

**SUBSTITUTE FOR  
HOUSE BILL NO. 5590**

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, 1999; 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

PART 1

2

LINE-ITEM APPROPRIATIONS

3

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

4

amounts listed in this part are appropriated for the family independence

5

agency for the fiscal year ending September 30, 1999, from the funds

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1 indicated in this part. The following is a summary of the appropriations  
2 in this part:

**3 FAMILY INDEPENDENCE AGENCY**

4	Full-time equated classified positions....	[13,466.3]	
5	Full-time equated unclassified positions.....	6.0	
6	Total full-time equated positions.....	[13,472.3]	
7	GROSS APPROPRIATION.....	\$	[2,963,759,100]
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartment		
10	transfers.....	\$	150,000
11	ADJUSTED GROSS APPROPRIATION.....	\$	[2,963,609,100]
12	Federal revenues:		
13	Total federal revenues.....		[1,714,449,100]
14	Special revenue funds:		
15	Total private revenues.....		7,731,100
16	Total local revenues.....		67,897,200
17	Total other state restricted revenues.....		88,508,300
18	State general fund/general purpose.....	\$	[1,085,023,400]
19	<b>Sec. 102. EXECUTIVE OPERATIONS</b>		
20	Total full-time equated positions.....		938.3
21	Full-time equated unclassified positions.....		6.0
22	Full-time equated classified positions.....		932.3
23	Director--1.0 FTE position.....	\$	106,090
24	Family advocate specialist--1.0 FTE position.....		75,190
25	Federal liaison & policy analyst--1.0 FTE position...		69,010
26	State legislative liaison--1.0 FTE position.....		63,407

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1	Volunteer services liaison--1.0 FTE position.....	74,160
2	Family violence policy analyst--1.0 FTE position.....	69,010
3	Other unclassified salaries.....	21,133
4	Salaries and wages--727.3 FTE positions.....	32,965,300
5	Contractual services, supplies, and materials.....	10,330,300
6	Demonstration projects--11.0 FTE positions.....	10,605,700
7	End user support.....	4,916,000
8	Computer service fees.....	12,931,700
9	ASSIST project--25.0 FTE positions.....	33,846,500
10	Data system enhancement--26.0 FTE positions.....	12,620,300
11	Child support automation--25.0 FTE positions.....	26,461,100
12	Child support distribution computer system.....	625,000
13	Commission on disability concerns--10.0 FTE positions	859,600
14	Commission for the blind--108.0 FTE positions.....	<u>17,060,200</u>
15	GROSS APPROPRIATION.....	\$ 163,699,700
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG-ADP user fees.....	150,000
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	92,521,800
22	Special revenue funds:	
23	Total private revenues.....	1,840,000
24	Total local revenues.....	475,000
25	Total other state restricted revenues.....	477,300
26	State general fund/general purpose.....	\$ 68,235,600

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1	<b>Sec. 103. FAMILY SERVICES ADMINISTRATION</b>	
2	Full-time equated classified positions.....[397.0]	
3	Salaries and wages--320.0 FTE positions.....	\$ 14,810,500
4	Contractual services, supplies, and materials.....	6,896,500
5	Child support incentive payments.....	32,409,600
6	Legal support contracts.....	87,853,700
7	Supplemental security income advocates, salaries and	
8	wages--17.0 FTE positions.....	707,850
9	State incentive payments.....	4,449,000
10	Employment and training support services.....	24,826,700
11	Food stamp issuance.....	5,374,400
12	High school completion project--[5.0] FTE positions....	[358,400]
13	Wage employment verification reporting--2.0 FTE	
14	positions.....	5,030,000
15	Urban and rural empowerment/enterprise zones.....	100
16	Supplemental security income advocacy.....	640,750
17	Training and staff development--53.0 FTE positions...	9,513,100
18	Community services block grants.....	<u>18,100,000</u>
19	GROSS APPROPRIATION.....	\$ [210,970,600]
20	Appropriated from:	
21	Federal revenues:	
22	Total federal revenues.....	184,193,300
23	Special revenue funds:	
24	Total local revenues.....	340,000
25	State general fund/general purpose.....	\$ [26,437,300]
26	<b>Sec. 104. CHILD AND FAMILY SERVICES</b>	

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1	Full-time equated classified positions.....	104.3	
2	Salaries and wages--53.3 FTE positions.....		\$ 2,667,200
3	Contractual services, supplies, and materials.....		1,782,000
4	Refugee assistance program--9.0 FTE positions.....		7,377,100
5	County juvenile officers.....		3,742,700
6	Foster care payments.....		260,491,300
7	Adoption subsidies.....		124,686,200
8	Youth in transition--20.0 FTE positions.....		10,256,900
9	Interstate compact.....		300,000
10	Child care fund.....		70,217,600
11	Children's benefit fund donations.....		21,000
12	Domestic violence prevention and treatment--1.0 FTE		
13	position.....		5,662,200
14	Teenage parent counseling--3.0 FTE positions.....		3,405,200
15	Family preservation and prevention services--13.0 FTE		
16	positions.....		73,715,500
17	Black child and family institute.....		100,000
18	Rape prevention and services.....		1,100,000
19	Children's trust fund administration--4.0 FTE		
20	positions.....		330,300
21	Children's trust fund grants.....		3,615,000
22	Attorney general contract.....		1,708,700
23	Guardian contract.....		600,000
24	County shelters.....		200,000
25	Prosecuting attorney contracts--1.0 FTE position.....		<u>1,061,700</u>
26	GROSS APPROPRIATION.....		\$ 573,040,600

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1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues.....	247,171,600
4	Special revenue funds:	
5	Private-children's benefit fund donations.....	21,000
6	Private-collections.....	4,101,300
7	Local funds - county payback.....	27,643,200
8	Children's trust fund.....	2,070,300
9	State general fund/general purpose..... \$	292,033,200
10	<b>Sec. 105. DELINQUENCY SERVICES</b>	
11	Full-time equated classified positions.....1,211.1	
12	Personnel payroll costs--916.2 FTE positions..... \$	47,390,400
13	Delinquency services operations.....	14,528,600
14	Residential care centers--45.0 FTE positions.....	2,518,100
15	Genesee valley and Detroit detention centers--210.2	
16	FTE positions.....	14,389,900
17	Federally funded activities--26.1 FTE positions.....	1,813,800
18	W.J. Maxey memorial fund.....	45,000
19	Regional detention services--10.6 FTE positions.....	1,207,300
20	Juvenile accountability incentive block grant.....	6,128,200
21	Juvenile boot camp program.....	2,300,000
22	Committee on juvenile justice administration--3.0 FTE	
23	positions.....	269,300
24	Committee on juvenile justice grants.....	<u>7,000,000</u>
25	GROSS APPROPRIATION..... \$	97,590,600
26	Appropriated from:	

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1	Federal revenues:	
2	Total federal revenues.....	25,043,700
3	Special revenue funds:	
4	Total private revenues.....	45,000
5	Local funds - county payback.....	38,941,500
6	State general fund/general purpose..... \$	33,560,400
7	<b>Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS</b>	
8	Full-time equated classified positions.....10,195.9	
9	Field staff, salaries and wages--7,295.5 FTE	
10	positions..... \$	279,923,200
11	Children and adult services, salaries and	
12	wages--2,779.9 FTE positions.....	111,294,900
13	Contractual services, supplies, and materials.....	23,550,200
14	Outstationed eligibility workers--30.0 FTE positions.	3,497,800
15	Volunteer services and reimbursement--90.5 FTE	
16	positions.....	<u>6,925,200</u>
17	GROSS APPROPRIATION..... \$	425,191,300
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues.....	262,983,900
21	Special revenue funds:	
22	Local funds - donated funds.....	193,100
23	Private funds - hospital contributions.....	1,723,800
24	State general fund/general purpose..... \$	160,290,500
25	<b>Sec. 107. DISABILITY DETERMINATION SERVICES</b>	
26	Full-time equated classified positions.....602.0	

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1	Disability determination operations--602.0 FTE		
2	positions.....	\$	<u>66,616,000</u>
3	GROSS APPROPRIATION.....	\$	66,616,000
4	Appropriated from:		
5	Federal revenues:		
6	Total federal revenues.....		66,616,000
7	State general fund/general purpose.....	\$	0
8	<b>Sec. 108. CENTRAL SUPPORT ACCOUNTS</b>		
9	Rent.....	\$	49,521,100
10	Occupancy charge.....		5,308,500
11	Travel.....		7,822,700
12	Equipment.....		2,794,900
13	Worker's compensation.....		5,166,900
14	Advisory commissions.....		17,900
15	Payroll taxes and fringe benefits.....		<u>147,925,200</u>
16	GROSS APPROPRIATION.....	\$	218,557,200
17	Appropriated from:		
18	Federal revenues:		
19	Total federal revenues.....		123,594,200
20	Special revenue funds:		
21	Departmentwide lapse revenue.....		4,000,000
22	Local funds - county payback.....		304,400
23	State general fund/general purpose.....	\$	90,658,600
24	<b>Sec. 109. PUBLIC ASSISTANCE</b>		
25	Full-time equated classified positions.....23.7		
26	Family independence program.....	\$	570,657,800

