SUBSTITUTE FOR

HOUSE BILL NO. 5882

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, 2011; 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 act, the

amounts listed in this part are appropriated for the department of human services for the fiscal year ending September 30, 2011, 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..... 11,863.5	
Full-time equated unclassified positions..... 6.0	
Total full-time equated positions..... 11,869.5	
GROSS APPROPRIATION.....	$ 6,962,426,100
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	1,230,300
ADJUSTED GROSS APPROPRIATION.....	$ 6,961,195,800
Federal revenues:	
Federal - FMAP stimulus.....	6,499,700
Federal - food assistance administration (ARRA)	9,495,200
Federal - supplemental nutrition assistance revenues (ARRA)	566,785,600
Federal - emergency TANF contingency revenues (ARRA) .	189,737,300
Federal - transitional supportive housing revenues (ARRA)	2,000,000
Federal - faith-based grant revenues (ARRA)	250,000
Total other federal revenues.....	5,147,520,700
Special revenue funds:	
Total private revenues.....	14,483,500
Total local revenues.....	33,925,700

1	Total other state restricted revenues	60,433,500
2	State general fund/general purpose	$ 930,064,600
3	**Sec. 102. EXECUTIVE OPERATIONS**	
4	Total full-time equated positions..... 670.7	
5	Full-time equated unclassified positions..... 6.0	
6	Full-time equated classified positions..... 664.7	
7	Unclassified salaries--6.0 FTE positions	$ 647,900
8	Salaries and wages--276.7 FTE positions	17,399,100
9	Contractual services, supplies, and materials	10,190,300
10	Demonstration projects--9.0 FTE positions	14,537,000
11	Inspector general salaries and wages--136.0 FTE	
12	positions	7,808,000
13	Electronic benefit transfer EBT	13,009,000
14	Michigan community service commission--15.0 FTE	
15	positions	9,129,900
16	AFC, children's welfare and day care licensure--228.0	
17	FTE positions	24,566,000
18	State office of administrative hearings and rules	5,697,300
19	GROSS APPROPRIATION	$ 102,984,500
20	Appropriated from:	
21	Federal revenues:	
22	Federal - food assistance administration (ARRA)	7,985,700
23	Total other federal revenues	62,033,400
24	Special revenue funds:	
25	Total private revenues	8,205,300
26	Total local revenues	175,000
27	Total other state restricted revenues	25,000

State general fund/general purpose ..... $ 24,560,100

Sec. 103. CHILD SUPPORT ENFORCEMENT

Full-time equated classified positions..... 198.7

Child support enforcement operations--192.7 FTE positions ..... $ 23,204,700

Legal support contracts 138,753,600

Child support incentive payments 32,409,600

State disbursement unit--6.0 FTE positions 14,599,900

GROSS APPROPRIATION ..... $ 208,967,800

Appropriated from:

Federal revenues:

Total federal revenues 193,477,100

Special revenue funds:

Total local revenues 340,000

Total other state restricted revenues 770,000

State general fund/general purpose ..... $ 14,380,700

Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY

Full-time equated classified positions..... 19.0

Bureau of community action and economic opportunity operations--19.0 FTE positions..... $ 2,197,400

Community services block grant 25,650,000

Weatherization assistance 27,400,000

GROSS APPROPRIATION ..... $ 55,247,400

Appropriated from:

Federal revenues:

Total federal revenues 55,247,400

State general fund/general purpose ..... $ 0

1 **Sec. 105. ADULT AND FAMILY SERVICES**

2 Full-time equated classified positions..... 44.7

3 Executive direction and support--5.0 FTE positions ... $ 542,200

4 Guardian contract..... 600,000

5 Adult services policy and administration--6.0 FTE

6 positions 651,300

7 Office of program policy--33.7 FTE positions 5,490,500

8 Employment and training support services 11,230,100

9 JET plus..... 8,500,000

10 Wage employment verification reporting 848,700

11 Urban and rural empowerment/enterprise zones 100

12 Nutrition education..... 30,000,000

13 Crisis prevention and elder law of Michigan food for

14 the elderly project 225,000

15 GROSS APPROPRIATION..... $ 58,087,900

16 Appropriated from:

17 Federal revenues:

18 Federal - emergency TANF contingency revenues (ARRA) . 13,323,000

19 Total other federal revenues..... 39,678,700

20 Special revenue funds:

21 Total private revenues..... 25,000

22 State general fund/general purpose..... $ 5,061,200

23 **Sec. 106. CHILDREN'S SERVICES**

24 Full-time equated classified positions..... 131.8

25 Salaries and wages--44.2 FTE positions ..... $ 2,929,600

26 Contractual services, supplies, and materials 875,900

27 Interstate compact..... 231,600

Children's benefit fund donations	21,000
Families first	18,450,700
Strong families/safe children--3.0 FTE positions	16,580,600
Child protection and permanency--37.5 FTE positions	19,030,900
Zero to three	3,843,800
Family reunification program	3,977,100
Family preservation and prevention services administration--14.5 FTE positions	1,301,900
Children's trust fund administration--12.0 FTE positions	1,039,400
Children's trust fund grants	3,825,100
ECIC, early childhood investment corporation	14,623,000
Attorney general contract	3,559,000
Prosecuting attorney contracts	2,561,700
Child protection--5.0 FTE positions	832,600
Domestic violence prevention and treatment--14.6 FTE positions	14,857,200
Rape prevention and services--0.5 FTE positions	3,300,000
Transitional supportive housing (ARRA)	2,000,000
Child advocacy centers--0.5 FTE positions	1,000,000
Child care fund in-home care incentive program	5,000,000
GROSS APPROPRIATION	$ 119,841,100
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
Federal - transitional supportive housing revenues (ARRA)	2,000,000

1 Total other federal revenues 105,812,200
2 Special revenue funds:
3 Private - children's benefit fund donations 21,000
4 Compulsive gaming prevention fund 1,040,000
5 Sexual assault victims' prevention and treatment fund 1,000,000
6 Child advocacy centers fund 1,000,000
7 Children's trust fund 3,811,100
8 State general fund/general purpose ..... $ 5,156,800
9 **Sec. 107. CHILDREN'S RIGHTS SETTLEMENT**
10 Full-time equated classified positions..... 3,494.0
11 Children's services administration--49.0 FTE positions $ 3,730,100
12 Title IV-E compliance and accountability office--5.0
13 FTE positions 419,400
14 Child welfare institute--40.0 FTE positions 6,549,400
15 Child protective services workers--1,481.0 FTE
16 positions 69,284,200
17 Direct care workers--958.0 FTE positions 52,463,000
18 Education planners--14.0 FTE positions 741,600
19 Permanency planning conference coordinators--55.0 FTE
20 positions 2,313,600
21 Child welfare first line supervisors--519.0 FTE
22 positions 27,577,400
23 Administrative support workers--241.0 FTE positions .. 12,348,500
24 Second line supervisors and technical staff--45.0 FTE
25 positions 3,184,000
26 Permanency planning specialists--62.0 FTE positions .. 2,418,500
27 POS contract monitoring unit--10.0 FTE positions 579,200

1	Contractual services, supplies, and materials	5,601,100
2	Settlement monitor	1,625,800
3	Foster care payments	184,520,800
4	Foster care - children with serious emotional	
5	disturbance waiver	1,769,000
6	Guardianship assistance program	3,170,000
7	Child care fund	217,766,400
8	Child care fund administration--5.8 FTE positions	798,200
9	Adoption subsidies	230,785,200
10	Adoption support services--7.2 FTE positions	33,555,300
11	Youth in transition--2.0 FTE positions	14,192,800
12	GROSS APPROPRIATION ..... $	875,393,500
13	Appropriated from:	
14	Federal revenues:	
15	Federal - FMAP stimulus	6,261,400
16	Total other federal revenues	480,838,700
17	Special revenue funds:	
18	Private - collections	2,300,000
19	Local funds - county chargeback	19,247,100
20	State general fund/general purpose ..... $	366,746,300
21	**Sec. 108. JUVENILE JUSTICE SERVICES**	
22	Full-time equated classified positions..... 218.7	
23	W.J. Maxey training school--83.0 FTE positions ..... $	12,217,000
24	Bay pines center--49.0 FTE positions	5,589,800
25	Shawono center--48.0 FTE positions	5,403,500
26	County juvenile officers	3,904,300
27	Community support services--2.0 FTE positions	1,399,100

Juvenile justice administration and maintenance--31.7 FTE positions		4,390,200
W. J. Maxey memorial fund		45,000
Juvenile accountability incentive block grant--1.0 FTE positions		1,304,000
Committee on juvenile justice administration--4.0 FTE positions		538,700
Committee on juvenile justice grants		5,000,000
GROSS APPROPRIATION	$	39,791,600
Appropriated from:		
Federal revenues:		
Total federal revenues		9,154,300
Special revenue funds:		
Total private revenues		45,000
Local funds - state share education funds		1,526,200
Local funds - county chargeback		10,096,000
State general fund/general purpose	$	18,970,100

Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS

Full-time equated classified positions..... 6,317.5

Field staff, salaries and wages--6,023.5 FTE positions	$	320,880,500
Limited-term field staff, salaries and wages--100.0 FTE positions		2,755,100
Contractual services, supplies, and materials		12,818,800
Medical/psychiatric evaluations		6,831,900
Donated funds positions--158.0 FTE positions		12,854,900
Training and program support--24.0 FTE positions		3,344,200
Wayne County gifts and bequests		100,000

1	Volunteer services and reimbursement	1,036,100
2	Volunteer services and reimbursement (ARRA)--2.0 FTE	
3	positions	250,000
4	SSI advocates--10.0 FTE positions	1,238,500
5	GROSS APPROPRIATION ..... $	362,110,000
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of corrections	100,000
9	ADJUSTED GROSS APPROPRIATION ..... $	362,010,000
10	Federal revenues:	
11	Federal - faith-based grant revenues (ARRA)	250,000
12	Federal - food assistance administration (ARRA)	905,700
13	Total other federal revenues	221,530,000
14	Special revenue funds:	
15	Local funds	2,541,400
16	Private funds - donated funds	859,700
17	Private funds - Wayne County gifts	100,000
18	Private funds - hospital contributions	2,927,500
19	Supplemental security income recoveries	725,000
20	State general fund/general purpose ..... $	132,170,700
21	**Sec. 110. DISABILITY DETERMINATION SERVICES**	
22	Full-time equated classified positions..... 747.4	
23	Disability determination operations--721.9 FTE	
24	positions ..... $	107,512,800
25	Medical consultation program--21.4 FTE positions	3,038,900
26	Retirement disability determination--4.1 FTE positions	836,800
27	GROSS APPROPRIATION ..... $	111,388,500

