

HOUSE BILL No. 5814

EXECUTIVE BUDGET BILL

February 26, 2008, Introduced by Rep. Spade and referred to the Committee on Appropriations.

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2009 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

Sec. 101. Subject to the conditions set forth in this bill,

the amounts listed in this part are appropriated for the department of human services for the fiscal year ending September 30, 2009, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF HUMAN SERVICES

APPROPRIATION SUMMARY:

Full-time equated classified positions..... 10,442.8

Full-time equated unclassified positions..... 6.0

Total full-time equated positions..... 10,436.8

GROSS APPROPRIATION..... \$ 4,658,689,400

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 2,416,700

ADJUSTED GROSS APPROPRIATION..... \$ 4,656,272,700

Federal revenues:

Total federal revenues..... 3,146,833,100

Special revenue funds:

Total private revenues..... 10,174,700

Total local revenues..... 61,293,500

Total other state restricted revenues..... 61,419,200

State general fund/general purpose..... \$ 1,376,552,200

Sec. 102. EXECUTIVE OPERATIONS

Total full-time equated positions..... 398.7

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 392.7

Unclassified salaries--6.0 FTE positions..... \$ 617,900

Salaries and wages--269.7 FTE positions..... 16,559,900

1	Contractual services, supplies, and materials	5,992,100
2	Demonstration projects--9.0 FTE positions	8,963,000
3	Inspector general salaries and wages--99.0 FTE	
4	positions	5,809,900
5	Electronic benefit transfer EBT	7,333,600
6	Michigan community service commission--15.0 FTE	
7	positions	9,741,100
8	Internal audit services	674,700
9	State office of administrative hearings and rules	<u>4,204,700</u>
10	GROSS APPROPRIATION	\$ 59,896,900
11	Appropriated from:	
12	Federal revenues:	
13	Total federal revenues	37,847,400
14	Special revenue funds:	
15	Total private revenues	3,199,600
16	Total local revenues	175,000
17	Total other state restricted revenues	25,000
18	State general fund/general purpose	\$ 18,649,900
19	Sec. 103. CHILD SUPPORT ENFORCEMENT	
20	Full-time equated classified positions..... 213.7	
21	Child support enforcement operations--207.7 FTE	
22	positions	\$ 23,881,800
23	Legal support contracts	139,753,600
24	Child support incentive payments	32,409,600
25	State disbursement unit--6.0 FTE positions	<u>18,508,900</u>
26	GROSS APPROPRIATION	\$ 214,553,900
27	Appropriated from:	

1	Federal revenues:	
2	Total federal revenues.....	185,978,600
3	Special revenue funds:	
4	Total local revenues.....	340,000
5	Total other state restricted revenues.....	2,795,000
6	State general fund/general purpose.....	\$ 25,440,300
7	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY	
8	Full-time equated classified positions.....	17.0
9	Bureau of community action and economic opportunity	
10	operations--17.0 FTE positions.....	\$ 1,929,900
11	Community services block grants.....	26,818,000
12	Weatherization assistance.....	<u>18,418,700</u>
13	GROSS APPROPRIATION.....	\$ 47,166,600
14	Appropriated from:	
15	Federal revenues:	
16	Total federal revenues.....	47,166,600
17	Special revenue funds:	
18	State general fund/general purpose.....	\$ 0
19	Sec. 105. ADULT AND FAMILY SERVICES	
20	Full-time equated classified positions.....	41.7
21	Executive direction and support--5.0 FTE positions...	\$ 434,200
22	Employment and training support services.....	38,254,100
23	Guardian contract.....	600,000
24	Adult services policy and administration--6.0 FTE	
25	positions	627,100
26	Income support policy and administration--29.7 FTE	
27	positions	4,823,600

1	Wage employment verification reporting.....	848,700
2	Urban and rural empowerment/enterprise zones.....	100
3	Nutrition education.....	28,000,000
4	Crisis prevention and elder law of Michigan food for	
5	the elderly project	170,000
6	Marriage initiative--0.5 FTE position.....	2,475,000
7	Fatherhood initiative--0.5 FTE position.....	<u>1,725,000</u>
8	GROSS APPROPRIATION.....	\$ 77,957,800
9	Appropriated from:	
10	Federal revenues:	
11	Total federal revenues.....	53,472,700
12	State general fund/general purpose.....	\$ 24,485,100
13	Sec. 106. CHILDREN'S SERVICES	
14	Full-time equated classified positions..... 142.3	
15	Salaries and wages--41.2 FTE positions.....	\$ 2,762,200
16	Contractual services, supplies, and materials.....	936,300
17	Foster care payments.....	210,391,100
18	Adoption subsidies.....	242,298,900
19	Adoption support services--7.2 FTE positions.....	17,797,600
20	Youth in transition--2.0 FTE positions.....	13,266,800
21	Interstate compact.....	231,600
22	Children's benefit fund donations.....	21,000
23	Teenage parent counseling--2.3 FTE positions.....	3,816,800
24	Families first.....	16,946,700
25	Strong families/safe children--3.0 FTE positions.....	12,902,100
26	Child protection and permanency--37.5 FTE positions...	21,802,800
27	Zero to three.....	3,843,800

1	Family group decision making.....	2,454,700
2	Family reunification program.....	3,977,100
3	Family preservation and prevention services	
4	administration--14.5 FTE positions.....	2,156,800
5	Black child and family institute.....	100,000
6	Children's trust fund administration--10.0 FTE	
7	positions	1,032,100
8	Children's trust fund grants.....	3,825,100
9	ECIC, early childhood investment corporation.....	14,823,000
10	Attorney general contract.....	3,349,700
11	Prosecuting attorney contracts.....	1,061,700
12	Child protection--5.0 FTE positions.....	803,200
13	Subsidized guardianship program.....	4,575,000
14	Domestic violence prevention and treatment--14.6 FTE	
15	positions	14,773,700
16	Rape prevention and services.....	2,600,000
17	Michigan youth opportunity initiative.....	1,225,000
18	Title IV-E compliance and accountability office--5.0	
19	FTE positions	<u>392,700</u>
20	GROSS APPROPRIATION.....	\$ 604,167,500
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from DCH - crime victims fund.....	1,300,000
24	Federal revenues:	
25	Total federal revenues.....	361,715,100
26	Special revenue funds:	
27	Private - children's benefit fund donations.....	21,000

1	Private - collections.....	3,225,000
2	Local funds - county chargeback.....	34,622,900
3	Compulsive gaming prevention fund.....	1,040,000
4	Children's trust fund.....	3,805,400
5	State general fund/general purpose.....	\$ 198,438,100
6	Sec. 107. JUVENILE JUSTICE SERVICES	
7	Full-time equated classified positions.....	494.5
8	High security juvenile services, male--137.0 FTE	
9	positions	\$ 17,005,100
10	Medium security juvenile services-- 254.0 FTE	
11	positions	24,001,000
12	Community juvenile justice centers--37.0 FTE positions	3,475,100
13	Child care fund.....	226,835,600
14	Child care fund administration--5.8 FTE positions....	775,400
15	County juvenile officers.....	3,890,500
16	Community support services--2.0 FTE positions.....	1,495,500
17	Juvenile justice field staff, administration and	
18	maintenance--40.0 FTE positions.....	5,446,400
19	Federally funded activities--13.7 FTE positions.....	1,866,200
20	W. J. Maxey memorial fund.....	45,000
21	Juvenile accountability incentive block grant--1.0 FTE	
22	position	1,297,900
23	Committee on juvenile justice administration--4.0 FTE	
24	positions	511,800
25	Committee on juvenile justice grants.....	<u>5,000,000</u>
26	GROSS APPROPRIATION.....	\$ 291,645,500
27	Appropriated from:	

1	Federal revenues:	
2	Total federal revenues.....	95,804,000
3	Special revenue funds:	
4	Total private revenues.....	45,000
5	Local funds - state share education funds.....	2,828,500
6	Local funds - county chargeback.....	21,509,200
7	State general fund/general purpose.....	\$ 171,458,800
8	Sec. 108. LOCAL OFFICE STAFF AND OPERATIONS	
9	Full-time equated classified positions.....	8,337.5
10	Field staff, salaries and wages--8,054.7 FTE positions	\$ 420,509,100
11	Contractual services, supplies, and materials.....	17,215,600
12	Medical/psychiatric evaluations.....	6,300,000
13	Donated funds positions--131.0 FTE positions.....	10,801,900
14	Training and program support--63.0 FTE positions.....	9,411,700
15	Food stamp reinvestment--78.8 FTE positions.....	8,663,800
16	Wayne County gifts and bequests.....	100,000
17	Volunteer services and reimbursement.....	1,294,900
18	SSI advocates--10.0 FTE positions.....	<u>2,166,100</u>
19	GROSS APPROPRIATION.....	\$ 476,463,100
20	Appropriated from:	
21	Federal revenues:	
22	Total federal revenues.....	264,459,600
23	Special revenue funds:	
24	Local funds - donated funds.....	1,817,900
25	Private funds - donated funds.....	654,400
26	Private funds - Wayne County gifts.....	100,000
27	Private funds - hospital contributions.....	2,929,700