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1 State disability assistance payments.....	23,738,100
2 Food stamp program benefits.....	132,000,000
3 State supplementation.....	57,653,600
4 State supplementation administration.....	2,502,000
5 Low income energy assistance program--21.7 FTE	
6 positions.....	72,000,000
7 State emergency relief--2.0 FTE positions.....	38,550,000
8 Weatherization assistance.....	10,900,000
9 Day care services.....	<u>[300,091,600]</u>
10 GROSS APPROPRIATION.....	\$ [1,208,093,100]
11 Appropriated from:	
12 Federal revenues:	
13 Total federal revenues.....	[712,324,600]
14 Special revenue funds:	
15 Child support collections.....	70,160,600
16 Supplemental security income recoveries.....	5,800,000
17 Public assistance recoupment revenue.....	6,000,100
18 State general fund/general purpose.....	\$ [413,807,800]

19 PART 2  
20 PROVISIONS CONCERNING APPROPRIATIONS

21 **GENERAL SECTIONS**

22 Sec. 201. (1) In accordance with section 30 of article IX of the  
23 state constitution of 1963, total state spending from state sources for  
24 fiscal year 1998-99 is estimated at \$1,161,981,700.00 in this act and

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1 state spending from state sources to local units of government for fiscal  
2 year 1998-99 is estimated at \$135,510,900.00. The itemized statement  
3 below identifies appropriations from which spending to units of local  
4 government will occur:

5 FAMILY INDEPENDENCE AGENCY

6 CHILD AND FAMILY SERVICES

7 Child care fund..... \$ 70,217,600

8 County juvenile officers..... 2,741,600

9 Adoption subsidies..... 61,096,500

10 PUBLIC ASSISTANCE

11 State disability program..... 1,455,200

12 TOTAL..... \$ 135,510,900

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

18 Sec. 202. The department may receive and expend advances or reim-  
19 bursements from the department of state police for the administration of  
20 the individual and family grant disaster assistance program. An account  
21 shall be established in the department for this purpose when a disaster  
22 is declared. The authorization and allotment for the account shall be in  
23 the amount advanced or reimbursed from the department of state police.

24 Sec. 203. The state budget director may make administrative trans-  
25 fers of appropriations for the department to adjust amounts between the  
26 local funds - county payback line items in part 1. Such transfers shall

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1 be made in compliance with section 393(1) of the management and budget  
2 act, 1984 PA 431, MCL 18.1393.

3       Sec. 204. In addition to funds appropriated in part 1 for all pro-  
4 grams and services, there is appropriated for write-offs of accounts  
5 receivable, deferrals, and for prior year obligations in excess of appli-  
6 cable prior year appropriations, an amount equal to total write-offs and  
7 prior year obligations, but not to exceed amounts available in prior year  
8 revenues.

9       Sec. 205. The expenditures and funding sources authorized under  
10 this act are subject to the management and budget act, 1984 PA 431,  
11 MCL 18.1101 to 18.1594.

12       Sec. 206. The department may retain all of the state's share of  
13 food stamp overissuance collections as an offset to general fund/general  
14 purpose costs. Retained collections shall be applied against federal  
15 funds deductions in all appropriation units where department costs  
16 related to the investigation and recoupment of food stamp overissuances  
17 are incurred. Retained collections in excess of such costs shall be  
18 applied against the federal funds deducted in the executive operations  
19 appropriation unit.

20       Sec. 207. (1) The department shall submit a report to the chair-  
21 persons of the senate and house appropriations subcommittees on the  
22 family independence agency budget and to the senate and house fiscal  
23 agencies on the details of allocations within program budgeting line  
24 items and within the salaries and wages line items in the field services  
25 appropriation unit. The report shall include a listing, by account,  
26 dollar amount, and fund source, of salaries and wages; longevity and  
27 insurance; retirement; contractual services, supplies, and materials;

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1 equipment; travel; and grants within each program line item appropriated  
2 for the fiscal year ending September 30, 1999.

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

5 Sec. 208. As used in this act:

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

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

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

9 (d) "IDG" means interdepartmental grant.

10 (e) "Temporary assistance for needy families" or "title IV" means  
11 title IV of the social security act, chapter 531, 49 Stat. 620, 42  
12 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660, 663  
13 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

14 (f) "Title XX" means title XX of the social security act, chapter  
15 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397f.

16 Sec. 209. If a legislative objective of this act or the social wel-  
17 fare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented with-  
18 out loss of federal financial participation because implementation would  
19 conflict with or violate federal regulations, the department shall notify  
20 the house and senate appropriations committees and the house and senate  
21 fiscal agencies of that fact. Upon receipt of the notification, a joint  
22 house and senate committee made up of the members of the house and senate  
23 appropriations subcommittees dealing with appropriations for the family  
24 independence agency may be appointed to meet with the director of the  
25 department to review the substantive, procedural, and legal ramifications  
26 of the legislative objective and to develop a plan to attain that  
27 legislative objective.

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1       Sec. 210. Funds appropriated in part 1 shall not be used for the  
2 purchase of foreign goods or services when competitively priced and of  
3 comparable quality American goods or services are available.

4       Sec. 211. The department of civil service shall bill departments  
5 and/or agencies at the end of the first fiscal quarter for the 1% charges  
6 authorized by section 5 of article XI of the state constitution of 1963.  
7 Payments shall be made for the total amount of the billing by the end of  
8 the second fiscal quarter.

9       Sec. 212. In compliance with governmental accounting standards  
10 board (GASB) statement no. 24, accounting and financial reporting for  
11 certain grants and other financial assistance, such as federal food stamp  
12 distributions via coupons or electronic benefits systems, are hereby  
13 appropriated and shall be recognized as general fund - special purpose  
14 expenditures in the state's accounting records and financial reports.  
15 The level of appropriations under this section shall coincide with antic-  
16 ipated federal food stamps revenues for the fiscal year ending  
17 September 30, 1999.

18       Sec. 213. (1) Beginning October 1, 1998, there is a hiring freeze  
19 imposed on the state classified civil service. State departments and  
20 agencies are prohibited from hiring any new full-time state classified  
21 civil service employees and prohibited from filling any vacant state  
22 classified civil service positions. This hiring freeze does not apply to  
23 internal transfers of classified employees from 1 position to another  
24 within a department or to positions that are funded 80% or more from fed-  
25 eral or restricted funds.

26       (2) The state budget director shall grant exceptions to this hiring  
27 freeze when the director believes that the hiring freeze will result in

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1 the state department or agency being unable to deliver basic services.  
2 The state budget director shall report by the fifteenth of each month to  
3 the chairpersons of the senate and house appropriations committees the  
4 number of exclusions to the hiring freeze approved during the previous  
5 month and the justification for the exclusion.

6       Sec. 214. In the expenditure of funds appropriated under this act,  
7 the director shall take all reasonable steps to ensure businesses in  
8 deprived and depressed communities are given the opportunity to compete  
9 for and perform contracts to provide services or supplies, or both, for  
10 the department. The director shall strongly encourage firms with which  
11 the department contracts to subcontract with businesses in depressed and  
12 deprived communities for services or supplies, or both, for the  
13 department.

14       Sec. 216. (1) The department shall submit to the department of man-  
15 agement and budget, the house and senate appropriations committees, the  
16 house and senate fiscal agencies, and the house and senate standing com-  
17 mittees having jurisdiction over technology issues, quarterly reports on  
18 the department's efforts to change the department's computer software and  
19 hardware as necessary to perform properly in the year 2000 and beyond.  
20 These reports shall identify actual progress in comparison to the  
21 department's approved work plan for these efforts.

22       (2) The reports required under subsection (1) shall also identify  
23 and forward as appropriate the funding sources that should support the  
24 work performed.

25       Sec. 217. (1) This appropriation act includes funding for depart-  
26 mental operations financed in whole or in part from early retirement  
27 savings generated through the early retirement program under section 19f

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1 of the state employees' retirement act, 1943 PA 240, MCL 38.19f. The  
2 director shall provide a report that identifies all of the following:

3 (a) The amount of these early retirement savings realized in the  
4 1997-98 fiscal year.

5 (b) The amount of these early retirement savings explicitly ear-  
6 marked and spent for technology improvements in the 1997-98 fiscal year.

7 (c) The amount of these early retirement savings used for other  
8 organizational enhancements in the 1997-98 fiscal year.