1 Appropriated from:
2 Interdepartmental grant revenues:
3 IDG from DTMB - office of retirement systems 1,130,300
4 ADJUSTED GROSS APPROPRIATION ..... $ 110,258,200
5 Federal revenues:
6 Total federal revenues 107,378,600
7 State general fund/general purpose ..... $ 2,879,600
8 **Sec. 111. CENTRAL SUPPORT ACCOUNTS**
9 Rent ..... $ 46,134,200
10 Occupancy charge 8,260,500
11 Travel 7,062,100
12 Equipment 227,300
13 Worker's compensation 3,525,900
14 Advisory commissions 17,900
15 Payroll taxes and fringe benefits 331,977,500
16 GROSS APPROPRIATION ..... $ 397,205,400
17 Appropriated from:
18 Federal revenues:
19 Federal - FMAP stimulus 238,300
20 Federal - emergency TANF contingency revenues (ARRA) . 4,068,400
21 Federal - food assistance administration (ARRA) 603,800
22 Total other federal revenues 241,901,400
23 State general fund/general purpose ..... $ 150,393,500
24 **Sec. 112. PUBLIC ASSISTANCE**
25 Full-time equated classified positions..... 27.0
26 Family independence program ..... $ 428,835,100
27 State disability assistance payments 34,765,000

Food assistance program benefits	3,020,337,600
Food assistance program benefits (ARRA)	566,785,600
State supplementation	58,069,300
State supplementation administration	2,601,000
Low-income home energy assistance program	116,451,600
Food bank funding	1,345,000
Homeless programs	11,646,700
Multicultural integration funding	1,815,500
Chaldean community foundation	100
Indigent burial	4,209,200
Emergency services local office allocations	21,615,500
Licensed and registered child development and care	100,716,200
Enrolled child development and care	81,397,100
Child care services grants and contracts	3,025,000
Day care technology, and oversight--20.0 FTE positions	2,075,400
Refugee assistance program--7.0 FTE positions	24,241,400
GROSS APPROPRIATION	$ 4,479,932,300
Appropriated from:	
Federal revenues:	
Federal - emergency TANF contingency revenues (ARRA)	172,345,900
Federal supplemental nutrition assistance revenues (ARRA)	566,785,600
Total other federal revenues	3,521,901,600
Special revenue funds:	
Child support collections	27,445,800
Supplemental security income recoveries	16,606,600
Public assistance recoupment revenue	7,010,000

1 State general fund/general purpose.....	$	167,836,800
2 **Sec. 113. INFORMATION TECHNOLOGY**		
3 Information technology services and projects.....	$	105,898,100
4 Child support automation.....		45,578,000
5 GROSS APPROPRIATION.....	$	151,476,100
6 Appropriated from:		
7 Federal revenues:		
8 Total federal revenues.....		108,567,300
9 Special revenue funds:		
10 Total other state restricted revenues.....		1,000,000
11 State general fund/general purpose.....	$	41,908,800

12 PART 2

13 PROVISIONS CONCERNING APPROPRIATIONS

14 **GENERAL SECTIONS**

15 Sec. 201. Pursuant to section 30 of article IX of the state
16 constitution of 1963, total state spending from state resources
17 under part 1 for fiscal year 2010-2011 is $990,498,100.00 and state
18 spending from state resources to be paid to local units of
19 government for fiscal year 2010-2011 is $102,301,900.00. The
20 itemized statement below identifies appropriations from which
21 spending to local units of government will occur:

22 DEPARTMENT OF HUMAN SERVICES

23 Child care fund.....	$	93,596,500
24 County juvenile officers.....		3,657,600
25 State disability assistance payments.....		2,286,600

Legal support contracts		2,025,000
Child support enforcement operations		583,200
Family independence program		153,000
TOTAL	$	102,301,900

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

Sec. 203. As used in this act:

(a) "AFC" means adult foster care.

(b) "ARRA" means the American recovery and reinvestment act of 2009, Public Law 111-5.

(c) "CFSR" means child and family services review.

(d) "Children's rights settlement agreement" means the settlement agreement entered in the case of Dwayne B. vs. Granholm, docket no. 2:06-cv-13548 in the United States district court for the eastern district of Michigan.

(e) "Current fiscal year" means the fiscal year ending September 30, 2011.

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

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

(h) "Director" means the director of the department of human services.

(i) "DTMB" means the department of technology, management, and budget.

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

(k) "FMAP" means federal medical assistance percentage.

(*l*) "FTE" means full-time equated.

(m) "IDG" means interdepartmental grant.

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

(o) "Previous fiscal year" means the fiscal year ending September 30, 2010.

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

(q) "SSI" means supplemental security income.

(r) "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.

(s) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 655 and 656 to 669b.

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

(u) "VA" means veterans affairs.

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

Sec. 207. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct

care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

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

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

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

contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

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

(2) The department's ability to satisfy appropriation fund sources in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years. The department shall submit a written report by February 1 of the current fiscal year to the chairpersons of the senate and house appropriations subcommittees on the department budget that identifies all reimbursements, refunds, adjustments, and settlements from prior years to be used to satisfy appropriation fund sources.

Sec. 213. (1) The department may retain all of the state's share of food assistance overissuance collections as an offset to

general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the executive operations appropriation unit.

(2) The department shall report to the legislature during the senate and house budget hearings on the status of the food stamp error rate. The report shall include at least all of the following:

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

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

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

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

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

Sec. 214. (1) By February 1 of the current fiscal year, the department shall submit a report to the chairpersons of the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the details of allocations within program budgeting line items and within the salaries and wages line items

in all appropriation units. The report shall include a listing, by account, dollar amount, and fund source, of salaries and wages; longevity and insurance; retirement; contractual services, supplies, and materials; equipment; travel; and grants within each program line item appropriated for the current fiscal year. With regard to federal appropriations, for each program line item funded by no more than 3 federal funding sources, the department shall provide estimates of the allocation of the appropriation for each specific federal funding source.

(2) On a bimonthly basis, the department shall report on the number of FTEs in pay status by type of staff. The department shall identify which FTEs are designated as limited-term staff.

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

Sec. 216. The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on or before March 1 of the current fiscal year a report on appropriated and supportable FTE positions within the executive budget proposal for the fiscal year beginning October 1, 2011. The report shall contain all of the following information for each individual line item

contained in the executive budget proposal for the department budget:

(a) The number of FTEs to be funded from the line item.

(b) The amount that is proposed to be allocated to salary and wage costs from the gross appropriation for the line item.

(c) The amount that is proposed to be allocated to salary and wage costs from the gross appropriation for the line item on which was based the increase in the executive budget proposal from the amount appropriated for the line item in the department budget for the current fiscal year, if different from the amount in subdivision (b).

(d) The portion of the amount described in subdivision (b) that is proposed to be taken from each funding source identified in the budget.

(e) The gross salary and wage expenditures for the line item during the previous fiscal year and the estimated salary and wage expenditures for the line item during the current fiscal year.

(f) The estimated number of FTE positions supportable by the amount described in subdivision (b).

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

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

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

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

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

(e) The travel is necessary to secure specialized training for department workers or the staff of private providers through the child welfare institute that is not available within this state.

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

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

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general

fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

Sec. 218. (1) By February 15 of the current fiscal year, the department shall prepare an annual report on the TANF federal block grant. The report shall include projected expenditures for the current fiscal year, an accounting of any previous year funds carried forward, and a summary of all interdepartmental or interagency agreements relating to the use of TANF funds. The report shall be forwarded to the state budget director and the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies and policy offices.

(2) The state budget director shall give prior written notice to the members of the house and senate appropriations subcommittees for the department and to the house and senate fiscal agencies and policy offices of any proposed changes in utilization or distribution of TANF funding or the distribution of TANF maintenance of effort spending relative to the amounts reflected in the annual appropriations acts of all state agencies where TANF funding is appropriated. The written notice shall be given not less than 30 days before any changes being made in the funding allocations. This prior notice requirement also applies to new plans submitted in response to federal TANF reauthorization or replacement by an equivalent federal law.

(3) By February 15 of the current fiscal year, the department

shall prepare an annual report of its efforts to identify additional TANF maintenance of effort sources from all of the following, but not limited to:

(a) Other departments.

(b) Local units of government.

(c) Private sources.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

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

Sec. 222. (1) The department shall report no later than April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.

(2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small

1 businesses because of the size of those businesses if the
2 department fails to reduce the disproportionate economic impact of
3 the rule on small businesses as provided under section 40 of the
4 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.
5 (3) As used in this section:
6 (a) "Rule" means that term as defined under section 7 of the
7 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.
8 (b) "Small business" means that term as defined under section
9 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
10 24.207a.
11 Sec. 223. The department shall make a determination of
12 Medicaid eligibility not later than 60 days after all information
13 to make the determination is received from the applicant when
14 disability is an eligibility factor. For all other Medicaid
15 applicants, the department shall make a determination of Medicaid
16 eligibility not later than 45 days after all information to make
17 the determination is received from the applicant.
18 Sec. 224. The department shall approve or deny a Medicaid
19 application for a patient of a nursing home within 45 days after
20 the receipt of the necessary information.
21 Sec. 225. Lease number 2773 located at 14000 Schoolcraft
22 Avenue, Detroit, Michigan, shall be canceled effective November 30,
23 2010 at 11:59 p.m.
24 Sec. 259. From the funds appropriated in part 1 for
25 information technology, the department shall pay user fees to the
26 DTMB for technology-related services and projects. Such user fees
27 shall be subject to provisions of an interagency agreement between

the department and agencies and the DTMB.

