



HOUSE BILL No. 5277

February 3, 2000, Introduced by Reps. Jansen, Godchaux, Byl, Jellema, Pappageorge, Mortimer, Geiger, Mead, Kukuk, Pumford, Stamas, Jelinek, Caul, LaSata, Cameron Brown and Scranton and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

05708'00

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2001, from the funds indicated in this part. The following is a summary of the appropriations in this part:

FAMILY INDEPENDENCE AGENCY

APPROPRIATIONS SUMMARY:

Full-time equated unclassified positions . . .	6.0
Full-time equated classified positions . . .	13,463.6
GROSS APPROPRIATION	\$3,507,392,200
Interdepartmental grant revenues:	
Total interdepartmental grants and	
intradepartment transfers	765,000
ADJUSTED GROSS APPROPRIATION	\$3,506,627,200
Federal revenues:	
Total federal revenues	2,124,055,000
Special revenue funds:	
Total local revenues	109,438,700
Total private revenues	7,858,100
Total state restricted revenues	58,665,400
State general fund/general purpose	\$1,206,610,000

Sec. 102. EXECUTIVE OPERATIONS

Full-time equated unclassified positions . . .	6.0
Full-time equated classified positions . . .	919.3
Unclassified salaries--6.0 FTE positions	\$ 492,300
Salaries and wages--692.3 FTE positions	34,379,900
Contractual services, supplies, and materials .	10,313,300
Demonstration projects--11.0 FTE positions . . .	10,672,200

1	End user support	9,036,300
2	Computer service fees	27,154,100
3	Client services system-B22.0 FTE positions . . .	13,333,800
4	Data system enhancement-B26.0 FTE positions . . .	37,976,200
5	Child support automationB-28.0 FTE positions . .	65,239,500
6	Child support distribution computer system--8.0	
7	FTE positions	17,132,800
8	Supplemental security income advocates, salaries	
9	and wages-B16.0 FTE positions	1,022,200
10	Commission on disability concerns-B8.0 FTE	
11	positions	785,700
12	Commission for the blind-B108.0 FTE positions . .	<u>17,621,100</u>
13	GROSS APPROPRIATION	\$ 245,159,400
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG-ADP user fees	150,000
17	ADJUSTED GROSS APPROPRIATION	\$ 245,009,400
18	Federal revenues:	
19	Total federal revenues	158,399,800
20	Special revenue funds:	
21	Total local revenues	475,000
22	Total private revenues	1,840,000
23	Total other state restricted revenues	477,300
24	State general fund/general purpose	\$ 83,817,300
25	Sec. 103. FAMILY SERVICES ADMINISTRATION	
26	Full-time equated classified positions . . . 354.0	
27	Salaries and wages-B299.0 FTE positions	\$ 14,666,400
28	Contractual services, supplies, and materials .	5,776,500
29	Child support incentive payments	32,409,600

1	Legal support contracts	117,496,400
2	State incentive payments	4,449,000
3	Employment and training support services	26,452,500
4	Food stamp issuance	4,124,400
5	Wage employment verification reporting-B2.0	
6	FTE positions	5,171,000
7	Urban and rural empowerment/enterprise zones . .	100
8	Training and staff developmentB-53.0 FTE positions	10,636,400
9	Community services block grant	<u>18,100,000</u>
10	GROSS APPROPRIATION	\$ 239,282,300
11	Appropriated from:	
12	Federal revenues:	
13	Total federal revenues	209,373,400
14	Special revenue funds:	
15	Local funds - donated funds	340,000
16	State general fund/general purpose	\$ 29,568,900
17	Sec. 104. CHILD AND FAMILY SERVICES	
18	Full-time equated classified positions . . .	104.3
19	Salaries and wages-B43.3 FTE positions	\$ 2,685,000
20	Contractual services, supplies, and materials .	1,683,500
21	Refugee assistance program-B5.0 FTE positions . .	7,391,900
22	Foster care payments	190,132,600
23	Wayne county foster care payments	155,498,300
24	Adoption subsidies	157,262,200
25	Adoption support services--9.0 FTE positions . .	11,436,100
26	Youth in transition-B10.0 FTE positions	9,927,900
27	Interstate compact	300,000
28	Children's benefit fund donations	21,000
29	Domestic violence prevention and treatmentB-6.0	