9 (2) The report required under subsection (1) shall be provided to  
10 the house and senate appropriations committees and to the house and  
11 senate fiscal agencies on or before December 15, 1998.

12 Sec. 218. The department shall receive and retain copies of all  
13 reports funded from part 1 appropriations. Federal and state guidelines  
14 for short-term and long-term retention of records shall be followed.

15 Sec. 219. (1) The department shall prepare a semiannual report on  
16 the temporary assistance for needy families (TANF) federal block grant.  
17 The report shall include projected expenditures for the current fiscal  
18 year, an accounting of any previous year funds carried forward, and a  
19 summary of all interdepartmental or interagency agreements relating to  
20 the use of TANF funds. The report shall be forwarded to the house and  
21 senate appropriations subcommittees on the family independence agency  
22 budget on or before October 15, 1998 and April 15, 1999.

23 (2) The state budget director shall give prior written notice to the  
24 members of the house and senate appropriations subcommittees for the  
25 family independence agency and to the house and senate fiscal agencies of  
26 any proposed changes in utilization or distribution of TANF funding or  
27 the distribution of TANF maintenance of effort spending relative to the

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1 amounts reflected in the annual appropriations acts of all state agencies  
2 where TANF funding is appropriated.

3       Sec. 220. The department shall include in its quality control  
4 reporting the number of veterans receiving food stamps, family indepen-  
5 dence program assistance, and medicaid.

6       Sec. 221. (1) In contracting with faith-based organizations for  
7 mentoring or supportive services, and in all contracts for services, the  
8 department shall ensure that no funds provided directly to institutions  
9 or organizations to provide services and administer programs shall be  
10 used or expended for any sectarian activity, including sectarian worship,  
11 instruction, or proselytization.

12       (2) If an individual requests the service and has an objection to  
13 the religious character of the institution or organization from which the  
14 individual receives or would receive services or assistance, the depart-  
15 ment shall provide the individual within a reasonable time after the date  
16 of the objection with assistance or services and which are substantially  
17 the same as the service the individual would have received from the  
18 organization.

19       (3) Notwithstanding subsections (1) and (2), the department shall  
20 cooperate with faith-based organizations so that they are able to compete  
21 on the same basis as any other private organization for contracts to pro-  
22 vide services to recipients of department services, including, but not  
23 limited to, mentoring or supportive services. The department shall not  
24 discriminate against an organization that applies to become a contractor  
25 on the basis that the organization has a religious character.

26       Sec. 222. Within 10 working days after the formal presentation of  
27 the executive budget for 1999-2000, the department shall identify and

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1 report to the house and senate appropriations committees and to the house  
2 and senate fiscal agencies the source of all federal funds and restricted  
3 funds that the department proposes to receive as a grant or proposes to  
4 transfer to another principal department or agency during the 1999-2000  
5 fiscal year.

6       Sec. 223. If the revenue collected by the department from private  
7 and local sources exceeds the amount appropriated in part 1, the revenue  
8 may be carried forward, with approval from the state budget director,  
9 into the subsequent fiscal year.

10       Sec. 224. In order to be reimbursed for child care fund expendi-  
11 tures, counties are required to submit department development reports to  
12 enable the department to document potential federal claimable  
13 expenditures. This requirement is in accord with the reporting require-  
14 ments specified in section 117a(7) of the social welfare act, 1939  
15 PA 280, MCL 400.117a.

16       Sec. 225. (1) Any initiative to privatize state services funded  
17 under this act shall not commence until after the completion of a pilot  
18 program with a duration of not less than 36 months. At least 30 days  
19 before beginning any privatization pilot program, the department shall  
20 submit a complete project plan to the appropriate house and senate appro-  
21 priations subcommittees and the house and senate fiscal agencies. The  
22 submission of the project plan shall contain a complete set of baseline  
23 data for comparative evaluation of the pilot program at the end of the  
24 program term. The privatization pilot program evaluation shall include  
25 the administrative costs of the contract for privatized services.

26       (2) A contract for privatized services shall not be continued beyond  
27 the original privatization pilot program term unless the program has

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1 conclusively demonstrated a cost savings of at least 5% and improved  
2 quality of service.

3       Sec. 226. (1) The department of management and budget and each  
4 principal executive department and agency receiving funds under this act  
5 shall provide to the house and senate appropriations committees and the  
6 house and senate fiscal agencies a monthly report on all sole source con-  
7 tracts and personal service contracts awarded that month without competi-  
8 tive bidding, pricing, or rate setting. The monthly report shall include  
9 at least all of the following:

10       (a) The total dollar amount of the contract.

11       (b) The duration of the contract.

12       (c) The name of the vendor.

13       (d) The type of service to be provided.

14       (2) At least quarterly, the appointing authority of each department  
15 receiving funds under this act shall transmit to the house and senate  
16 appropriations committees, the house and senate fiscal agencies, and the  
17 department of management and budget a report including all of the follow-  
18 ing for each personal service contract awarded that quarter:

19       (a) A description of the personal service contract.

20       (b) A copy of the approved CS-138 form.

21       (c) The purpose and type of service to be provided.

22       (d) The name of the person or entity that was awarded the contract.

23       (e) The estimated cost or financial obligation for the contract.

24       (f) The cost savings to the state from awarding the contract. This  
25 cost savings shall be calculated as the difference between the cost of  
26 the personal service contract and the estimated cost if that product or

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1 service were provided through the classified civil service by permanent  
2 civil service employees.

3 (3) The internal auditor of each department receiving funds under  
4 this act shall prepare an annual report concerning personal service con-  
5 tracts that explicitly identifies exceptions between the authorized pur-  
6 pose and level of expenditures and the actual product or service and  
7 level of expenditures. This report shall be submitted to the legislative  
8 auditor general, the house and senate fiscal agencies, and the department  
9 of management and budget not later than 90 days after the books are  
10 closed at the conclusion of the fiscal year.

11 (4) Each department receiving funds under this act shall provide to  
12 the department of management and budget a monthly listing of all bid  
13 requests or requests for proposal that were issued for personal service  
14 contracts during that month. The department of management and budget  
15 shall provide this monthly listing to the house and senate appropriations  
16 committees and house and senate fiscal agencies.

17 (5) Each principal executive department and agency receiving funds  
18 under this act shall provide to the department of management and budget a  
19 monthly summary listing that identifies any authorizations for personal  
20 service contracts that are provided to the department of civil service  
21 pursuant to delegated authority granted to each principal executive  
22 department and agency related to personal service contracts. The depart-  
23 ment of management and budget shall provide this monthly listing to the  
24 house and senate appropriations committees and the house and senate  
25 fiscal agencies.

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1 (6) All reporting and provision of information by the department of  
2 management and budget referred to in this section shall be as provided in  
3 House Bill No. 5595 of the 89th Legislature.

4 Sec. 227. If the department enters into a personal service contract  
5 with any temporary service agency or similar contractor that hires or  
6 subcontracts with a person who retired from employment in the department  
7 under the early retirement program under section 19f of the state  
8 employees' retirement act, 1943 PA 240, MCL 38.19f, the retired state  
9 employee shall be limited to working 500 hours for professional, techni-  
10 cal, or clerical services and 250 hours for management services. This  
11 provision only applies during the 24-month period immediately following  
12 after the date of the retiree's retirement.

13 **EXECUTIVE OPERATIONS**

14 Sec. 301. The department may receive local funds to be applied  
15 toward the purchase of local office automation equipment. Local office  
16 automation equipment shall only be purchased through appropriate depar-  
17 tmentwide automated data processing equipment contracts and shall be the  
18 property of the department.

19 Sec. 302. Any unencumbered balances of the automated social serv-  
20 ices information system line, the child support automation line, the wage  
21 employment verification reporting line, and the data systems enhancement  
22 line may not lapse and shall be carried forward to fiscal year 2000.

23 Sec. 303. The department may distribute cash assistance to recip-  
24 ients electronically by using debit cards.

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1           Sec. 304. The appropriation in section 102 for the Michigan  
2 commission for the blind includes funds for case services. These funds  
3 may be used for tuition payments for blind clients for the school year  
4 beginning September 1998.

5           Sec. 305. The appropriation in section 102 for commissions and  
6 boards may be used for per diem payments to members of commissions or  
7 boards for a full day of committee work at which a quorum is present for  
8 performing official business as authorized by each respective commission  
9 or board. The per diem payment for the Michigan commission for the blind  
10 shall be at a rate of \$50.00 per day.