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 273. (1) The department shall quarterly report to the senate and house standing committees with primary jurisdiction over matters relating to human services and the senate and house appropriations subcommittees on the department budget any policy changes made to implement the provisions of enacted legislation, including the annual appropriation for the department budget.

(2) The department shall provide to the senate and house appropriations subcommittees on the department budget and senate and house standing committees with primary jurisdiction over matters relating to human services, the senate and house fiscal agencies, and the senate and house policy offices by July 1 of the current fiscal year a cumulative list of all policy changes in child welfare services, child support, work first, work requirements, adult and child safety, local staff program responsibilities, and day care and the most recent regulatory plan submitted to the state office of administrative hearings and rules.

(3) The department shall only use money appropriated in section 102 to prepare regulatory reform plans. Money appropriated in part 1 shall not be used to prepare regulatory reform plans or promulgate rules that exceed statutory authority granted to the department. If the department fails to comply with the provisions of section 39(1) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.239, money shall not be expended for the further

preparation of that regulatory plan or the promulgation of rules for that regulatory plan.

(4) Money appropriated in part 1 shall not be used to prepare a regulatory plan or promulgate rules that fail to reduce the disproportionate economic impact on small businesses as required in section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(5) Money appropriated in part 1 shall not be used to prepare a regulatory plan or promulgate rules that grant preferences to private providers of services based on whether that private provider has a collective bargaining agreement with its workers.

Sec. 274. The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2011 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

(b) Child care and development funds.

(c) Title XX social services block grant.

(d) Title IV-B part I child welfare services block grant.

(e) Title IV-B part II promoting safe and stable families funds.

Sec. 278. (1) The department shall contract with 1 or more private consulting firms for revenue maximization services for all caseload services currently provided by the department.

(2) Contractors shall be reimbursed for revenue maximization services by allowing the contractors to retain a negotiated percentage of savings identified. The percentage of savings retained by a contractor shall not exceed 25%.

(3) The department shall provide a report to the senate and house appropriations subcommittees on the department budget, senate and house standing committees on human services matters, senate and house fiscal agencies and policy offices, and state budget director by April 1 of the current fiscal year on the waste, fraud, error, and abuse located through contracts authorized under subsection (1).

Sec. 279. (1) All contracts relating to human services shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) During the annual budget presentation, the department shall provide the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and

policy offices a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 280. The department shall submit a report to the house and senate appropriations subcommittees for the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director by February 1 of the current fiscal year on the status of the department's information technology improvement initiatives. The report shall include details on the following:

(a) The amounts expended during the previous fiscal year and the first quarter of the current fiscal year by information technology project.

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

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

(d) A narrative describing anticipated information technology needs for the department in future years.

Sec. 284. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act,

1984 PA 431, MCL 18.1393.

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

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

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

Sec. 287. (1) The department shall work collaboratively with the child death review board and court system to improve communication and coordination between entities on the review and examination of child death in Michigan.

(2) The department shall notify the children's ombudsman within 1 business day after a child dies if any of the following apply:

(a) The child died during an active child protective services

1 investigation or an open child protective services case.
2 (b) The department received a prior child protective services
3 complaint concerning the child's caretaker.
4 (c) The child's death may have resulted from child abuse or
5 neglect.
6 Sec. 288. (1) The department shall not establish time limits
7 on payments to providers for properly documented services purchased
8 by the department.
9 (2) The department shall pay providers that meet the
10 requirements of subsection (1) with state general fund/general
11 purpose funds if federal funds cannot be used because of time
12 restrictions on federal claims.
13 Sec. 289. The department shall pay a private child placing
14 agency or child caring institution all verified and agreed to
15 overdue payments for foster care and juvenile justice services
16 provided to eligible youth under contract with the department.
17 Sec. 291. By November 1, 2010, the department shall submit a
18 report to the house and senate appropriations subcommittees on the
19 human services budget and the house and senate fiscal agencies on
20 the Michigan home based child care council (MHBCCC). The report
21 shall include all money that the department has processed,
22 distributed, and transferred to the MHBCCC that is related to union
23 dues for any contract to which this state is not a party, all money
24 sent to MHBCCC or any successor organization, and any payment that
25 has been made to the grantee designated by the agency designation
26 administrative 10-9909 as reported by the Michigan state
27 administrative board. The report shall cover all money provided to

the MHBCCC through September 30, 2010. Beginning on January 1, 2011, the department shall, within 30 days after the end of each quarter, provide the same information required for the November 1, 2010 report for the quarter to the same recipients.

Sec. 292. By November 1, 2010, the department shall submit a report to the house and senate appropriations subcommittees on the human services budget and the house and senate fiscal agencies regarding the child development and care program. The report shall include all of the following:

(a) Number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2008.

(b) Number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2010.

Sec. 293. The department may use money from the money appropriated in part 1 to strengthen marriage and family relations through the practice of marriage and family therapy for individuals, families, couples, or groups. The goal of the therapy shall be strengthening families by helping them avoid, eliminate, relieve, manage, or resolve marital or family conflict or discord.

Sec. 295. (1) From the money appropriated in part 1 for information technology services and projects, the department shall allocate $300,000.00 to modify the "Bridges" eligibility system to permit greater cooperation between the department of state police and department's office of inspector general in identifying individuals with criminal justice disqualifications for program

eligibility inappropriately accessing benefits.

(2) The department shall ensure that the integration of the "Bridges" eligibility system into the law enforcement information network system is completed by July 1, 2011.

(3) By September 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices on the number of individuals with criminal justice disqualifications inappropriately accessing benefits that were identified through the use of the "Bridges" and the law enforcement information network system.

Sec. 296. Not later than October 15, 2011, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 297. The department shall, with assistance from the department of community health, provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house committees with primary jurisdiction over matters of health policy, the senate and house fiscal agencies, and the senate and house policy offices describing money collected through Medicaid estate recovery efforts and proposed changes to section

112g of the social welfare act, 1939 PA 280, MCL 400.112g, that could increase collections through Medicaid estate recovery.

EXECUTIVE OPERATIONS

Sec. 305. From the money appropriated in part 1 for demonstration projects, the department shall allocate $100,000.00 to support youthville Detroit.

Sec. 307. (1) Of the money appropriated in part 1 for demonstration projects, $550,000.00 shall be distributed as provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

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

(3) Michigan 2-1-1 shall report annually to the department and the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, including, but not limited to, call volume by community health and human service needs and unmet needs

identified through caller data and customer satisfaction metrics.

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

Sec. 310. The department shall furnish the senate and house fiscal agencies and policy offices, the state budget office, and all members of the house and senate appropriations committees with a summary of any evaluation reports and subsequent approvals or disapprovals of juvenile residential facilities operated by the department, as required by section 6 of 1973 PA 116, MCL 722.116. If no evaluations are conducted during the fiscal year, the department shall notify the fiscal agencies and all members of the appropriate subcommittees of the house and senate appropriations committees.

Sec. 311. (1) The department shall administer licensing and regulation of licensees with the following standards:

(a) The highest priority shall be given to licensing activities that present the highest risk to vulnerable children or adults receiving services of licensees.

(b) Licensees shall be required to adhere to state law and departmental policy.

(c) The department shall use performance standards and

measures that are clearly explained to licensees or providers.

(d) The department shall use goals of higher quality, greater efficiency, and wider availability of services.

(e) The department shall provide clear and known opportunities for licensees and providers to raise questions or concerns about regulations and enforcement.

(f) The department shall provide effective outlets for judges and court employees to communicate and receive attention to concerns or questions about licensed or regulated providers.

(2) The department shall use standards and measures similar to those in subsection (1) for services it provides or administers that are similar to those provided by licensees.

Sec. 313. From the money appropriated in part 1 for demonstration projects, the department shall allocate $300,000.00 to support the conductive learning center.

ADULT AND FAMILY SERVICES

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

(2) The department may choose providers that will work with

counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support.

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

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

(5) Upon receipt of the promotion of responsible fatherhood funds from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 416. (1) If money becomes available in part 1, the

department may contract with independent contractors from various counties, including, but not limited to, faith-based and nonprofit organizations. Preference shall be given to independent contractors that provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for a marriage initiative program.

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

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

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to

1 agencies that report necessary data to the department for the
2 purpose of meeting TANF eligibility reporting requirements.
3 (5) Upon receipt of the healthy marriage promotion grant from
4 the United States department of health and human services, the
5 department shall use the program criteria set forth in subsection
6 (3) to implement the program with the federal funds.
7 Sec. 418. From the funds appropriated in part 1 for employment
8 and training support services, the department may expand the
9 availability of individual development accounts (IDAs) with
10 $200,000.00 for allocation to qualified IDA programs established
11 through the Michigan IDA partnership to serve TANF-eligible
12 households in Michigan. The Michigan IDA partnership shall
13 encourage each TANF-eligible household served to claim the federal
14 and state earned income tax credit (EITC) and to incorporate all or
15 part of any tax credit received in the household's IDA savings
16 plan, and shall provide the household with information concerning
17 available free tax assistance resources. In addition, the Michigan
18 IDA partnership and its program sites shall participate in
19 community EITC coalitions established under the plan to increase
20 the EITC participation of TANF families referenced in section 666.
21 The same amount shall be appropriated annually to further expand
22 IDA opportunities to low-income families to become more financially
23 self-sufficient through financial education, saving, wise
24 investment in home ownership, postsecondary education, small
25 business development, or a combination of those programs.
26 Sec. 423. (1) From the money appropriated in part 1 for crisis
27 prevention and senior food aid projects, the department shall

allocate $75,000.00 to support ongoing efforts in Barry County to provide programs to women or children, or both, facing crisis situations as a result of domestic violence or abuse.

(2) From the money appropriated in part 1 for crisis prevention and senior food aid projects, the department shall allocate not less than $100,000.00 to assist this state's elderly population to participate in the food assistance program. The money may be used as state matching funds to acquire available United States department of agriculture funding to provide outreach program activities, such as eligibility screen and information services, as part of a statewide food stamp hotline.

(3) Of the funds appropriated in part 1 for crisis prevention and senior food aid projects, the department shall allocate $25,000.00 for a food aid outreach project in Muskegon County and $25,000.00 for a food aid outreach project in Kent County.

