



HOUSE BILL No. 5591

February 14, 1996, Introduced by Reps. Bankes, Johnson, Geiger, Bobier, Gilmer, Dolan and Jellema and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 1997; 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:

1 Sec. 101. There is appropriated for the family independence agency and
2 certain state purposes related to public welfare services for the fiscal
3 year ending September 30, 1997, from the following funds:

1 FAMILY INDEPENDENCE AGENCY

2 APPROPRIATIONS SUMMARY:

3 Full-time equated unclassified positions 6.0
 4 Full-time equated classified positions . . . 14,480.9
 5 GROSS APPROPRIATION \$ 2,973,643,000

6 Interdepartmental grant revenues:

7 Total interdepartmental grants and
 8 intradepartment transfers 150,000
 9 ADJUSTED GROSS APPROPRIATION \$ 2,973,493,000

10 Federal revenues:

11 Total federal revenues 1,732,431,400

12 Special revenue funds:

13 Total local revenues 62,538,600
 14 Total private revenues 98,381,700
 15 Total other state restricted revenues 15,049,400
 16 State general fund/general purpose \$ 1,065,091,900

17 EXECUTIVE OPERATIONS

18 Full-time equated unclassified positions 6.0
 19 Full-time equated classified positions . . . 1,236.3
 20 Unclassified salaries--6.0 FTE positions \$ 461,600
 21 Salaries and wages--1,150.3 FTE positions 55,353,200
 22 Contractual services, supplies, and materials 9,573,500
 23 Demonstration project--31.0 FTE positions 10,293,000
 24 Health and welfare data center equipment 11,453,200
 25 Automated social services information system
 26 project--27.0 FTE positions 20,489,700
 27 Data system enhancement--28.0 FTE positions 12,744,900
 28 Communities first 500,000
 29 Inspector general contracts 3,036,800

1	GROSS APPROPRIATION	\$ 123,905,900
2	Appropriated from:	
3	Interdepartmental grant revenues:	
4	IDG-ADP user fees	150,000
5	Federal revenues:	
6	Total federal revenues	65,673,900
7	Special revenue funds:	
8	Total local revenues	400,000
9	Total private revenues	2,254,500
10	Licensing fees	439,000
11	State general fund/general purpose	\$ 54,988,500
12	CENTRAL SUPPORT ACCOUNTS	
13	Rent	\$ 39,593,200
14	Occupancy charge	10,740,300
15	Travel	8,595,100
16	Equipment	2,720,600
17	Workers' compensation	4,607,700
18	Advisory commissions	17,900
19	Payroll taxes and fringes	<u>175,655,400</u>
20	GROSS APPROPRIATION	\$ 241,930,200
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	128,574,800
24	State general fund/general purpose	\$ 113,355,400
25	FAMILY SERVICES ADMINISTRATION	
26	Full-time equated classified positions . . .	476.0
27	Salaries and wages--354.8 FTE positions	\$ 17,261,000
28	Contractual services, supplies, and materials . .	5,741,400
29	Child support automation--5.0 FTE positions . . .	13,000,000

1	Child support incentive payments	32,409,600
2	Legal support contracts--5.0 FTE positions	58,017,900
3	State incentive payments	3,934,200
4	Employment and training support services	14,826,700
5	Food stamp issuance	5,374,400
6	High school completion project--4.0 FTE	
7	positions	278,400
8	Wage employment verification reporting--2.0	
9	FTE positions	1,795,000
10	Urban and rural empowerment/enterprise zones	29,992,200
11	Supplemental security income advocacy--39.2 FTE	
12	positions	2,564,500
13	Community services block grant	13,977,100
14	Training and staff development--66.0 FTE positions	<u>12,378,700</u>
15	GROSS APPROPRIATION	\$ 211,551,100
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	182,670,100
19	State general fund/general purpose	\$ 28,881,000
20	CHILD AND FAMILY SERVICES	
21	Full-time equated classified positions	113.3
22	Salaries and wages--77.3 FTE positions	\$ 3,467,200
23	Contractual services, supplies, and materials	942,000
24	Refugee assistance program--12.0 FTE positions	7,377,100
25	Adult home help	116,322,300
26	Social services to the physically disabled	1,344,900
27	Intercountry adoption contracts	754,300
28	County juvenile officers	3,632,200
29	Foster care payments	218,496,800