11           Sec. 306. The data systems enhancement line-item supports automa-  
12 tion initiatives such as the services worker support and electronic bene-  
13 fits transfer systems intended to enhance agency programs, functions, and  
14 services. The department shall submit by December 1, 1998 a report to  
15 the chairpersons and members of the house and senate appropriations sub-  
16 committees on the family independence agency specifying the allocation of  
17 data systems enhancement line-item appropriations by project and support  
18 service for the fiscal year ending September 30, 1999. The department  
19 shall submit by December 1, 1998 and each quarter thereafter, to the mem-  
20 bers of the house and senate appropriations subcommittees on family inde-  
21 pendence agency and the standing committees having jurisdiction over  
22 technology issues, a report detailing the use of funding and progress  
23 toward the completion of the assist project.

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**1 FAMILY SERVICES ADMINISTRATION**

2       Sec. 401. (1) From the federal money received for child support  
3 incentive payments, up to \$6,265,200.00 shall be retained by the state  
4 and expended for legal support contracts, state incentive payments, and  
5 salaries and wages for office of child support staff.

6       (2) At the end of the current fiscal year, the department may, when  
7 it is cost beneficial to the state and counties, withhold from submitting  
8 to the federal office of child support administrative expenses eligible  
9 for federal financial participation. The department may recoup earned  
10 but unclaimed federal funds from the resulting increased federal child  
11 support incentive. The recoupment by the department shall be made prior  
12 to distribution of the increased incentive to the counties. Any incen-  
13 tive funds retained by the state under this section shall be separate and  
14 apart from incentive funds retained in any other section of this act.

15       Sec. 402. From the funds appropriated in section 103 for legal sup-  
16 port contracts and child support incentive payments, the department may  
17 fund demonstration projects to enhance friend of the court child support  
18 collections efforts for public assistance recipients. Funding shall be  
19 from federal title IV-D and federal child support incentives earned. The  
20 projects shall be implemented in no more than 3 counties. Priority shall  
21 be given to counties with federal title IV-D aid to families with depen-  
22 dent children collections exceeding \$7,000,000.00 in fiscal year 1992.

23       Sec. 403. Unexpended funds in the urban and rural empowerment and  
24 enterprise zones line item shall not lapse but shall carry forward for  
25 use in fiscal year 2000.

26       Sec. 404. Not later than September 30 of each year, the department  
27 shall submit for public hearing to the chairpersons of the house and

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1 senate appropriations subcommittees dealing with appropriations for the  
2 family independence agency the proposed use and distribution plan for  
3 community services block grant funds appropriated in section 103 for the  
4 succeeding fiscal year.

5       Sec. 405. The department shall develop plans jointly with the  
6 Indian affairs commission for the implementation of programs and the dis-  
7 tribution of funds for recognized tribal groups and organizations under  
8 the block grant programs that are established by the community services  
9 block grant act, subtitle B of title VI of the omnibus budget reconcilia-  
10 tion act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9910a, 9910c, and  
11 9911 to 9912, and that are administered by that bureau. The plans shall  
12 comply with the regulations issued by the United States department of  
13 health and human services.

14       Sec. 406. The state general fund/general purpose contribution  
15 related to the Wayne County third circuit court cooperative reimbursement  
16 contract resides in the judiciary budget. There are no general  
17 fund/general purpose funds appropriated for this purpose in the family  
18 independence agency budget.

19       Sec. 407. From the funds appropriated in section 103, county volun-  
20 teer coordinators shall develop partnership agreements with their local  
21 volunteer agencies.

22       Sec. 408. From the funds appropriated in section 103 for food stamp  
23 issuance, the department may allocate up to \$1,000,000.00 to a food stamp  
24 continuance pool. Funds from this pool may be paid as grants to volun-  
25 teer organizations who submit innovative approaches to aid individuals at  
26 risk of losing their food stamp eligibility due to the passage of the  
27 personal responsibility and work opportunity reconciliation act of 1996,

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1 Public Law 104-193, 110 Stat. 2105. Acceptable criteria shall include  
2 assistance in job seeking or placement in qualified community service.

3 Sec. 409. The family independence agency shall work jointly with  
4 the Michigan jobs commission to implement the enhanced technical voca-  
5 tional training program which shall meet all of the following criteria:

6 (a) The training program shall be available statewide.

7 (b) Eligible participants shall include family independence program  
8 recipients, work first clients, and day care recipients referred by the  
9 family independence agency.

10 (c) Training shall be limited to not longer than 12 months in  
11 duration.

12 (d) Training shall be directed to achieving or gaining skills that  
13 will lead to a career for the participant.

14 (e) Training shall be reasonably calculated to lead to full-time,  
15 skilled employment.

16 (f) Participants shall receive any additional support needed to  
17 facilitate participation in the training program within reasonable param-  
18 eters established by the Michigan jobs commission including, but not  
19 limited to, all of the following:

20 (i) Child care, including evening or nighttime care if appropriate.

21 (ii) Transportation.

22 (g) Eligible family independence program recipients, work first cli-  
23 ents, and day care recipients that commence training will be allowed to  
24 complete training, as long as all program participation requirements are  
25 being met.

26 Sec. 410. From the funds appropriated in section 103, the family  
27 independence agency as lead agency in conjunction with the Michigan jobs

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1 commission shall conduct a study of the effect of the enhanced technical  
2 vocational program and report the results of the study to the house and  
3 senate appropriations subcommittees of the family independence agency no  
4 later than August 31, 1999. The study shall examine all of the following  
5 about the participants and former participants in the programs:

6 (a) Whether they have obtained jobs.

7 (b) What kind of jobs they have obtained.

8 (c) How long they have retained those jobs and if they have had more  
9 than 1 job, how long were they at each job.

10 (d) Current hourly wages.

11 (e) Whether they are receiving basic health care benefits, tuition  
12 reimbursement, or training from their employers.

13 (f) Whether they continue to receive any type of public assistance.

14 (g) Any other information the department considers relevant.

15 Sec. 411. From the funds appropriated in section 103 for employment  
16 and training support services, \$3,000,000.00 shall be spent to develop  
17 project zero services in counties or districts not currently participat-  
18 ing in project zero with a priority to counties or districts not meeting  
19 minimum federal work participation requirements.

20 Sec. 412. Any unencumbered balances included in the training and  
21 staff development line for child welfare education shall not lapse and  
22 shall be carried forward to fiscal year 2000.

23 Sec. 413. (1) The family independence agency together with the  
24 Michigan jobs commission or the designee of the Michigan jobs commission  
25 shall conduct a face-to-face meeting with each individual who attends the  
26 joint orientation for work first, if requested by that individual, to  
27 conduct a joint assessment of each individual's job readiness and any

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1 barriers to work of the individual including, but not limited to,  
2 household members' child care needs, health status, work and school  
3 schedules, domestic violence issues, education deficits or learning dis-  
4 abilities, lack of job skills, lack of transportation, and any other  
5 factors.

6 [(2) A work first client must be informed of their right to request a  
7 face to face meeting with both their work first and FIA caseworkers if the  
8 client meets either of the following criteria:

9 (a) The client has been negatively terminated from work first at  
least once and has at least 1 child who has a severe physical or mental  
disability, and is likely to need publicly supported child care in order  
to maintain employment.

(b) The client has been negatively terminated from work first  
employment 2 or more times.]

10 (3) The Michigan jobs commission or the designee of the Michigan  
11 jobs commission in consultation with the family independence agency shall  
12 develop a standardized joint assessment form to be used separately or in  
13 conjunction with additional locally developed assessment instruments or  
14 forms.

15 **CHILD AND FAMILY SERVICES**

16 Sec. 501. The following goal is established by state law. During  
17 the fiscal year ending September 30, 1999, not more than 3,150 children  
18 supervised by the department shall remain in foster care longer than 24  
19 months. The department shall give priority to reducing the number of  
20 children under 1 year of age in foster care.

21 Sec. 502. From the funds appropriated in section 104 for foster  
22 care, the department shall provide 50% reimbursement to Indian tribal  
23 governments for foster care expenditures for children who are under the  
24 jurisdiction of Indian tribal courts and who are not otherwise eligible  
25 for federal foster care cost sharing.

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1       Sec. 503. The department shall not expend funds appropriated in  
2 section 104 to provide intercountry adoption services.

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

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

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

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

10       Sec. 505. The department's ability to satisfy appropriation deducts  
11 in section 104 for foster care private collections shall not be limited  
12 to collections and accruals pertaining to services provided in the cur-  
13 rent fiscal year but shall include revenues collected in excess of the  
14 amount specified in section 104.

15       Sec. 506. Notwithstanding section 117a or 117c of the social wel-  
16 fare act, 1939 PA 280, MCL 400.117a and 400.117c, the distribution of  
17 collections made to counties by child, parent, guardian, or custodian, on  
18 behalf of children in foster care who are wards of the county, shall be  
19 made in accordance with section 18(2) of chapter XIIIA of 1939 PA 218,  
20 MCL 712A.18.