1	Supplemental security income recoveries	677,600
2	State general fund/general purpose	\$ 205,823,900
3	Sec. 109. DISABILITY DETERMINATION SERVICES	
4	Full-time equated classified positions.....	569.4
5	Disability determination operations--545.9 FTE	
6	positions	\$ 83,045,500
7	Medical consultation program--19.4 FTE positions	2,672,200
8	Retirement disability determination--4.1 FTE positions	<u>826,800</u>
9	GROSS APPROPRIATION.....	\$ 86,544,500
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from DMB - office of retirement systems	1,116,700
13	Federal revenues:	
14	Total federal revenues	82,601,100
15	State general fund/general purpose	\$ 2,826,700
16	Sec. 110. CENTRAL SUPPORT ACCOUNTS	
17	Rent.....	\$ 42,830,900
18	Occupancy charge.....	8,744,200
19	Travel.....	5,708,700
20	Equipment.....	277,300
21	Worker's compensation.....	3,993,000
22	Advisory commissions.....	17,900
23	Payroll taxes and fringe benefits	<u>262,679,900</u>
24	GROSS APPROPRIATION.....	\$ 324,251,900
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	187,907,400

1	State general fund/general purpose.....	\$	136,344,500
2	Sec. 111. BUREAU OF CHILDREN AND ADULT LICENSING		
3	Full-time equated classified positions.....	221.0	
4	AFC, children's welfare and day care licensure--	221.0	
5	FTE positions	\$	<u>23,677,000</u>
6	GROSS APPROPRIATION.....	\$	23,677,000
7	Appropriated from:		
8	Federal revenues:		
9	Total federal revenues.....		11,974,300
10	Special revenue funds:		
11	Licensing fees.....		627,300
12	Health systems fees and collections.....		355,200
13	State general fund/general purpose.....	\$	10,720,200
14	Sec. 112. PUBLIC ASSISTANCE		
15	Full-time equated classified positions.....	7.0	
16	Family independence program.....	\$	396,367,500
17	State disability assistance payments.....		39,080,600
18	Food assistance program benefits.....		1,221,340,900
19	State supplementation.....		60,197,000
20	State supplementation administration.....		2,477,100
21	Low-income home energy assistance program.....		116,451,600
22	Food bank funding.....		675,000
23	Homeless programs.....		11,646,700
24	Multicultural assimilation funding.....		1,715,500
25	Indigent burial.....		4,550,000
26	Emergency services local office allocations.....		21,865,500
27	Day care services.....		410,723,400

1	Refugee assistance program--7.0 FTE positions	<u>12,703,700</u>
2	GROSS APPROPRIATION.....	\$ 2,299,794,500
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues.....	1,719,016,200
6	Special revenue funds:	
7	Child support collections.....	34,327,100
8	Supplemental security income recoveries.....	14,156,600
9	Public assistance recoupment revenue.....	3,610,000
10	State general fund/general purpose.....	\$ 528,684,600
11	Sec. 113. INFORMATION TECHNOLOGY	
12	Information technology services and projects.....	\$ 102,272,500
13	Child support automation.....	<u>50,297,700</u>
14	GROSS APPROPRIATION.....	\$ 152,570,200
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues.....	98,890,100
18	State general fund/general purpose.....	\$ 53,680,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

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 2008-2009 is \$1,437,971,400.00 and state spending from state resources to be paid to local units of

government for fiscal year 2008-2009 is \$145,704,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

PERMANENCY FOR CHILDREN

Child care fund.....	\$	140,265,700
County juvenile officers.....		3,645,500
State disability program.....	\$	<u>1,793,200</u>
TOTAL.....	\$	145,704,400

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

Sec. 203. As used in this bill:

(a) "AFC" means adult foster care.

(b) "DCH" means the department of community health.

(c) "Department" means the department of human services.

(d) "DMB" means the department of management and budget.

(e) "ECIC" means early childhood investment corporation.

(f) "FTE" means full-time equated.

(g) "IDG" means interdepartmental grant.

(h) "JET" means jobs, education and training program.

(i) "RSDI" means retirement survivors disability insurance.

(j) "SSI" means supplemental security income.

(k) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of title IV of the social security act, 42 USC 601 to 604, 605 to 608, and 609 to 619.

(l) "Title IV-D" means part D of title IV of the social

1 security act, 42 USC 651 to 655 and 656 to 669b.

2 (m) "Title IV-E" means part E of title IV of the social
3 security act, 42 USC 670 to 673, 673b to 679, and 679b.

4 (n) "VA" means veterans affairs.

5 Sec. 204. The civil service commission shall bill the
6 department at the end of the first fiscal quarter for the 1% charge
7 authorized by section 5 of article XI of the state constitution of
8 1963. Payments shall be made for the total amount of the billing by
9 the end of the second fiscal quarter.

10 Sec. 205. (1) A hiring freeze is imposed on the state
11 classified civil service. State departments and agencies are
12 prohibited from hiring any new full-time state classified civil
13 service employees and prohibited from filling any vacant state
14 classified civil service positions. This hiring freeze does not
15 apply to internal transfers of classified employees from 1 position
16 to another within a department.

17 (2) The state budget director may grant exceptions to this
18 hiring freeze when the state budget director believes that the
19 hiring freeze will result in rendering a state department or agency
20 unable to deliver basic services, cause loss of revenue to the
21 state, result in the inability of the state to receive federal
22 funds, or necessitate additional expenditures that exceed any
23 savings from maintaining a vacancy. The state budget director shall
24 report quarterly to the chairpersons of the senate and house of
25 representatives appropriations committees and the senate and house
26 fiscal agencies and policy offices on the number of exceptions to
27 the hiring freeze approved during the previous quarter and the

1 reasons to justify the exception.

2 Sec. 208. Unless otherwise specified, the department shall use
3 the Internet to fulfill the reporting requirements of this bill.
4 This shall include transmission of reports via electronic mail,
5 including a link to the Internet site, to the recipients identified
6 for each reporting requirement, or it may include placement of
7 reports on the Internet or Intranet site. On an annual basis, the
8 department shall provide a cumulative listing of the reports to the
9 house and senate appropriations subcommittees and the house and
10 senate fiscal agencies and policy offices.

11 Sec. 209. Funds appropriated in part 1 shall not be used for
12 the purchase of foreign goods or services, or both, if
13 competitively priced and of comparable quality American goods or
14 services, or both, are available. Preference should be given to
15 goods or services, or both, manufactured or provided by Michigan
16 businesses, if they are competitively priced and of comparable
17 quality. In addition, preference should be given to goods or
18 services, or both, that are manufactured or provided by Michigan
19 businesses owned and operated by veterans, if they are
20 competitively priced and of comparable quality.

21 Sec. 210. The director shall take all reasonable steps to
22 ensure businesses in deprived and depressed communities compete for
23 and perform contracts to provide services or supplies, or both. The
24 director shall strongly encourage firms with which the department
25 contracts to subcontract with certified businesses in depressed and
26 deprived communities for services, supplies, or both.

27 Sec. 211. Funds appropriated in part 1 shall not be used by a

1 principal executive department, state agency, or authority to hire
2 a person to provide legal services that are the responsibility of
3 the attorney general. This prohibition does not apply to legal
4 services for bonding activities and for those activities that the
5 attorney general authorizes.

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

13 (2) The department's ability to satisfy appropriation fund
14 sources in part 1 shall not be limited to collections and accruals
15 pertaining to services provided in the current fiscal year, but
16 shall also include reimbursements, refunds, adjustments, and
17 settlements from prior years.

18 Sec. 213. (1) The department may retain all of the state's
19 share of food assistance overissuance collections as an offset to
20 general fund/general purpose costs. Retained collections shall be
21 applied against federal funds deductions in all appropriation units
22 where department costs related to the investigation and recoupment
23 of food assistance overissuances are incurred. Retained collections
24 in excess of such costs shall be applied against the federal funds
25 deducted in the executive operations appropriation unit.

26 (2) The department shall report to the legislature during the
27 senate and house budget hearings on the status of the food stamp

1 error rate. The report shall include at least all of the following:

2 (a) An update on federal sanctions and federal requirements
3 for reinvestment due to the food stamp error rate.

4 (b) Review of the status of training for employees who
5 administer the food assistance program.

6 (c) An outline of the past year's monthly status of worker to
7 food stamp cases and monthly status of worker to food stamp
8 applications.

9 (d) Corrective action through policy, rules, and programming
10 being taken to reduce the food stamp error rate.

11 (e) Any other information regarding the food stamp error rate,
12 including information pertaining to technology and computer
13 applications used for the food assistance program.

14 Sec. 214. (1) The department shall submit a report to the
15 chairpersons of the senate and house appropriations subcommittees
16 on the department budget, the senate and house fiscal agencies and
17 policy offices, and the state budget director on the details of
18 allocations within program budgeting line items and within the
19 salaries and wages line items in all appropriation units. The
20 report shall include a listing, by account, dollar amount, and fund
21 source, of salaries and wages; longevity and insurance; retirement;
22 contractual services, supplies, and materials; equipment; travel;
23 and grants within each program line item appropriated for the
24 fiscal year ending September 30, 2009. With regard to federal
25 appropriations, for each program line item funded by no more than 3
26 federal funding sources, the department shall provide estimates of
27 the allocation of the appropriation for each specific federal

1 funding source.

