training school shall be relocated to alternative public or private facilities or community settings. The department shall notify the legislature at least 30 days before closing or making any change in the status of a state juvenile justice facility.

LOCAL OFFICE SERVICES

Out-stationed eligibility specialists.

Sec. 750. The department shall maintain out-stationed eligibility specialists in community-based organizations and hospitals in the same locations as in fiscal year 2003-2004.

School-based family resource centers.

Sec. 751. (1) From the funds appropriated in part 1, the department shall implement school-based family resource centers based on the following guidelines:

(a) The center is supported by the local school district.

(b) The programs and information provided at the center do not conflict with sections 1169, 1507, and 1507b of the revised school code, 1976 PA 451, MCL 380.1169, 380.1507, and 380.1507b.

(c) Notwithstanding subdivision (b), the center shall provide information regarding crisis pregnancy centers or adoption service providers in the area.

(2) The department shall notify the senate and house subcommittees on the family independence agency budget, the senate and house fiscal agencies and policy offices, and the state budget office of family resource center expansion efforts and shall provide all of the following at the beginning of the selection process or no later than 5 days after eligible schools receive opportunity notification:

(a) A list of eligible schools.

(b) The selection criteria to be used.

(c) The projected number to be opened.

(d) The financial implications for expansion, including funding sources.

Child advocacy centers.

Sec. 752. The department shall research and report to the legislature on potential sources of federal funding to support child advocacy centers.

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 make recommendations for medical disability retirement for state employees, state police, judges, and school teachers.

CHILD SUPPORT ENFORCEMENT

Child support incentive payments.

Sec. 901. (1) From the federal money received for child support incentive payments, up to \$15,397,400.00 shall be retained by the state and expended for legal support contracts and child support program expenses.

(2) In addition to the amount retained in subsection (1), additional incentives may be retained and used by the state for special, enhanced, or centralized initiatives or services that are reasonably calculated by the department, in consultation with the child support program leadership group, which consists of representatives of the state court administrative office, the friend of the court association, the prosecuting attorney's association of Michigan, the Michigan department of information technology, the family independence agency office of child support, and the state budget office, to result in an equivalent or greater increase in child support collections or child support incentive payments received from the federal government. If payment from the federal government for collection performance incentives exceeds the amount received by the state for the fiscal year 2000, the total amount paid to counties shall be no less than the total amount paid for federal performance incentives in fiscal year 2001.

(3) At the end of the current fiscal year, the department may, if 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.

(4) For the purpose of providing title IV-D child support enforcement funding, the department, as the IV-D agency, shall, within 30 days of the passage of this act, maintain a cooperative agreement with the state attorney general for IV-D funding to support the child support enforcement activities of the office of the attorney general. The department to the extent possible under federal law shall provide to the office of the attorney general any information used by the office of child support enforcement to locate parents who fail to pay court-ordered child support, to collect child support, or to enforce child support orders.

OFFICE OF CHILDREN AND ADULT LICENSING

Licensing and regulating child care organizations and adult foster care facilities; fees.

Sec. 1001. The department shall assess fees in the licensing and regulation of child care organizations as defined in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737. Fees collected by the department shall be used exclusively for the purpose of licensing and regulating child care organizations and adult foster care facilities.

Juvenile residential facilities; evaluation reports.

Sec. 1002. The department shall furnish the clerk of the house, the secretary of the senate, the senate and house fiscal agencies and policy offices, the state budget office, and all members of the house and senate appropriations committees with a summary of any evaluation reports and subsequent approvals or disapprovals of juvenile residential facilities operated by the department, as required by section 6 of 1973 PA 116, MCL 722.116. If no evaluations are conducted during the fiscal year, the department shall notify the fiscal agencies and all members of the appropriate subcommittees of the house and senate appropriations committees.

Day care facility; lead hazard.

Sec. 1003. If federal funds become available to support a lead testing program, the department shall, before issuing a license for a day care facility and as part of licensing review and facility inspection, require documentation verifying that the facility has been inspected for lead hazards and that any lead hazards identified have been remediated.

Secure adult foster care facilities.

Sec. 1004. The department shall evaluate the potential for licensing of secure adult foster care facilities.

This act is ordered to take immediate effect.

Approved September 28, 2004.

Filed with Secretary of State September 29, 2004.

[No. 345]**(SB 1064)**

AN ACT to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2005; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; department of corrections.

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of corrections for the fiscal year ending September 30, 2005, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY:

Average population	51,503	
Full-time equated unclassified positions	16.0	
Full-time equated classified positions	17,753.8	
GROSS APPROPRIATION		\$ 1,786,182,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		3,364,200
ADJUSTED GROSS APPROPRIATION		\$ 1,782,818,400
Federal revenues:		
Total federal revenues		8,188,100
Special revenue funds:		
Total local revenues		393,600

	For Fiscal Year Ending Sept. 30, 2005
Total private revenues.....	\$ 0
Total other state restricted revenues.....	66,075,600
State general fund/general purpose	\$ 1,708,161,100

Executive.

Sec. 102. EXECUTIVE

Full-time equated unclassified positions	16.0
Full-time equated classified positions.....	263.7
Unclassified positions—16.0 FTE positions.....	\$ 1,308,800
Executive direction—41.5 FTE positions	4,315,900
Policy and strategic planning—50.0 FTE positions	5,232,100
Human resources—172.2 FTE positions	15,021,700
Human resources optimization user charges.....	1,299,200
Training	3,265,000
Worker's compensation.....	20,277,000
Sheriffs' coordinating and training office	2,000,000
GROSS APPROPRIATION.....	\$ 52,719,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDSP, Michigan justice training fund	660,100
Special revenue funds:	
Local corrections officer training fund	2,000,000
State general fund/general purpose	\$ 50,059,600

Administration and programs.

Sec. 103. ADMINISTRATION AND PROGRAMS

Average population	480
Full-time equated classified positions.....	284.9
Administrative services—63.9 FTE positions.....	\$ 5,525,300
Substance abuse testing and treatment	17,646,000
Inmate legal services	314,900
Prison industries operations—220.0 FTE positions.....	17,532,400
Rent.....	2,095,200
Equipment and special maintenance.....	1,667,200
Compensatory buyout and union leave bank.....	275,000
Michigan youth correctional facility - management services.....	13,317,800
Michigan youth correctional facility - administration—1.0 FTE position	156,200
Average population	480
Michigan youth correctional facility - lease payments.....	5,366,700
Prosecutorial and detainer expenses	4,051,000
GROSS APPROPRIATION.....	\$ 67,947,700
Appropriated from:	
Federal revenues:	
DOJ, office of justice programs, Byrne grants.....	729,400
Special revenue funds:	
Correctional industries revolving fund	17,532,400
State general fund/general purpose	\$ 49,685,900

For Fiscal Year
Ending Sept. 30,
2005

Field operations administration.