1	FTE position	9,728,500
2	Teenage parent counseling-B4.0 FTE positions . .	3,417,600
3	Family preservation and prevention	
4	services-B20.0 FTE positions	76,048,300
5	Black child and family institute	100,000
6	Rape prevention and services	1,100,000
7	Children's trust fund administration-B7.0 FTE	
8	positions	459,100
9	Children's trust fund grants	3,615,000
10	Attorney general contract	2,458,700
11	Guardian contract	600,000
12	County shelters	300,000
13	Prosecuting attorney contract	<u>1,061,700</u>
14	GROSS APPROPRIATION	\$ 635,227,400
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues	333,604,700
18	Special revenue funds:	
19	Local funds - county payback	63,484,500
20	Private - children's benefit fund donations . .	21,000
21	Private - collections	4,101,300
22	Children's trust fund	2,112,100
23	State general fund/general purpose	\$ 231,903,800
24	Sec. 105. JUVENILE JUSTICE SERVICES	
25	Full-time equated classified positions . . 1,234.1	
26	Personnel payroll costsB-1,102.1 FTE positions .	\$ 65,795,600
27	County juvenile officers	3,863,300
28	Child care fund	76,952,500
29	Juvenile justice operations	21,606,600

1	Community juvenile justice centers-B107.0 FTE	
2	positions	7,784,700
3	Federally funded activitiesB-12.0 FTE positions .	1,844,400
4	W.J. Maxey memorial fund	45,000
5	Regional detention servicesB-5.0 FTE positions .	1,217,500
6	Juvenile accountablility incentive block	
7	grant--4.0 FTE positions	7,732,000
8	Juvenile boot camp program	1,600,000
9	Committee on juvenile justice	
10	administration-B4.0 FTE positions	449,600
11	Committee on juvenile justice grants	<u>5,000,000</u>
12	GROSS APPROPRIATION	\$ 193,891,200
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues	30,063,100
16	Special revenue funds:	
17	Local funds - county payback	44,641,700
18	Total private revenues	45,000
19	State general fund/general purpose	\$ 119,141,400
20	Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS	
21	Full-time equated classified positions . 10,209.9	
22	Field staff, salaries and wages-B7,268.5 FTE	
23	positions	\$ 297,188,500
24	Children and adult services, salaries and wages--	
25	2,820.9 FTE positions	119,223,700
26	Contractual services, supplies, and materials .	30,345,300
27	Outstationed eligibility workersB-30.0 FTE	
28	positions	3,688,300
29	Wayne County gifts and bequests	100,000

1	Volunteer services and reimbursement-B90.5 FTE	
2	positions	<u>7,269,800</u>
3	GROSS APPROPRIATION	\$ 457,815,600
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenues	280,966,000
7	Special revenue funds:	
8	Local funds - donated funds	193,100
9	Private funds - hospital contributions	1,750,800
10	Private - Wayne county gifts	100,000
11	State general fund/general purpose	\$ 174,805,700
12	Sec. 107. DISABILITY DETERMINATION SERVICES	
13	Full-time equated classified positions . . . 628.0	
14	Disability determination operations-B602.0 FTE	
15	positions	\$ 69,215,400
16	Medical consultation program--21.0 FTE positions	1,762,500
17	Retirement disability determination--5.0 FTE	
18	positions	<u>615,000</u>
19	GROSS APPROPRIATION	\$ 71,592,900
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	Interdepartmental grant from the department of management	
23	and budget-office of retirement systems	615,000
24	ADJUSTED GROSS APPROPRIATION	\$ 70,977,900
25	Federal revenues:	
26	Total federal revenues	70,084,600
27	State general fund/general purpose	\$ 893,300
28	Sec. 108. CENTRAL SUPPORT ACCOUNTS	
29	Rent and building occupancy	\$ 61,666,100