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

4 Sec. 215. If a legislative objective of this bill or the
5 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be
6 implemented without loss of federal financial participation because
7 implementation would conflict with or violate federal regulations,
8 the department shall notify the state budget director, the house
9 and senate appropriations committees, and the house and senate
10 fiscal agencies and policy offices of that fact.

11 Sec. 217. (1) Due to the current budgetary problems in this
12 state, out-of-state travel shall be limited to situations in which
13 1 or more of the following conditions apply:

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

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

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

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

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

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

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

6 (3) Not later than January 1 of each year, each department
7 shall prepare a travel report listing all travel by classified and
8 unclassified employees outside this state in the immediately
9 preceding fiscal year that was funded in whole or in part with
10 funds appropriated in the department's budget. The report shall be
11 submitted to the chairs and members of the house and senate
12 appropriations committees, the fiscal agencies, and the state
13 budget director. The report shall include the following
14 information:

15 (a) The name of each person receiving reimbursement for travel
16 outside this state or whose travel costs were paid by this state.

17 (b) The destination of each travel occurrence.

18 (c) The dates of each travel occurrence.

19 (d) A brief statement of the reason for each travel
20 occurrence.

21 (e) The transportation and related costs of each travel
22 occurrence, including the proportion funded with state general
23 fund/general purpose revenues, the proportion funded with state
24 restricted revenues, the proportion funded with federal revenues,
25 and the proportion funded with other revenues.

26 (f) A total of all out-of-state travel funded for the
27 immediately preceding fiscal year.

1 Sec. 218. The department shall prepare an annual report on the
2 TANF federal block grant. The report shall include projected
3 expenditures for the current fiscal year, an accounting of any
4 previous year funds carried forward, and a summary of all
5 interdepartmental or interagency agreements relating to the use of
6 TANF funds. The report shall be forwarded to the state budget
7 director and the house and senate appropriations subcommittees on
8 the department budget and the house and senate fiscal agencies and
9 policy offices within 10 days after presentation of the executive
10 budget.

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

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

23 Sec. 224. The department shall approve or deny a Medicaid
24 application for a patient of a nursing home not later than 60 days
25 after all required information is received from the applicant when
26 disability is a factor. For all other Medicaid applicants, the
27 department shall make a determination within 45 days after the

1 receipt of the necessary information.

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

11 Sec. 259. From the funds appropriated in part 1 for
12 information technology, the department shall pay user fees to the
13 department of information technology for technology-related
14 services and projects. Such user fees shall be subject to
15 provisions of an interagency agreement between the department and
16 the department of information technology.

17 Sec. 262. The department, in conjunction with county
18 department of human services boards of directors and the department
19 of management and budget, shall implement a plan to assist local
20 services delivery effectiveness and efficiency by maximizing use of
21 state resources while responding to unique needs in geographic
22 regions of the state. The department shall work with the department
23 of management and budget to reduce unnecessary layers of
24 management, such as zone offices or regional offices that may have
25 assumed their functions before eliminating county offices,
26 particularly when those county office closures would subject
27 clients and residents to lengthy travel in order to meet or consult

1 with their caseworker. Savings resulting from the plan shall be
2 allocated to county offices to fund additional frontline workers.

3 Sec. 273. Not later than July 1, 2009, the department shall
4 report to the senate and house appropriations subcommittees on the
5 department budget, the senate and house fiscal agencies and policy
6 offices, and the state budget director with copies of the annual
7 regulatory plan submitted to the state office of administrative
8 hearings and rules pursuant to section 53 of the administrative
9 procedures act of 1969, 1969 PA 306, MCL 24.253.

10 Sec. 279. All contracts relating to human services entered
11 into or renewed by the department on or after October 1, 2008 shall
12 be performance-based contracts that employ a client-centered
13 results-oriented process that is based on measurable performance
14 indicators and desired outcomes and includes the annual assessment
15 of the quality of services provided.

16 Sec. 280. The department shall submit a report to the house
17 and senate appropriations subcommittees for the department budget,
18 the house and senate fiscal agencies, the house and senate policy
19 offices, and the state budget director by February 1, 2009 on the
20 status of the department's information technology improvement
21 initiative "Bridges" integration project. The report shall include
22 details on the following:

23 (a) The amounts expended up to the previous fiscal year and
24 the first quarter of the current fiscal year.

25 (b) The amounts of appropriations carried forward, as work
26 projects, from previous fiscal years for information technology
27 projects.

1 (c) A listing of the projects and activities undertaken during
2 the previous fiscal year and during the first quarter of the
3 current fiscal year.

4 Sec. 283. Amounts appropriated in part 1 for information
5 technology may be designated as work projects and carried forward
6 to support technology projects under the direction of the
7 department of information technology. Funds designated in this
8 manner are not available for expenditure until approved as work
9 projects under section 451a of the management and budget act, 1984
10 PA 431, MCL 18.1451a.

11 Sec. 284. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$200,000,000.00 for
13 federal contingency funds. These funds are not available for
14 expenditure until they have been transferred to another line item
15 in this bill under section 393(2) of the management and budget act,
16 1984 PA 431, MCL 18.1393.

17 (2) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$5,000,000.00 for state
19 restricted contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in this bill under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

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

1 MCL 18.1393.

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

8 **EXECUTIVE OPERATIONS**

9 Sec. 307. (1) Of the money appropriated in part 1 for
10 demonstration projects, \$100,000.00 shall be distributed as
11 provided in subsection (2). The amount distributed under this
12 subsection shall not exceed 50% of the total operating expenses of
13 the program described in subsection (2), with the remaining 50%
14 paid by local United Way organizations and other nonprofit
15 organizations and foundations.

16 (2) Money distributed under subsection (1) shall be
17 distributed to Michigan 2-1-1, a nonprofit corporation organized
18 under the laws of this state that is exempt from federal income tax
19 under section 501(c)(3) of the internal revenue code, 26 USC
20 501(c)(3), and whose mission is to coordinate and support a
21 statewide 2-1-1 system. Michigan 2-1-1 shall use the money only to
22 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
23 in January 2005.

24 (3) Michigan 2-1-1 shall report annually to the department and
25 the house and senate standing committees with primary jurisdiction
26 over matters relating to human services and telecommunications on

1 2-1-1 system performance, including, but not limited to, call
2 volume by community health and human service needs and unmet needs
3 identified through caller data and customer satisfaction metrics.

4 Sec. 308. From the money appropriated in part 1 for
5 demonstration projects, \$200,000.00 shall be expended on a contract
6 with the University of Detroit Mercy to provide legal services for
7 disabled veterans who are seeking eligibility under federal
8 disability programs, including federal supplemental security
9 income. The contract shall fund a statewide effort by the
10 university through use of its mobile office to deliver these legal
11 services.

12 **ADULT AND FAMILY SERVICES**

13 Sec. 415. (1) In expending money appropriated in part 1 for
14 the fatherhood initiative, the department may contract with
15 independent contractors from various counties, including, but not
16 limited to, faith-based and nonprofit organizations. Preference
17 shall be given to independent contractors that provide at least 10%
18 in matching funds, through any combination of local, state, or
19 federal funds or in-kind or other donations. However, an
20 independent contractor that cannot secure matching funds shall not
21 be excluded from consideration for the fatherhood program.

22 (2) The department may choose providers that will work with
23 counties to help eligible fathers under TANF guidelines to acquire
24 skills that will enable them to increase their responsible behavior
25 toward their children and the mothers of their children. An
26 increase of financial support for their children should be a very

1 high priority as well as emotional support.

2 (3) A fatherhood initiative program established under this
3 section shall minimally include at least 3 of the following
4 components: promoting responsible, caring, and effective parenting
5 through counseling; mentoring and parental education; enhancing the
6 abilities and commitment of unemployed or low-income fathers to
7 provide material support for their families and to avoid or leave
8 welfare programs by assisting them to take advantage of job search
9 programs, job training, and education to improve their work habits
10 and work skills; improving fathers' ability to effectively manage
11 family business affairs by means such as education, counseling, and
12 mentoring in household matters; infant care; effective
13 communication and respect; anger management; children's financial
14 support; and drug-free lifestyle.

15 (4) The department is authorized to make allocations of TANF
16 funds, of not more than 20% per county, under this section only to
17 agencies that report necessary data to the department for the
18 purpose of meeting TANF eligibility reporting requirements.

19 Sec. 416. (1) In expending money appropriated in part 1 for
20 the marriage initiative, the department may contract with
21 independent contractors from various counties, including, but not
22 limited to, faith-based and nonprofit organizations. Preference
23 shall be given to independent contractors that provide at least 10%
24 in matching funds, through any combination of local, state, or
25 federal funds or in-kind or other donations. However, an
26 independent contractor that cannot secure matching funds shall not
27 be excluded from consideration for a marriage initiative program.

1 (2) The department may choose providers to work with counties
2 that will work to support and strengthen marriages of those
3 eligible under the TANF guidelines. The areas of work may include,
4 but are not limited to, marital counseling, domestic violence
5 counseling, family counseling, effective communication, and anger
6 management as well as parenting skills to improve the family
7 structure.

8 (3) A marriage initiative program established under this
9 section may include, but is not limited to, 1 or more of the
10 following: public advertising campaigns on the value of marriage
11 and the skills needed to increase marital stability and health;
12 education in high schools on the value of marriage, relationship
13 skills, and budgeting; premarital, marital, family, and domestic
14 violence counseling; effective communication; marriage mentoring
15 programs which use married couples as role models and mentors in
16 at-risk communities; anger management; and parenting skills to
17 improve the family structure.