Sec. 104. FIELD OPERATIONS ADMINISTRATION

Average population	581	
Full-time equated classified positions	2,090.9	
Field operations—1,873.2 FTE positions		\$ 138,328,400
Parole board operations—29.0 FTE positions.....		2,304,000
Loans to parolees.....		294,400
Parole/probation services.....		2,867,300
Corrections centers—70.0 FTE positions		9,283,000
Average population	581	
Electronic monitoring center—49.4 FTE positions.....		6,189,100
Technical rule violator program—69.3 FTE positions.....		8,350,700
GROSS APPROPRIATION.....		\$ 167,616,900
Appropriated from:		
Special revenue funds:		
Local - community tether program reimbursement.....		393,600
Parole and probation oversight fees		8,278,300
Tether program, participant contributions		6,922,200
Parole and probation oversight fees set-aside		2,867,300
Corrections centers, resident contributions revenue.....		1,486,300
Technical rule violator program, public works user fees		173,700
State general fund/general purpose		\$ 147,495,500

Community corrections.

Sec. 105. COMMUNITY CORRECTIONS

Full-time equated classified positions	16.0	
Community corrections administration—16.0 FTE positions		\$ 1,506,800
Probation residential centers		15,828,400
Community corrections comprehensive plans and services.....		13,033,000
Public education and training.....		50,000
Regional jail program		100
Alternatives to prison jail program.....		1,619,600
Alternatives to prison treatment program.....		400,000
Felony drunk driver jail reduction and community treatment program		3,000,000
County jail reimbursement program		13,249,000
GROSS APPROPRIATION.....		\$ 48,686,900
Appropriated from:		
Special revenue funds:		
Telephone fees and commissions.....		13,192,100
Civil infraction fees		7,000,000
Parole and probation oversight fees set-aside		400,000
State general fund/general purpose		\$ 28,094,800

Consent decrees.

Sec. 106. CONSENT DECREES

Average population	400
Full-time equated classified positions.....	471.3

	For Fiscal Year Ending Sept. 30, 2005
Hadix consent decree—138.0 FTE positions	\$ 9,456,700
DOJ consent decree—106.8 FTE positions	8,562,500
DOJ psychiatric plan - MDCH mental health services.....	67,687,600
DOJ psychiatric plan - MDOC staff and services—226.5 FTE positions.....	15,006,800
GROSS APPROPRIATION	\$ 100,713,600
Appropriated from:	
State general fund/general purpose	\$ 100,713,600

Health care.

Sec. 107. HEALTH CARE

Full-time equated classified positions	923.6
Health care administration—18.0 FTE positions	\$ 2,309,000
Hospital and specialty care services	59,875,200
Hepatitis C testing and treatment	1,150,000
Vaccination program	991,200
Northern region clinical complexes—240.4 FTE positions	26,900,500
Southeastern region clinical complexes—360.8 FTE positions	47,328,400
Southwestern region clinical complexes—304.4 FTE positions	30,248,600
GROSS APPROPRIATION	\$ 168,802,900
Appropriated from:	
Special revenue funds:	
Prisoner health care copayments.....	315,700
State general fund/general purpose	\$ 168,487,200

Correctional facilities administration.

Sec. 108. CORRECTIONAL FACILITIES

ADMINISTRATION

Average population	1,382
Full-time equated classified positions	884.2
Correctional facilities administration—45.0 FTE positions	\$ 4,474,400
Housing inmates in federal institutions.....	552,600
Education services and federal education grants—10.0 FTE positions.....	5,642,700
Federal school lunch program	712,800
Leased beds and alternatives to leased beds	100
Inmate housing fund—418.7 FTE positions	37,338,700
Average population	1,382
Academic/vocational programs—410.5 FTE positions.....	31,905,600
Transportation efficiencies	(2,000,000)
GROSS APPROPRIATION	\$ 78,626,900
Appropriated from:	
Federal revenues:	
DOJ - BOP, federal prisoner reimbursement.....	372,600
DED - OESE, title 1	515,100
DED - OVAE, adult education	1,868,200
DED, adult literacy grants	304,300
DED - OSERS	99,900
DED, vocational education equipment	273,800

	For Fiscal Year Ending Sept. 30, 2005
DED, youthful offender/Specter grant	\$ 1,272,800
DOJ - OJP, serious and violent offender reintegration initiative.....	1,004,800
DAG - FNS, national school lunch	712,800
SSA - SSI, incentive payment.....	108,200
Special revenue funds:	
Public works user fees.....	67,300
Resident stores	120,800
State general fund/general purpose	\$ 71,906,300

Northern region correctional facilities.

Sec. 109. NORTHERN REGION CORRECTIONAL FACILITIES

Average population	14,805
Full-time equated classified positions.....	4,171.2
Alger maximum correctional facility - Munising—343.0 FTE positions.....	\$ 28,743,200
Average population	849
Baraga maximum correctional facility - Baraga—405.5 FTE positions.....	33,052,700
Average population	1,084
Chippewa correctional facility - Kincheloe—512.3 FTE positions.....	43,011,700
Average population	2,122
Kinross correctional facility - Kincheloe—559.7 FTE positions.....	49,405,400
Average population	2,423
Marquette branch prison - Marquette—386.6 FTE positions	33,930,800
Average population	1,129
Newberry correctional facility - Newberry—345.4 FTE positions...	27,625,300
Average population	1,144
Oaks correctional facility - Eastlake—354.4 FTE positions	31,381,800
Average population	1,312
Ojibway correctional facility - Marenisco—285.1 FTE positions.....	22,639,300
Average population	1,202
Pugsley correctional facility - Kingsley—220.4 FTE positions.....	17,355,700
Average population	954
Saginaw correctional facility - Freeland—356.0 FTE positions.....	30,577,200
Average population	1,480
Standish maximum correctional facility - Standish—402.8 FTE positions.....	33,605,800
Average population	1,106
GROSS APPROPRIATION.....	\$ 351,328,900
Appropriated from:	
Special revenue funds:	
Public works user fees.....	520,100
Resident stores	1,106,900
State general fund/general purpose	\$ 349,701,900

Southeastern region correctional facilities.