CHILDREN'S SERVICES

Sec. 501. During the current fiscal year, 85% or more of children who have been in care for 1 year or longer while legally available for adoption or with an established goal of reunification with their families shall be permanently placed. During the annual budget presentation, the department shall report on the number of children supervised by the department and by private agencies who remain in foster care more than 12 and less than 24 months and those who remain in foster care 24 months or more.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian

tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

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

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

(b) Is making progress toward completing high school.

(c) For a child adopted before the age of 16, has not yet reached his or her nineteenth birthday.

(d) For a child adopted at or after the age of 16, has not yet reached his or her twentieth birthday.

Sec. 504. The department will ensure that children aged 14 years and older in foster care and youth transitioning from foster care to adulthood have access to the range of supportive services necessary to support their preparation for and successful transition to adulthood, including, but not limited to, independent living services eligible for federal reimbursement under the Chafee program, and shall maintain sufficient resources to deliver independent living services to all children in foster care custody of the department who qualify for them.

Sec. 505. (1) The department shall continue to implement a plan to provide client-centered results-oriented foster care programs.

(2) The department shall provide a quarterly report to the senate and house appropriations subcommittees on the department

budget and the senate and house fiscal agencies and policy offices outlining this state's performance in meeting the mandated measures for placement stability, timeliness of reunification, permanency of reunification, and timeliness of adoptions and other measures mandated in the children's rights settlement agreement.

(3) As part of the quarterly report described in subsection (2), the department shall include the number of private agencies allowed to conduct their own staff training, including the number of private agency training staff, as allowed under section 585.

(4) By March 1, 2011, the department and Wayne County shall provide to the senate and house appropriations committees on the department budget and the senate and house fiscal agencies and policy offices a report for youth served in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served within each juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

(5) By November 1, 2011, the department shall post on the department's website a list of all relevant departmental training materials available to private child placing agencies that are allowed to conduct their own training in accordance with section 585. The department shall also provide to private child placing agencies that are allowed to conduct their own training any updated training materials as they become available.

Sec. 506. (1) The department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and

house policy offices by February 1 of the current fiscal year detailing changes in program policy, outcome measurement, and training by the department and courts to meet the requirements of the fostering connections to success and increasing adoptions act of 2008, Public Law 110-351, 122 Stat. 3949.

(2) By February 1 of the current fiscal year, the department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report detailing recent department communication with the federal government related to the provision of foster care, juvenile justice, and adoption services. The report shall include information detailing federal recommendations made to the department and courts, any sanction or warning of possible future sanction assessed on this state by the federal government, the status of the performance improvement plan submitted to the federal government, and efforts by the department to increase federal financial support for children's services in this state.

Sec. 507. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982

PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

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

(3) The department may collaborate with the state child abuse and neglect prevention board to develop recommendations on how to best incorporate child abuse prevention strategies and practices into suggested changes in state statute and department policy. The department shall provide any recommendations developed with the state child abuse and prevention board to the senate and house standing committees on human services and appropriations subcommittees on the department budget not later than March 1 of the current fiscal year.

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

(5) The department and the child abuse neglect and prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers

receive money in an expeditious manner. The department and board shall seek to have the children's trust fund grants distributed no later than October 31 of the current fiscal year.

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

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

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

(2) Notwithstanding subsection (1), this section shall not prohibit counseling or other services provided by the department, if the service is not directed toward influencing the child to remain in an abusive environment, justifying the actions of the abuser, or reuniting the family.

Sec. 510. The department shall not be required to put up for bids a contract with a service provider if the service provider is nationally accredited or is currently the only provider in the service area.

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

(a) There is no appropriate placement available in this state as determined by the department interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department interstate compact office.

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

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

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

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the deputy director for children's services. The department shall notify the appropriate state agency in that state including the name of the out-of-state provider who accepted the placement.

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

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature,

including the senate and house policy offices and the state budget director, by January 1 of the current fiscal year, that shall include all of the following:

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

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

(*ii*) Characteristics of perpetrators of abuse or neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine.

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

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

(c) The information contained in the report required under section 8d(5) of the child protection law, 1975 PA 238, MCL 722.628d, on cases classified under category III.

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

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

Sec. 515. The department shall use performance-based models for all foster care services provided by the department and child placing agencies. The goal of these models shall be to ensure that foster care services are provided in a manner that increases the state's compliance with CFSR and children's rights settlement agreement goals. Not later than March 30 of the current fiscal year, the department shall provide an update to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the office of the state budget on benchmarks developed in conjunction with private providers for this performance model and county representatives from Genesee, Kent, Macomb, Oakland, and Wayne Counties, results the department or child placing agencies have achieved in improving permanency placements, and recommendations for further improvements for foster care services across the entire state.

Sec. 517. (1) From the money appropriated in part 1, the department is authorized to allocate money to multipurpose collaborative bodies. Priority for activities and services shall be

given to at-risk children and families and cases classified by the department as category III or category IV under sections 8 and 8d of the child protection law, 1975 PA 238, MCL 722.628 and 722.628d.

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

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

(b) Improve parent/child interaction.

(c) Promote access to needed community services.

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

(e) Improve school readiness.

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

(3) The department shall demonstrate that the planned services are part of the community's integrated comprehensive family support strategy endorsed by the community collaborative and, where there is a great start collaborative, demonstrate that the planned services are part of the community's great start strategic plan.

(4) Projects funded through the appropriation provided for in subsection (2) shall provide a 25% local match of which not more than 10% is in-kind goods or services unless the maximum percentage is waived by the department.

Sec. 523. (1) The department shall report on prevention programs for which money is appropriated in part 1 to the senate and house appropriations subcommittees on the department budget during the annual budget presentation. The report shall contain all

of the following for each program:

(a) The average cost per recipient served.

(b) Measurable performance indicators.

(c) Desired outcomes or results and goals that can be measured on an annual basis, or desired results for a defined number of years.

(d) Monitored results.

(e) Innovations that may include savings or reductions in administrative costs.

(2) If money becomes available in part 1 for youth in transition, domestic violence prevention and treatment, and teenage parent counseling, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

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

Sec. 532. (1) The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include

identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review.

(2) The department shall conduct licensing reviews no more than once every 2 years for child placing agencies and child caring institutions that are nationally accredited and have no outstanding violations.

(3) The department shall develop a plan to license relatives of foster children as foster care providers to ensure consistent high standards of care for those foster children. The department shall report on the plan to the senate and house appropriations subcommittees with oversight over the department budget, the senate and house standing policy committees generally concerned with children's issues, the senate and house fiscal agencies and policy offices, and the state budget director as part of the reports required by section 582.

Sec. 533. (1) The department shall make payments to child placing facilities for out-of-home care services within 30 days of receiving all necessary documentation from those agencies.

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

Sec. 536. (1) The department shall place all children within

1 their own county or within a 75-mile radius of the home from which
2 the child entered custody, whichever is greater, unless 1 or more
3 of the following applies:
4 (a) The child's needs are so exceptional that they cannot be
5 met by a family or facility within the county or 75-mile radius.
6 (b) The child needs re-placement and the child's permanency
7 goal is to be returned to his or her parents who at the time reside
8 out of the county or 75-mile radius.
9 (c) The child is to be placed with a relative out of the
10 county or 75-mile radius.
11 (d) The child is to be placed in an appropriate preadoptive or
12 adoptive home that is out of the county or 75-mile radius.
13 (2) If placement outside the county or 75-mile radius is made,
14 either of the following applies:
15 (a) In a "designated county", as defined in section IV.A.3 of
16 the children's rights settlement agreement, the county
17 administrator of children's services shall be specifically required
18 to certify the circumstances supporting the placement in writing,
19 based on his or her own examination of the circumstances and the
20 child's needs and best interests.
21 (b) In any other county, the children's services field manager
22 shall be specifically required to certify the circumstances
23 supporting the placement in writing, based on his or her own
24 examination of the circumstances and the child's needs and best
25 interests.
26 Sec. 537. The department, in collaboration with child placing
27 agencies, shall develop a strategy to implement section 115o of the

1 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
2 include a requirement that a department caseworker responsible for
3 preparing a recommendation to a court concerning a juvenile
4 placement shall provide, as part of the recommendation, information
5 regarding the requirements of section 115o of the social welfare
6 act, 1939 PA 280, MCL 400.115o.
7 Sec. 539. The department shall work in collaboration with
8 representatives from child placing agencies to ensure appropriate
9 placement for children who have been adjudicated abused, neglected,
10 or delinquent and for whom residential treatment is required. The
11 department and the representatives from the child placing agencies
12 shall focus on statewide placement criteria to address the best
13 interests of the child in need of services. The placement criteria
14 shall include a continuum of care settings and options as
15 appropriate for each child and his or her needs at specific times,
16 including home placements, relative placements, shelter placements,
17 and other options.
18 Sec. 540. The department shall issue a request for proposals
19 for treatment foster care services and/or group homes no later than
20 January 1 of the current fiscal year. The request for proposals for
21 treatment foster care shall be based on standards established by
22 the legislatively established public/private specialized foster
23 care subcommittee in 2005. Each nonprofit agency that has an
24 existing foster care contract with the state of Michigan shall be
25 eligible to respond to the request for proposals, with a goal that
26 services be part of a continuum of services offered by the
27 nonprofit agency.

1 Sec. 544. The department shall continue pilot projects with
2 applications pending for accelerated residential treatment.
3 Sec. 546. (1) From the money appropriated in part 1 for foster
4 care payments and from child care fund, the department shall pay
5 providers of foster care services not less than a $37.00
6 administrative rate.
7 (2) From the funds appropriated in part 1 for foster care
8 payments and from child care fund, the department shall pay
9 providers of general independent living services not less than a
10 $28.00 administrative rate. For specialized independent living
11 services, the administrative rate paid shall not be less than the
12 administrative rate paid in fiscal year 2008-2009.
13 (3) The department shall calculate and report by December 1 of
14 the current fiscal year to the house and senate appropriations
15 subcommittees on the department budget on the cost of care, on a
16 per diem basis, for foster care services delivered directly by the
17 department.
18 Sec. 548. During the annual budget presentation to the house
19 and senate appropriations subcommittees on the department budget,
20 the department shall report on progress in implementing the
21 recommendations of the task force that studied the disproportionate
22 representation of African-American and other children of color in
23 the child welfare and juvenile justice systems as required under
24 former section 548 of the fiscal year 2005-2006 budget act for the
25 department.
26 Sec. 556. The department shall submit a quarterly report by
27 February 1, May 1, August 1, and November 1 of each fiscal year to

the chairpersons of the senate and house appropriations committees, the senate and house fiscal agencies, and the senate and house policy offices that includes all of the following:

(a) A description of how the department is complying with federal requirements to notify prospective adoptive parents about adoption subsidies for which those prospective adoptive parents may qualify.