1	Travel	8,069,500
2	Equipment	3,022,900
3	Workers' compensation	5,369,900
4	Advisory commissions	17,900
5	Payroll taxes and fringe benefits	<u>166,765,100</u>
6	GROSS APPROPRIATION	\$ 244,911,400
7	Appropriated from:	
8	Federal revenues:	
9	Total federal revenues	138,755,000
10	Special revenue funds:	
11	Local funds - county payback	304,400
12	Departmentwide lapse revenue	8,024,200
13	State general fund/general purpose	\$ 97,827,800
14	Sec. 109. PUBLIC ASSISTANCE	
15	Full-time equated classified positions	14.0
16	Family independence program	\$ 288,560,400
17	Homestead property tax credit for low income	
18	families	27,000,000
19	State disability assistance payments	21,682,900
20	Food stamp program benefits	433,218,800
21	State supplementation	60,933,300
22	State supplementation administration	2,381,700
23	Low income energy assistance program-B10.0 FTE	
24	positions	60,025,500
25	State emergency relief-B4.0 FTE positions	39,509,400
26	Weatherization assistance	10,900,000
27	Day care services	<u>475,300,000</u>
28	GROSS APPROPRIATION	\$1,419,512,000
29	Appropriated from:	

1 Federal revenues:

2 Total federal revenues 902,808,400

3 Special revenue funds:

4 Child support collections 41,311,800

5 Supplemental security income recoveries 4,440,000

6 Public assistance recoupment revenue 2,300,000

7 State general fund/general purpose \$ 468,651,800

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 **GENERAL SECTIONS**

11 Sec. 201. (1) Pursuant to section 30 of article IX of the state
 12 constitution of 1963, total state spending under part 1 for fiscal
 13 year 2000-2001 is \$1,265,275,400.00 and state appropriations to be
 14 paid to local units of government are as follows:

15 FAMILY INDEPENDENCE AGENCY

16 Adoption subsidies \$ 62,152,800

17 Child care fund 76,952,500

18 County juvenile officers 2,668,000

19 State disability program 1,158,700

20 TOTAL \$ 142,932,000

21 (2) If it appears to the principal executive officer of a
 22 department or branch that state spending to local units of government
 23 will be less than the amount that was projected to be expended for any
 24 quarter under subsection (1), the principal executive officer shall
 25 immediately give notice of the approximate shortfall to the state
 26 budget director, the senate and house of representatives standing
 27 committees on appropriations, and the senate and house fiscal
 28 agencies.

29 Sec. 202. The department may receive and expend advances or

1 reimbursements from the department of state police for the
2 administration of the individual and family grant disaster assistance
3 program. An account shall be established in the department for this
4 purpose when a disaster is declared. The authorization and allotment
5 for the account shall be in the amount advanced or reimbursed from the
6 department of state police.

7 Sec. 203. In addition to funds appropriated in part 1 for all
8 programs and services, there is appropriated for write-offs of
9 accounts receivable, deferrals, and for prior year obligations in
10 excess of applicable prior year appropriations, an amount equal to
11 total write-offs and prior year obligations, but not to exceed amounts
12 available in prior year revenues or current year revenues that are in
13 excess of the authorized amount.

14 Sec. 204. The expenditures and funding sources authorized under
15 this bill are subject to the management and budget act, 1984 PA 431,
16 MCL 18.1101 to 18.1594.

17 Sec. 205. The department may retain all of the state's share of
18 food stamp overissuance collections as an offset to general
19 fund/general purpose costs. Retained collections shall be applied
20 against federal funds deductions in all appropriation units where
21 department costs related to the investigation and recoupment of food
22 stamp overissuances are incurred. Retained collections in excess of
23 such costs shall be applied against the federal funds deducted in the
24 executive operations appropriation unit.

25 Sec. 206. As used in this bill:

26 (a) "ADP" means automated data processing.

27 (b) "Department" means the family independence agency.

28 (c) "FTE" means full-time equated.

29 (d) "IDG" means interdepartmental grant.

30 (e) "Temporary assistance for needy families" (TANF) or "title IV"

1 means title IV of the social security act, chapter 531, 49 Stat. 620,
2 42 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660,
3 663 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

4 Sec. 207. If a legislative objective of this bill or the social
5 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented
6 without loss of federal financial participation because implementation
7 would conflict with or violate federal regulations, the department
8 shall notify the house and senate appropriations committees and the
9 house and senate fiscal agencies of that fact.