Sec. 110. SOUTHEASTERN REGION CORRECTIONAL FACILITIES

Average population	16,157
Full-time equated classified positions.....	4,324.7

	For Fiscal Year Ending Sept. 30, 2005
Cooper Street correctional facility - Jackson—267.2 FTE positions ...	\$ 23,613,300
Average population	1,360
G. Robert Cotton correctional facility - Jackson—429.3 FTE	
positions.....	35,523,600
Average population	1,734
Charles E. Egeler correctional facility - Jackson—578.6 FTE	
positions.....	50,652,600
Average population	2,071
Gus Harrison correctional facility - Adrian—494.2 FTE positions ...	41,542,500
Average population	2,102
Macomb correctional facility - New Haven—325.5 FTE positions....	26,339,800
Average population	1,228
Mound correctional facility - Detroit—311.5 FTE positions.....	25,000,300
Average population	1,051
Parnall correctional facility - Jackson—260.4 FTE positions.....	22,237,600
Average population	1,308
Ryan correctional facility - Detroit—305.9 FTE positions	25,851,600
Average population	1,059
Robert Scott correctional facility - Plymouth—332.5 FTE	
positions.....	26,758,500
Average population	884
Southern Michigan correctional facility - Jackson—418.8 FTE	
positions	33,508,500
Average population	1,481
Thumb correctional facility - Lapeer—374.8 FTE positions	30,765,300
Average population	1,479
Special alternative incarceration program - Cassidy Lake—	
129.0 FTE positions.....	10,467,000
Average population	400
Jackson area support and services - Jackson—97.0 FTE positions ..	17,726,800
GROSS APPROPRIATION	\$ 369,987,400
Appropriated from:	
Intradepartmental transfer revenues:	
IDT, production kitchen user fees.....	2,704,100
Federal revenues:	
DOJ, state criminal alien assistance program	926,200
Special revenue funds:	
Public works user fees.....	479,700
Resident stores	1,336,300
State general fund/general purpose	\$ 364,541,100

Southwestern region correctional facilities.

Sec. 111. SOUTHWESTERN REGION CORRECTIONAL FACILITIES

Average population	17,698
Full-time equated classified positions	4,323.3
Bellamy Creek correctional facility - Ionia—503.1 FTE positions....	\$ 40,749,800
Average population	1,830
Earnest C. Brooks correctional facility - Muskegon—475.9 FTE	
positions.....	40,638,300
Average population	2,200

	For Fiscal Year Ending Sept. 30, 2005
Carson City correctional facility - Carson City—527.4 FTE positions.....	\$ 44,075,600
Average population	2,200
Richard A. Handlon correctional facility- Ionia—254.2 FTE positions.....	22,306,400
Average population	1,320
Ionia maximum correctional facility - Ionia—322.8 FTE positions...	26,115,400
Average population	667
Lakeland correctional facility - Coldwater—673.1 FTE positions.....	57,513,600
Average population	2,816
Muskegon correctional facility - Muskegon—259.4 FTE positions ...	23,196,200
Average population	1,310
Pine River correctional facility - St. Louis—214.4 FTE positions	17,809,800
Average population	960
Riverside correctional facility - Ionia—498.2 FTE positions	44,411,200
Average population	2,171
St. Louis correctional facility - St. Louis—594.8 FTE positions	48,145,500
Average population	2,224
GROSS APPROPRIATION.....	\$ 364,961,800
Appropriated from:	
Special revenue funds:	
Public works user fees.....	226,100
Resident stores	1,540,900
State general fund/general purpose	\$ 363,194,800

Information technology.

Sec. 112. INFORMATION TECHNOLOGY

Information technology services and projects.....	\$ 14,789,900
GROSS APPROPRIATION.....	\$ 14,789,900
Appropriated from:	
Special revenue funds:	
Correctional industries revolving fund	9,500
Parole and probation oversight fees set-aside	500,000
State general fund/general purpose	\$ 14,280,400

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 2004-2005 is \$1,774,236,700.00 and state spending from state resources to be paid to local units of government for fiscal

year 2004-2005 is \$88,507,700.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF CORRECTIONS

Field operations - assumption of county probation staff.....	\$ 40,605,000
Prosecutorial and detainer expenses	4,051,000
Public service work projects	9,920,600
Community corrections comprehensive plans and services.....	13,033,000
Community corrections probation residential centers.....	15,828,400
Community corrections public education and training	50,000
Felony drunk driver jail reduction and community treatment program	3,000,000
Alternatives to prison jail program.....	1,619,600
Alternatives to prison treatment program	400,000
Regional jail program	100
TOTAL	\$ 88,507,700

Appropriations subject to MCL 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) “DAG” means the United States department of agriculture.
- (b) “DAG - FNS” means the DAG food and nutrition service.
- (c) “DED” means the United States department of education.
- (d) “DED - OESE” means the DED office of elementary and secondary education.
- (e) “DED - OSERS” means the DED office of special education and rehabilitative services.
- (f) “DED - OVAE” means the DED office of vocational and adult education.
- (g) “Department” or “MDOC” means the Michigan department of corrections.
- (h) “DOJ” means the United States department of justice.
- (i) “DOJ - BOP” means the DOJ bureau of prisons.
- (j) “DOJ - OJP” means the DOJ office of justice programs.
- (k) “FTE” means full-time equated.
- (l) “IDG” means interdepartmental grant.
- (m) “IDT” means intradepartmental transfer.
- (n) “MDCH” means the Michigan department of community health.
- (o) “MDSP” means the Michigan department of state police.
- (p) “OCC” means office of community corrections.
- (q) “SSA” means the United States social security administration.
- (r) “SSA - SSI” means SSA supplemental security income.

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.

Privatization; project plan.

Sec. 207. At least 120 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.

Reporting requirements; use of Internet.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

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 comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

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.

Controlled substance test.

Sec. 211. (1) Pursuant to the provisions of civil service rules and regulations and applicable collective bargaining agreements, individuals seeking employment with the department shall submit to a controlled substance test. The test shall be administered by the department.

(2) Individuals seeking employment with the department who refuse to take a controlled substance test or who test positive for the illicit use of a controlled substance on such a test shall be denied employment.

Revenues and fees collected.

Sec. 212. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, public work programs, and emergency services provided to units of government. The revenues and fees collected shall be appropriated for all expenses associated with these services and activities.

Violent crime control and law enforcement act of 1994; matching funds.

Sec. 213. Of the state general fund/general purpose revenue appropriated in part 1, \$600,827,200.00 represents a state spending increase over the amount provided to the

department for the fiscal year ending September 30, 1994, and may be used to meet state match requirements of programs contained in the violent crime control and law enforcement act of 1994, Public Law 103-322, or successor grant programs, so that any additional federal funds received shall supplement funding provided to the department in part 1.

Michigan youth correctional facility; reports.

Sec. 214. The department shall provide quarterly reports on the Michigan youth correctional facility to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The reports shall provide information relevant to an assessment of the safety and security of the institution, including, but not limited to, information on the number of critical incidents by type occurring at the facility, the number of custody staff at the facility, staff turnover rates, staff vacancy rates, overtime reports, prisoner grievances, and number and severity of assaults occurring at the facility. The reports also shall provide information on programming available at the facility and on program enrollments, including, but not limited to, academic/vocational programs, counseling programs, mental health treatment programs, substance abuse treatment programs, and cognitive restructuring programs.