1	Adoption subsidies	85,508,100
2	Child care fund	32,735,500
3	Children's benefit fund donations	21,000
4	Domestic violence services--2.0 FTE positions	4,741,200
5	Teenage parent counseling--3.0 FTE positions	3,405,200
6	Family preservation and prevention	
7	services--12.0 FTE positions	55,674,800
8	Respite care	2,100,000
9	Black child and family institute	100,000
10	Rape prevention and services	260,000
11	Attorney general contract	1,308,900
12	Guardian contract	600,000
13	County shelters	1,200,000
14	Day care services	185,000,000
15	Prosecuting attorney contract--1.0 FTE position	1,061,700
16	Children's trust fund administration--4.0 FTE	
17	positions	310,300
18	Children's trust fund grants--2.0 FTE positions	<u>2,615,000</u>
19	GROSS APPROPRIATION	\$ 728,978,500
20	Appropriated from:	
21	Federal revenues:	
22	Total federal revenues	358,621,200
23	Special revenue funds:	
24	Local funds-county payback	24,976,200
25	Private-children's benefit fund donations	21,000
26	Private-intercountry adoption agency	
27	contributions	754,300
28	Private-collections	3,601,300
29	Children's trust fund	1,810,300

1	State general fund/general purpose	\$ 339,194,200
2	DELINQUENCY SERVICES	
3	Full-time equated classified positions	1,275.1
4	Contractual services, supplies, and materials	\$ 7,400,000
5	Travel	355,600
6	Equipment	1,269,400
7	Genesee county detention facility--210.2 FTE	
8	positions	12,969,400
9	Family involvement project--4.8 FTE positions	415,400
10	Community residential care programs--141.5 FTE	
11	positions	7,496,100
12	Federally funded activities--27.1 FTE positions	1,813,800
13	W.J. Maxey memorial fund	45,000
14	Regional detention services--10.6 FTE positions	1,207,300
15	Delinquency and community based services	7,532,900
16	Committee on juvenile justice	
17	administration--4.0 FTE positions	340,500
18	Committee on juvenile justice grants	1,900,000
19	Personnel payroll costs--876.9 FTE positions	<u>48,892,100</u>
20	GROSS APPROPRIATION	\$ 91,637,500
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	9,915,700
24	Special revenue funds:	
25	Local funds-county payback	36,969,300
26	Total private revenues	45,000
27	State general fund/general purpose	\$ 44,707,500
28	ASSISTANCE PAYMENTS, SERVICES, AND CLERICAL	
29	FIELD STAFF	

1	Full-time equated classified positions . . .	10,754.5	
2	Field services, salaries and wages--156.0		
3	FTE positions		\$ 10,216,600
4	Child welfare staff, salaries and		
5	wages--1,904.1 FTE positions		72,314,300
6	Administrative support, salaries and		
7	wages--2,687.3 FTE positions		81,203,800
8	Assistance payments, salaries and wages--1,912.8		
9	FTE positions		65,937,200
10	Family independence specialist, salaries and		
11	wages--3,102.0 FTE positions		112,061,300
12	Adult services, salaries, and wages--848.8 FTE		
13	positions		27,336,200
14	Contractual services, supplies, and materials . .		38,849,200
15	Volunteer services and reimbursement--113.5 FTE		
16	positions		8,190,600
17	Outstationed eligibility workers--30.0 FTE		
18	positions		<u>3,420,200</u>
19	GROSS APPROPRIATION		\$ 419,529,400
20	Appropriated from:		
21	Federal revenues:		
22	Total federal revenues		233,711,300
23	Special revenue funds:		
24	Local funds-donated funds		193,100
25	Private funds-hospital contributions		1,705,500
26	State general fund/general purpose		\$ 183,919,500
27	DISABILITY DETERMINATION SERVICES		
28	Full-time equated classified positions . . .	602.0	
29	Disability determination operations--602.0		