10 Sec. 208. The department of civil service shall bill departments
11 and agencies at the end of the first fiscal quarter for the 1% charge
12 authorized by section 5 of article XI of the state constitution of
13 1963. Payments shall be made for the total amount of the billing by
14 the end of the second fiscal quarter except as otherwise stated. For
15 the federal portion of the civil service 1% assessment, the family
16 independence agency may pay the assessment at the end of the fiscal
17 year from available excess federal revenues.

18 Sec. 209. (1) Beginning October 1, 2000, a hiring freeze is
19 imposed on the state classified civil service. State departments and
20 agencies are prohibited from hiring any new full-time state classified
21 civil service employees and prohibited from filling any vacant state
22 classified civil service positions. This hiring freeze does not apply
23 to internal transfers of classified employees from one position to
24 another within a department or to positions that are funded with 80%
25 or more federal or restricted funds.

26 (2) The state budget director shall grant exceptions to this
27 hiring freeze when the state budget director believes that the hiring
28 freeze will result in rendering a state department or agency unable to
29 deliver basic services. The state budget director shall report by the
30 30th of each month to the chairpersons of the senate and house of

1 representatives standing committees on appropriations the number of
2 exceptions to the hiring freeze approved during the previous month and
3 the reasons to justify the exception.

4 Sec. 210. (1) The department shall prepare a semiannual report on
5 the temporary assistance for needy families (TANF) federal block
6 grant. The report shall include projected expenditures for the
7 current fiscal year, an accounting of any previous year funds carried
8 forward, and a summary of all interdepartmental or interagency
9 agreements relating to the use of TANF funds. The report shall be
10 forwarded to the house and senate appropriations subcommittees on the
11 family independence agency budget on or before October 15, 2000 and
12 April 15, 2001.

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

21 Sec. 211. If the revenue collected by the department from private
22 and local sources exceeds the amount appropriated in part 1, the
23 revenue may be carried forward, with approval from the state budget
24 director, into the subsequent fiscal year.

25 Sec. 212. Sixty days before beginning any effort to privatize, the
26 department shall submit a complete project plan to the appropriate
27 subcommittees of the senate and house of representatives standing
28 committees on appropriations and the senate and house fiscal
29 agencies. The plan shall include the criteria under which the
30 privatization initiative will be evaluated. The evaluation shall be

1 completed and submitted to the appropriate subcommittees of the senate
2 and house of representatives standing committees on appropriations and
3 the senate and house fiscal agencies within 30 months.

4 Sec. 213. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$200,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item in
8 this bill pursuant to section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$5,000,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item in
14 this bill pursuant to section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$20,000,000.00 for local
18 contingency funds. These funds are not available for expenditure until
19 they have been transferred to another line item in this bill pursuant
20 to section 393(2) of the management and budget act, 1984 PA 431, MCL
21 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$20,000,000.00 for private
24 contingency funds. These funds are not available for expenditure until
25 they have been transferred to another line item in this bill pursuant
26 to section 393(2) of the management and budget act, 1984 PA 431, MCL
27 18.1393.

28 Sec. 215. The department shall continue to pilot the use of the
29 Internet to fulfill the reporting requirements in this bill. This may
30 include transmission of reports via electronic mail to the recipients

1 identified for each reporting requirement. Or it may include
2 placement of reports on the Internet or on the Intranet. The
3 appropriations subcommittee shall be notified in writing of the
4 Internet/Intranet site of any such report.

5 **EXECUTIVE OPERATIONS**

6 Sec. 301. The department may distribute cash assistance to
7 recipients electronically by using debit cards.

8 Sec. 302. The appropriation in section 102 for the Michigan
9 commission for the blind includes funds for case services. These
10 funds may be used for tuition payments for blind clients for the
11 school year beginning September 2000.

12 Sec. 303. The appropriation in section 102 for commissions and
13 boards may be used for per diem payments to members of commissions or
14 boards for a full day of committee work at which a quorum is present
15 for performing official business as authorized by each respective
16 commission or board. The per diem payment for the Michigan commission
17 for the blind shall be at a rate of \$50.00 per day.

18 **FAMILY INDEPENDENCE SERVICES ADMINISTRATION**

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

23 (2) At the end of the current fiscal year, the department may,
24 when it is cost beneficial to the state and counties, withhold from
25 submitting to the federal office of child support administrative
26 expenses eligible for federal financial participation. The department
27 may recoup earned but unclaimed federal funds from the resulting
28 increased federal child support incentive. The recoupment by the
29 department shall be made prior to distribution of the increased
30 incentive to the counties. Any incentive funds retained by the state

1 under this section shall be separate and apart from incentive funds
2 retained in any other section of this act.