Michigan youth correctional facility; programs and services manual.

Sec. 215. The department shall require the contract monitor for the Michigan youth correctional facility to provide a manual to each prisoner at intake that details programs and services available at the facility, the processes by which prisoner complaints and grievances can be pursued, and the identity of staff available at the facility to answer questions regarding the information in the manual. The contract monitor shall obtain written verification of receipt from each prisoner receiving the manual. The contract monitor also shall answer prisoner questions regarding facility programs, services, and grievance procedures.

Revenue report.

Sec. 216. By February 15, 2005, the department shall provide the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a report detailing nongeneral fund/general purpose sources of revenue, including, but not limited to, federal revenues, state restricted revenues, local and private revenues, offender reimbursements and other payments, revolving funds, and 1-time sources of revenue, whether or not such revenues were appropriated. The report shall include statements detailing for each account the total amount of revenue received during fiscal year 2003-2004, the amount by which the revenue exceeded any applicable appropriated fund source, the amount spent during fiscal year 2003-2004, the account balance at the close of fiscal year 2003-2004, and the projected revenues and expenditures for fiscal year 2004-2005.

Technology-related services and projects; payment of user fees to department of information technology.

Sec. 217. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.

Amounts appropriated for information technology as work project.

Sec. 218. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support department of corrections technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Implementation of reductions; plan.

Sec. 219. By October 15, 2004, the department shall report to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies a detailed plan of how the department will implement reductions in order to compensate for employment related savings. The report shall include, but not be limited to, the department's plan for banked leave, layoffs, program changes and eliminations, prisoner release, and facility closures.

Prisoner transportation; savings.

Sec. 220. (1) The negative appropriation for transportation savings in part 1 shall be satisfied by savings realized from efficiencies in prisoner transportation in addition to those proposed by the department in the executive recommended budget for the fiscal year ending September 30, 2005.

(2) Appropriation authorization adjustments required to implement negative appropriations for transportation savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Out-of-state travel.

Sec. 221. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2005 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and

members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.
- (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

SUBSTANCE ABUSE TESTING AND TREATMENT

Alcohol and substance abuse; assessment; treatment; priority.

Sec. 301. (1) The department shall screen and assess each prisoner for alcohol and other drug involvement to determine the need for further treatment. The assessment process shall be designed to identify the severity of alcohol and other drug addiction and determine the treatment plan, if appropriate.

(2) Subject to the availability of funding resources, the department shall provide substance abuse treatment to prisoners with priority given to those prisoners who are most in need of treatment and who can best benefit from program intervention based on the screening and assessment provided under subsection (1).

Residential substance abuse treatment services; availability; report.

Sec. 302. (1) In expending residential substance abuse treatment services funds appropriated by this act, the department shall ensure to the maximum extent possible that residential substance abuse treatment services are available statewide.

(2) It is the intent of the legislature that the funds appropriated in part 1 for substance abuse testing and treatment be fully expended for that purpose.

(3) By April 1, 2005, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the allocation, distribution, and expenditure of all funds appropriated by the substance abuse testing and treatment line item during fiscal year 2003-2004 and projected for fiscal year 2004-2005. The report shall include, but not be limited to, an explanation of an anticipated year-end balance, the number of participants in substance abuse programs, and the number of offenders on waiting lists for residential substance abuse programs. Information required by this subsection shall, where possible, be separated by MDOC administrative region and by offender type, including, but not limited to, a distinction between prisoners, parolees, and probationers.

EXECUTIVE

Prison population updates.

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates by February 1, 2005 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director.

Technical rule violator program, community residential program, electronic tether program, and special alternative to incarceration program; reports.

Sec. 402. The department shall prepare by April 1, 2005 individual reports for the technical rule violator program, the community residential program, the electronic tether program, and the special alternative to incarceration program. The reports shall be submitted to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director. The reports shall include the following:

- (a) Monthly new participants.
- (b) Monthly participant unsuccessful terminations, including cause.
- (c) Number of successful terminations.
- (d) End month population by facility/program.
- (e) Average length of placement.
- (f) Return to prison statistics.
- (g) Description of program location(s), capacity, and staffing.
- (h) Sentencing guideline scores and actual sentence statistics for participants, if applicable.
- (i) Comparison with prior year statistics.
- (j) Analysis of the impact on prison admissions and jail utilization and the cost effectiveness of the program.

County jail services staff.

Sec. 403. From the funds appropriated in part 1, the department shall continue to maintain county jail services staff sufficient to enable the department to continue to fulfill its functions of providing technical support, inspections of county jails, and maintenance of the jail reimbursement program.

Ratio of officers and staff to prisoners; other ratios.

Sec. 404. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director by April 1, 2005 on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Prison alternatives.

Sec. 405. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) To the extent policies or programs described in subsection (1) are used, developed, or contracted for, the department may request that funds appropriated in part 1 be transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for their operation.

(3) The department shall continue to utilize parole violator processing guidelines that require parole agents to utilize all available appropriate community-based, nonincarcerative postrelease sanctions and services when appropriate. The department shall periodically evaluate such guidelines for modification, in response to emerging information from the pilot projects for substance abuse treatment provided under this act and applicable provisions of prior budget acts for the department.

(4) By March 1, 2005, the department shall report to the senate and house appropriations subcommittees on corrections, senate and house fiscal agencies, and state budget director on the effect that any recommended policy changes for technical violators of parole and technical violators of probation would have on admission to prison and jail and the impact on other program alternatives.

Sheriffs' coordinating and training office; expenditures to defray certain costs.

Sec. 406. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council pursuant to the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

ADMINISTRATION AND PROGRAMS

Housing and custody of parole violators and returning offenders; reimbursement to counties.

Sec. 501. From the funds appropriated in part 1 for prosecutorial and detainer expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

FIELD OPERATIONS ADMINISTRATION

Caseload audit of field agents.

Sec. 601. From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The results of the audit shall be submitted to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies, and the state budget office by September 30, 2005.

Community service work program.

Sec. 602. (1) Of the amount appropriated in part 1 for field operations, a sufficient amount shall be allocated for the community service work program and shall be used for salaries and wages and fringe benefit costs of community service coordinators employed by the department to supervise offenders participating in work crew assignments. Funds shall

also be used to cover motor transport division rates on state vehicles used to transport offenders to community service work project sites.

(2) The community service work program shall provide offenders with community service work of tangible benefit to a community while fulfilling court-ordered community service work sanctions and other postconviction obligations.

(3) As used in this section, “community service work” means work performed by an offender in an unpaid position with a nonprofit or tax-supported or government agency for a specified number of hours of work or service within a given time period.

Electronic tether program.