21       Sec. 507. Counties shall be subject to 50% charge back for the use  
22 of alternative regional detention services if those detention services do  
23 not fall under the basic provision of section 117e of the social welfare  
24 act, 1939 PA 280, MCL 400.117e, or if a county operates those detention  
25 services programs primarily with professional rather than volunteer  
26 staff.

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1       Sec. 508. (1) In order to promote continuity of service for  
2 children and families, the department shall, to the maximum extent  
3 possible, enter into multiyear contracts for child welfare and juvenile  
4 justice services.

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

14       Sec. 509. Funds appropriated in section 104 for the child care fund  
15 may be used as local match for the purchase of families first services  
16 for clients referred by juvenile courts. For local offices and courts  
17 choosing this option, the in-home portion of the county child care fund  
18 plan must authorize the transfer of funds from the state child care fund  
19 account designated for that county to a local funds - county payback  
20 deduct account associated with the family preservation services appropri-  
21 ation while the involved county is still beneath its child care fund  
22 cap.

23       Sec. 510. (1) In addition to the amount appropriated in  
24 section 104, money granted or money received as gifts or donations to the  
25 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is  
26 appropriated for expenditure in an amount not to exceed \$800,000.00.

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1           (2) The state child abuse and neglect prevention board may initiate  
2 a joint project with another state agency to the extent that the project  
3 supports the programmatic goals of both the state child abuse and neglect  
4 prevention board and the state agency. The department may invoice the  
5 state agency for shared costs of a joint project in an amount authorized  
6 by the state agency, and the state child abuse and neglect prevention  
7 board may receive and expend funds for shared costs of a joint project in  
8 addition to those authorized by section 104.

9           Sec. 511. (1) From the funds appropriated in part 1, the department  
10 shall not expend funds to preserve or reunite a family, unless there is a  
11 court order requiring the preservation or reuniting of the family, if  
12 either of the following would result:

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

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

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

24           Sec. 512. The department shall not be required to put up for bids  
25 contracts with service providers if currently only 1 provider in the  
26 service area exists. Existing runaway service contracts and contractors  
27 serving homeless youth shall be exempt from the bid process.

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1       Sec. 513. (1) From the funds appropriated in section 104 for family  
2 preservation and prevention services, the department is authorized to  
3 allocate funds to multipurpose collaborative bodies to address issues  
4 raised in the Binsfeld children's commission report issued in July 1996.  
5 Priority for activities and services will be given to at-risk children  
6 and families in unsubstantiated child protective services cases or  
7 low-risk substantiated cases.

8       (2) From the funds appropriated in section 104 for family preserva-  
9 tion and prevention services, up to \$2,000,000.00 may be used to fund  
10 community based collaborative prevention services designed to do any of  
11 the following:

12       (a) Foster positive parenting skills especially for parents of chil-  
13 dren under 3 years of age.

14       (b) Improve parent/child interaction.

15       (c) Promote access to needed community services.

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

17       (e) Improve school readiness.

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

20       (3) The appropriation provided for in subsection (2) is to fund sec-  
21 ondary prevention programs as defined in the children's trust fund's  
22 pre-application materials for fiscal year 1998-99 direct services  
23 grants.

24       (4) Projects funded through the appropriation provided for in sub-  
25 section (2) shall meet all of the following criteria:

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

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

6 (c) Demonstrate that the planned services are part of a community's  
7 integrated comprehensive family support strategy endorsed by the local  
8 multipurpose collaborative body.

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

12 (5) As used in this section, "state human services directors" means  
13 the director of the department of community health, the director of the  
14 department of education, and the director of the family independence  
15 agency.

16 Sec. 514. Multipurpose collaborative bodies shall include in their  
17 focus of responsibility the development of collaborative efforts to  
18 reduce the placement of delinquents in residential facilities.  
19 Information on delinquency trends shall be provided by the department to  
20 the multipurpose collaborative bodies.

21 Sec. 515. It is the intent of the legislature that the funds appro-  
22 priated in section 104 for family preservation and prevention services in  
23 the 1998-99 fiscal year reflect strong families/safe children allocations  
24 to local multipurpose collaborative bodies that are no less than the  
25 allocations in effect on April 1, 1997.

26 Sec. 516. (1) From the funds appropriated in part 1 for youth in  
27 transition, delinquency services operations, or foster care payments, the

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1 department shall develop community-based alternatives to public and  
2 private residential placements for delinquent youth who are adjudicated  
3 for class 4 misdemeanors and class 5 status offenses. The following cri-  
4 teria should be considered in developing new programs:

5 (a) The percentage of female class 4 and class 5 offenders placed in  
6 residential settings should be reduced and a priority shall be placed on  
7 removing female status offenders from residential placements.

8 (b) New programs should emphasize reducing recidivism.

9 (c) New programs should not jeopardize public safety.

10 (d) The number of male and female class 4 and class 5 offenders  
11 placed in residential settings should decline as community-based alterna-  
12 tives are developed.

13 (2) The department shall annually update the legislature on efforts  
14 to develop new community placement options and alternatives to residen-  
15 tial placements. The report shall include, but not be limited to, all of  
16 the following information:

17 (a) An update of the department status in implementing the recommen-  
18 dations proposed in the report, "A Study of Residential Placements of  
19 Females in the Juvenile Justice System" commissioned under section 520 of  
20 1997 PA 109.

21 (b) The number of female delinquents currently in residential care.

22 (c) The number of new community alternatives developed during the  
23 previous fiscal year.

24 (d) Any proposed plans for moving away from reliance on residential  
25 placements.

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1 (3) The report required by this section shall be submitted to the  
2 house and senate appropriations subcommittees on the family independence  
3 agency budget before January 1, 1999.

4 Sec. 517. From the funds appropriated in section 104, the depart-  
5 ment shall pilot the family group decision-making model (kinship care) in  
6 6 counties. Funds shall be used for contractual services for developing  
7 policies and procedures, program monitoring, assistance for reunification  
8 plans and kinship support, and a program evaluation.

9 Sec. 518. From the funds appropriated in section 104 for foster  
10 care payments, the department may expend up to \$500,000.00 for foster  
11 care pilot projects that include ways to increase foster parent recruit-  
12 ment, improve foster parent retention, and increase delivery of training  
13 and supportive services to foster parents.

14 Sec. 519. From the funds appropriated in section 104 for foster  
15 care payments and adoption subsidies, the department shall increase the  
16 rate of payments for foster parents and parents receiving adoption subsi-  
17 dies by 3%.

18 Sec. 520. The department shall not begin foster care training pro-  
19 grams for the private nonprofit sector until after consulting with repre-  
20 sentatives of the foster care industry and submitting a foster care  
21 training plan to the house and senate appropriations subcommittees on the  
22 family independence agency.

[Sec. 521. The department shall not expend funds appropriated  
in part 1 to pay for the placement of a child in an out-of-state  
facility unless all of the following conditions are met:

- (a) There is no appropriate placement available in this state.
- (b) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.
- (c) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.
- (d) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, and reviewed licensing records and reports on the facility and believes that the facility is an appropriate placement for the child.]

[Sec. 522. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature by January 1, 1999, 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 that were substantiated and the number that were

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unsubstantiated.

- (ii) Characteristics of perpetrators of abuse or neglect and the child

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victims, such as age, relationship, socioeconomic status, race, and ethnicity.

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

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

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**1 PUBLIC ASSISTANCE**

2       Sec. 601. (1) The department may terminate a vendor payment for  
3 shelter upon written notice from the appropriate local unit of government  
4 that a recipient's rental unit is not in compliance with applicable local  
5 housing codes or when the landlord is delinquent on property tax  
6 payments. A landlord shall be considered to be in compliance with local  
7 housing codes when the department receives from the landlord a signed  
8 statement stating that the rental unit is in compliance with local hous-  
9 ing codes and that statement is not contradicted by the recipient and the  
10 local housing authority. The landlord also shall provide to the depart-  
11 ment a signed statement indicating who currently owns the property and  
12 whether any delinquent taxes are owed.

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

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

26       Sec. 602. The department, together with other agencies, may  
27 establish special projects to provide special needs shelter payment

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1 levels for the family independence program that will support the  
2 development of transitional shelter facilities for homeless families.  
3 These facilities are to provide supportive services to families and to  
4 support the development of permanent low-income housing.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 (4) A refugee or asylee who loses his or her eligibility for the  
9 federal supplemental security income program by virtue of exceeding the  
10 maximum time limit for eligibility as delineated in Public Law 104-193  
11 and who otherwise meets the eligibility criteria under this section shall  
12 be eligible to receive benefits under the state disability assistance  
13 program.

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

18 Sec. 606. County family independence agencies shall require each  
19 recipient of state disability assistance who has applied with the social  
20 security administration for supplemental security income to sign a con-  
21 tract to repay any assistance rendered through the state disability  
22 assistance program upon receipt of retroactive supplemental security  
23 income benefits.