3 (3) A county shall be required to pay a penalty due to the state's
4 failure to be in compliance with federal child support enforcement
5 system requirements unless the county, friend of the court, and the
6 department have a written agreement that outlines the county's
7 commitment to participate in the federally required child support
8 enforcement system and the county complies with a timeline for
9 completion established by the department.

10 Sec. 402. From the funds appropriated in section 103 for legal
11 support contracts and child support incentive payments, the department
12 may fund demonstration projects to enhance friend of the court child
13 support collections efforts for public assistance recipients. Funding
14 shall be from federal title IV-D and federal child support incentives
15 earned. The projects shall be implemented in no more than 3 counties.
16 Priority shall be given to counties with federal title IV-D aid to
17 families with dependent children collections exceeding \$5,000,000.00
18 in fiscal year 1992.

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

25 Sec. 404. The state general fund/general purpose contribution
26 related to the Wayne County third circuit court cooperative
27 reimbursement contract resides in the judiciary budget. There are no
28 general fund/general purpose funds appropriated for this purpose in
29 the family independence agency budget.

30 **CHILD AND FAMILY SERVICES**

1 Sec. 501. The following goal is established by state law. During
2 the fiscal year ending September 30, 2001, not more than 3,000
3 children supervised by the department shall remain in foster care
4 longer than 24 months. The department shall give priority to reducing
5 the number of children under 1 year of age in foster care.

6 Sec. 502. From the funds appropriated in section 104 for foster
7 care, the department shall provide 50% reimbursement to Indian tribal
8 governments for foster care expenditures for children who are under
9 the jurisdiction of Indian tribal courts and who are not otherwise
10 eligible for federal foster care cost sharing.

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

14 (a) Has not yet graduated from high school or passed a high school
15 equivalency examination.

16 (b) Is making progress toward completing high school.

17 (c) Has not yet reached his or her twenty-first birthday.

18 Sec. 504. The department's ability to satisfy appropriation
19 deducts in section 104 for foster care private collections shall not
20 be limited to collections and accruals pertaining to services provided
21 in the current fiscal year but shall include revenues collected in
22 excess of the amount specified in section 104.

23 Sec. 505. Counties shall be subject to 50% charge back for the use
24 of alternative regional detention services if those detention services
25 do not fall under the basic provision of section 117e of the social
26 welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those
27 detention services programs primarily with professional rather than
28 volunteer staff.

29 Sec. 506. (1) In order to promote continuity of service for
30 children and families, the department shall, to the maximum extent

1 possible, enter into multiyear contracts for child welfare and
2 juvenile justice services.

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

12 Sec. 507. (1) In addition to the amount appropriated in section
13 104, money granted or money received as gifts or donations to the
14 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is
15 appropriated for expenditure in an amount not to exceed \$800,000.00.

16 (2) The state child abuse and neglect prevention board may
17 initiate a joint project with another state agency to the extent that
18 the project supports the programmatic goals of both the state child
19 abuse and neglect prevention board and the state agency. The
20 department may invoice the state agency for shared costs of a joint
21 project in an amount authorized by the state agency, and the state
22 child abuse and neglect prevention board may receive and expend funds
23 for shared costs of a joint project in addition to those authorized by
24 section 104.

25 Sec. 508. The department shall not be required to put up for bids
26 contracts with service providers if currently only 1 provider in the
27 service area exists.

28 Sec. 509. In order to be reimbursed for child care fund
29 expenditures, counties are required to submit department developed
30 reports to enable the department to document potential federally

1 claimable expenditures. This requirement is in accordance with the
2 reporting requirements specified in section 117a(7) of the social
3 welfare act, 1939 PA 280, MCL 400.117a.

4 Sec. 510. From the funds appropriated in section 104 for foster
5 care payments, the department may expend up to \$1,500,000.00 for
6 foster care pilot projects that include ways to increase foster parent
7 recruitment, improve foster parent retention, and increase delivery of
8 training and supportive services to foster parents.