(b) The number of requests received by the department from adoptive parents for money or reimbursement of costs to attend conferences that include training or discussion of significant adoption issues, the proportion of these requests approved by the department, and the total annual expenditure for approved requests.

(c) The number of fair hearing requests from adoptive parents received by the department challenging the amount of the adoption subsidy, broken down by the stated reason for the challenge.

(d) The number of adoption subsidy payments suspended when the child is still in the custody of the adoptive parent, but no longer in the physical care of the adoptive parent.

Sec. 562. (1) The department shall allow a county to submit a claim for title IV-E foster care funding for a placement in a secure residential facility if the county can demonstrate that the reason for the secure placement is a diagnosed medical necessity and not protection of the public.

(2) The department shall submit a claim for title IV-E foster care funding for a placement in a secure residential facility if the county can demonstrate that the reason for the secure placement is a diagnosed medical necessity and not protection of the public.

1 Sec. 565. (1) From the funds appropriated in part 1 for
2 federally funded family preservation programs, the department shall
3 allocate $1,600,000.00 to Wayne County to provide home-based
4 programs as part of the county expansion of community-based
5 services to serve the county's adjudicated delinquent and abused
6 and neglected youth.
7 (2) Federal revenues shall be paid to Wayne County as
8 reimbursement for actual costs incurred, consistent with
9 established federal requirements.
10 (3) As a condition of receipt of federal funds pursuant to
11 subsection (1), Wayne County shall provide the department with a
12 plan for the use of allocated funds in a format to be specified by
13 the department. The county shall also provide the department with
14 all information required to demonstrate the appropriateness and
15 allowability of expenditures and to meet federal financial and
16 programmatic reporting requirements.
17 Sec. 566. (1) Subject to subsection (2), beginning October 1,
18 2008, preference shall be given in the provision of direct foster
19 care services to public and private agencies that are nationally
20 accredited.
21 (2) Beginning October 1, 2007, the department shall not enter
22 into or maintain a contract with a for-profit child placing agency,
23 or with a nonprofit child placing agency that uses a for-profit
24 management group or contracts with a for-profit organization for
25 its management, to provide direct foster care services unless the
26 agency was licensed on or before August 1, 2007 and, if the agency
27 is a nonprofit child placing agency that uses a for-profit

management group or contracts with a for-profit organization for its management, the contract with the for-profit group or organization existed prior to August 1, 2007.

Sec. 568. (1) From the money appropriated in part 1 for child welfare improvements, the department may allow the private sector to compete for the money to achieve permanency placement for children in foster care and prioritize funding for children in foster care who have barriers to permanency placement.

(2) The department shall submit quarterly reports to the legislature that include all of the following information on the appropriation adjustments described in section 568(2) of 2007 PA 131 and those same appropriations adjustments in this act:

(a) The number of positions hired or paid from these appropriations, what their titles and responsibilities will be, what performance objectives and measurable outcomes they are required to satisfy, and what they are being paid in salaries, wages, and fringe benefits. If a community-based provider of adoption services assumes an adoption case that was previously handled by a public agency or worker, the time that the case was handled by the public agency or worker shall not be counted in a performance measure without the consent of the community-based provider.

(b) Information on any contracts for services that have been awarded and the performance objectives and measurable outcomes that are incorporated in the contracts and the successes or failures that are achieved as a result.

(c) Detailed information on any money spent for child welfare

1 improvements and what measurable outcome is expected for the money
2 being spent.
3 Sec. 570. (1) From the money appropriated in part 1 for the
4 guardianship assistance program, the department shall provide
5 assistance under this program to children who are eligible under
6 section 3 of the guardianship assistance act, 2008 PA 260, MCL
7 722.873.
8 (2) The department shall report during the annual budget
9 presentation to the senate and house appropriations subcommittees
10 on the department budget the number of guardianship subsidies and
11 recommendations for any modifications in the guardianship
12 assistance program.
13 Sec. 571. The department shall maintain a title IV-E
14 compliance and accountability office with the following goals and
15 responsibilities:
16 (a) Study efforts in other states to determine best practices
17 for title IV-E-related activities and measures to maximize the
18 receipt of federal money for eligible cases.
19 (b) Coordinate compliance with federal regulations in order to
20 receive title IV-E money.
21 (c) Provide necessary technical assistance to local units of
22 government, including courts, to ensure proper handling of cases
23 and paperwork in preparation for federal audits and reviews.
24 (d) Coordinate a program to provide private persons, groups,
25 and corporations with incentives to make tax-deductible
26 contributions intended to assist foster care families to overcome
27 barriers to becoming licensed and eligible to receive title IV-E

money.

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

Sec. 573. From the money appropriated in part 1 for adoption support services, $1,049,400.00 is allocated to support adoption contracts focusing on long-term permanent wards who have been wards for more than 1 year after termination of parental rights. Private agencies shall receive $16,000.00 for each finalized placement under the program.

Sec. 574. (1) From the money appropriated in part 1 for foster care payments, $2,500,000.00 is allocated to support contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive $2,300.00 for each facilitated licensure. The agency facilitating the licensure would retain the placement and continue to provide case management services for at least 50% of the newly licensed cases for which the placement was appropriate to the agency. Up to 50% of the newly licensed cases would have direct foster care services provided by the department.

(2) From the money appropriated for foster care payments, $375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 575. (1) Of the money provided for the training of human

1 services workers, particularly caseworkers, the department shall
2 use appropriated money to begin cultural sensitivity training and
3 awareness with the goal of effectively reducing the number of
4 minority children inappropriately removed from their homes for
5 neglect and placed in the foster care system when more appropriate
6 action would include the provision of support services to the
7 family.
8 (2) Of the money appropriated to the department for family
9 preservation and prevention, more specific focus shall be placed on
10 preserving and reunifying families.
11 (3) As a condition for receiving appropriated money, the
12 department and the office of the friend of the court shall work in
13 cooperation to provide support services to families of custodial
14 parents who have been awarded child support from a parent who is
15 incarcerated.
16 Sec. 577. From the money appropriated in part 1, the
17 department may allow a community collaborative to use strong
18 families safe children program funds for a prevention program that
19 meets standards agreed upon between the community collaborative and
20 county department offices in accordance with federal regulations
21 regarding expenditure of strong families safe children program
22 funds.
23 Sec. 578. The department and child placing agencies shall
24 utilize a standardized assessment tool to ensure greater
25 cooperation between the department and the department of community
26 health and to measure the mental health treatment needs of every
27 child supervised by the department. The department shall use the

results of this assessment process to determine what services are to be provided to the child while under department supervision.

Sec. 580. The department and the department of community health shall initiate efforts to identify mental health programs and activities where the services of the 2 departments overlap, or are uncoordinated. The goal shall be to provide adequate and stable mental health services which address the need of the individual child without duplicative, confusing, or needlessly complex services. The department shall report on these coordination efforts with the department of community health during the annual budget presentations to the senate and house appropriations subcommittees with jurisdiction over the department budget.

Sec. 581. (1) The money appropriated in part 1 for adoption support services shall be used by the department to increase the rates paid to private adoption agencies for all categories of adoption placements and adoption finalizations to reflect the rate schedule below:

Reimbursement Category	Placement Rate	Finalization Rate	Total Payment
Basic: More than 12 months	$3,405	$2,270	$5,675
Standard: 9-12 months, statewide	$3,538	$2,364	$5,902
Enhanced: 8 months, statewide	$5,771	$3,846	$9,617
Premium: 5 months, statewide	$7,371	$4,914	$12,285

Residential	$8,513	$5,676	$14,189
MARE	$13,094	$8,730	$21,824
In-state Transfer			$1,845
Interstate: Existing Services			$1,844
Interstate: New Services			$3,546

(2) The additional revenue shall be used by private adoption agencies to increase the number of adoption workers to a level sufficient to meet the 15:1 cases-to-worker ratio requirements for adoption workers within the children's rights settlement agreement.

Sec. 582. On the first working day of February and August, for the preceding 6 months, the department shall submit a comprehensive child welfare improvement report, compiling material required by each section of this act related to child welfare. This report will be provided to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget director and will provide an overview of the status of all initiatives the department is required to carry out by this appropriation act and the impact of those initiatives on meeting the benchmarks established in the federal child and family service review process and the requirements established in the children's rights settlement agreement. The report may include information about other initiatives of the department and its service delivery partners which support improvements in safety, permanency, and well-being

for the children and families served by Michigan's child welfare system.

Sec. 583. By February 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices a report detailing the number of individuals participating as foster parents during the previous fiscal year who dropped out of the program. The report shall also provide explanatory data on the primary reasons that foster parents chose to leave the program.

Sec. 584. The department shall provide recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on changes to current state statutes that would ensure more effective communication between caseworkers and courts administering foster care cases.

Sec. 585. The department shall allow private nationally accredited foster care and adoption agencies to conduct their own staff training, based on current department policies and procedures, provided that the agency trainer and training materials are accredited by the department and that the agency documents to the department that the training was provided. The department shall provide access to any training materials requested by the private agencies to facilitate this training.

Sec. 586. (1) The department shall request a modification of

the staffing requirement imposed by the children's rights settlement agreement. The modification would permit the department to ensure that 95% of purchase of service monitors will have a caseload of no more than 90 cases in the current fiscal year.

(2) The department shall evaluate the effectiveness of the purchase of service monitoring function to do all of the following:

(a) Eliminate tasks that are duplicative in nature.

(b) Establish standards for the duties of all purchase of services workers, including responsibilities to attend review hearings, frequency of conducting visits with children and families, and other county-by-county differences that currently exist.