Sec. 603. (1) All prisoners, probationers, and parolees involved with the electronic tether program shall reimburse the department for the equipment costs and telephone charges associated with their participation in the program. The department may require community service work reimbursement as a means of payment for those able-bodied individuals unable to pay for the cost of the equipment.

(2) Program participant contributions and local community tether program reimbursement for the electronic tether program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

(3) Included in the appropriation in part 1 is adequate funding to implement the community tether program to be administered by the department. The community tether program is intended to provide sentencing judges and county sheriffs in coordination with local community corrections advisory boards access to the state’s electronic tether program to reduce prison admissions and improve local jail utilization. The department shall determine the appropriate distribution of the tether units throughout the state based upon locally developed comprehensive corrections plans pursuant to the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(4) For a fee determined by the department, the department shall provide counties with the tether equipment, replacement parts, administrative oversight of the equipment’s operation, notification of violators, and periodic reports regarding county program participants. Counties are responsible for tether equipment installation and service. For an additional fee as determined by the department, the department shall provide staff to install and service the equipment. Counties are responsible for the coordination and apprehension of program violators.

(5) Any county with tether charges outstanding over 60 days shall be considered in violation of the community tether program agreement and lose access to the program.

Reimbursement by community-placement prisoners and parolees; alternative method of payment.

Sec. 604. Community-placement prisoners and parolees shall reimburse the department for the operational costs of the program. As an alternative method of payment, the department may develop a community service work schedule for those individuals unable to meet reimbursement requirements established by the department.

Agencies benefitting from public work services; uniform rate.

Sec. 605. The department shall establish a uniform rate to be paid by agencies that benefit from public work services provided by special alternative incarceration participants and prisoners.

Parole and probation agent workloads; study; report.

Sec. 606. (1) It is the intent of the legislature that the department shall conduct or contract for a study of parole and probation agent workloads. The study shall analyze

agent workloads, caseloads, and responsibilities and provide recommendations for changes to workload computations and offender-agent workload or caseload ratios.

(2) By April 1, 2005, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the progress of the study, including information on study timelines, objectives, and methodology.

Contact by parolees and probationers with parole or probation agents.

Sec. 607. It is the intent of the legislature that the department shall implement means by which parolees and probationers may timely contact their parole or probation agents, and develop procedures that preclude any necessity for an offender to have access to an agent's home telephone number or other personal information pertaining to the agent.

COMMUNITY CORRECTIONS

Offender reintegration into community.

Sec. 701. The office of community corrections shall provide and coordinate the delivery and implementation of services in communities to facilitate successful offender reintegration into the community. Programs and services to be offered shall include, but are not limited to, technical assistance for comprehensive corrections plan development, new program start-up funding, program funding for those programs delivering services for eligible offenders in geographic areas identified by the office of community corrections as having a shortage of available services, technical assistance, referral services for education, employment services, and substance abuse and family counseling. As used in this act:

(a) "Alternative to incarceration in a state facility or jail" means a program that involves offenders who receive a sentencing disposition which appears to be in place of incarceration in a state correctional facility or jail based on historical local sentencing patterns or which amounts to a reduction in the length of sentence in a jail.

(b) "Goal" means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce prison commitment rates, to reduce the length of stay in a jail, or to improve the utilization of a jail.

(c) "Jail" means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.

(d) "Offender eligibility criteria" means particular criminal violations, state felony sentencing guidelines descriptors, and offender characteristics developed by advisory boards and approved by local units of government that identify the offenders suitable for community corrections programs funded through the office of community corrections.

(e) "Offender target population" means felons or misdemeanants who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not increase the risk to the public safety, who have not demonstrated a pattern of violent behavior, and who do not have criminal records that indicate a pattern of violent offenses.

(f) "Offender who would likely be sentenced to imprisonment" means either of the following:

(i) A felon or misdemeanant who receives a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail, according to historical local sentencing patterns.

(ii) A currently incarcerated felon or misdemeanant who is granted early release from incarceration to a community corrections program or who is granted early release from incarceration as a result of a community corrections program.

Community corrections comprehensive plans; probation residential centers funds; award criteria; per diem reimbursement.

Sec. 702. (1) The funds included in part 1 for community corrections comprehensive plans and services are to encourage the development through technical assistance grants, implementation, and operation of community corrections programs that serve as an alternative to incarceration in a state facility or jail. The comprehensive corrections plans shall include an explanation of how the public safety will be maintained, the goals for the local jurisdiction, offender target populations intended to be affected, offender eligibility criteria for purposes outlined in the plan, and how the plans will meet the following objectives, consistent with section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

(a) Reduce admissions to prison of nonviolent offenders who would have otherwise received an active sentence, including probation violators.

(b) Improve the appropriate utilization of jail facilities, the first priority of which is to open jail beds intended to house otherwise prison-bound felons, and the second priority being to appropriately utilize jail beds so that jail crowding does not occur.

(c) Open jail beds through the increase of pretrial release options.

(d) Reduce the readmission to prison of parole violators.

(e) Reduce the admission or readmission to prison of offenders, including probation violators and parole violators, for substance abuse violations.

(2) The award of community corrections comprehensive plans and probation residential centers funds shall be based on criteria that include, but are not limited to, the prison commitment rate by category of offenders, trends in prison commitment rates and jail utilization, historical trends in community corrections program capacity and program utilization, and the projected impact and outcome of annual policies and procedures of programs on prison commitment rates and jail utilization.

(3) Funds awarded for probation residential centers in part 1 shall provide for a per diem reimbursement of not more than \$43.00.

Comprehensive corrections plan; sanctions and services.

Sec. 703. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, probation residential services, the special alternative incarceration program (boot camp), probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plan and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and the use of the county jail reimbursement program pursuant to section 706 of this act. The state community corrections board shall encourage local community corrections boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the department of community health for the provision of alcohol and drug screening, assessment, case

management planning, and delivery of treatment to alcohol- and drug-involved offenders, including, but not limited to, probation and parole violators who are at risk of revocation.

March biannual report; information.

Sec. 704. (1) As part of the March biannual report specified in section 12(2) of the community corrections act, 1988 PA 511, MCL 791.412, which requires an analysis of the impact of that act on prison admissions and jail utilization, the department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director the following information for each county and counties consolidated for comprehensive corrections plans:

(a) Approved technical assistance grants and comprehensive corrections plans including each program and level of funding, the utilization level of each program, and profile information of enrolled offenders.

(b) If federal funds are made available, the number of participants funded, the number served, the number successfully completing the program, and a summary of the program activity.

(c) Status of the community corrections information system and the jail population information system.

(d) Data on probation residential centers, including participant data, participant sentencing guideline scores, program expenditures, average length of stay, and bed utilization data.