18 (4) The department is authorized to make allocations of TANF
19 funds, of not more than 20% per county, under this section only to
20 agencies that report necessary data to the department for the
21 purpose of meeting TANF eligibility reporting requirements.

22 Sec. 418. From the funds appropriated in part 1 for employment
23 and training support services, the department may expand the
24 availability of individual development accounts (IDAs) with
25 \$200,000.00 for allocation to qualified IDA programs established
26 through the Michigan IDA partnership to serve TANF eligible
27 households in Michigan. The Michigan IDA partnership shall

1 encourage each TANF eligible household served to claim the federal
2 earned income tax credit (EITC) and to incorporate all or part of
3 any tax credit received in the household's IDA savings plan, and
4 shall provide the household with information concerning available
5 free tax assistance resources. In addition, the Michigan IDA
6 partnership and its program sites shall participate in community
7 EITC coalitions established under the plan to increase the EITC
8 participation of TANF families referenced in section 666. The same
9 amount shall be appropriated annually to further expand IDA
10 opportunities to low-income families to become more financially
11 self-sufficient through financial education, saving, wise
12 investment in home ownership, postsecondary education, small
13 business development, or a combination of those programs.

14 Sec. 424. Of the funds appropriated in part 1 for employment
15 and training, \$200,000.00 in TANF funds may be used for the
16 effective family formation program by the child and family resource
17 council in Kent County for the purpose of instructing unwed parents
18 in developing family formation and sustaining behaviors.

19 CHILDREN'S SERVICES

20 Sec. 501. The following goal is established by state law.
21 During fiscal year 2008-2009, not more than 3,000 children
22 supervised by the department shall remain in foster care longer
23 than 24 months. The department shall give priority to reducing the
24 number of children under 1 year of age in foster care. During the
25 annual budget presentation, the department shall report on the
26 number of children supervised by the department and by private

1 agencies who remain in foster care between 12 and 24 months, and
2 those who remain in foster care longer than 24 months.

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

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

11 (a) Has not yet graduated from high school or passed a high
12 school equivalency examination.

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

14 (c) Has not yet reached his or her nineteenth birthday.

15 (d) Is not eligible for federal supplemental security income
16 (SSI) payments.

17 Sec. 508. (1) In addition to the amount appropriated in part 1
18 for children's trust fund grants, money granted or money received
19 as gifts or donations to the children's trust fund created by 1982
20 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

21 (2) The state child abuse and neglect prevention board may
22 initiate a joint project with another state agency to the extent
23 that the project supports the programmatic goals of both the state
24 child abuse and neglect prevention board and the state agency. The
25 department may invoice the state agency for shared costs of a joint
26 project in an amount authorized by the state agency, and the state
27 child abuse and neglect prevention board may receive and expend

1 funds for shared costs of a joint project in addition to those
2 authorized by part 1.

3 (3) From the funds appropriated in part 1 for the children's
4 trust fund, the department may utilize interest and investment
5 revenue from the current fiscal year only for programs,
6 administration, services, or all sanctioned by the child abuse and
7 neglect prevention board.

8 (4) The department and the child abuse neglect and prevention
9 board shall collaborate to ensure that administrative delays are
10 avoided and the local grant recipients and direct service providers
11 receive money in an expeditious manner. The department and board
12 shall seek to have the children's trust fund grants distributed no
13 later than October 31, 2008.

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

19 (a) A child would be living in the same household with a
20 parent or other adult who has been convicted of criminal sexual
21 conduct against a child.

22 (b) A child would be living in the same household with a
23 parent or other adult against whom there is a substantiated charge
24 of sexual abuse against a child.

25 (2) Notwithstanding subsection (1), this section shall not
26 prohibit counseling or other services provided by the department,
27 if the service is not directed toward influencing the child to

1 remain in an abusive environment, justifying the actions of the
2 abuser, or reuniting the family.

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

6 Sec. 513. (1) The department and representatives of private,
7 licensed child caring institutions shall collaborate in
8 establishing an out-of-state child placement task force to make
9 recommendations on the out-of-state placement of children.

10 Representation on the task force shall be equally divided between
11 the department and private, licensed child caring institutions.

12 (2) The department shall not expend money appropriated in part
13 1 to pay for the direct placement by the department of a child in
14 an out-of-state facility unless all of the following conditions are
15 met:

16 (a) There is no appropriate placement available in this state,
17 and an out-of-state placement exists within 100 miles of the
18 child's home.

19 (b) The out-of-state facility meets all of the licensing
20 standards of this state for a comparable facility.

21 (c) The out-of-state facility meets all of the applicable
22 licensing standards of the state in which it is located.

23 (d) The department has done an on-site visit to the out-of-
24 state facility, reviewed the facility records, and reviewed
25 licensing records and reports on the facility and believes that the
26 facility is an appropriate placement for the child.

27 (3) The child placement task force shall work with the

1 department to establish a reporting process by which counties and
2 courts may report negative experiences with out-of-state
3 facilities, and whether they would or would not recommend placement
4 of youth in those facilities.

5 (4) The department shall submit a report by February 1 of each
6 year on the number of children who were placed in out-of-state
7 facilities during the previous fiscal year, the number of Michigan
8 children residing in such facilities at the time of the report, the
9 total cost and average per diem cost of these out-of-state
10 placements to this state, and a list of each such placement
11 arranged by the Michigan county of residence for each child.

12 (5) The department shall cooperate with the auditor general to
13 conduct an audit of out-of-state placements for the fiscal year
14 ending September 30, 2008 to determine if the department properly
15 enforced the criteria set forth in section 513 of article 10 of
16 2006 PA 345, and to determine if payments to counties were made for
17 cases that were not eligible under the provisions of that act. The
18 purpose of this audit is solely to determine compliance with the
19 criteria. No child who was placed improperly in an out-of-state
20 placement shall be forced to relocate to another placement as a
21 result of this audit. A county that has received payment for a case
22 that this audit determines to be ineligible shall not be required
23 to reimburse the state for that payment.

24 (6) Future budgets for the department shall include a
25 requirement for audits similar to the audit required in subsection
26 (5). If a future audit determines a county has been improperly paid
27 for an ineligible case under this section, the county may be

1 required to repay the amount received for the ineligible case.

2 Sec. 514. The department shall make a comprehensive report
3 concerning children's protective services (CPS) to the legislature,
4 including the senate and house policy offices and the state budget
5 director, by January 1, 2009, that shall include all of the
6 following:

7 (a) Statistical information including, at a minimum, all of
8 the following:

9 (i) The total number of reports of abuse or neglect
10 investigated under the child protection law, 1975 PA 238, MCL
11 722.621 to 722.638, and the number of cases classified under
12 category I or category II and the number of cases classified under
13 category III, category IV, or category V.

14 (ii) Characteristics of perpetrators of abuse or neglect and
15 the child victims, such as age, relationship, race, and ethnicity
16 and whether the perpetrator exposed the child victim to drug
17 activity, including the manufacture of illicit drugs, that exposed
18 the child victim to significant health and environmental hazards.

19 (iii) The mandatory reporter category in which the individual
20 who made the report fits, or other categorization if the individual
21 is not within a group required to report under the child protection
22 law, 1975 PA 238, MCL 722.621 to 722.638.

23 (b) New policies related to children's protective services
24 including, but not limited to, major policy changes and court
25 decisions affecting the children's protective services system
26 during the immediately preceding 12-month period.

27 (c) The information contained in the report required under

1 section 8d(5) of the child protection law, 1975 PA 238, MCL
2 722.628d, on cases classified under category III.

3 (d) The department policy, or changes to the department
4 policy, regarding termination of parental rights or foster
5 placement for children who have been exposed to the production of
6 illicit drugs in their dwelling place or a place frequented by the
7 children.

8 (e) The department policy, or changes to the department
9 policy, regarding children who have been exposed to the production
10 or manufacture of methamphetamines.

11 Sec. 515. (1) From the money appropriated in part 1 for foster
12 care payments and related administrative costs, the department
13 shall use performance-based contracts for foster care services with
14 private, nonprofit agencies and other service providers that
15 provided satisfactory services under contract before January 1,
16 2008. The goal of these contracts shall be to provide incentives
17 for agencies to improve services for children in foster care, but
18 especially to improve the process of finding them quality permanent
19 placements, and reducing their time as foster children. Not later
20 than March 30, 2009, the department shall provide an update to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies and policy offices,
23 and the office of the state budget on benchmarks developed in
24 conjunction with private providers for these performance contracts,
25 results agencies have achieved in improving permanency placements,
26 and recommendations for further improvements for foster care
27 services across the entire state.

1 (2) Performance-based contracts under subsection (1) shall
2 include the following:

3 (a) When aggregated, the contracts shall provide coverage for
4 all areas of this state with an emphasis on use of community-based
5 services.

6 (b) Service providers shall not refuse a client or resident
7 for whom they have the ability, resources, and capacity to care.

8 (c) Service providers shall agree to provide services if
9 another provider of similar services in a similar region of the
10 state is no longer able to provide services.

11 (d) Service providers shall designate a specific court and
12 county liaison to respond to performance problems and concerns
13 about specific caseworkers and services. The liaisons shall be
14 identified to all courts and counties where services are provided
15 and shall be readily accessible to judges and chief administrative
16 officers.