1	FTE positions	\$ 64,746,500
2	Rent	846,600
3	Building occupancy charges	751,000
4	Workers' compensation	<u>51,700</u>
5	GROSS APPROPRIATION	\$ 66,395,800
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues	66,395,800
9	State general fund/general purpose	\$ 0
10	PUBLIC ASSISTANCE	
11	Full-time equated classified positions	23.7
12	Family independence program	\$ 770,952,600
13	State disability assistance payments	26,460,600
14	Food stamp program benefits	120,000,000
15	State supplementation	39,188,700
16	State supplementation administration	500,500
17	Low income energy assistance program--21.7 FTE	
18	positions	82,046,300
19	State emergency relief--2.0 FTE positions	34,631,800
20	Weatherization assistance	<u>15,934,100</u>
21	GROSS APPROPRIATION	\$1,089,714,600
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues	686,868,600
25	Special revenue funds:	
26	Private-retained child support collections	90,000,100
27	Supplemental security income recoveries	6,800,000
28	Public assistance recoupment revenue	6,000,100
29	State general fund/general purpose	\$ 300,045,800

1 GENERAL SECTIONS

2 Sec. 201. (1) Pursuant to section 30 of article IX of the state
3 constitution of 1963, total state spending from state sources for
4 fiscal year 1996-97 is estimated at \$1,080,141,300.00 in this bill and
5 state spending from state sources to local units of government for
6 fiscal year 1997-97 is estimated at \$89,465,800.00. The itemized
7 statement below identifies appropriations from which spending to units
8 of local government will occur:

9 FAMILY INDEPENDENCE AGENCY

10 CHILD AND FAMILY SERVICES

11	Child care fund.	32,735,500
12	County juvenile officers	3,632,200
13	Adoption subsidies	50,762,900

14 PUBLIC ASSISTANCE

15	State disability program.	2,335,200
----	-----------------------------------	-----------

16 (2) If it appears to the principal executive officer of a
17 department or branch that state spending to local units of government
18 will be less than the amount that was projected to be expended under
19 subsection (1), the principal executive officer shall immediately give
20 notice of the approximate shortfall to the department of management and
21 budget.

22 Sec. 202. The expenditures and funding sources authorized under
23 this bill are subject to the management and budget act, Act No. 431 of
24 the Public Acts of 1984, being sections 18.1101 to 18.1594 of the
25 Michigan Compiled Laws.

26 Sec. 203. (1) in addition to the funds appropriated in section 101,
27 there is appropriated an amount not to exceed \$50,000,000.00 for
28 federal contingency funds. These funds are not available for
29 expenditure until they have been transferred to another line item in
30 this act pursuant to section 393(2) of the management and budget act,

1 act no. 431 of the public acts of 1984, being section 18.1393 of the
2 Michigan Compiled Laws.

3 (2) In addition to the funds appropriated in section 101, there is
4 appropriated an amount not to exceed \$1,000,000.00 for state restricted
5 contingency funds. These funds are not available for expenditure until
6 they have been transferred to another line item in this act pursuant to
7 section 393(2) of the management and budget act, Act No. 431 of the
8 Public Acts of 1984, being section 18.1393 of the Michigan Compiled
9 Laws.

10 (3) In addition to the funds appropriated in section 101, there is
11 appropriated an amount not to exceed \$5,000,000.00 for local and
12 private contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item in
14 this act pursuant to section 393(2) of the management and budget act,
15 Act No. 431 of the Public Acts of 1984, being section 18.1393 of the
16 Michigan Compiled Laws.

17 Sec. 204. (1) Beginning October 1, 1996, there is a hiring freeze
18 imposed on the state classified civil service. State departments and
19 agencies are prohibited from hiring any new full-time state classified
20 civil service positions. This hiring freeze does not apply to
21 internal transfers of classified employees from 1 position to another
22 within a department or to positions that are 80% or more federal or
23 restricted funds.

24 (2) The director of the department of management and budget shall
25 grant exceptions to this hiring freeze when the director believes that
26 the hiring freeze will result in the state department or agency being
27 unable to deliver basic services. The director of the department of
28 management and budget shall report by the fifteenth of each month to
29 the chairpersons of the senate and house appropriations committees the
30 number of exclusions to the hiring freeze approved during the previous

1 month and the justification for the exclusion.