24 Sec. 607. The department's ability to satisfy appropriation deduc-  
25 tions in section 109 for state disability assistance/supplemental secur-  
26 ity income recoveries and public assistance recoupment revenues shall not  
27 be limited to recoveries and accruals pertaining to state disability

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1 assistance, or family independence assistance grant payments provided  
2 only in the current fiscal year, but shall include all related net recov-  
3 eries received during the current fiscal year.

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

15       Sec. 609. The state supplementation level under the supplemental  
16 security income program for the personal care/adult foster care and home  
17 for the aged categories shall not be reduced during the fiscal year  
18 beginning October 1, 1998 and ending September 30, 1999.

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

23       Sec. 611. (1) The department shall not require providers of burial  
24 services to accept state payment for indigent burials as payments in  
25 full. Providers shall be permitted to collect additional payment, not to  
26 exceed \$2,300.00, from relatives or other persons on behalf of the  
27 deceased.

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1 (2) Of the additional payments collected in subsection (1), 75%  
2 shall be distributed to funeral directors and 25% to cemeteries or crema-  
3 toriums if cemeteries provide the vaults.

4 (3) Any additional payment collected pursuant to subsection (1)  
5 shall not increase the maximum charge limit for state payment as estab-  
6 lished by law.

7 Sec. 612. For purposes of determining housing affordability eligi-  
8 bility for state emergency relief, a group is considered to have suffi-  
9 cient income to meet ongoing housing expenses if their total housing  
10 obligation does not exceed 75% of their total net income.

11 Sec. 613. From the funds appropriated in section 109 for state  
12 emergency relief, the maximum allowable charge limit for indigent burials  
13 shall be \$1,410.00. It is the intent of the legislature that this charge  
14 limit reflect a maximum payment to funeral directors of \$885.00 for  
15 funeral goods and services and a maximum payment to cemeteries or crema-  
16 toriums of \$325.00 for cemetery goods and services. In addition, a maxi-  
17 mum payment of \$200.00 shall be distributed to either the funeral direc-  
18 tor or cemetery, whoever provides the burial vault.

19 Sec. 614. The funds available pursuant to this section shall be  
20 available if the deceased was an eligible recipient and an application  
21 for emergency relief funds was made within 10 days of the burial or cre-  
22 mation of the deceased person. Each provider of burial services shall be  
23 paid directly by the department.

24 Sec. 615. Except as required by federal law or regulations, funds  
25 appropriated in section 109 shall not be used to provide public assist-  
26 ance to a person who is an illegal alien. This section shall not  
27 prohibit the department from entering into contracts with food banks or

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1 emergency shelter providers who may, as a normal part of doing business,  
2 provide food or emergency shelter to individuals without regard to citi-  
3 zenship status.

4       Sec. 616. Funds appropriated in part 1 may be used to support mul-  
5 ticultural assimilation and support services.

6       Sec. 617. (1) The appropriation in section 109 for the weatheriza-  
7 tion program shall be expended in such a manner that at least 25% of the  
8 households weatherized under the program shall be households of families  
9 receiving family independence assistance, state disability assistance, or  
10 supplemental security income.

11       (2) Any unencumbered balances of the weatherization program shall  
12 not lapse and may be carried forward to fiscal year 2000.

13       Sec. 618. The family independence agency as the lead agency in con-  
14 junction with the Michigan jobs commission shall study the outcomes for  
15 recipients who have participated in work first and shall submit semian-  
16 nual reports on the progress and findings of the study to the house and  
17 senate subcommittees dealing with appropriations for the family indepen-  
18 dence agency and for regulatory services and to the standing committees  
19 dealing with human services beginning November 1, 1998. The study shall  
20 examine all of the following:

21       (a) Whether the former participants have obtained jobs.

22       (b) The kind of jobs they have obtained.

23       (c) How long they have retained those jobs.

24       (d) Current hourly wages.

25       (e) Whether they are receiving basic health care benefits, tuition  
26 reimbursement, or training from their employers.

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1 (f) Whether they continue to receive other types of public  
2 assistance.

3 (g) Any other information the departments consider relevant.

4 Sec. 619. In operating the family independence program with funds  
5 appropriated in section 109, the department shall not approve as a minor  
6 parent's adult supervised household a living arrangement in which the  
7 minor parent lives with his or her partner as the supervising adult.

8 Sec. 620. (1) Except as otherwise provided in subsection (2), the  
9 department shall provide not less than 10 days' notice before reducing,  
10 terminating, or suspending assistance provided under the social welfare  
11 act, 1939 PA 280, MCL 400.1 to 400.122.

12 (2) The department may reduce, terminate, or suspend assistance pro-  
13 vided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.122,  
14 without prior notice in 1 or more of the following situations:

15 (a) The only eligible recipient has died.

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

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

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

22 (e) A recipient has intentionally violated 1 or more of the require-  
23 ments of the social welfare act, 1939 PA 280, MCL 400.1 to 400.122.

24 (f) A recipient has been approved to receive assistance in another  
25 state.

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

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1 (3) If a recipient appeals the department's determination to reduce,  
2 terminate, or suspend his or her assistance within 10 days from the mail-  
3 ing of the notice of negative action, the department shall not reduce,  
4 terminate, or suspend that assistance until there is a final determina-  
5 tion of that appeal upholding the department's determination to reduce,  
6 terminate, or suspend that assistance.

7 Sec. 621. The department shall exempt from the denial of food stamp  
8 benefits, contained in section 115 of title I of the personal responsi-  
9 bility and work opportunity reconciliation act of 1996, Public  
10 Law 104-193, 21 U.S.C. 862a, any individual who has been convicted of a  
11 felony that included the possession, use, or distribution of a controlled  
12 substance, after August 22, 1996, provided that the individual is not in  
13 violation of his or her probation or parole requirements. Benefits shall  
14 be provided to such individuals as follows:

15 (a) A third party payee or vendor shall be required for any cash  
16 benefits provided.

17 (b) An authorized representative shall be required for food stamp  
18 receipt.

19 Sec. 622. The department shall permit a recipient to perform  
20 non-campaign-related volunteer work in the offices of the executive,  
21 judicial, and legislative branches of state government to meet his or her  
22 qualifying work activities under the federal food stamp program. Each  
23 family independence agency county office shall compile and maintain a  
24 list of legislative and executive branch offices willing to accept  
25 volunteers. This list shall be made available to public assistance cli-  
26 ents to assist them in selecting their social contract activity.

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1           Sec. 623. The family independence agency shall ensure that family  
2 independence specialists and eligibility specialists are knowledgeable of  
3 the enhanced technical vocational training program administered by the  
4 Michigan jobs commission. The family independence agency shall ensure  
5 that family independence specialists and eligibility specialists inform  
6 all potentially eligible FIA benefits recipients of the program's avail-  
7 ability and the availability of support services, including, but not  
8 limited to, child care and transport, to participants in the program.

9           Sec. 624. (1) The department shall ensure that all family indepen-  
10 dence agency clients are informed in writing of additional programs for  
11 which they may potentially be eligible. Notification of programs should  
12 at a minimum include information on transitional Medicaid and MICHild,  
13 transitional child day care services, and instructions on how to apply  
14 for benefits, emergency assistance with utility arrearage, available tax  
15 credits, opportunities for skills development training and education, and  
16 training programs administered by the Michigan jobs commission.

17           (2) At the client's discretion, the department shall grant an exit  
18 interview to discuss issues pertaining to self-sufficiency including all  
19 of the information outlined in subsection (1). Clients shall be notified  
20 of their right to an exit interview.

21           Sec. 625. The department shall develop and implement policies and  
22 procedures in compliance with section 402(a)(7) of part A of title IV of  
23 the social security act, chapter 531, 110 Stat. 2113, 42 U.S.C. 602, to  
24 achieve all of the following:

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

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1 (b) Referral of persons so identified to counseling and supportive  
2 services.

3 (c) In accordance with a determination of good cause, the waiving of  
4 certain requirements of family independence programs where compliance  
5 with those requirements would make it more difficult for the individual  
6 to escape domestic violence or would unfairly penalize individuals who  
7 have been victims of domestic violence or who are at risk of further  
8 domestic violence.

9 Sec. 626. From the funds appropriated in section 109, \$100,000.00  
10 shall be used to leverage additional funds and to match funds in individ-  
11 ual development accounts for family independence program recipients pur-  
12 suant to the personal responsibility and work opportunity reconciliation  
13 act of 1996, Public Law 104-193, 110 Stat. 2105. This section shall not  
14 take effect until statutory authorization for individual development  
15 accounts is in effect.

16 Sec. 627. (1) The department shall prepare a plan to provide for  
17 the establishment of individual development accounts by individuals who  
18 apply for or receive public assistance from the department by January 1,  
19 1999.