17 (e) Service providers shall have clear performance standards
18 for staff and caseworkers regarding timely and professional
19 interactions with courts that have jurisdiction over children and
20 services provided to children.

21 (f) Service providers shall establish or maintain quality
22 assurance programs or dispute resolution programs to resolve
23 caseworker performance problems identified by courts.

24 Sec. 517. (1) From the funds appropriated in part 1, the
25 department is authorized to allocate funds to multipurpose
26 collaborative bodies. Priority for activities and services will be
27 given to at-risk children and families and cases classified by the

1 department as category III or category IV under sections 8 and 8d
2 of the child protection law, 1975 PA 238, MCL 722.628 and 722.628d.

3 (2) Funds appropriated in part 1 for 0 to 3 may be used to
4 fund community-based collaborative prevention services designed to
5 do any of the following:

6 (a) Foster positive parenting skills especially for parents of
7 children under 3 years of age.

8 (b) Improve parent/child interaction.

9 (c) Promote access to needed community services.

10 (d) Increase local capacity to serve families at risk.

11 (e) Improve school readiness.

12 (f) Support healthy family environments that discourage
13 alcohol, tobacco, and other drug use.

14 (3) The appropriation provided for in subsection (2) is to
15 fund secondary prevention programs as defined in the children's
16 trust fund's preapplication materials for fiscal year 2008-2009
17 direct services grants.

18 (4) Projects funded through the appropriation provided for in
19 subsection (2) shall meet all of the following criteria:

20 (a) Be awarded through a joint request for proposal process
21 established by the department in conjunction with the children's
22 trust fund and the state human services directors.

23 (b) Be secondary prevention initiatives. Funds are not
24 intended to be expended in cases in which neglect or abuse has been
25 substantiated.

26 (c) Demonstrate that the planned services are part of the
27 community's integrated comprehension family support strategy

1 endorsed by the community collaborative and, where there is a great
2 start collaborative, demonstrate that the planned services are part
3 of the community's great start strategic plan.

4 (d) Provide a 25% local match of which not more than 10% is
5 in-kind goods or services unless the maximum percentage is waived
6 by the state human services directors.

7 (5) As used in this section, "state human services directors"
8 means the director of the department of community health, the
9 director of the department of education, and the director of the
10 department.

11 Sec. 523. (1) From the funds appropriated in part 1 for youth
12 in transition, domestic violence prevention and treatment, and
13 teenage parent counseling, the department is authorized to make
14 allocations of TANF funds only to the agencies that report
15 necessary data to the department for the purpose of meeting TANF
16 eligibility reporting requirements.

17 (2) The agencies receiving teenage parent counseling TANF
18 funds shall report to the department on both of the following:

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

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

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

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

25 (iv) The number of father participants.

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

1 (i) Adult supervised, supportive living arrangements.

2 (ii) Pregnancy prevention services or referrals.

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

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

8 (v) Parenting and life-skills training.

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

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

11 (viii) Instruction on self-protection.

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

15 Sec. 531. (1) From the funds appropriated in part 1, the
16 department shall make claims for title IV-E revenues earned as a
17 result of eligible costs incurred by local units of government.

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

22 (a) Provide for the department to retain 50% of any federal
23 revenues earned.

24 (b) Provide for department review and approval of the local
25 unit's plan for allocating costs to title IV-E.

26 (c) Provide for the local unit of government to submit bills
27 at times, and in the format, specified by the department.

1 (d) Specify that the local unit of government is responsible
2 for meeting all federal title IV-E regulation requirements,
3 including reporting requirements, with regard to the activities and
4 costs being billed to title IV-E.

5 (e) Provide for the local unit of government to pay the state
6 for the amount of any federal revenues paid to the local unit that
7 may subsequently be disallowed by the federal government.

8 (f) Be signed by the director of the department, the chief
9 executive officer of the local government agency providing the
10 title IV-E services, the chair of the county board of
11 commissioners, and the chief executive officer of the county.

12 Sec. 532. The department shall develop a plan to license
13 relatives of foster children as foster care providers to ensure
14 consistent high standards of care for those foster children. The
15 department shall report on the plan to the senate and house
16 appropriations subcommittees with oversight over the department
17 budget, the senate and house standing policy committees generally
18 concerned with children's issues, the senate and house fiscal
19 agencies and policy offices, and the state budget director as part
20 of the quarterly reports required by section 582.

21 Sec. 537. (1) The department, in collaboration with child
22 placing agencies shall develop goals, objectives, and performance
23 standards to evaluate achievements and results in providing quality
24 foster care for children, reductions in their time in foster care,
25 and better permanency placements.

26 (2) As part of the quarterly reports required by section 582,
27 the department shall submit a report to the senate and house

1 appropriations subcommittees with oversight over the department
2 budget, the senate and house standing policy committees generally
3 concerned with children's issues, the senate and house fiscal
4 agencies and policy offices, and the state budget director on the
5 goals, objectives, and performance standards developed under
6 subsection (1) and the results or outcomes of using the measures.

7 (3) The department, in collaboration with child placing
8 agencies, shall develop a strategy to implement section 115o of the
9 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
10 include a requirement that a department caseworker responsible for
11 preparing a recommendation to a court concerning a juvenile
12 placement shall provide, as part of the recommendation, information
13 regarding the requirements of section 115o of the social welfare
14 act, 1939 PA 280, MCL 400.115o.

15 Sec. 546. From the money appropriated in part 1 for foster
16 care payments, the department shall pay providers of these services
17 a single rate of \$27.00 for foster care excluding independent
18 living placements.

19 Sec. 548. During the annual budget presentation to the house
20 and senate appropriations subcommittees on the department budget,
21 the department shall report on progress in implementing the
22 recommendations of the task force that studied the disproportionate
23 representation of African-American and other children of color in
24 the child welfare and juvenile justice systems as required under
25 former section 548 of the fiscal year 2005-2006 budget act for the
26 department.

27 Sec. 559. If a conflict arises between the provisions of state

1 law, department rules, or department policy, and the provisions of
2 title IV-E, the provisions of title IV-E prevail.

3 Sec. 565. (1) From the funds appropriated in part 1 for
4 federally-funded family preservation programs, the department shall
5 allocate \$2,000,000.00 to Wayne County to provide home-based
6 programs as part of the county expansion of community-based
7 services to serve the county's adjudicated delinquent and abused
8 and neglected youth.

9 (2) One-half of the total amount allocated to Wayne County
10 shall be used to serve adjudicated delinquent youth, and 1/2 shall
11 be used to serve abused and neglected youth.

12 (3) Federal revenues shall be paid to Wayne County as
13 reimbursement for actual costs incurred, consistent with
14 established federal requirements.

15 (4) As a condition of receipt of federal funds pursuant to
16 subsection (1), Wayne County shall provide the department with a
17 plan for the use of allocated funds in a format to be specified by
18 the department. The county shall also provide the department with
19 all information required to demonstrate the appropriateness and
20 allowability of expenditures and to meet federal financial and
21 programmatic reporting requirements.

22 Sec. 567. The department, in conjunction with private,
23 nonprofit child caring agencies and the chairpersons of the house
24 and senate appropriations subcommittees on the department budget,
25 shall review all policies, practices, and definitions for
26 residential treatment security levels. The department shall give
27 special consideration to how the levels affect the eligibility for

1 title IV-E funding of residential facilities for both child
2 welfare, abuse and neglect, and juvenile justice youth and whether
3 the policies, practices, and definitions are consistent with
4 federal title IV-E regulations, with the goal of maximizing the
5 amount of federal money available to this state.

6 Sec. 570. (1) From the money appropriated in part 1 for the
7 subsidized guardianship program, the department shall provide
8 subsidies under this program to children who are wards of the court
9 under section 2(b) of chapter XIIIA of the probate code of 1939,
10 1939 PA 288, MCL 712A.2.

11 (2) The department shall report during the annual budget
12 presentation to the senate and house appropriations subcommittees
13 on the department budget the number of guardianship subsidies and
14 recommendations for any modifications in the subsidized
15 guardianship program.

16 Sec. 571. The department shall maintain a title IV-E
17 compliance and accountability office with the following goals and
18 responsibilities:

19 (a) Study efforts in other states to determine best practices
20 for title IV-E-related activities and measures to maximize the
21 receipt of federal money for eligible cases.

22 (b) Coordinate compliance with federal regulations in order to
23 receive title IV-E money.

24 (c) Provide necessary technical assistance to local units of
25 government, including courts, to ensure proper handling of cases
26 and paperwork in preparation for federal audits and reviews.

27 (d) Coordinate a program to provide private persons, groups,

1 and corporations with incentives to make tax-deductible
2 contributions intended to assist foster care families to overcome
3 barriers to becoming licensed and eligible to receive title IV-E
4 money.

5 (e) As part of the quarterly reports required by section 582,
6 provide information to the house and senate appropriations
7 subcommittees on the department budget on activities and progress
8 toward meeting the responsibilities outlined above.

9 Sec. 574. (1) From the money appropriated in part 1 for foster
10 care payments - abuse and neglect, \$2,500,000.00 is allocated to
11 support new contracts with private, nonprofit child placing
12 agencies to facilitate the licensure of relative caregivers as
13 foster parents. Agencies shall receive \$2,300.00 for each
14 facilitated licensure.