2 Sec. 205. The department of civil service shall bill departments
3 and/or agencies at the end of the first fiscal quarter for the 1%
4 charges authorized by section 5 of article XI of the state constitution
5 of 1963. Payments shall be made for the total amount of the billing by
6 the end of the second fiscal quarter.

7 Sec 206. (1) Departments and state agencies that receive funds
8 under this bill may receive and expend federal funds for purposes
9 allowed by the federal government as these funds are appropriated, if
10 the funds are provided as block grants or other similar replacements
11 for or consolidations of prior federal funding sources.

12 (2) Departments and state agencies may use the funds described in
13 subsection(1) to continue existing programs and shall not establish new
14 programs utilizing these funds unless the legislature has enacted
15 modifications to the existing program or enacted a new program.

16 Sec. 207. As used in this act:

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

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

19 (c) "FTE" means full-time equated position.

20 (d) "IDG" means interdepartmental grant.

21 (e) "Title IV" means title IV of the social security act, chapter
22 531, 49 Stat. 620, 42 U.S.C. 671.

23 (f) "Title XX" means title XX of the social security act, chapter
24 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397e.

25 Sec. 208. The family independence agency may receive and expend
26 advances or reimbursements from the department of state police for the
27 administration of the individual and family grant disaster assistance
28 program. An account shall be established in the family independence
29 agency for this purpose when a disaster is declared. The authorization
30 and allotment for the account shall be in the amount advanced or

1 reimbursed from the department of state police.

2 Sec. 209. The director of the department of management and budget
3 may make administrative transfers of appropriations for the family
4 independence agency to adjust amounts between the local funds-county
5 payback line items in section 101. Such transfers shall be made in
6 compliance with section 393(1) of the management and budget act, Act
7 No. 431 of the Public Acts of 1984, being section 18.1393 of the
8 Michigan Compiled Laws.

9 Sec. 210. In addition to funds appropriated in section 101 for all
10 programs and services, there is appropriated for write-offs of accounts
11 receivable, deferrals, and for prior year obligations in excess of
12 applicable prior year appropriations, an amount equal to total write-
13 offs and prior year obligations, but not to exceed amounts available in
14 prior year revenues.

15 Sec. 211. The family independence agency may retain all of the
16 state's share of food stamp overissuance collections as an offset to
17 general fund/general purpose costs. Retained collections shall be
18 applied against federal funds deductions in all appropriation units
19 where department costs related to the investigation and recoupment of
20 food stamp overissuances are incurred. Retained collections in excess
21 of such costs shall be applied against the federal funds deducted in
22 the executive operations appropriation unit.

23 Sec. 212. The funds appropriated in section 101 for communities
24 first pilot projects are intended to support the interagency
25 implementation of communities first pilots. Funds may be expended by
26 the departments of community health, education, and the family
27 independence agency as necessary or appropriate for pilot
28 implementation, in accordance with interagency agreements negotiated by
29 the affected agencies.

30 Sec. 213. The department shall submit a report to the chairpersons

1 of the senate and house appropriations committees and to the senate and
2 house fiscal agencies on the details of allocations within program
3 budgeting line items. The report shall include a listing, by account,
4 dollar amount, and fund source, of salaries and wages; longevity and
5 insurance; retirement; contractual services, supplies, and materials;
6 equipment; travel; and grants within each program line item
7 appropriated for the fiscal year ending September 30, 1997.

8 Sec. 214. If a legislative objective of this act or the social
9 welfare act, Act No. 280 of the Public Acts of 1939, being sections
10 400.1 to 400.119b of the Michigan Compiled Laws, cannot be implemented
11 without loss of federal financial participation because implementation
12 would conflict with or violate federal regulations, the family
13 independence agency shall notify the house and senate appropriations
14 committees and the house and senate fiscal agencies of that fact. Upon
15 receipt of the notification, a joint house and senate committee made up
16 of the members of the appropriations subcommittees on family
17 independence of the senate and house of representatives may be
18 appointed to meet with the director of the family independence agency
19 to review the substantive, procedural, and legal ramifications of the
20 legislative objective and to develop a plan to attain that legislative
21 objective.