(e) Offender disposition data by sentencing guideline range, by disposition type, number and percent statewide and by county, current year, and comparisons to prior 3 years.

(2) The report required under subsection (1) shall include the total funding allocated, program expenditures, required program data, and year-to-date totals.

Jail data.

Sec. 705. (1) The department shall identify and coordinate information regarding the availability of and the demand for community corrections programs, jail-based community corrections programs, and basic state-required jail data.

(2) The department shall be responsible for the collection, analysis, and reporting of state-required jail data.

(3) As a prerequisite to participation in the programs and services offered through the department, counties shall provide basic jail data to the department.

County jail reimbursement program; reimbursement for housing and custody of felons.

Sec. 706. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails felons who otherwise would have been sentenced to prison.

(2) The county jail reimbursement program shall reimburse counties for housing and custody of convicted felons if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(b) The felon's minimum sentencing guidelines range minimum is more than 12 months.

(3) State reimbursement under this section for prisoner housing and custody expenses per diverted offender shall be \$43.50 per diem for up to a 1-year total.

(4) From the funds appropriated in part 1 for the county jail reimbursement program, the department shall contract for an ongoing study to determine the impact of the new legislative sentencing guidelines. The study shall analyze sentencing patterns of jurisdictions as well as future patterns in order to determine and quantify the population impact on prisons and jails of the new guidelines as well as to identify and define felon or crime characteristics or sentencing guidelines scores that indicate a felon is a prison diversion. The department shall contract for a local and statewide study for this purpose and provide periodic reports regarding the status and findings of the study to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director.

(5) The department, the Michigan association of counties, and the Michigan sheriffs' association shall review the periodic findings of the study required in subsection (4) and, if appropriate, recommend modification of the criteria for reimbursement contained in subsection (2). Any recommended modification shall be forwarded to the house and senate appropriations subcommittees on corrections and the state budget office.

(6) The department shall reimburse counties for offenders in jail based upon the reimbursement eligibility criteria in place on the date the offender was originally sentenced for the reimbursable offense.

(7) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for this purpose. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. The department shall by October 15, 2004 distribute the documentation requirements to all counties.

Community corrections plans and services and probation residential centers; condition of receipt of funds.

Sec. 707. (1) As a condition of receipt of the funds appropriated in part 1 for community corrections plans and services and probation residential centers, the department shall only award those funds requested under a properly prepared and approved comprehensive corrections plan submitted under section 8 of the community corrections act, 1988 PA 511, MCL 791.408, or directly applied for under section 10 of the community corrections act, 1988 PA 511, MCL 791.410.

(2) The department shall only halt funding for an entity funded under section 8 of the community corrections act, 1988 PA 511, MCL 791.408, in instances of substantial noncompliance during the period covered by the plan.

Felony drunk driver jail reduction and community treatment program.

Sec. 708. (1) Funds included in part 1 for the felony drunk driver jail reduction and community treatment program are appropriated for and may be expended for any of the following purposes:

(a) To increase availability of treatment options to reduce drunk driving and drunk driving-related deaths by addressing the alcohol addiction of felony drunk drivers who otherwise likely would be sentenced to jail or a combination of jail and other sanctions.

(b) To divert from jail sentences or to reduce the length of jail sentences for felony drunk drivers who otherwise would have been sentenced to jail and whose recommended minimum sentence ranges under sentencing guidelines have upper limits of 18 months or less, through funding programs that may be used in lieu of incarceration and that increase the likelihood of rehabilitation.

(c) To provide a policy and funding framework to make additional jail space available for housing convicted felons whose recommended minimum sentence ranges under sentencing guidelines have lower limits of 12 months or less and who likely otherwise would be sentenced to prison, with the aim of enabling counties to meet or exceed amounts received through the county jail reimbursement program during fiscal year 2002-2003 and reducing the numbers of felons sentenced to prison.

(2) Expenditure of funds included in part 1 for the felony drunk driver jail reduction and community treatment program shall be by grant awards consistent with standards developed by a committee of the state community corrections advisory board. The chairperson of the committee shall be the board member representing county sheriffs. Remaining members of the committee shall be appointed by the chairperson of the board.

(3) In developing annual standards, the committee shall consult with interested agencies and associations. Standards developed by the committee shall include application criteria, performance objectives and measures, funding allocations, and allowable uses of the fund, consistent with the purposes specified in this section.

(4) Allowable uses of the fund shall include reimbursing counties for transportation, treatment costs, and housing felony drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

(5) The standards developed by the committee shall assign each county a maximum funding allocation based on the amount the county received under the county jail reimbursement program in fiscal year 2001-2002 for housing felony drunk drivers whose sentencing guidelines recommended minimum sentence ranges had upper limits of 18 months or less.

(6) Awards of funding under this section shall be provided consistent with the local comprehensive corrections plans developed under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414. Funds awarded under this section may be used in conjunction with funds awarded under grant programs established under that act. Due to the need for felony drunk drivers to be transitioned from county jails to community treatment services, it is the intent of the legislature that local units of government utilize funds received under this section to support county sheriff departments.

(7) As used in this section, "felony drunk driver" means a felon convicted of operating a motor vehicle under the influence of intoxicating liquor or a controlled substance, or both, third or subsequent offense, under section 625(9)(c) of the Michigan vehicle code, 1949 PA 300, MCL 257.625, or its predecessor statute, punishable as a felony.

CONSENT DECREES

Consent decrees; distribution into separate accounts.

Sec. 801. Funding appropriated in part 1 for consent decree line items is appropriated into separate control accounts created for each line item. Funding in each control account shall be distributed as necessary into separate accounts created for the purpose of separately identifying costs and expenditures associated with each consent decree.

HEALTH CARE

Prisoner's sex change; expenditure of funds prohibited.

Sec. 901. The department shall not expend funds appropriated under part 1 for any surgery, procedure, or treatment to provide or maintain a prisoner's sex change unless it is determined medically necessary by the chief medical officer of the department.

Health care services; report on status of payments from contractors to vendors; bidding as vendors.

Sec. 902. (1) As a condition of expenditure of the funds appropriated in part 1, the department shall report to the senate and house appropriations subcommittees on corrections on January 1, 2005 and July 1, 2005 the status of payments from contractors to vendors for health care services provided to prisoners, as well as the status of the contracts, and an assessment of prisoner health care quality.

(2) It is the intent of the legislature that, in the interest of providing the most efficient and cost-effective delivery of health care, local health care providers shall be considered and given the opportunity to competitively bid as vendors under future managed care contracts.

Nurses; working regular pay hours.

Sec. 903. There are sufficient funds and FTEs appropriated in part 1 to provide a full complement of nurses for clinical complexes working regular pay hours and it is the intent of the legislature that sufficient nurses be hired or retained to limit the use of overtime other-than-holiday pay.