9 Sec. 511. From the funds appropriated in part 1 for foster care
10 payments and related administrative costs, the department may
11 implement the federally approved title IV-E child welfare waiver
12 managed care demonstration project.

13 Sec. 512. (1) It is the intent of the legislature that the funds
14 appropriated in section 104 for family preservation and prevention
15 services in the 2000-2001 fiscal year reflect strong families/safe
16 children allocations to local multipurpose collaborative bodies that
17 are no less than the allocations in effect on April 1, 1997.

18 (2) In order to maintain this level of funding, the department may
19 use up to \$8,000,000.00 in TANF funds provided that the local
20 multipurpose collaborative bodies submit data to the department that
21 will enable the department to document potential federal claimable
22 expenditures.

23 (3) No later than March 1, 2001 each local multipurpose
24 collaborative body shall submit a report to the department that
25 includes the number of people receiving strong families/safe children
26 services, the local goals for this program, and a measure of the
27 effectiveness in meeting these goals.

28 Sec. 513. From the funds appropriated in section 104 for foster
29 care payments and adoption subsidies, the department shall increase
30 the rate of payments for foster parents, and parents receiving

1 adoption subsidies, by 3.0% beginning with the first pay period in
2 October, 2000.

3 **PUBLIC ASSISTANCE**

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

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

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

28 Sec. 602. The department, together with other agencies, may
29 establish special projects to provide special needs shelter payment
30 levels for the family independence program that will support the

1 development of transitional shelter facilities for homeless families.
2 These facilities are to provide supportive services to families and to
3 support the development of permanent low-income housing.

4 Sec. 603. (1) The department, as it determines is appropriate,
5 shall enter into agreements with energy providers by which cash
6 assistance recipients and the energy providers agree to permit the
7 department to make direct payments to the energy providers on behalf
8 of the recipient. The payments may include heat and electric payment
9 requirements from recipient grants and amounts in excess of the
10 payment requirements.

11 (2) The department shall establish caps for natural gas, wood,
12 electric heat service, deliverable fuel heat services, and for
13 electric service based on available federal funds.

14 (3) The department shall negotiate with positive billing utility
15 companies to develop extended payment plans. Such plans shall allow
16 clients who terminate from positive billing due to increased income to
17 make monthly payments in order to gradually liquidate utility arrears.

18 Sec. 604. (1) The department shall operate a state disability
19 assistance program. Except as provided in subsection (3), persons
20 eligible for this program shall include needy citizens of the United
21 States or aliens exempted from the supplemental security income
22 citizenship requirement who are at least 18 years of age or
23 emancipated minors meeting 1 or more of the following requirements:

24 (a) A recipient of supplemental security income, social security,
25 or medical assistance due to disability or 65 years of age or older.

26 (b) A person with a physical or mental impairment which meets
27 federal supplemental security income disability standards, except that
28 the minimum duration of the disability shall be 90 days. Substance
29 abuse alone is not defined as a basis for eligibility.

30 (c) A resident of an adult foster care facility, a home for the

1 aged, a county infirmary, or a substance abuse treatment center.

2 (d) A person receiving 30-day postresidential substance abuse
3 treatment.

4 (e) A person diagnosed as having acquired immunodeficiency
5 syndrome.

6 (f) A person receiving special education services through the
7 local intermediate school district.

8 (g) A caretaker of a disabled person as defined in subdivision
9 (a), (b), (e), or (f) above.

10 (2) Applicants for and recipients of the state disability
11 assistance program shall be considered needy if they:

12 (a) Meet the same asset test as is applied to applicants for the
13 family independence program.

14 (b) Have a monthly budgetable income that is less than the payment
15 standards.

16 (3) Except for a person described in subsection (1)(c) or (d), a
17 person is not disabled for purposes of this section if his or her drug
18 addiction or alcoholism is a contributing factor material to the
19 determination of disability. "Material to the determination of
20 disability" means that, if the person stopped using drugs or alcohol,
21 his or her remaining physical or mental limitations would not be
22 disabling. If his or her remaining physical or mental limitations
23 would be disabling, then the drug addiction or alcoholism is not
24 material to the determination of disability and the person may receive
25 state disability assistance. Such a person must actively participate
26 in a substance abuse treatment program, and the assistance must be
27 paid to a third party or through vendor payments. For purposes of
28 this section, substance abuse treatment includes receipt of inpatient
29 or outpatient services or participation in alcoholics anonymous or a
30 similar program.