22 Sec. 215. In compliance with governmental accounting standards
23 board (GASB) statement no. 24, accounting and financial reporting for
24 certain grants and other financial assistance, food stamp distributions
25 are hereby appropriated and shall be recognized as general fund-special
26 purpose expenditures in the state's accounting records and financial
27 reports.

28 **EXECUTIVE OPERATIONS**

29 Sec. 301. The department may receive local funds to be applied

1 toward the purchase of local office automation equipment. Such
2 equipment shall only be purchased through appropriate departmentwide
3 automated data processing equipment contracts, and shall be the
4 property of the department.

5 Sec. 302. The department shall assess and collect fees in the
6 licensing and regulation of child care organizations as defined in Act
7 No. 116 of the Public Acts of 1973, being sections 722.111 to 722.128
8 of the Michigan Compiled Laws, and adult foster care facilities as
9 defined in the adult foster care facility licensing act, Act No. 218 of
10 the Public Acts of 1979, being sections 400.701 to 400.737 of the
11 Michigan Compiled Laws. Fees collected by the department shall not
12 exceed the deducts in section 101 and shall be used exclusively for the
13 purpose of licensing and regulating child care organizations and adult
14 foster care facilities.

15 Sec. 303. Any unencumbered balances of the automated social
16 services information system line shall not lapse and may be carried
17 forward to the 1997-98 fiscal year.

18 **FAMILY SERVICES ADMINISTRATION**

19 Sec. 401. (1) From the federal money received for child support
20 incentive payments, up to \$7,465,200.00 shall be retained by the state
21 and expended for legal support contracts, state incentive payments, and
22 salaries and wages for office of child support staff.

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

1 incentive to the counties. Any incentive funds retained by the state
2 under this section shall be separate and apart from incentive funds
3 retained in any other section of this act.

4 Sec. 402. From the funds appropriated in section 101 for legal
5 support contracts and child support incentive payments, the department
6 may fund demonstration projects to enhance friend of the court child
7 support collections efforts for public assistance recipients. Funding
8 shall be from federal title IV-D and federal child support incentives
9 earned. The projects shall be implemented in no more than 3 counties.
10 Priority shall be given to counties with federal title IV-D aid to
11 families with dependent children collections exceeding \$7,000,000.00 in
12 fiscal year 1992.

13 Sec. 403. No later than September 30 of each year, the family
14 independence agency shall submit for public hearing to the chairpersons
15 of the family independence subcommittees of the house and senate
16 appropriations committees the proposed use and distribution plan for
17 community services block grant funds appropriated in section 101 for
18 the succeeding fiscal year.

19 Sec. 404. The family independence agency shall develop jointly with
20 the Indian affairs commission plans for the implementation of programs
21 and the distribution of funds for recognized tribal groups and
22 organizations under the block grant programs that are established by
23 the federal community services block grant act, subtitle B of title VI
24 of Public Law 97-35, 95 Stat. 511, 42 U.S.C. 9901 to 9910a and 9911 to
25 9912, and that are administered by that bureau. The plans shall comply
26 with the regulations issued by the United States department of health
27 and human services.

28 **CHILD AND FAMILY SERVICES**

29 Sec. 501. The following goal is established by state law. During

1 the fiscal year ending September 30, 1997, not more than 3,500 children
2 supervised by the family independence agency shall remain in foster
3 care longer than 24 months. The department shall give priority to
4 reducing the number of children under 1 year of age in foster care.

5 Sec. 502. From the funds appropriated in section 101 for foster
6 care, the family independence agency shall provide 50% reimbursement to
7 Indian tribal governments for foster care expenditures for children who
8 are under the jurisdiction of Indian tribal courts and who are not
9 otherwise eligible for federal foster care cost sharing.

10 Sec. 503. The family independence agency shall charge or cause to
11 be charged a fee for intercountry adoption services. These fees shall
12 be based on the cost of providing the services, with reduced fees for
13 low-income families. These fees shall be used to pay for or contract
14 for personnel and related activities. The director of the family
15 independence agency shall adjust or cause an adjustment of the fees if
16 necessary to ensure continued program operations on a self-supporting
17 basis.