(c) Review and approve case practice decisions in a timely manner to avoid delays in providing services to families and achieving permanency.

Sec. 587. (1) The appropriation in part 1 for the child care fund in-home care incentive program shall be used to encourage counties to increase the number of children in the child welfare and juvenile justice systems receiving in-home care services as opposed to out-of-home placements. Funds shall cover the costs of in-home care services that are eligible for temporary assistance for needy families funding. To receive reimbursement under the program, a county shall document that expenditures for in-home care services for the current fiscal year exceeded those of the previous fiscal year. Each county shall receive reimbursement from the department in an amount equal to 75% of the documented increase in in-home care expenditures. However, if the amount of eligible

1 expenditures claimed by all counties exceeds the appropriation in
2 part 1, each county will receive a prorated share of its documented
3 increase in in-home care expenditures. Each county shall provide
4 for the remaining 25% of costs from its child care fund.
5 (2) To participate in the child care fund in-home care
6 incentive program, a county shall submit to the department by
7 December 15 of each year, in a manner determined by the department,
8 a report outlining its proposed budget for the incentive program
9 for the current fiscal year and an overview of measures to be used
10 to monitor outcomes for youth receiving services under the program.
11 The department must approve a final report by the following
12 February 15 for the county to be eligible for program
13 reimbursement.
14 Sec. 588. (1) Concurrent with public release, the department
15 shall transmit all reports from the court-appointed settlement
16 monitor, including, but not limited to, the needs assessment and
17 period outcome reporting, to the state budget office, the senate
18 and house appropriations subcommittees on the department budget,
19 and the senate and house fiscal agencies, without revision.
20 (2) The department shall report monthly to the state budget
21 office, the senate and house appropriations subcommittees on the
22 department budget, and the senate and house fiscal agencies, on the
23 number of children enrolled in the guardianship assistance and
24 foster care - children with serious emotional disturbance waiver
25 programs.
26 Sec. 589. From the money appropriated in part 1 to facilitate
27 the transfer of foster care cases currently under department

supervision from department supervision to private child placing agency supervision, the department shall not transfer any foster care cases that require a county contribution to the private agency administrative rate.

PUBLIC ASSISTANCE

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

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

(3) In order to participate in the rent vendoring programs of the department, a landlord shall cooperate in weatherization and

conservation efforts directed by the department or by an energy provider participating in an agreement with the department when the landlord's property has been identified as needing services.

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

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

(3) The department shall review and adjust the standard utility allowance for the state food assistance program to ensure that it reflects current energy costs in the state.

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

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

(b) A person with a physical or mental impairment which meets federal supplemental security income disability standards, except

that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.

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

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

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

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

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

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

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

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

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or

alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

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

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

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

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public

assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

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

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state

supplementation level.

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

Sec. 611. A provider of indigent burial services may collect additional payment from relatives or other persons on behalf of the deceased if the total additional payment does not exceed $4,000.00.

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

Sec. 613. (1) From the money appropriated in part 1 for indigent burial, the maximum allowable reimbursement limit for indigent burials shall be $700.00, which shall be distributed as follows:

(a) $455.00 to the funeral director.

(b) $145.00 to the cemetery or crematorium.

(c) $100.00 to the provider of the vault.

(2) From the money appropriated in part 1 for indigent burial, the department may work with funeral directors to establish a regional or statewide pilot program that would include the following elements:

(a) The project shall provide funding only for the direct cremation of bodies of indigent persons that are not claimed by a person who has the right to control the disposition of the body.

(b) The payment to a funeral director for these services shall be $800.00 plus mileage reimbursement for transportation costs at the standard rate established by the department of technology, management, and budget for travel reimbursement for nonstate vehicles and the cost of the cremation permit.

(c) The department may deviate from the payment limits established in subsection (1) in making payments under the program.

(d) The department shall forward a copy of the program to the senate and house of representatives appropriations subcommittees with jurisdiction over the department budget.

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

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

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

supervising adult.

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

(a) The only eligible recipient has died.

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

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

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

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

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

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

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

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

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

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

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

1 Sec. 619. The department shall exempt from the denial of title
2 IV-A assistance and food assistance benefits, contained in 21 USC
3 862a, any individual who has been convicted of a felony that
4 included the possession, use, or distribution of a controlled
5 substance, after August 22, 1996, provided that the individual is
6 not in violation of his or her probation or parole requirements.
7 Benefits shall be provided to such individuals as follows:
8 (a) A third-party payee or vendor shall be required for any
9 cash benefits provided.
10 (b) An authorized representative shall be required for food
11 assistance receipt.
12 Sec. 621. Funds appropriated in part 1 may be used to support
13 multicultural integration and support services. The department
14 shall distribute all of the funds described in this section based
15 on assessed community needs.
16 Sec. 631. The department shall maintain policies and
17 procedures to achieve all of the following:
18 (a) The identification of individuals on entry into the system
19 who have a history of domestic violence, while maintaining the
20 confidentiality of that information.
21 (b) Referral of persons so identified to counseling and
22 supportive services.
23 (c) In accordance with a determination of good cause, the
24 waiving of certain requirements of family independence programs
25 where compliance with those requirements would make it more
26 difficult for the individual to escape domestic violence or would
27 unfairly penalize individuals who have been victims of domestic

1 violence or who are at risk of further domestic violence.
2 Sec. 635. Within 24 hours of receiving all information
3 necessary to process an application for payments for child
4 development and care, the department shall determine whether the
5 child care provider to whom the payments, if approved, would be
6 made, is listed on the child abuse and neglect central registry. If
7 the provider is listed on the central registry, the department
8 shall immediately send written notice denying the applicant's
9 request for child development and care payments.
10 Sec. 643. As a condition of receipt of federal TANF funds,
11 homeless shelters and human services agencies shall collaborate
12 with the department to obtain necessary TANF eligibility
13 information on families as soon as possible after admitting a
14 family to the homeless shelter. From the funds appropriated in part
15 1 for homeless programs, the department is authorized to make
16 allocations of TANF funds only to the agencies that report
17 necessary data to the department for the purpose of meeting TANF
18 eligibility reporting requirements. Homeless shelters or human
19 services agencies that do not report necessary data to the
20 department for the purpose of meeting TANF eligibility reporting
21 requirements will not receive reimbursements which exceed the per
22 diem amount they received in fiscal year 2000. The use of TANF
23 funds under this section should not be considered an ongoing
24 commitment of funding.
25 Sec. 645. An individual or family is considered homeless, for
26 purposes of eligibility for state emergency relief, if living
27 temporarily with others in order to escape domestic violence. For

purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

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

Sec. 657. (1) The department shall allocate $3,000,000.00 for the operation of a statewide before- and after-school program targeted to children in kindergarten through ninth grade. To be eligible to be part of the statewide program, a program must serve geographic areas near school buildings that do not meet federal no child left behind annual yearly progress (AYP) requirements and be included in the AYP plans of the affected school districts as a means to improve outcomes and serve children living in households with income below 200% of the federal poverty guidelines as established by the United States department of health and human services.

(2) The department shall require an applicant for before- and after-school funding under this section to demonstrate how its program would facilitate extensive involvement with the parents of children served by the program and to show how other programming being offered on the site would enhance the before- and after-school funding. Priority for funding shall be given to programs that can demonstrate effectiveness in these areas.

(3) The department shall evaluate each before- and after-school program that is part of the statewide program with special emphasis on the academic accomplishments and attendance records of program participants.

Sec. 659. The department may provide staff support to the Kent school services network to assist in addressing the multiple needs of children and families at community schools. The department may also participate in the expansion of this program in Kent County as well as other areas of the state that may use the Kent school services network program as a model.

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

Sec. 665. The department shall partner with the department of transportation and may partner with other entities to use TANF and other sources of available funding to support public transportation needs of TANF-eligible individuals. This partnership shall place a priority on transportation needs for employment or seeking employment or medical or health-related transportation.

Sec. 666. The department shall continue efforts to increase the participation of eligible family independence program

recipients in the federal and state earned income tax credit.

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

(2) The department shall allocate up to $12,751,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children as defined by the department.

(3) The department shall take steps to inform family independence program recipients eligible for the allowance under subsection (2) that the money is to be used for clothing for eligible children.

Sec. 671. Not later than January 1, 2011, the department shall impose a sanctions policy for criminal or fraudulent behavior for the child development and care program.

Sec. 672. (1) The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by May 1 of the current fiscal year on department efforts to reduce inappropriate use of electronic benefit transfer cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case.

(2) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

1 Sec. 673. The department shall immediately send notification
2 to a client participating in the state child development and care
3 program and his or her child care provider if the client's
4 eligibility is reduced or eliminated.
5 Sec. 674. (1) The department shall continue administrative
6 efforts to reduce waste, fraud, and abuse within the child
7 development and care program. Beginning December 31 of the current
8 fiscal year, the department shall report annually to the senate and
9 house appropriations subcommittees for the department budget, the
10 senate and house fiscal agencies and policy offices, and the state
11 budget director on the estimated impact of efforts to reduce
12 inappropriate payments through the child development and care
13 program.
14 (2) The department may contract with a private entity to
15 utilize information technology or other methods of management and
16 oversight of child development and care payments to ensure that
17 payments made through the child development and care program are
18 accurate and appropriate.
19 Sec. 675. (1) The department shall establish a 1-time basic
20 training requirement for all enrolled child development and care
21 aides and relative care providers. All enrolled providers will be
22 required to complete the basic training requirement in order to be
23 eligible for state child development and care reimbursement
24 payments.
25 (2) The department shall ensure that additional annual
26 training beyond the basic training requirement is available for
27 enrolled providers and shall make enhanced reimbursement payments

to enrolled providers who complete at least 10 hours of optional annual training as outlined in subsection (3).

(3) From the money appropriated in part 1 for licensed and registered child development and care and enrolled child development and care, the department shall make payments to child care providers in accordance with the provisions of this subsection. The maximum hourly rates paid to child care providers shall vary depending upon provider type and the age of the child in care as outlined below:

(a) For children up to 2-1/2 years old, the maximum hourly rate, including the infant and toddler incentive, shall be as follows:

(*i*) For child care centers, $3.75.