Privatization of pharmacy services; cost/benefit analysis; report.

Sec. 904. From the funds allocated in part 1 for health care services, the department shall conduct a 1-year cost/benefit analysis of privatizing pharmacy services and shall report the findings of this 1-year cost/benefit analysis to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies not less than 120 days before any effort to privatize pharmacy services unless a report is completed prior to October 1, 2004.

Ambulance services.

Sec. 905. It is the intent of the legislature that, with the funds appropriated in part 1 for hospital and specialty care services, the department shall ensure that local providers of ambulance services to prisoners be reimbursed within 60 days of the filing of any uncontested claim for service.

Off-site medical care; abuse of services by prisoners.

Sec. 906. (1) The department shall identify and manage prisoners who abuse the availability of medical services by obtaining transportation to off-site medical care when unnecessary or reasonably avoidable. In doing this, the department shall, when appropriate, consult with off-site medical facilities on how to accomplish this goal.

(2) By April 1, 2005, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on its activities and progress in implementing this section.

Hepatitis C prevention.

Sec. 907. The bureau of health care services shall develop information on Hepatitis C prevention and the risks associated with exposure to Hepatitis C, and the health care

providers shall disseminate this information verbally and in writing to each prisoner at the health screening and full health appraisal conducted at admissions, at the annual health care screening 1 week before or after a prisoner's birthday, and prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum.

ALT test.

Sec. 908. From the funds appropriated in part 1, the department shall offer an alanine aminotransferase (ALT) test to each prisoner who has received positive parole action. An explanation of results of the test shall be provided confidentially to the prisoner prior to release on parole, and if appropriate based on the test results, the prisoner shall also be provided a recommendation to seek follow-up medical attention in the community. The test shall be voluntary; if the prisoner refuses to be tested, that decision shall not affect parole release, conditions of parole, or parole supervision.

Transporting medications with prisoner.

Sec. 909. The department shall ensure that all medications for a prisoner be transported with that prisoner when the prisoner is transferred from 1 correctional facility to another.

Prisoners having retirement health insurance benefits; reimbursement.

Sec. 910. The department shall attempt to collect reimbursement from health insurance providers for the health care of prisoners who have retirement health insurance benefits. By April 1, 2005, the department shall provide the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a status report on its efforts and the amount of reimbursement successfully collected.

INSTITUTIONAL OPERATIONS

Designation of smoking areas.

Sec. 1001. As a condition of expenditure of the funds appropriated in part 1, the department shall ensure that smoking areas are designated for use by prisoners and staff at each facility. At a minimum, all outdoor areas within each facility's perimeter shall be designated for smoking, except that smoking may be forbidden within 20 feet of any building designated as nonsmoking or smoke-free.

Children's visitation program.

Sec. 1002. From the funds appropriated in part 1, the department shall allocate sufficient funds to develop a pilot children's visitation program. The pilot program shall teach parenting skills and arrange for day visitation at these facilities for parents and their children, except for the families of prisoners convicted of a crime involving criminal sexual conduct in which the victim was less than 18 years of age or involving child abuse.

Internet; access to or use of prohibited.

Sec. 1003. The department shall prohibit prisoners access to or use of the Internet or any similar system.

Employee exposed to Hepatitis B virus; vaccination.

Sec. 1004. Any department employee who, in the course of his or her job, is determined by a physician to have had a potential exposure to the Hepatitis B virus, shall receive a Hepatitis B vaccination upon request.

Inmate housing fund; separate control account; reports.

Sec. 1006. (1) The inmate housing fund shall be used for the custody, treatment, clinical, and administrative costs associated with the housing of prisoners other than those specifically budgeted for elsewhere in this act. Funding in the inmate housing fund is appropriated into a separate control account. Funding in the control account shall be distributed as necessary into separate accounts created to separately identify costs for specific purposes.

(2) Quarterly reports on all expenditures from the inmate housing fund shall be submitted by the department to the state budget director, the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies.

Cognitive restructuring programs.

Sec. 1008. It is the intent of the legislature that from the funds appropriated in part 1 for prison operations the department maintain on a voluntary basis 1 or more cognitive restructuring programs such as Project CHANGE for high-security-level prisoners.

Academic and vocational programs; report.

Sec. 1009. By April 1, 2005, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on academic/vocational programs for the most recently completed appropriation year. The report shall provide information relevant to an assessment of the department's academic and vocational programs, including, but not limited to, the following:

(a) The number of prisoners enrolled in each program, the number of prisoners completing each program, and the number of prisoners on waiting lists for each program.

(b) The steps the department has undertaken to improve programs and reduce waiting lists.

(c) An explanation of the value and purpose of each program, e.g., to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.

(d) An identification of program outcomes for each academic and vocational program.

(e) An explanation of the department's plans for academic and vocational programs.

Offenders with high school diploma or G.E.D. certificate; report.

Sec. 1010. (1) By February 1, 2005, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director, the percent of offenders included in the prison population intake for fiscal years 2002-2003 and 2003-2004 who have a high school diploma or a general educational development (G.E.D.) certificate.

(2) By February 1, 2005, the department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a statistical report on the efficacy of department-provided prison vocational education programs in reducing offender recidivism rates.

Michigan Braille transcribing service; location.

Sec. 1011. The department shall maintain the Michigan Braille transcribing service at its current location at the correctional complex located in Jackson at the site of the former state prison of southern Michigan.

This act is ordered to take immediate effect.
 Approved September 28, 2004.
 Filed with Secretary of State September 29, 2004.

[No. 346]
(SB 1065)

AN ACT to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2005; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; department of education.

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of education for the fiscal year ending September 30, 2005, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF EDUCATION
 APPROPRIATION SUMMARY:**

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	407.0	
GROSS APPROPRIATION		\$ 113,549,000
Interdepartmental grant revenues:		
Interdepartmental grant from corrections academy lease		1,072,100
Total interdepartmental grants and intradepartmental transfers		1,072,100
ADJUSTED GROSS APPROPRIATION.....		\$ 112,476,900
Federal revenues:		
Total federal revenues.....		60,796,800
Special revenue funds:		
Local cost sharing (schools for blind/deaf)		4,928,800
Local school district service fees		280,000
Total local revenues		5,208,800
Gifts, bequests, and donations.....		504,200
Private foundations		102,400
Total private revenues.....		606,600
Total local and private revenues.....		5,815,400
Certification fees.....		4,369,100
Commodity distribution fees		72,300

	For Fiscal Year Ending Sept. 30, 2005
Lansing, Michigan school for the blind rent	\$ 739,000
Michigan merit award trust fund.....	13,685,200
Student insurance revenue	205,100
Teacher testing fees	299,300
Training and orientation workshop fees.....	100,000
Total other state restricted revenues.....	19,470,000
State general fund/general purpose	\$ 26,394,700

State board of education/office of the superintendent.