15 (2) From the money appropriated for foster care payments,
16 \$375,000.00 is allocated to support family incentive grants to
17 private and community-based foster care service providers to assist
18 with home improvements needed by foster families to accommodate
19 foster children.

20 Sec. 575. (1) Of the funds provided for the training of human
21 services workers, particularly caseworkers, the department shall
22 use appropriated funds to begin cultural sensitivity training and
23 awareness with the goal of effectively reducing the number of
24 minority children inappropriately removed from their homes for
25 neglect and placed in the foster care system when more appropriate
26 action would include the provision of support services to the
27 family.

1 (2) Of the money appropriated to the department for family
2 preservation and prevention, more specific focus shall be placed on
3 preserving and reunifying families in counties with major urban
4 centers.

5 (3) As part of the quarterly reports required by section 582,
6 the department shall provide a report to the house and senate
7 appropriations subcommittees with jurisdiction over the department
8 budget, the house and senate fiscal agencies, and the house and
9 senate policy offices on the specific cultural sensitivity training
10 and awareness efforts, family preservation and reunification
11 efforts.

12 Sec. 579. From the money appropriated in part 1 for youth in
13 transition, \$250,000.00 shall be allotted to Wayne County to
14 support services provided to eligible delinquent state wards, for
15 whom the department is statutorily responsible, to the county's
16 juvenile services system.

17 Sec. 580. The department and the department of community
18 health shall initiate efforts to identify mental health programs
19 and activities where the services of the two departments overlap,
20 or are uncoordinated. The goal shall be to provide adequate and
21 stable mental health services which address the need of the
22 individual child without duplicative, confusing, or needlessly
23 complex services. The department shall report on these coordination
24 efforts with the department of community health during the annual
25 budget presentations to the senate and house appropriations
26 subcommittees with jurisdiction over the department budget.

27 Sec. 582. On the last working day of January, April, July, and

1 November, for the preceding fiscal quarter, the department shall
2 submit a comprehensive child welfare improvement report, compiling
3 material required by each section of this bill related to child
4 welfare. This report will be provided to the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house standing committees on human services, the senate and
7 house fiscal agencies, the senate and house policy offices, and the
8 state budget director and will provide an overview of the status of
9 all initiatives the department is required to carry out by this
10 appropriation bill and the impact of those initiatives on meeting
11 the benchmarks established in the federal child and family service
12 review process. The report may include information about other
13 initiatives of the department and its service delivery partners
14 which support improvements in safety, permanency and well-being for
15 the children and families served by Michigan's child welfare
16 system.

17 **PUBLIC ASSISTANCE**

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

1 department shall terminate vendor payments if a taxing authority
2 notifies the department that taxes are delinquent.

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

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

16 Sec. 603. (1) The department, as it determines is appropriate,
17 shall enter into agreements with energy providers by which cash
18 assistance recipients and the energy providers agree to permit the
19 department to make direct payments to the energy providers on
20 behalf of the recipient. The payments may include heat and electric
21 payment requirements from recipient grants and amounts in excess of
22 the payment requirements.

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

26 (3) The department shall review and adjust the standard
27 utility allowance for the state food assistance program to ensure

1 that it reflects current energy costs in the state.

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

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

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

15 (c) A resident of an adult foster care facility, a home for
16 the aged, a county infirmary, or a substance abuse treatment
17 center.

18 (d) A person receiving 30-day postresidential substance abuse
19 treatment.

20 (e) A person diagnosed as having acquired immunodeficiency
21 syndrome.

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

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

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

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

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

5 (3) Except for a person described in subsection (1)(c) or (d),
6 a person is not disabled for purposes of this section if his or her
7 drug addiction or alcoholism is a contributing factor material to
8 the determination of disability. "Material to the determination of
9 disability" means that, if the person stopped using drugs or
10 alcohol, his or her remaining physical or mental limitations would
11 not be disabling. If his or her remaining physical or mental
12 limitations would be disabling, then the drug addiction or
13 alcoholism is not material to the determination of disability and
14 the person may receive state disability assistance. Such a person
15 must actively participate in a substance abuse treatment program,
16 and the assistance must be paid to a third party or through vendor
17 payments. For purposes of this section, substance abuse treatment
18 includes receipt of inpatient or outpatient services or
19 participation in alcoholics anonymous or a similar program.

20 (4) A refugee or asylee who loses his or her eligibility for
21 the federal supplemental security income program by virtue of
22 exceeding the maximum time limit for eligibility as delineated in 8
23 USC 1612 and who otherwise meets the eligibility criteria under
24 this section shall be eligible to receive benefits under the state
25 disability assistance program.

26 Sec. 605. The level of reimbursement provided to state
27 disability assistance recipients in licensed adult foster care

1 facilities shall be the same as the prevailing supplemental
2 security income rate under the personal care category.

3 Sec. 606. County department offices shall require each
4 recipient of family independence program and state disability
5 assistance who has applied with the social security administration
6 for supplemental security income to sign a contract to repay any
7 assistance rendered through the state disability assistance program
8 upon receipt of retroactive supplemental security income benefits.

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

21 Sec. 609. The state supplementation level under the
22 supplemental security income program for the personal care/adult
23 foster care and home for the aged categories shall not be reduced
24 during the fiscal year beginning October 1, 2007 and ending
25 September 30, 2008. The legislature shall be notified not less than
26 30 days before any proposed reduction in the state supplementation
27 level.

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

5 Sec. 611. (1) A provider of indigent burial services may
6 collect additional payment from relatives or other persons on
7 behalf of the deceased if the total additional payment does not
8 exceed \$2,600.00.

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

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

17 Sec. 613. From the funds appropriated in part 1 for indigent
18 burial, the maximum allowable reimbursement limit for indigent
19 burials shall be \$700.00, which shall be distributed as follows:
20 \$455.00 for funeral directors, \$145.00 for cemeteries or
21 crematoriums, and \$100.00 for the provider of the vault.

22 Sec. 614. The funds available in part 1 for burial services
23 shall be available if the deceased was an eligible recipient and an
24 application for emergency relief funds was made within 10 days of
25 the burial or cremation of the deceased person. Each provider of
26 burial services shall be paid directly by the department.

27 Sec. 615. Except as required by federal law or regulations,

1 funds appropriated in part 1 shall not be used to provide public
2 assistance to a person who is an illegal alien. This section shall
3 not prohibit the department from entering into contracts with food
4 banks or emergency shelter providers or other human service
5 agencies who may, as a normal part of doing business, provide food
6 or emergency shelter.

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

12 Sec. 618. The department may only reduce, terminate, or
13 suspend assistance provided under the social welfare act, 1939 PA
14 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of
15 the following situations:

16 (a) The only eligible recipient has died.

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

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

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

23 (e) A recipient has been approved to receive assistance in
24 another state.

25 (f) A change in either state or federal law that requires
26 automatic grant adjustments for classes of recipients.

27 (g) The only eligible recipient in the household has been

1 incarcerated.

2 (h) A recipient is no longer a Michigan resident.

3 (i) A recipient is closed on 1 case to be activated on
4 another.

5 (j) Federal payments (other than RSDI, railroad retirement, or
6 VA) to the group have begun or increased.

7 (k) A recipient is disqualified for intentional program
8 violation.

9 (l) When the department's negative action is upheld in an
10 administrative hearing.

11 Sec. 619. The department shall exempt from the denial of title
12 IV-A assistance and food assistance benefits, contained in 21 USC
13 862a, any individual who has been convicted of a felony that
14 included the possession, use, or distribution of a controlled
15 substance, after August 22, 1996, provided that the individual is
16 not in violation of his or her probation or parole requirements.
17 Benefits shall be provided to such individuals as follows:

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

20 (b) An authorized representative shall be required for food
21 assistance receipt.

22 Sec. 620. The department with the approval of the state budget
23 director is authorized to increase federal spending authority for
24 food assistance program benefits if projected caseload spending
25 will exceed the spending authority in part 1. This authorization
26 adjustment shall be made 15 days after notifying the chairs of the
27 house and senate appropriations subcommittees on the department

1 budget and house and senate fiscal agencies.

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

6 Sec. 627. From the funds appropriated in part 1 for the ECIC,
7 the department shall contract for the creation and support of
8 great start communities. Great start collaborative grants will be
9 awarded by competitive bid process to eligible intermediate
10 districts in an amount to be determined by the ECIC. The ECIC shall
11 provide technical assistance to great start communities through
12 intermediate school districts or other community agencies for the
13 implementation of their great start community needs assessment and
14 strategic plan.

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

17 (a) The identification of individuals on entry into the system
18 who have a history of domestic violence, while maintaining the
19 confidentiality of that information.

20 (b) Referral of persons so identified to counseling and
21 supportive services.

22 (c) In accordance with a determination of good cause, the
23 waiving of certain requirements of family independence programs
24 where compliance with those requirements would make it more
25 difficult for the individual to escape domestic violence or would
26 unfairly penalize individuals who have been victims of domestic
27 violence or who are at risk of further domestic violence.

1 Sec. 635. Within 24 hours of receiving all information
2 necessary to process an application for payments for child day
3 care, the department shall determine whether the child day care
4 provider to whom the payments, if approved, would be made, is
5 listed on the child abuse and neglect central registry. If the
6 provider is listed on the central registry, the department shall
7 immediately send written notice denying the applicant's request for
8 child day care payments.