(*ii*) For family child care homes and group child care homes, $2.90.

(*iii*) For enrolled providers who complete 10 hours of annual training, $2.20.

(*iv*) For enrolled providers who do not complete 10 hours of annual training, $1.85.

(b) For children over the age of 2-1/2 years, the maximum hourly rate shall be as follows:

(*i*) For child care centers, $2.50.

(*ii*) For family child care homes and group child care homes, $2.40.

(*iii*) For enrolled providers who complete 10 hours of annual training, $1.85.

(*iv*) For enrolled providers who do not complete 10 hours of

annual training, $1.60.

(4) The department shall establish policies and rules for determining eligibility for the enhanced reimbursement payments to enrolled providers who complete 10 hours of annual training and shall ensure that the policies and rules are communicated to all enrolled providers that receive state reimbursement payments.

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

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

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

Sec. 677. The department shall establish a state goal for the percentage of family independence program (FIP) cases involved in

1 employment activities. The percentage established shall not be less
2 than 50%. On a quarterly basis, the department shall report to the
3 senate and house appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies and policy offices,
5 and the state budget director on the current percentage of FIP
6 cases involved in JET employment activities and an estimate of the
7 current percentage of FIP cases that meet federal work
8 participation requirements. If the FIP case percentage is below the
9 goal for more than 2 consecutive quarters, the department shall
10 develop a plan to increase the percentage of FIP cases involved in
11 employment-related activities. The department shall deliver the
12 plan during the next annual budget presentation to the senate and
13 house appropriations subcommittees on the 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 15 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 ECIC contracts for comprehensive systems planning
26 shall be bid out through a statewide request-for-proposal process.
27 Sec. 679. If money becomes available, the department shall

provide $250,000.00 to the boys and girls club of Michigan from the child care services grants and contracts line in part 1.

Sec. 682. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy staffs by February 1 of the current fiscal year regarding the JET program savings for the previous fiscal year and the details on the proposed use of that money.

Sec. 683. (1) From the money appropriated in part 1 for SSI advocacy, $300,000.00 shall be paid to the Michigan state bar foundation for SSI advocacy services provided by the legal services association of Michigan for cases which had been referred prior to October 1, 2011, but which are not yet settled, completed, or resolved. The department shall develop a payment system for these cases which allows the legal services association of Michigan to retain prepayments authorized under this section and other payments under section 44 of the social welfare act, 1939 PA 280, MCL 400.44.

(2) Beginning October 1, 2010, the department may refer cases needing additional SSI legal assistance to the legal services association of Michigan. The referral shall notify the client that legal assistance provided by the legal services association of Michigan may be eligible to receive as a fee a portion of the client's SSI lump-sum payment from the social security administration as authorized by section 44 of the social welfare act, 1939 PA 280, MCL 400.44.

(3) Any department client of state disability assistance or

1 family independence program services who desires or needs
2 additional SSI legal assistance beyond what can be provided by the
3 department shall be given a copy of a notice that includes the name
4 and contract information for the geographically appropriate legal
5 services program for the area of his or her residence. The notice
6 shall include a statement that this legal assistance may be paid in
7 part by a lump-sum SSI payment from the social security
8 administration as authorized by section 44 of the social welfare
9 act, 1939 PA 280, MCL 400.44.
10 (4) The department shall work with the legal services
11 association of Michigan to develop a process by which clients who
12 already have legal representation are identified as not referred to
13 the legal services association of Michigan.
14 (5) The department shall work with the legal services
15 association of Michigan to develop a streamlined process by which
16 medical and legal records necessary for the legal representation
17 can be more readily shared.
18 Sec. 685. (1) Not later than March 1 of the current fiscal
19 year, the department shall report to the senate and house
20 appropriations subcommittees with jurisdiction over the department
21 budget, and to the senate and house appropriations subcommittees
22 with jurisdiction over the department of community health budget,
23 on the number of recipients that applied for Medicaid coverage, the
24 number of recipients that were approved for Medicaid coverage, and
25 the number of recipients that were denied Medicaid coverage. The
26 report shall describe these statistics comparing the current and
27 previous fiscal years and summarize department programs to assist

1 persons in applying for Medicaid.
2 (2) Not later than March 1 of the current fiscal year, the
3 department shall report to the senate and house appropriations
4 subcommittees with jurisdiction over the department budget, and to
5 the senate and house subcommittees with jurisdiction over the
6 department of community health budget, on the number of applicants
7 for home help services. The department shall give a summary report
8 on the number of approved applications, denied applications,
9 pending applications, and the number of applications in which the
10 applicant was eligible for nursing home services.
11 Sec. 686. (1) The department shall ensure that program policy
12 requires caseworkers to confirm that individuals presenting
13 personal identification issued by another state seeking assistance
14 through the family independence program, food assistance program,
15 state disability assistance program, or medical assistance program
16 are not receiving benefits from any other state.
17 (2) The department shall explore changes in program policies
18 to ensure that caseworkers confirm the address provided by any
19 individual seeking family independence program benefits or state
20 disability assistance benefits.
21 (3) The department shall explore changes in program policy
22 that would ensure that individuals with property assets assessed at
23 a value higher than $500,000.00 would not be able to access
24 assistance through department-administered programs.
25 (4) The department shall modify program policy to ensure that
26 caseworkers request an up-to-date telephone number during the
27 eligibility determination or redetermination process for

individuals seeking medical assistance benefits. On a monthly basis, the department shall provide the department of community health an updated list of telephone numbers for medical assistance recipients.

Sec. 688. The department in conjunction with Michigan works! shall examine and report on the incidence of reported barriers among families terminated from the family independence program because of noncompliance with work-related requirements. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director by April 1 of the current fiscal year.

Sec. 691. The department shall not distribute public assistance or subsidies to the parent or parents of school-age children if that parent or those parents have not signed a parent, student, teacher compact outlining the role of each party in the educational success of the student as required by the federal no child left behind act of 2001, Public Law 107-110.

Sec. 695. The funds appropriated in part 1 for food assistance program benefits (ARRA) that are financed by federal funds designated as ARRA funding represent federal funds associated with the American recovery and reinvestment act of 2009, Public Law 111-5. These federal funds are temporary in nature.

Sec. 696. From the money appropriated in part 1, the department shall allocate $100.00 to the Chaldean community foundation. This money shall be utilized to provide translation services, health care services, youth tutoring and mentoring

programs, and refugee resettlement services.

JUVENILE JUSTICE SERVICES

Sec. 705. (1) The department, in conjunction with private juvenile justice residential programs, shall develop a methodology for measuring goals, objectives, and performance standards for the delivery of juvenile justice residential programs based on national standards and best practices. The department will provide a unified data collection mechanism to ensure consistent reporting of aggregate case information from the courts. These goals, objectives, and performance standards shall apply to both public and private delivery of juvenile justice residential programs, and data shall be collected from both private and public juvenile justice residential programs that can be used to evaluate performance achievements, including, but not limited to, the following:

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

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

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

(d) Trends in census and population demographics.

(e) Staff and resident safety.

(f) Facility profile.

(2) The department during the annual budget presentation shall outline the progress of the development of the goals, objectives,

1 and performance standards, as well as the information collected
2 through the implementation of the performance measurement program.
3 The presentation shall include all of the following:
4 (a) Actual cost and actual days of care by facility for the
5 most recently completed fiscal year. This report shall also include
6 the actual number of youth served as well as demographic
7 information.
8 (b) Actual cost per day per youth by facility for the most
9 recently completed fiscal year.
10 (c) An analysis of the variance between the estimated cost and
11 days of care assumed in the original appropriation and the figures
12 in subdivisions (a) and (b).
13 (d) Both the number of authorized FTE positions for each
14 facility and the number of actual on-board FTE positions for the
15 most recently completed fiscal year.
16 Sec. 706. Counties shall be subject to 50% chargeback for the
17 use of alternative regional detention services, if those detention
18 services do not fall under the basic provision of section 117e of
19 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
20 operates those detention services programs primarily with
21 professional rather than volunteer staff.
22 Sec. 707. In order to be reimbursed for child care fund
23 expenditures, counties are required to submit department-developed
24 reports to enable the department to document potential federally
25 claimable expenditures. This requirement is in accordance with the
26 reporting requirements specified in section 117a(7) of the social
27 welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving money appropriated in part 1 for the child care fund line item, by February 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan to the department by December 15 of the current fiscal year for approval. The department shall approve within 30 calendar days after receipt a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

(2) The department shall provide a report on the number of counties that fail to submit a service spending plan by December 15 of the current fiscal year. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices by February 15 of the current fiscal year.

Sec. 717. (1) If funds become available, the department shall contract with a state university to conduct a behavioral health study of juvenile justice facilities operated or contracted for by the state. The study shall utilize diagnostic clinical interviews with and records reviews for a representative random sample of juvenile justice system detainees to develop a report on each of the following:

(a) The proportion of juvenile justice detainees with a primary diagnosis of emotional disorder, the percentage of those detainees considered to currently require mental health treatment, and the proportion of those detainees currently receiving mental health services, including a description and breakdown,

1 encompassing, at a minimum, the categories of inpatient,
2 residential, and outpatient care, of the type of mental health
3 services provided to those detainees.
4 (b) The proportion of juvenile justice detainees with a
5 primary diagnosis of addiction disorder, the percentage of those
6 detainees considered to currently require substance abuse
7 treatment, and the proportion of those detainees currently
8 receiving substance abuse services, including a description and
9 breakdown, encompassing, at a minimum, the categories of
10 residential and outpatient care, of the type of substance abuse
11 services provided to those detainees.
12 (c) The proportion of juvenile justice detainees with a dual
13 diagnosis of emotional disorder and addiction disorder, the
14 percentage of those detainees considered to currently require
15 treatment for their condition, and the proportion of those
16 detainees currently receiving that treatment, including a
17 description and breakdown, encompassing, at a minimum, the
18 categories of mental health inpatient, mental health residential,
19 mental health outpatient, substance abuse residential, and
20 substance abuse outpatient, of the type of treatment provided to
21 those detainees.
22 (d) Data indicating whether juvenile justice detainees with a
23 primary diagnosis of emotional disorder, a primary diagnosis of
24 addiction disorder, and a dual diagnosis of emotional disorder and
25 addiction disorder were previously hospitalized in a state
26 psychiatric hospital for persons with mental illness. These data
27 shall be broken down according to each of these 3 respective