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions	6.0
Full-time equated classified positions.....	16.0
State board of education, per diem payments.....	\$ 24,400
Unclassified positions—6.0 FTE positions.....	515,600
State board/superintendent operations—16.0 FTE positions	2,561,700
Travel.....	84,400
GROSS APPROPRIATION	\$ 3,186,100
Appropriated from:	
Federal revenues:	
Federal revenues	1,715,800
Special revenue funds:	
Certification fees.....	174,400
Private foundations	23,000
State general fund/general purpose	\$ 1,272,900

Central support.

Sec. 103. CENTRAL SUPPORT

Full-time equated classified positions	27.0
Central support—27.0 FTE positions	\$ 3,404,500
Travel.....	9,200
Worker's compensation.....	42,000
Building occupancy charges - property management services	1,342,700
Human resources optimization user charges.....	29,500
Training and orientation workshops	100,000
Terminal leave payments	620,400
GROSS APPROPRIATION	\$ 5,548,300
Appropriated from:	
Federal revenues:	
Federal revenues	3,427,600
Special revenue funds:	
Certification fees.....	260,800
Commodity distribution fees	7,000
Local cost sharing (schools for blind/deaf)	93,400
Teacher testing fees	12,200
Training and orientation workshop fees.....	100,000
State general fund/general purpose	\$ 1,647,300

For Fiscal Year
Ending Sept. 30,
2005

Information technology services.

Sec. 104. INFORMATION TECHNOLOGY SERVICES

Information technology operations.....	\$	2,521,800
GROSS APPROPRIATION.....	\$	<u>2,521,800</u>
Appropriated from:		
Federal revenues:		
Federal revenues		1,482,800
Special revenue funds:		
Certification fees.....		175,400
Local cost sharing (schools for blind/deaf)		47,700
State general fund/general purpose	\$	815,900

Special education services.

Sec. 105. SPECIAL EDUCATION SERVICES

Full-time equated classified positions.....52.0		
Special education operations—52.0 FTE positions.....	\$	10,824,300
Travel.....		105,800
GROSS APPROPRIATION.....	\$	<u>10,930,100</u>
Appropriated from:		
Federal revenues:		
Federal revenues		10,682,100
Special revenue funds:		
Certification fees.....		36,700
State general fund/general purpose	\$	211,300

Lansing, Michigan school for the blind former site.

Sec. 106. LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE

General services.....	\$	1,821,100
GROSS APPROPRIATION.....	\$	<u>1,821,100</u>
Appropriated from:		
Interdepartmental grant revenues:		
Interdepartmental grant from corrections academy lease		1,072,100
Special revenue funds:		
Gifts, bequests, and donations.....		10,000
Lansing, Michigan school for the blind rent		739,000
State general fund/general purpose	\$	0

Michigan schools for the deaf and blind.

Sec. 107. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Full-time equated classified positions.....76.0		
Michigan schools for the deaf and blind operations—75.0 FTE positions.....	\$	10,144,000
Travel.....		28,500
Summer institute		90,000
Camp Tuhsmebeta—1.0 FTE position.....		250,100
Private gifts - blind		90,000

	For Fiscal Year Ending Sept. 30, 2005
Private gifts - deaf.....	\$ 50,000
GROSS APPROPRIATION.....	\$ 10,652,600
Appropriated from:	
Federal revenues:	
Federal revenues	4,895,600
Special revenue funds:	
Local cost sharing (schools for blind/deaf)	4,787,700
Local school district service fees	270,000
Gifts, bequests, and donations.....	494,200
Student insurance revenue	205,100
State general fund/general purpose	\$ 0

Professional preparation services.

Sec. 108. PROFESSIONAL PREPARATION SERVICES

Full-time equated classified positions.....	31.0
Professional preparation operations—31.0 FTE positions.....	\$ 5,343,900
Travel.....	39,000
Department of attorney general.....	50,000
GROSS APPROPRIATION.....	\$ 5,432,900
Appropriated from:	
Federal revenues:	
Federal revenues	2,547,100
Special revenue funds:	
Certification fees.....	2,598,700
Teacher testing fees	287,100
State general fund/general purpose	\$ 0

Early childhood education and family services.

Sec. 109. EARLY CHILDHOOD EDUCATION AND FAMILY SERVICES

Full-time equated classified positions.....	23.0
Early childhood education and family services operations— 23.0 FTE positions.....	\$ 3,616,100
Travel.....	64,500
GROSS APPROPRIATION.....	\$ 3,680,600
Appropriated from:	
Federal revenues:	
Federal revenues	2,689,800
Special revenue funds:	
Certification fees.....	53,600
State general fund/general purpose	\$ 937,200

School improvement services.

Sec. 110. SCHOOL IMPROVEMENT SERVICES

Full-time equated classified positions.....	76.0
School improvement operations—76.0 FTE positions	\$ 13,649,200
Travel.....	270,600
GROSS APPROPRIATION.....	\$ 13,919,800

For Fiscal Year
Ending Sept. 30,
2005

Appropriated from:	
Federal revenues:	
Federal revenues	\$ 13,265,000
Special revenue funds:	
Certification fees	502,300
Private foundations	79,400
State general fund/general purpose	\$ 73,100

School finance and school law services.

Sec. 111. SCHOOL FINANCE AND SCHOOL LAW

SERVICES

Full-time equated classified positions.....21.0	
School finance and school law operations—21.0 FTE positions.....	\$ 2,464,400
Travel.....	9,300
GROSS APPROPRIATION.....	\$ 2,473,700
Appropriated from:	
Federal revenues:	
Federal revenues	1,241,300
Special revenue funds:	
Certification fees.....	467,200
State general fund/general purpose	\$ 765,200

Educational assessment and accountability.

Sec. 112. EDUCATIONAL ASSESSMENT AND

ACCOUNTABILITY

Full-time equated classified positions.....27.0	
Educational assessment operations—27.0 FTE positions.....	\$ 25,090,300
Travel.....	40,300
GROSS APPROPRIATION.....	\$ 25,130,600
Appropriated from:	
Federal revenues:	
Federal revenues	11,445,400
Special revenue funds:	
Merit award trust fund.....	13,685,200
State general fund/general purpose	\$ 0

Grants administration and school support services.

Sec. 113. GRANTS ADMINISTRATION AND SCHOOL

SUPPORT SERVICES

Full-time equated classified positions.....58.0	
Grants administration and school support services operations— 58.0 FTE positions.....	\$ 6,709,500
Travel.....	166,900
GROSS APPROPRIATION.....	\$ 6,876,400
Appropriated from:	
Federal revenues:	
Federal revenues	6,404,300
Special revenue funds:	
Commodity distribution fees	65,300