9 Sec. 640. (1) From the funds appropriated in part 1 for day
10 care services, the department may continue to provide infant and
11 toddler incentive payments to child day care providers serving
12 children from 0 to 2-1/2 years of age who meet licensing or
13 training requirements.

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

16 Sec. 643. As a condition of receipt of federal TANF funds,
17 homeless shelters and human service agencies shall collaborate with
18 the department to obtain necessary TANF eligibility information on
19 families as soon as possible after admitting a family to the
20 homeless shelter. From the funds appropriated in part 1 for
21 homeless programs, the department is authorized to make allocations
22 of TANF funds only to the agencies that report necessary data to
23 the department for the purpose of meeting TANF eligibility
24 reporting requirements. Homeless shelters that do not report
25 necessary data to the department for the purpose of meeting TANF
26 eligibility reporting requirements will not receive reimbursements
27 which exceed the per diem amount they received in fiscal year 2000.

1 The use of TANF funds under this section should not be considered
2 an ongoing commitment of funding.

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

9 Sec. 653. From the funds appropriated in part 1 for food
10 assistance, an individual who is the victim of domestic violence
11 and does not qualify for any other exemption may be exempt from the
12 3-month in 36-month limit on receiving food assistance under 7 USC
13 2015. This exemption can be extended an additional 3 months upon
14 demonstration of continuing need.

15 Sec. 657. (1) The department shall fund a statewide before- or
16 after-school program to provide youth with a safe, engaging
17 environment to motivate and inspire learning outside the
18 traditional classroom setting. Before- or after-school program
19 eligibility is limited to geographic areas near school buildings
20 that do not meet federal no child left behind annual yearly
21 progress (AYP) requirements and that include the before- or after-
22 school programs in the AYP plans as a means to improve outcomes.
23 Before-school programs are limited to elementary school-aged
24 children. Effective before- or after-school programs combine
25 academic, enrichment, and recreation activities to guide learning
26 and inspire children and youth in various activities. The before-
27 or after-school programs can meet the needs of the communities

1 served by the programs.

2 (2) The department shall work in collaboration with
3 independent contractors to put into practice a program establishing
4 quality before- or after-school programs for children in
5 kindergarten to ninth grades. In order for an independent
6 contractor to receive TANF funds, a child served must be a member
7 of a family with an income that does not exceed 200% of the federal
8 poverty guidelines published by the United States department of
9 health and human services.

10 (3) The department shall, through a competitive bid process,
11 provide grants or contracts up to \$5,000,000.00 in TANF funds for
12 the program based on community needs. A county shall receive no
13 more than 20% of the funds appropriated in part 1 for this program.
14 From the funds appropriated in part 1 for before- or after-school
15 programs within day care services, the department is authorized to
16 make allocations of funds only to the agencies that report
17 necessary data to the department for the purpose of meeting TANF
18 and maintenance of effort eligibility reporting requirements. The
19 use of funds under this section should not be considered an ongoing
20 commitment of funding.

21 (4) The before- or after-school programs shall include
22 academic assistance, including assistance with reading and writing,
23 and at least 3 of the following topics:

24 (a) Abstinence-based pregnancy prevention.

25 (b) Chemical abuse and dependency including nonmedical
26 services.

27 (c) Gang violence prevention.

1 (d) Preparation toward future self-sufficiency.

2 (e) Leadership development.

3 (f) Case management or mentoring.

4 (g) Parental involvement.

5 (h) Anger management.

6 (5) The department may enter into grants or contracts with
7 independent contractors including, but not limited to, faith-based
8 organizations, boys or girls clubs, schools, or nonprofit
9 organizations. The department shall grant priority in funding
10 independent contractors who secure at least 25% in matching funds.
11 The matching funds may either be fulfilled through local, state, or
12 federal funds, and/or through in-kind or other donations.

13 (6) A referral to a program may be made by, but is not limited
14 to, any of the following: a teacher, counselor, parent, police
15 officer, judge, or social worker.

16 Sec. 660. From the funds appropriated in part 1 for food bank
17 funding, the department is authorized to make allocations of TANF
18 funds only to the agencies that report necessary data to the
19 department for the purpose of meeting TANF eligibility reporting
20 requirements. The agencies that do not report necessary data to the
21 department for the purpose of meeting TANF eligibility reporting
22 requirements will not receive allocations in excess of those
23 received in fiscal year 2000. The use of TANF funds under this
24 section should not be considered an ongoing commitment of funding.

25 Sec. 665. The department shall partner with the department of
26 transportation and may partner with other entities to use TANF and
27 other sources of available funding to support public transportation

1 needs of TANF-eligible individuals. This partnership shall place a
2 priority on transportation needs for employment or seeking
3 employment or medical or health-related transportation.

4 Sec. 666. The department shall continue efforts to increase
5 the participation of eligible family independence program
6 recipients in the federal earned income tax credit.

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

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

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

19 (2) The department shall allocate up to \$11,088,000.00 for the
20 annual clothing allowance. The allowance shall be granted to all
21 eligible children as defined by the department.

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

26 Sec. 674. The department shall develop and implement a plan to
27 reduce waste, fraud, and abuse within the child day care program.

1 Beginning December 31, 2008, the department shall report annually
2 to the senate and house appropriations subcommittees for the
3 department budget, the senate and house fiscal agencies and policy
4 offices, and the state budget director on plan details and
5 implementation status.

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

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

19 (3) Each year, on or before December 31, the Michigan after-
20 school partnership shall report its progress in reaching the
21 recommendations set forth in the Michigan after-school initiative's
22 report to the senate and house committees on appropriations, the
23 senate and house fiscal agencies and policy offices, and the state
24 budget director.

25 Sec. 677. The department shall establish a state goal for the
26 percentage of family independence program (FIP) cases involved in
27 employment activities. The percentage established shall not be less

1 than 50%. On a quarterly basis, the department shall report to the
2 senate and house appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies and policy offices,
4 and the state budget director, within 90 days after the end of the
5 quarter, on the current percentage of FIP cases involved in
6 employment activities and the current percentage of JET pilot
7 program cases involved in employment activities. If the FIP case
8 percentage is below the goal for more than 2 consecutive quarters,
9 the department shall develop a plan to increase the percentage of
10 FIP cases involved in employment-related activities. The department
11 shall deliver the plan during the next annual budget presentation
12 to the senate and house appropriations subcommittees on the
13 department budget.

14 Sec. 678. (1) The department shall provide the house and
15 senate appropriations subcommittees on the department budget with
16 an annual report on the activities of the early childhood
17 investment corporation (ECIC). The report is due by February 1 of
18 each year and shall contain at least the following information:

19 (a) Detail of the amounts of grants awarded.

20 (b) The grant recipients.

21 (c) The activities funded by each grant.

22 (d) An analysis of each grant recipient's success in
23 addressing the development of a comprehensive system of early
24 childhood services and supports.

25 (2) All contracts for comprehensive systems planning shall be
26 bid out through a statewide request-for-proposal process, and the
27 department shall send a report to the house and senate

1 appropriations subcommittees on the department budget covering the
2 selection criteria for establishing contracts at least 30 days
3 before the issuance of any request for proposals.

4 Sec. 683. (1) From the funds appropriated in part 1 for SSI
5 advocacy, \$1,275,000.00 shall be paid to the Michigan state bar
6 foundation for SSI advocacy services provided by the legal services
7 association of Michigan.

8 (2) The department shall not provide payment to the legal
9 services association of Michigan for assisting a recipient to
10 submit a frivolous appeal or application or for assisting a
11 recipient who has submitted multiple applications that have been
12 denied regarding the same disability, unless the legal services
13 association of Michigan determines that there is a valid reason to
14 pursue an appeal.

15 Sec. 685. (1) Not later than March 1, 2009, the department
16 shall report to the senate and house appropriations subcommittees
17 with jurisdiction over the department budget, and to the senate and
18 house appropriations subcommittees with jurisdiction over the
19 department of community health budget, on the number of recipients
20 that applied for Medicaid coverage, the number of recipients that
21 were approved for Medicaid coverage, and the number of recipients
22 that were denied Medicaid coverage. The report shall describe these
23 statistics for fiscal year 2008-2009 and summarize department
24 programs to assist persons in applying for Medicaid.

25 (2) Not later than March 1, 2009, the department shall report
26 to the senate and house appropriations subcommittees with
27 jurisdiction over the department budget, and to the senate and

1 house subcommittees with jurisdiction over the department of
2 community health budget, on the number of applicants for home help
3 services. The department shall give a summary report on the number
4 of approved applications, denied applications, pending
5 applications, and the number of applications in which the applicant
6 was eligible for nursing home services.

7 **JUVENILE JUSTICE SERVICES**

8 Sec. 705. (1) The department, in conjunction with private
9 juvenile justice residential programs, shall develop a methodology
10 for measuring goals, objectives, and performance standards for the
11 delivery of juvenile justice residential programs based on national
12 standards and best practices. These goals, objectives, and
13 performance standards shall apply to both public and private
14 delivery of juvenile justice residential programs, and data shall
15 be collected from both private and public juvenile justice
16 residential programs that can be used to evaluate performance
17 achievements, including, but not limited to, the following:

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

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

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

24 (d) Trends in census and population demographics.