18 Sec. 504. The department shall continue adoption subsidy payments
19 to families after the eighteenth birthday of an adoptee who meets the
20 following criteria:

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

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

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

25 Sec. 505. In order to support or expand services to children in
26 their own homes or in community-based programs, the family independence
27 agency may recommend transfers from the foster care payments account or
28 the delinquency services accounts into the family preservation and
29 prevention services account if funds are available for transfer. Such

1 transfers shall be in accord with the provisions of section 393 of Act
2 No. 431 of the Public Acts of 1984, being section 18.1393 of the
3 Michigan Compiled Laws.

4 Sec. 506. The department's ability to satisfy appropriation deducts
5 in section 101 for foster care private collections shall not be limited
6 to collections and accruals pertaining to services provided in the
7 current fiscal year but shall include revenues collected in excess of
8 the amount specified in section 101.

9 Sec. 507. Notwithstanding section 117a or 117c of the social
10 welfare act, Act No. 280 of the Public Acts of 1939, being sections
11 400.117a and 400.117c of the Michigan Compiled Laws, the distribution
12 of collections made to counties by child, parent, guardian, or
13 custodian, on behalf of children in foster care who are wards of the
14 county, shall be made pursuant to section 18(2) of chapter XIIIA of Act
15 No. 288 of the Public Acts of 1939, being section 712A.18 of the
16 Michigan Compiled Laws.

17 Sec. 508. Counties shall be subject to 50% charge back for the use
18 of alternative regional detention services if they do not fall under
19 the basic provision of section 117e of the social welfare act, Act No.
20 280 of the Public Acts of 1939, being section 400.117e of the Michigan
21 Compiled Laws, or if a county operates these programs primarily with
22 professional rather than volunteer staff.

23 Sec. 509. (1) In order to promote continuity of service for
24 children and families, the department shall, to the maximum extent
25 possible, enter into multiyear contracts for child welfare and juvenile
26 justice services.

27 (2) The bid specifications and contract award determinations for
28 child welfare and juvenile justice services shall include criteria
29 relative to provider experience placing emphasis on total years of

1 experience in providing child welfare and juvenile justice services,
2 provision of services to persons of similar characteristics as the
3 target clientele, quality of prior child welfare and juvenile justice
4 services, length of service in the targeted geographic area, and the
5 adequacy of the provider's plan for coordinating the provision of
6 services in the targeted geographic area.

7 Sec. 510. Funds appropriated in section 101 for the child care fund
8 may be used as the required state match for the purchase of families
9 first services for clients referred by juvenile courts. For local
10 offices and courts choosing this option, the in-home portion of the
11 county child care fund plan must authorize the transfer of funds from
12 the state child care fund account designated for that county to a local
13 funds-county payback deduct account associated with the family
14 preservation services appropriation while the involved county is still
15 beneath its child care fund cap.

16 Sec. 511. (1) In addition to the amount appropriated in section
17 101, money granted or money received as gifts or donations to the
18 children's trust fund created by Act No. 249 of the Public Acts of
19 1982, being sections 21.171 to 21.172 of the Michigan Compiled Laws, is
20 appropriated for expenditure in an amount not to exceed \$800,000.00.

21 (2) The state child abuse and neglect prevention board may initiate
22 a joint project with another state agency to the extent that the
23 project supports the programmatic goals of both the state child abuse
24 and neglect prevention board and the state agency. The family
25 independence agency may interaccount bill the state agency for shared
26 costs of a joint project in an amount authorized by the state agency,
27 and the state child abuse and neglect prevention board may receive and
28 expend funds for shared costs of a joint project in addition to those
29 authorized by section 101.

1 Sec. 512. From the funds appropriated in section 101 for child and
2 family services, the department shall not expend funds to reunite a
3 family in which incest is the cause for family separation, if such
4 reunification will result in the victim and the perpetrator residing in
5 the same residence.

6 Sec. 513. The department shall not expend funds to preserve or
7 reunite a family if either of the following would result:

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

11 (b) A child would be living in the same household with a parent or
12 other adult against whom there is relevant and accurate evidence of
13 sexual abuse against the child. This section shall permit counseling
14 provided that the counseling is not directed at influencing an abused
15 child to remain in an abusive environment or justifying the actions of
16 the abuser.