1 categories.
2 (e) Data indicating whether and with what frequency juvenile
3 justice detainees with a primary diagnosis of emotional disorder, a
4 primary diagnosis of addiction disorder, and a dual diagnosis of
5 emotional disorder and addiction disorder have been detained
6 previously. These data shall be broken down according to each of
7 these 3 respective categories.
8 (f) Data classifying the types of offenses historically
9 committed by juvenile justice detainees with a primary diagnosis of
10 emotional disorder, a primary diagnosis of addiction disorder, and
11 a dual diagnosis of emotional disorder and addiction disorder.
12 These data shall be broken down according to each of these 3
13 respective categories.
14 (g) Data indicating whether juvenile justice detainees have
15 previously received services managed by a community mental health
16 program or substance abuse coordinating agency. These data shall be
17 broken down according to the respective categories of detainees
18 with a primary diagnosis of emotional disorder, a primary diagnosis
19 of addiction disorder, and a dual diagnosis of emotional disorder
20 and addiction disorder.
21 (2) The report referenced under subsection (1) would be
22 provided not later than June 30 of the current fiscal year to the
23 senate and house appropriations subcommittees on human services,
24 the senate and house fiscal agencies and policy offices, and the
25 state budget director.
26 Sec. 719. The department shall notify the legislature at least
27 30 days before closing or making any change in the status,

1 including the licensed bed capacity and operating bed capacity, of
2 a state juvenile justice facility.
3 Sec. 720. (1) The department shall implement the
4 recommendations on a methodology for measuring goals, objectives,
5 and performance standards developed in conjunction with private
6 providers of juvenile justice residential programs required in
7 section 705 of 2004 PA 344.
8 (2) The department shall allocate money to public and private
9 providers of juvenile justice services based on their ability to
10 demonstrate results in all of the following:
11 (a) Lower recidivism rates.
12 (b) Higher school completion rates or GED completion rates.
13 (c) Shorter average stays in a residential facility.
14 (d) Lower average actual cost per resident.
15 (e) Availability of appropriate services to residents.
16 (3) The department shall comply with section 115o of the
17 social welfare act, 1939 PA 280, MCL 400.115o, regarding placement
18 of juvenile offenders, and shall refer to that statutory
19 requirement in making referral recommendations to courts for secure
20 residential programs.
21 Sec. 721. The department shall report to the house and senate
22 appropriations subcommittees on the department budget by October 1
23 of the current fiscal year on the placement of juvenile offenders
24 who need services in community-based or privately operated
25 facilities.
26 Sec. 723. A private provider of juvenile services may receive
27 funding for both secure and nonsecure services if the provider has

appropriate services for each security level and adequate measures to physically separate residents of each security level.

Sec. 726. (1) Beginning October 1, 2007, from the money appropriated in part 1 for foster care payments and child care fund, the department shall not enter into or maintain a contract with a for-profit provider of residential services for juvenile justice and abused or neglected youth, or with a nonprofit provider of residential services for juvenile justice and abused or neglected youth that uses a for-profit management group or contracts with a for-profit organization for its management, unless the provider was licensed on or before August 1, 2007 and, if the provider is a nonprofit provider of residential services for juvenile justice and abused or neglected youth that uses a for-profit management group or contracts with a for-profit organization for its management, the contract between the provider and the for-profit group or organization existed prior to August 1, 2007.

(2) A provider of residential services for juvenile justice and abused or neglected youth shall not receive a daily rate less than $137.00.

LOCAL OFFICE SERVICES

Sec. 750. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, nursing homes, and hospitals unless a community-based organization, nursing home, or hospital requests that the program be discontinued at its facility.

(2) The department shall continue to develop and expand

opportunities for applicants for department assistance or services to apply for the assistance or services over the Internet.

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

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

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

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

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

(a) A list of eligible schools.

(b) The selection criteria to be used.

(c) The projected number to be opened.

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

Sec. 752. If sufficient funding becomes available from local sources, the department shall support the operation of 2 additional family resource centers in Genesee County, 3 additional family

resource centers in Kent County, and 1 additional family resource center in Ingham County.

Sec. 753. The department shall implement the recommendations of the 2004 public private partnership initiative's training committee to define, design, and implement a train-the-trainer program to certify private agency staff to deliver child welfare staff training, explore the use of e-learning technologies, and include consumers in the design and implementation of training. The intent of the legislature is to reduce training and travel costs for both the department and the private agencies. The department shall report no later than December 1 of the current fiscal year on each specific policy change made to implement enacted legislation and the plans to implement the recommendations, including timelines, to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on human services matters, the senate and house fiscal agencies and policy offices, and the state budget director.

Sec. 754. From the money appropriated in part 1, the department shall provide $850,000.00 to contract with a vendor for a customer service resource center. The customer service resource center shall be operational by April 1, 2011 and will assist in screening calls to county offices in order to allow caseworkers to devote more time to eligibility determination and case management activities. Staff duties at the customer service resource center shall include answering routine inquiries from clients and applicants and providing application assistance.

Sec. 755. From the money appropriated in part 1 within the

field staff, salaries and wages line item for 200 limited-term eligibility full-time employees, the department shall inform all employees hired with these funds that their employment is temporary and should not be considered permanent. Any temporary employee hired may be given preference by the department for hiring if a suitable full-time permanent position becomes available within the department.

Sec. 756. The money appropriated in part 1 for limited-term field staff, salaries and wages shall only be expended to support the addition of 50 new limited-term eligibility specialist positions to be hired on or after January 1, 2011 and another 50 new limited-term eligibility specialist positions to be hired on or after April 1, 2011. However, no expenditures shall be made from this authorization until after the department has a signed contract with a vendor to establish a customer service resource center as required under section 754, and no expenditures shall be made from this authorization for the 50 limited-term eligibility specialist positions to be hired on or after April 1, 2011 until a customer service resource center as required under section 754 is operational.

Sec. 757. (1) The department shall collect data from each county office to evaluate whether the department efficiently and accurately meets the needs of public assistance applicants who have language barriers.

(2) Based on the data collected under subsection (1), the department shall review the current number of interpreter contracts to determine whether the current level of interpreter services is

sufficient and whether the allocation of qualified interpreters across county offices is appropriate. The department shall create an assignment system for bilingual caseworkers that ensures placement of bilingual caseworkers in offices where the need is the greatest based on the number of bilingual client cases.

DISABILITY DETERMINATION SERVICES

Sec. 801. The department disability determination services in agreement with the DTMB office of retirement systems will develop the medical information and make recommendations for medical disability retirement for state employees, state police, judges, and schoolteachers.

CHILD SUPPORT ENFORCEMENT

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

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

(3) From the federal money received for child support incentive payments, $14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

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

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

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

Sec. 902. (1) The department shall continue its work to fix and improve the child support computer system using the funding carried forward from prior fiscal years.

(2) The department shall consult with the department of treasury and any outside consultant with collections expertise under contract with the department of treasury to develop a plan to maximize the collection of child support and child support arrearage settlement for the purposes of this section.

(3) The department, through the child support leadership group, shall provide semiannual reports to the legislature concerning money expended and improvements made as a result of this section.

Sec. 903. The department may facilitate with the department of community health a program under which the departments independently or jointly contract with local friend of the court offices to update and maintain the child support statewide database with health insurance information in cases in which the court has ordered a party to the case to maintain health insurance coverage for the minor child or children involved in the case and to assist

in the recovery of money paid by the state for health care costs that are otherwise recoverable from a party to the case. The program shall be in addition to a program or programs under existing contract between either or both of the departments with a private entity on September 1 of the current fiscal year. The program shall be entirely funded with state and federal funds from money first recovered or through costs that are avoided by charging the insurance coverage for minor children from state programs to private insurance.

Sec. 907. The office of child support in cooperation with the state court administrative office shall establish a pilot program to examine the effectiveness of contracting with a public or private collection agency as authorized under section 10 of the office of child support act, 1971 PA 174, MCL 400.240. The pilot program shall be implemented during the current fiscal year. Any restricted revenue collected pursuant to this section shall not be expended until the department and representatives from counties and the friends of the court meet and agree upon recommendations for use of the revenue. The revenue is subject to appropriation by the legislature.

Sec. 909. (1) If statewide retained child support collections exceed $38,300,000.00, 75% of the amount in excess of $38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained

1 child support collections, excluding tax offset and financial
2 institution data match collections in both the current year and
3 fiscal year 2004-2005, shall receive its proportional share of the
4 75% excess.
5 (3) Payments to counties participating in projects pursuant to
6 section 907 shall be reduced by the amount paid to the vendor. This
7 authorization adjustment shall be made upon notification of the
8 chairs of the house and senate appropriations subcommittees on the
9 department budget, the house and senate fiscal agencies, and the
10 state budget director.
11 Sec. 910. (1) If title IV-D-related child support collections
12 are escheated, the state budget director is authorized to adjust
13 the sources of financing for the funds appropriated in part 1 for
14 legal support contracts to reduce federal authorization by 66% of
15 the 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 45 CFR 304.50.
20 (2) The department shall notify the chairs of the house and
21 senate appropriations subcommittees on the department budget and
22 the house and senate fiscal agencies within 15 days of the
23 authorization adjustment in subsection (1).

24 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

25 Sec. 1101. Not later than September 30 of each year, the
26 department shall submit for public hearing to the chairpersons of

the house and senate appropriations subcommittees dealing with appropriations for the department budget the proposed use and distribution plan for community services block grant funds appropriated in part 1 for the succeeding fiscal year.

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

Sec. 1104. The department shall award up to $500,000.00 in competitive grants to organizations based on their education and outreach with the earned income tax credit (EITC). Organizations shall be given preference based on their emphasis on clients who have never filed for the EITC, clients with children, and clients for whom receipt of the EITC will make it easier for them to move off public assistance.

Sec. 1105. The department shall report quarterly to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 1, May 1, August 1, and November 1 of each fiscal year on the number of homes weatherized through the appropriations in section 104 during the preceding quarter of the calendar year.