1 (4) A refugee or asylee who loses his or her eligibility for the
2 federal supplemental security income program by virtue of exceeding
3 the maximum time limit for eligibility as delineated in section 402 of
4 title IV of the personal responsibility and work opportunity
5 reconciliation act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who
6 otherwise meets the eligibility criteria under this section shall be
7 eligible to receive benefits under the state disability assistance
8 program.

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

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

19 Sec. 607. The department's ability to satisfy appropriation
20 deductions in section 109 for state disability assistance/supplemental
21 security income recoveries and public assistance recoupment revenues
22 shall not be limited to recoveries and accruals pertaining to state
23 disability assistance, or family independence assistance grant
24 payments provided only in the current fiscal year, but shall include
25 all related net recoveries received during the current fiscal year.

26 Sec. 608. Adult foster care facilities providing domiciliary care
27 or personal care to residents receiving supplemental security income
28 or homes for the aged serving residents receiving supplemental
29 security income shall not require those residents to reimburse the
30 home or facility for care at rates in excess of those legislatively

1 authorized. To the extent permitted by federal law, adult foster care
2 facilities and homes for the aged serving residents receiving
3 supplemental security income shall not be prohibited from accepting
4 third-party payments in addition to supplemental security income
5 provided that the payments are not for food, clothing, shelter, or
6 result in a reduction in the recipient's supplemental security income
7 payment.

8 Sec. 609. In developing good cause criteria for the state
9 emergency relief program, the department shall grant exemptions if the
10 emergency resulted from unexpected expenses related to maintaining or
11 securing employment.

12 Sec. 610. (1) The department shall not require providers of burial
13 services to accept state payment for indigent burials as payments in
14 full. Providers shall be permitted to collect additional payment, not
15 to exceed \$2,300.00, from relatives or other persons on behalf of the
16 deceased.

17 (2) Of the additional payments collected in subsection (1), 75%
18 shall be distributed to funeral directors and 25% to cemeteries or
19 crematoriums if cemeteries provide the vaults.

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

23 Sec. 611. For purposes of determining housing affordability
24 eligibility for state emergency relief, a group is considered to have
25 sufficient income to meet ongoing housing expenses if their total
26 housing obligation does not exceed 75% of their total net income.

27 Sec. 612. From the funds appropriated in section 109 for state
28 emergency relief, the maximum allowable charge limit for indigent
29 burials shall be \$1,460.00. It is the intent of the legislature that
30 this charge limit reflect a maximum payment to funeral directors of

1 \$910.00 for funeral goods and services and a maximum payment to
2 cemeteries or crematoriums of \$350.00 for cemetery goods and services.
3 In addition, a maximum payment of \$200.00 shall be distributed to
4 either the funeral director or cemetery, whoever provides the burial
5 vault.

6 Sec. 613. The funds available pursuant to this section shall be
7 available if the deceased was an eligible recipient and an application
8 for emergency relief funds was made within 10 days of the burial or
9 cremation of the deceased person. Each provider of burial services
10 shall be paid directly by the department.

11 Sec. 614. Except as required by federal law or regulations, funds
12 appropriated in section 109 shall not be used to provide public
13 assistance to a person who is an illegal alien. This section shall not
14 prohibit the department from entering into contracts with food banks
15 or emergency shelter providers who may, as a normal part of doing
16 business, provide food or emergency shelter to individuals.

17 Sec. 615. (1) The appropriation in section 109 for the
18 weatherization program shall be expended in such a manner that at
19 least 25% of the households weatherized under the program shall be
20 households of families receiving family independence assistance, state
21 disability assistance, or supplemental security income.

22 (2) Any unencumbered balances of the weatherization program shall
23 not lapse and may be carried forward to fiscal year 2002.

24 Sec. 616. In operating the family independence program with funds
25 appropriated in section 109, the department shall not approve as a
26 minor parent's adult supervised household a living arrangement in
27 which the minor parent lives with his or her partner as the
28 supervising adult.

29 Sec. 617. The department may reduce, terminate, or suspend
30 assistance provided under the social welfare act, 1939 PA 280, MCL

1 400.1 to 400.122, without prior notice in 1 or more of the following
2 situations:

3 (a) The only eligible recipient has died.