25 (e) Staff and resident safety.

26 (f) Facility profile.

1 (g) Fiscal information necessary for qualitative understanding
2 of program operations and comparative costs of public and private
3 facilities.

4 (2) The department during the annual budget presentation shall
5 outline the progress of the development of the goals, objectives,
6 and performance standards, as well as the information collected
7 through the implementation of the performance measurement program.
8 The presentation shall include all of the following:

9 (a) Actual cost and actual days of care by facility for the
10 most recently completed fiscal year.

11 (b) Actual cost per day per youth by facility for the most
12 recently completed fiscal year.

13 (c) An analysis of the variance between the estimated cost and
14 days of care assumed in the original appropriation and the figures
15 in subdivisions (a) and (b).

16 (d) Both the number of authorized FTE positions for each
17 facility and the number of actual on-board FTE positions for the
18 most recently completed fiscal year.

19 (3) As a condition of receiving reimbursement from the state
20 for juvenile justice residential program services, private
21 providers must comply with the data reporting requirements
22 contained in this section.

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

1 professional rather than volunteer staff.

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

8 Sec. 708. As a condition of receiving money appropriated in
9 part 1 for the child care fund line item, by February 15, 2009,
10 counties shall have an approved service spending plan for the
11 fiscal year ending September 30, 2009. Counties must submit the
12 service spending plan to the department by December 15, 2008 for
13 approval.

14 **LOCAL OFFICE SERVICES**

15 Sec. 750. The department shall maintain out-stationed
16 eligibility specialists in community-based organizations and
17 hospitals.

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

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

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

25 (c) Notwithstanding subdivision (b), the center shall provide
26 information regarding crisis pregnancy centers or adoption service

1 providers in the area.

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

9 (a) A list of eligible schools.

10 (b) The selection criteria to be used.

11 (c) The projected number to be opened.

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

14 Sec. 754. The department shall allow private nationally
15 accredited foster care and adoption agencies to conduct their own
16 staff training, based on current department policies and
17 procedures, provided that the agency trainer and training materials
18 are accredited by the department, and that the agency documents to
19 the department that the training was provided. The department shall
20 provide access to any training materials requested by the private
21 agencies to facilitate this training.

22 **DISABILITY DETERMINATION SERVICES**

23 Sec. 801. The department disability determination services in
24 agreement with the department of management and budget office of
25 retirement systems will develop the medical information and make
26 recommendations for medical disability retirement for state

1 employees, state police, judges, and schoolteachers.

2 **CHILD SUPPORT ENFORCEMENT**

3 Sec. 901. (1) The appropriations in part 1 assume a total
4 federal child support incentive payment of \$26,500,000.00.

5 (2) From the federal money received for child support
6 incentive payments, \$12,000,000.00 shall be retained by the state
7 and expended for child support program expenses.

8 (3) From the federal money received for child support
9 incentive payments, \$14,500,000.00 shall be paid to the counties
10 based on each county's performance level for each of the federal
11 performance measures as established in the code of federal
12 regulations, CFR 45.305.2.

13 (4) If the child support incentive payment to the state from
14 the federal government is greater than \$26,500,000.00, then 100% of
15 the excess shall be retained by the state and is appropriated until
16 the total retained by the state reaches \$15,397,400.00.

17 (5) If the child support incentive payment to the state from
18 the federal government is greater than the amount needed to satisfy
19 the provisions identified in subsections (1), (2), (3), and (4),
20 the additional funds shall be subject to appropriation by the
21 legislature.

22 (6) If the child support incentive payment to the state from
23 the federal government is less than \$26,500,000.00, then the state
24 and county share shall each be reduced by 50% of the shortfall.

25 (7) From the state funds appropriated in part 1 for child
26 support enforcement, not less than \$9,570,000.00 shall be paid to

1 counties for use as the local/state match for federal title IV-D
2 services provided by the friend of the court and prosecuting
3 attorney. The money is to be used to offset the net effect of the
4 federal deficit reduction act that prohibits the use of federal
5 performance incentive funds paid to the state as local/state match
6 funds.

7 Sec. 902. (1) The department shall consult with the department
8 of treasury and any outside consultant with collections expertise
9 under contract with the department of treasury to develop a plan to
10 maximize the collection of child support and child support
11 arrearage settlement for the purposes of this section.

12 (2) The department shall provide semiannual reports to the
13 legislature concerning money expended and child support collected
14 as a result of all collection agency projects.

15 Sec. 905. Of the funds appropriated in part 1 for child
16 support collections, \$500,000.00 shall be allocated to counties for
17 the local match for friend of the court services legal support
18 contracts and to payments to county prosecutors for related legal
19 services.

20 Sec. 906. From the funds appropriated in part 1 for legal
21 support contracts, \$500,000.00 shall be allocated and paid pursuant
22 to section 18a of the social welfare act, 1939 PA 280, MCL 400.18a.

23 Sec. 909. In addition to the funds appropriated in part 1 for
24 state retained child support collections, 75% of the amount that
25 each county's collections exceed the amount the county collected in
26 fiscal year 2005 is appropriated for distribution to that county
27 for use in the IV-D program. This distribution shall occur only if

1 the total state retained child support collections exceed the
2 statewide amount collected in fiscal year 2005. The funds
3 distributed to counties pursuant to this section shall be used to
4 supplement and not supplant county IV-D funding. Counties
5 participating in projects pursuant to Sec. 902 will receive 75% of
6 qualifying collections reduced by the amount paid to the vendor.
7 This authorization adjustment shall be made upon notification of
8 the chairs of the house and senate appropriations subcommittees on
9 the department budget, the house and senate fiscal agencies and the
10 state budget director.

11 Sec. 910. If title IV-D-related child support collections are
12 escheated, the state budget director is authorized to adjust the
13 sources of financing for the funds appropriated in part 1 for legal
14 support contracts to reduce federal authorization by 66% of the
15 escheated amount and increase general fund/general purpose
16 authorization by the same amount. This budget adjustment is
17 required to offset the loss of federal revenue due to the escheated
18 amount being counted as title IV-D program income in accordance
19 with federal regulations at 045 CFR 304.50.

20 Sec. 911. The department will implement a \$25 annual fee
21 pursuant to title IV-D, section 454(6)B(ii), of the social
22 security act (42 U.S.C. 651 et seq.). The fee shall be deducted
23 from support collected on behalf of the individual. Fee revenues
24 shall be used to administer and operate the child support program
25 under part D of title IV of the social security act.

26 **BUREAU OF CHILDREN AND ADULT LICENSING**

1 Sec. 1005. The department shall implement a performance-based
2 licensing model with available resources that will assure
3 compliance with department policy and statutory mandates. This
4 model will prioritize licensing activities based on risk to the
5 vulnerable children and adults residing in or receiving services
6 from licensees.

7 Sec. 1006. The department shall assess fees in the licensing
8 and regulation of child care organizations as defined in 1973 PA
9 116, MCL 722.111 to 722.128, and adult foster care facilities as
10 defined in the adult foster care facility licensing act, 1979 PA
11 218, MCL 400.701 to 400.737. Fees collected by the department shall
12 be used exclusively for the purpose of licensing and regulating
13 child care organizations and adult foster care facilities.

14 Sec. 1007. The department shall furnish the clerk of the
15 house, the secretary of the senate, the senate and house fiscal
16 agencies and policy offices, the state budget office, and all
17 members of the house and senate appropriations committees with a
18 summary of any evaluation reports and subsequent approvals or
19 disapprovals of juvenile residential facilities operated by the
20 department, as required by section 6 of 1973 PA 116, MCL 722.116.
21 If no evaluations are conducted during the fiscal year, the
22 department shall notify the fiscal agencies and all members of the
23 appropriate subcommittees of the house and senate appropriations
24 committees.

25 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

26 Sec. 1101. Not later than September 30 of each year, the

1 department shall submit for public hearing to the chairpersons of
2 the house and senate appropriations subcommittees dealing with
3 appropriations for the department budget the proposed use and
4 distribution plan for community services block grant funds
5 appropriated in part 1 for the succeeding fiscal year.

6 Sec. 1102. The department shall develop a plan based on
7 recommendations from the department of civil rights and from Native
8 American organizations to assure that the community services block
9 grant funds are equitably distributed. The plan must be developed
10 by October 31, 2008, and the plan shall be delivered to the
11 appropriations subcommittees on the department budget in the senate
12 and house, the senate and house fiscal agencies, and the state
13 budget director.

14 Sec. 1103. The appropriation in part 1 for the weatherization
15 program shall be expended so that at least 25% of the households
16 weatherized under the program shall be households of families
17 receiving 1 or more of the following:

18 (a) Family independence program assistance.

19 (b) State disability assistance.

20 (c) Food assistance.

21 (d) Supplemental security income.

22 Sec. 1104. (1) Of the funds appropriated in part 1 for
23 community services block grants, \$2,350,000.00 represents TANF
24 funding earmarked for community action agencies.

25 (2) In addition to the money referred to in subsection (1),
26 the department shall award up to \$500,000.00 to community action
27 agencies for education and outreach with the earned income tax

1 credit (EITC). Emphasis shall be on clients who have never filed
2 for the EITC, clients with children, and clients for whom receipt
3 of the EITC will make it easier for them to move off public
4 assistance.