20 (2) Prior to the implementation of the plan prepared under  
21 subsection (1), the department shall present the plan to the  
22 legislature. The plan shall include, but is not limited to, all of the  
23 following:

24 (a) An assessment of the fiscal impact of the plan.

25 (b) An estimate of the impact the plan will have on department  
26 caseloads.

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1 (c) An assessment of whether the plan will encourage individuals to  
2 seek assistance who would not otherwise seek assistance.

3 (d) The impact of the plan on short-term and long-term welfare  
4 dependency on assistance.

5 (e) Methods to leverage nongovernmental funds.

6 (f) Limitations, if any, on the number of participants in the  
7 program.

8 (g) Methodology of evaluation.

9 (h) Whether the program is restricted to FIP recipients or available  
10 to nonrecipient, low-income individuals as well.

11 Sec. 628. (1) From the funds appropriated in section 109, the  
12 department, in collaboration with the center on urban affairs at Michigan  
13 State University, shall conduct a study of the feasibility of using com-  
14 munity development credit unions as tools to assist low-income members of  
15 the credit unions to achieve self-sufficiency through the use of individ-  
16 ual development accounts established with the credit unions. As used in  
17 this section, "low-income members" means persons who are members of a  
18 community development credit union and who meet 1 of the following  
19 criteria:

20 (a) Make less than 80% of the average for all wage earners as estab-  
21 lished by the bureau of labor statistics.

22 (b) Have annual household income that falls at or below 80% of the  
23 median household income for the nation as established by the census  
24 bureau.

25 (c) Meet the definition of low-income members as determined by order  
26 of the national credit union association (NCUA) board.

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1 (2) The department shall issue a report no later than February 1,  
2 1999.

3 Sec. 629. From the funds appropriated in section 106, the depart-  
4 ment shall increase the allocation for child protective services worker  
5 by 50 FTEs to increase the department's ability to efficiently implement  
6 the initiatives contained in "In Our Hands," the report of the Binsfeld  
7 children's commission, issued in July 1, 1996. It is the intent of the  
8 legislature that 25 FTEs be hired effective October 1, 1998 and 25 FTEs  
9 be hired effective April 1, 1999.

10 Sec. 630. (1) From the funds appropriated in section 106, the  
11 department shall increase the allocation for family independence special-  
12 ists by 75 FTEs to do all of the following:

13 (a) Increase the department's ability to efficiently implement wel-  
14 fare reform initiatives with a priority placed on the processing of child  
15 day care payments.

16 (b) Substitute for FIS workers who attend training with an emphasis  
17 on providing support for FIS workers attending training on providing  
18 services to clients.

19 (c) Other regular job functions of an FIS worker.

20 (2) It is the intent of the legislature that 38 FTEs be hired effec-  
21 tive October 1, 1998 and 37 FTEs be hired effective April 1, 1999.

22 Sec. 631. From funds appropriated in section 109, the department  
23 may provide consumer services information, home budgeting information,  
24 and credit counseling for recipients participating in the project zero  
25 pilot project.

26 Sec. 632. In operating the family independence program, the  
27 department shall include in the social contract, as defined in section 57

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1 of the social welfare act, 1939 PA 280, MCL 400.57, the responsibilities  
2 of both the department and the client, including support services that  
3 may be available to the client, the penalties for failure to comply with  
4 the social contract and a statement of the client's right to hearing.  
5 The social contract shall provide for signatures of the client and the  
6 caseworker.

7       Sec. 633. (1) The department shall enter into a contract with the  
8 Salvation Army to provide shelter for homeless persons.

9       (2) The family independence agency shall work with the Salvation  
10 Army and the independent auditor selected pursuant to the contract under  
11 subsection (1) to review and revise the basic standards for emergency  
12 shelters and create a self-carboned checklist for use in the annual com-  
13 pliance audits performed by the independent auditor.

14       (3) The Salvation Army shall monitor all shelters that provide shel-  
15 ter for homeless persons pursuant to the contract under subsection (1)  
16 for compliance with the basic standards for emergency shelters. The mon-  
17 itoring process shall include corrective action plans developed jointly  
18 by the Salvation Army and the shelters with which it contracts to address  
19 any noncompliance with the applicable standards. Each corrective action  
20 plan shall include a timeline for corrective actions and shelter  
21 compliance.

22       (4) The family independence agency shall report the following annu-  
23 ally to the house and senate appropriations subcommittees on the family  
24 independence agency budget:

25       (a) The Salvation Army's progress in the development of the monitor-  
26 ing program, corrective action plans, and revision of the basic standards  
27 for emergency shelters.

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1 (b) The names and addresses of all Salvation Army shelters and of  
2 all shelters for homeless persons with which the Salvation Army enters  
3 into contracts pursuant to the contract under subsection (1).

4 Sec. 634. From the funds appropriated in section 109 for state  
5 emergency relief that are distributed to the Salvation Army, the depart-  
6 ment shall do all of the following:

7 (a) Provide that there be a full-time staff position, effective  
8 October 1, 1998, to work to ensure that homeless families have access to  
9 programs for which they qualify by providing liaison services between the  
10 department and the shelter providers.

11 (b) Establish an outreach program to provide a link between the  
12 department, persons who are homeless, and the work first program.

13 (c) Designate one person at each local family independence agency  
14 office to act as a contact between the department and the shelter provid-  
15 ers to facilitate coordination of services.

16 Sec. 635. If the funds appropriated in section 109 for providing  
17 beds for homeless persons are not spent in the fiscal year, any unencum-  
18 bered and unspent funds shall not revert to the general fund and may be  
19 used to provide 1-time grants to local programs to meet the need of home-  
20 less persons.

21 Sec. 636. From the funds appropriated in section 109 for state  
22 emergency relief, the department shall fund a pilot project instituting a  
23 program that would allow indigent persons to secure a birth certificate  
24 or a state identification card at no cost to the individual.

25 Sec. 637. From the funds appropriated for state emergency relief,  
26 the department shall collaborate with the food bank council of Michigan  
27 and study the issue of hunger as it pertains to Michigan. The study

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1 shall include estimates of the demand statewide for accessing food banks  
2 and sites where individuals receive prepared meals and recommendations on  
3 how the department can better meet this demand. The department shall  
4 submit an action plan on how it will act to address the hunger issue to  
5 the house and senate appropriations subcommittees on the family indepen-  
6 dence agency by December 1, 1998.

7       Sec. 638. An able-bodied person between 18 and 50 years of age may  
8 not receive food stamp benefits for more than 3 countable months in a  
9 36-month period unless that person meets 1 of the following criteria:

10       (a) Works at least 25 hours per month in community service work  
11 activities within a 30-day period.

12       (b) Works 80 hours or more within a 30-day period.

13       (c) Participates in a work program for 80 hours or more within a  
14 30-day period.

15       (d) Becomes exempt.

16       Sec. 639. From the funds appropriated in section 109 for day care  
17 services, the department shall expend \$315,000.00 to contract with the  
18 Michigan community coordinated child care association for additional  
19 resource and referral services and technical assistance to day care cen-  
20 ters seeking accreditation.

21       Sec. 640. (1) From the funds appropriated in section 109 for day  
22 care services, the department shall expend \$800,000.00 to expand day care  
23 provider training programs administered under contract with the Michigan  
24 community coordinated child care association. Training shall be made  
25 available to all day care providers including those who work out of cen-  
26 ters, group homes, family homes, and the homes of relatives, and in-home  
27 aides.

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1           (2) From the funds appropriated in subsection (1), the Michigan  
2 community coordinated child care association shall administer a training  
3 pilot project targeting in-home aides and persons providing child care to  
4 relatives. Providers who verify that they have received day care pay-  
5 ments for at least 3 months from the department and who successfully com-  
6 plete at least 15 hours of approved child care training shall be eligible  
7 to receive a 1-time lump sum payment of up to \$150.00 for training  
8 received after October 1, 1998. The total paid in lump sum payments  
9 shall not exceed \$300,000.00. Approved training may include programs  
10 operated by the Michigan community coordinated child care association,  
11 the Michigan association for the education of young children, community  
12 colleges, universities, or university extension programs.

13           (3) On or before March 1, 1999, the department shall provide the  
14 house and senate appropriations subcommittees on the family independence  
15 agency a progress report on the pilot project authorized in subsection  
16 (2).

17           Sec. 641. From the funds appropriated in section 109 for day care  
18 services, the department shall expend up to \$30,000.00 to conduct a  
19 market rate survey of child care providers to determine the current  
20 market rates for child care. The survey shall determine the cost of  
21 child care by shelter area, type of provider, and age of the child.