4 (b) A recipient member of a program group or family independence
5 assistance group has died.

6 (c) A recipient child is removed from his or her family home by
7 court action.

8 (d) A recipient requests in writing that his or her assistance be
9 reduced, terminated, or suspended.

10 (e) A recipient has intentionally violated 1 or more of the
11 requirements of the social welfare act, 1939 PA 280, MCL 400.1 to
12 400.122.

13 (f) A recipient has been approved to receive assistance in another
14 state.

15 (g) A change in either state or federal law that requires
16 automatic grant adjustments for classes of recipients.

17 Sec. 618. The department shall exempt from the denial of title
18 IV-A assistance and food stamp benefits, contained in section 115 of
19 title I of the personal responsibility and work opportunity
20 reconciliation act of 1996, Public Law 104-193, 21 U.S.C. 862a, any
21 individual who has been convicted of a felony that included the
22 possession, use, or distribution of a controlled substance, after
23 August 22, 1996, provided that the individual is not in violation of
24 his or her probation or parole requirements. Benefits shall be
25 provided to such individuals as follows:

26 (a) A third-party payee or vendor shall be required for any cash
27 benefits provided.

28 (b) An authorized representative shall be required for food stamp
29 receipt.

30 Sec. 619 Funds appropriated in part 1 may be used to support

1 multicultural assimilation and support services. The department shall
2 distribute all of the funds described in this section based on
3 assessed community needs.

4 Sec. 620. Funds appropriated in section 109, may be used to
5 leverage additional funds and to promote private or nonprofit sector
6 matching funds in individual development accounts for family
7 independence program recipients pursuant to the personal
8 responsibility and work opportunity reconciliation act of 1996, Public
9 Law 104-193, 110 Stat. 2105. These funds may be used to support
10 individual development accounts for both home purchase and education.

11 Sec. 621. The department shall maintain a plan to provide for the
12 implementation of individual development accounts pursuant to section
13 57k of the social welfare act, 1939 PA 280, MCL 400.57k, by
14 individuals who apply for or receive public assistance from the
15 department.

16 Sec. 622. (1) From the funds appropriated in part 1 for the family
17 independence program, the family independence agency shall expend up
18 to \$250,000.00 to develop and fund a parenting skills and career
19 development pilot program that meets all of the following criteria:

20 (a) Identification of single parents eligible for cash assistance
21 having children up to 3 years old.

22 (b) Referral of persons identified under subdivision (a) to a
23 local collaborative program responsible for the development and
24 supervision of a comprehensive parenting skills and career development
25 plan for each referred client.

26 (c) Each referred client shall participate in 30 hours a week of
27 parenting skills training that is a formal professional program with
28 either a trainer or facilitator and career development activities as
29 detailed in his or her comprehensive plan and monitored by the local
30 collaborative program.

1 (d) Participation in the above activities for the hours specified
2 would satisfy cash assistance work requirements.

3 (e) The program must not place the state of Michigan in violation
4 of work requirements as defined in the federal personal responsibility
5 and work opportunity reconciliation act of 1996, Public Law 104-193.

6 (2) The local collaborative program shall provide the department
7 with a report not later than September 30, 2000 that includes all of
8 the following:

9 (a) The number of participants served.

10 (b) The family size of participants served.

11 (c) Participants' rate of compliance with their comprehensive
12 plans.

13 (d) The number of participants attending postsecondary education
14 or vocational training programs.

15 (e) Parenting skills training outcomes.

16 (f) The number of participants working at the time the report is
17 completed.

18 (g) The average cost per participant of the program.

19 (h) Any other information that the department considers relevant.

20 **JUVENILE JUSTICE SERVICES**

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

30 (a) To better address gang, drug, and youth violence.

1 (b) For training, equipment, and technology.

2 (c) For the establishment of programs that protect students and
3 school personnel from drug, gang, and youth violence.

4 **DISABILITY DETERMINATION SERVICES**

5 Sec. 801. The FIA disability determination services, in agreement
6 with the department of management and budget office of retirement
7 systems will develop the medical information and determine eligibility
8 of medical disability retirement for state employees, state police,
9 judges, and school teachers.

final page