17 Sec. 514. The family independence agency may collaborate with
18 graduate schools of social work in the development and implementation
19 of masters degree programs with a concentration in child welfare. The
20 family independence agency may expand the partial tuition reimbursement
21 program, subject to available funds, for current employees who
22 participate in an approved masters degree program.

23 Sec. 515. A family independence program recipient who is
24 participating 20 hours per week or more in the work first program and
25 who undertakes a self-initiated educational program that can be
26 reasonably expected to lead to employment is eligible for reimbursement
27 for child care and transportation expenses related to the educational
28 program.

29 **PUBLIC ASSISTANCE**

1 Sec. 601. (1) The department may terminate a vendor payment for
2 shelter when a recipient's rental unit is not in compliance with
3 applicable local housing codes or when the landlord is delinquent on
4 property tax payments. Compliance shall be considered to be met if the
5 family independence agency receives from the landlord a signed
6 statement stating that the rental unit is in compliance with local
7 housing codes and that statement is not contradicted by the recipient
8 and the local housing authority. The landlord also shall provide to
9 the department a signed statement indicating who currently owns the
10 property and whether any delinquent taxes are owed.

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

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

24 Sec. 602. The mother of an unborn child shall be eligible for the
25 family independence program and medical services benefits for herself
26 and her child if all other eligibility factors are met. To be eligible
27 for these benefits, the applicant shall provide medical evidence of her
28 pregnancy. If she is unable to provide the documentation, payment for
29 the examination may be at state expense. The family independence

1 agency shall undertake such measures as may be necessary to ensure that
2 necessary prenatal care is provided to medical services eligible
3 recipients.

4 Sec. 603. The department, together with other agencies, may
5 establish special projects to provide special needs shelter payment
6 levels for the family independence program that will support the
7 development of transitional shelter facilities for homeless families.
8 These facilities are to provide supportive services to families and to
9 support the development of permanent low-income housing.

10 Sec. 604. (1) The family independence agency shall operate a state
11 disability assistance program. Except as provided in subsection (3),
12 persons eligible for this program shall include needy persons 18 years
13 of age or older, or emancipated minors, who meet 1 or more of the
14 following requirements:

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

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

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

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

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

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

28 (g) A caretaker of a disabled person as defined in subdivision (a),

29 (b), (e), or (f) above.

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

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

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

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

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

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

1 security income benefits.

2 Sec. 607. The family independence agency's ability to satisfy
3 appropriation deductions in section 101 for state disability
4 assistance/supplemental security income recoveries and public
5 assistance recoupment revenues shall not be limited to recoveries and
6 accruals pertaining to state disability assistance or family
7 independence program grant payments provided only in the current fiscal
8 year, but shall include all related net recoveries received during the
9 current fiscal year.

10 Sec. 608. Adult foster care facilities providing domiciliary care
11 or personal care to residents receiving supplemental security income or
12 homes for the aged serving residents receiving supplemental security
13 income shall not require those residents to reimburse the home or
14 facility for care at rates in excess of those legislatively authorized.

15 Sec. 609. (1) The department as it determines is appropriate, shall
16 enter into agreements with energy providers by which cash assistance
17 recipients and the energy providers agree to permit the department to
18 make direct payments to the energy providers on behalf of the
19 recipient. The payments may include heat and electric payment
20 requirements from recipient grants and amounts in excess of the payment
21 requirements.

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

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

29 Sec. 610. A provider utility shall be entitled to recover in its

1 rates all qualifying costs incurred pursuant to an agreement between
2 the provider utility and the department for the payment of all or part
3 of assisted households' heating and electric service bills. Qualifying
4 costs shall include prudently incurred costs for incentives,
5 forgiveness, and energy conservation program development and operation
6 costs and the cost of capital incurred for assisted household
7 arrearages held by the provider utility. All such qualifying costs
8 incurred from program years beginning after October 1, 1996 shall be
9 subject to deferred accounting and recovery through a general rate case
10 application or shall be subject to timely recovery through separate
11 limited purpose rate proceedings.