22           Sec. 642. From the funds appropriated in section 109 for day care  
23 services, the department shall contract with the Michigan community coor-  
24 dinated child care association to administer an amount not to exceed  
25 \$900,000.00 to expand the "enhance quality improvement program" (EQUIP)  
26 grants. A priority for the expenditure of EQUIP funds shall be given to  
27 providers to expand access to child care, specifically 24-hour care and

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1 weekend care. A child care program shall not be eligible for an EQUIP  
2 grant unless 25% or more of its clients receive day care payments from  
3 the department.

4       Sec. 643. (1) From the funds appropriated in part 1, \$100,000.00  
5 shall be used to leverage and match additional funds for the purpose of  
6 holding a "Ready to Learn" leadership summit to explore the development  
7 of a child care and early education system that meets the needs of every  
8 child prior to kindergarten entry. The summit shall bring together lead-  
9 ers from Michigan's legislature, the governor and leaders in the adminis-  
10 tration, leaders from Michigan's large business corporations and from  
11 small businesses, economists, experts in early childhood education and  
12 care, legal scholars, law enforcement officials, Michigan universities,  
13 and others selected by the planning committee established under  
14 subsection (3).

15       (2) The "Ready to Learn" leadership summit shall examine how  
16 Michigan can develop a system that assures that every child in Michigan  
17 has a good opportunity to enter kindergarten ready to learn. The summit  
18 shall address at least the following topics:

19       (a) Helping parents obtain high quality early childhood care and  
20 education.

21       (b) Protecting children by assuring that early childhood care and  
22 education occurs in safe and healthy places.

23       (c) Helping parents obtain early childhood care and education when  
24 they work nontraditional hours or have special needs because their chil-  
25 dren have disabilities or are sick.

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1 (d) Developing an early childhood care and education system that  
2 recognizes the diversity of Michigan's parents with respect to ethnic,  
3 religious, income, and philosophical differences.

4 (e) Taking the next steps toward a comprehensive early childhood  
5 care and education system.

6 (3) Organizational leadership for planning and conducting the "Ready  
7 to learn" leadership summit shall rest with a planning committee composed  
8 of people from the Michigan child care task force operating under the  
9 direction of the task force's legislative sponsors. This committee shall  
10 consult with the governor's office, the Michigan senate and house, busi-  
11 ness leaders, and Michigan foundations in planning and conducting the  
12 summit. The planning committee may expend funds to consult with and hire  
13 people and organizations considered necessary for implementing this  
14 section. The committee shall provide the house and senate appropriations  
15 committees a full accounting of its expenditures incurred under this  
16 section.

17 (4) The "Ready to Learn" leadership summit shall be held no later  
18 than July 31, 1999, and the planning committee shall submit a report on  
19 the business conducted and recommendations made at the summit to the  
20 house and senate appropriations committees no later than September 30,  
21 1999.

22 Sec. 644. (1) The department shall study the feasibility of allow-  
23 ing funeral directors to prepare and complete the required forms for the  
24 approval of payment for burial or cremation expenses if the funeral  
25 director e-mails or faxes the completed form to the department within a  
26 reasonable time after the burial or cremation.

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1 (2) A form completed pursuant to subsection (1) shall include the  
2 signed approval of the person making arrangements for the burial or  
3 cremation of the client prior to submission of the form by the funeral  
4 director.

5 (3) The department shall submit the report to the legislature on the  
6 feasibility study conducted under this section on or before March 31,  
7 1999.

8 Sec. 645. (1) From the funds appropriated in part 1, \$700,000.00 is  
9 appropriated for the department to establish citizenship assistance pro-  
10 grams to assist refugees, asylees, and legal immigrants residing in  
11 Michigan to become citizens of the United States. The program shall be  
12 administered by community based organizations to the maximum extent pos-  
13 sible as determined by the department.

14 (2) Citizenship assistance programs shall do all of the following:

15 (a) Provide assistance to persons to become citizens of the United  
16 States if they are within 2 years of citizenship eligibility.

17 (b) Provide assistance to persons described in subdivision (a) who  
18 are determined to be ineligible for federally funded benefits solely  
19 because of their status as refugees, asylees, or legal immigrants.

20 (3) The program under this section may be funded through state  
21 appropriations and through matching financial or in-kind contributions by  
22 private organizations and local governmental agencies.

23 (4) In order to participate in the citizenship assistance program,  
24 community based organizations shall meet all of the following criteria:

25 (a) Be approved by the department as an approved social service pro-  
26 vider eligible to provide a citizenship assistance program before the  
27 agency begins a citizenship assistance program.

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1 (b) Be exempt from taxation under section 501(c)(3) of the internal  
2 revenue code of 1986.

3 (c) Demonstrate experience in providing citizenship services or the  
4 ability to service clients with diverse ethnic and cultural backgrounds.

5 (d) Be registered with the United States department of justice board  
6 of immigration appeals.

7 (5) A community organization approved to provide a citizenship  
8 assistance program shall offer all of the following services:

9 (a) Citizenship preparatory classes in United States history and  
10 government using an English language immersion approach.

11 (b) Native language civics instruction and citizenship preparatory  
12 classes for persons who qualify for age or residency exceptions.

13 (c) Citizenship application assistance.

14 (d) Information and referral.

15 (e) INS disability waiver application assistance.

16 Sec. 646. The department shall conduct a study in conjunction with  
17 the Michigan jobs commission and the Michigan department of transporta-  
18 tion of the accessibility of transportation for work first clients to get  
19 them to work assignments and child care. The study shall address the  
20 concept of mobility managers for each zone in the state. The results of  
21 the study shall be reported to the house and senate appropriations sub-  
22 committees on the family independence agency by March 1, 1999.

23 Sec. 647. The department shall calculate the food stamp allotment  
24 for applicants who are United States citizens and who live in a household  
25 with legal immigrants in a manner that maximizes the food stamps avail-  
26 able to these United States citizens under federal law.

[Sec. 648. (1) The family independence agency shall periodically compare its records of individuals who receive or use food stamps or coupons, food stamp access devices, or food stamp program benefits with the records of individuals committed to the jurisdiction of the department of corrections or individuals sentenced to a term of imprisonment in a county jail to identify and terminate the eligibility of individuals who are ineligible for those food stamps or coupons, food stamp access devices, or food stamp program benefits because of their conviction and incarceration.]

(2) By September 30, 1999, the department shall report to the house and senate appropriation subcommittees on the family independence agency budget the results of the actions required by this section.]

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[Sec. 649. To the extent allowed under federal law, the department

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shall establish a program to identify deceased individuals counted as members of food stamp households for purposes of calculating benefits by periodically conducting computer matches comparing individuals in food stamp households with data in the social security administration's comprehensive death master file. The department shall report the results of the matches to the house and senate appropriations subcommittees on the family independence agency budget. The report shall include at a minimum all of the following:

(a) The number of deceased individuals who were included as members of households that received food stamp benefits and the estimated value of the improper benefits that were issued to those households

(b) Whether computer matching or other methods are effective means for identifying deceased individuals counted as members of food stamp households.]

[Sec. 650. Effective January 1, 1999, the department shall commence using the federal systematic alien verification for entitlement (SAVE) program in order to verify the eligibility of aliens claiming federally funded benefits.]

[Sec. 651. The department shall notify the United States immigration and naturalization service if an undocumented alien applies for cash or medical assistance under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, including a person who applies for emergency medical services and who refuses or is unable to provide satisfactory verification of his or her status as an alien.]

**1 DELINQUENCY SERVICES**

2       Sec. 701. The department shall expend up to \$1,150,000.00 of the  
3 federal juvenile accountability incentive block grant to support the boot  
4 camp program. The remainder of the state allocation of the juvenile  
5 accountability incentive block grant shall be used to provide funding to  
6 enable juvenile courts, juvenile probation offices, and community-based  
7 programs to be more effective and efficient in holding juvenile offenders  
8 accountable and reducing recidivism, treating substance abuse problems,  
9 and developing community-based alternatives for female offenders [and the  
following:

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

(b) For training, equipment, and technology.

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

10       Sec. 702. (1) The department shall convene a commission to study  
11 delinquency services. The study shall include, but not be limited to,  
12 all of the following:

13       (a) How to reduce recidivism rates.

14       (b) The needs of female offenders.

15       (c) The need for community based alternatives.

16       (d) Postinstitutional programming.

17       (2) The commission shall be made up of representatives from the fol-  
18 lowing groups: county officials; the speaker of the house of representa-  
19 tives, the house minority leader, the senate majority leader, and the  
20 senate minority leader, or their designees; the department director or  
21 his or her designee; employee unions; for-profit providers of delinquency  
22 services; and private nonprofit providers of delinquency services. The  
23 commission shall prepare a report and make recommendations on how best to  
24 proceed by December 1, 1998. Funding for the commission and its activi-  
25 ties shall not exceed \$100,000.00.