12 Sec. 611. (1) From the funds appropriated in section 101 for state
13 emergency relief, if the recipient receives the money for the purpose
14 of mortgage payments, home repairs, land contracts payments, or
15 property tax payment, the department shall not make the payment unless
16 the recipient agrees to give the department a lien on his or her real
17 property in the amount of total payments made by the department in
18 excess of \$250.00.

19 (2) A lien under this section shall be enforced, and the amount of
20 the lien recouped, when the recipient conveys the real property.

21 (3) By March 1, 1997, the department shall provide the house and
22 senate appropriations subcommittees on family independence with a
23 report on progress in implementing this section.

24 Sec. 612. In developing good cause criteria for the state emergency
25 relief program, the department shall grant exemptions if the emergency
26 resulted from unexpected expenses related to maintaining or securing
27 employment.

28 Sec. 613. Non-campaign-related volunteer work in the offices of the
29 executive, judicial and legislative branches of state government shall

1 qualify for purposes of compliance with the social contract. The
2 department shall compile and maintain county-based lists of legislative
3 and executive branch offices willing to accept volunteers. These lists
4 shall be made available to public assistance clients to assist them in
5 selecting their social contract activity.

6 Sec. 614. (1) The department shall not require providers of burial
7 services to accept state payment for indigent burials as payments in
8 full. Providers shall be permitted to collect additional payment, not
9 to exceed \$2,000.00, from relatives or other persons on behalf of the
10 deceased.

11 (2) Additional payments collected in subsection (1) shall be
12 distributed to funeral directors of 75% and cemeteries or crematoriums
13 of 25% if cemeteries provide the vaults.

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

17 Sec. 615. Except as required by federal law or regulations, funds
18 appropriated in section 101 shall not be used to provide public
19 assistance to a person who is an illegal alien. This section shall not
20 prohibit the department from entering into contracts with food banks or
21 emergency shelter providers who may, as a normal part of doing
22 business, provide food or emergency shelter to individuals without
23 regard to citizenship status.

24 Sec. 616. Funds appropriated in section 101 may be used to support
25 multicultural assimilation and support services.

26 Sec. 617. For purposes of determining housing affordability
27 eligibility for state emergency relief, a group is considered to have
28 sufficient income to meet ongoing housing expenses if their total
29 housing obligation does not exceed 75% of their total net income.

1 Sec. 618. (1) The appropriation in section 101 for the
2 weatherization program shall be expended in such a manner that at least
3 25% of the households weatherized under the program shall be households
4 of families receiving family independence assistance, state disability
5 assistance, or supplemental security income.

6 (2) Any unencumbered balances of the weatherization program shall
7 not lapse and may be carried forward to the 1997-98 fiscal year. The
8 director of the family independence agency shall report the amount and
9 purpose of any funds carried forward under this section to the family
10 independence subcommittees of the house and senate appropriations
11 committees and to the house and senate fiscal agencies on or before
12 November 15, 1997.

13 Sec. 619. A person performing weatherization service under the
14 weatherization program described in section 617 shall install a smoke
15 detector in a residence being weatherized if a detector is not already
16 present and operational. A smoke detector installed under this section
17 shall be located in the immediate vicinity of the bedrooms of the
18 residence and at least 1 smoke detector shall be placed on each story
19 of the residence, excluding crawl spaces and uninhabited attics.

20 Sec. 620. Indigent burial reimbursement rates shall be equal to the
21 fiscal year 1995 rates, except for vault rates, which are increased to
22 \$200.00.

23 Sec. 621. For the purpose of guardian and conservator charges, the
24 family independence agency may deduct up to \$60.00 per month as an
25 allowable expense against a recipient's income when determining medical
26 services eligibility and patient pay amounts.

27 Sec. 622. Social security income state supplementation payments
28 shall not be made by the department to a person defined as disabled
29 under social security income if his or her drug addiction or alcoholism

1 is a contributing factor material to the determination of disability.
2 Pursuant to federal regulation 20 C.F.R. 404.1535 "material to the
3 determination of disability" means that, if the person stopped using
4 drugs or alcohol, his or her remaining physical or mental limitations,
5 would not be disabling. If his or her remaining physical or mental
6 limitations would be disabling under social security income
7 regulations, then the drug addiction or alcoholism is not material to
8 the determination of disability.

Final page.