

**SENATE 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

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amounts listed in this part are appropriated for the family independence

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

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For Fiscal Year Ending
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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.....	13,228.0	
5	Unclassified positions.....	6.0	
6	Total full-time equated positions.....	13,234.0	
7	GROSS APPROPRIATION.....	\$	2,923,246,400
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....	\$	150,000
11	ADJUSTED GROSS APPROPRIATION.....	\$	2,923,096,400
12	Federal revenues:		
13	Total federal revenues.....		1,725,248,900
14	Special revenue funds:		
15	Total private revenues.....		7,731,100
16	Total local revenues.....		61,163,600
17	Total other state restricted revenues.....		92,532,500
18	State general fund/general purpose.....	\$	1,036,420,300
19	Sec. 102. EXECUTIVE OPERATIONS		
20	Total full-time equated positions.....	935.3	
21	Full-time equated unclassified positions.....	6.0	
22	Full-time equated classified positions.....	929.3	
23	Unclassified salaries--6.0 FTE positions.....	\$	478,000
24	Salaries and wages--727.3 FTE positions.....		32,965,300
25	Contractual services, supplies, and materials.....		10,330,300
26	Demonstration projects--11.0 FTE positions.....		10,605,700

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1	End user support.....	4,916,000
2	Computer service fees.....	12,931,700
3	Automated social services information system	
4	project--25.0 FTE positions.....	33,846,500
5	Data system enhancement--26.0 FTE positions.....	12,620,300
6	Child support automation--25.0 FTE positions.....	26,461,100
7	Child support distribution computer system.....	625,000
8	Commission on disability concerns--7.0 FTE positions.	709,600
9	Commission for the blind--108.0 FTE positions.....	<u>17,060,200</u>
10	GROSS APPROPRIATION.....	\$ 163,549,700
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG-ADP user fees.....	150,000
14	ADJUSTED GROSS APPROPRIATION.....	\$ 163,399,700
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues.....	92,521,800
18	Special revenue funds:	
19	Total private revenues.....	1,840,000
20	Total local revenues.....	475,000
21	Total other state restricted revenue.....	477,300
22	State general fund/general purpose.....	\$ 68,085,600
23	Sec. 103. FAMILY SERVICES ADMINISTRATION	
24	Full-time equated classified positions.....	396.0
25	Salaries and wages--320.0 FTE positions.....	\$ 14,810,500
26	Contractual services, supplies, and materials.....	6,896,500

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1	Child support incentive payments.....	32,409,600
2	Legal support contracts.....	87,853,700
3	Supplemental security income advocates, salaries and	
4	wages--17.0 FTE positions.....	1,044,100
5	State incentive payments.....	4,449,000
6	Employment and training support services.....	24,926,700
7	Food stamp issuance.....	5,374,400
8	High school completion project--4.0 FTE positions....	308,400
9	Wage employment verification reporting--2.0 FTE	
10	positions.....	5,030,000
11	Urban and rural empowerment/enterprise zones.....	100
12	Training and staff development--53.0 FTE positions...	9,513,100
13	Community services block grant.....	<u>18,100,000</u>
14	GROSS APPROPRIATION..... \$	210,716,100
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues.....	182,141,000
18	Special revenue funds:	
19	Total local revenues - donated.....	340,000
20	State general fund/general purpose..... \$	28,235,100
21	Sec. 104. CHILD AND FAMILY SERVICES	
22	Full-time equated classified positions.....103.3	
23	Salaries and wages--53.3 FTE positions..... \$	2,667,200
24	Contractual services, supplies, and materials.....	1,782,000
25	Refugee assistance program--9.0 FTE positions.....	7,377,100
26	County juvenile officers.....	3,470,300

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1	Foster care payments.....	220,441,200
2	Youth in transition--19.0 FTE positions.....	10,196,900
3	Interstate compact.....	300,000
4	Adoption subsidies.....	121,056,200
5	Child care fund.....	61,958,100
6	Children's benefit fund donations.....	21,000
7	Domestic violence prevention and treatment--1.0 FTE	
8	position.....	5,662,200
9	Teenage parent counseling--3.0 FTE positions.....	3,405,200
10	Family preservation and prevention services--13.0 FTE	
11	positions.....	63,016,500
12	Black child and family institute.....	100,000
13	Rape prevention and services.....	1,100,000
14	Attorney general contracts.....	1,708,700
15	Guardian contract.....	600,000
16	County shelters.....	200,000
17	Prosecuting attorney contracts--1.0 FTE position.....	1,061,700
18	Children's trust fund administration--4.0 FTE	
19	positions.....	330,300
20	Children's trust fund grants.....	<u>3,615,000</u>
21	GROSS APPROPRIATION..... \$	510,069,600
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	257,593,400
25	Special revenue funds:	
26	Private-children's benefit fund donations.....	21,000

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1	Private-collections.....	4,101,300
2	Children's trust fund.....	2,070,300
3	Local funds - county payback.....	7,221,200
4	State general fund/general purpose..... \$	239,062,400
5	Sec. 105. DELINQUENCY SERVICES	
6	Full-time equated classified positions.....1,211.1	
7	Delinquency services operations..... \$	14,526,900
8	Genesee valley and Detroit detention centers--210.2	
9	FTE positions.....	8,297,500
10	Residential care centers--45.0 FTE positions.....	2,518,100
11	Federally funded activities--26.1 FTE positions.....	1,790,800
12	W.J. Maxey memorial fund.....	45,000
13	Regional detention services--10.6 FTE positions.....	1,207,300
14	Juvenile boot camp program.....	2,300,000
15	Committee on juvenile justice administration--3.0 FTE	
16	positions.....	269,300
17	Committee on juvenile justice grants.....	7,000,000
18	Juvenile accountability incentive block grant.....	6,128,200
19	Personnel payroll costs--916.2 FTE positions.....	45,000,000
20	Delinquency block grant.....	<u>48,553,900</u>
21	GROSS APPROPRIATION..... \$	137,637,000
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	35,315,600
25	Special revenue funds:	
26	Total private revenues.....	45,000

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1	Block grant revenue.....	35,176,800
2	Local funds - county payback.....	17,453,100
3	State general fund/general purpose..... \$	49,646,500
4	Sec. 106. ASSISTANCE PAYMENTS, SERVICES, AND CLERICAL FIELD	
5	STAFF	
6	Full-time equated classified positions.....	9,962.6
7	Field staff, salaries and wages--7,206.6 FTE	
8	positions..... \$	276,615,200
9	Children and adult services, salaries and	
10	wages--2,635.5 FTE positions.....	105,632,800
11	Contractual services, supplies, and materials.....	23,500,800
12	Outstationed eligibility workers--30.0 FTE positions.	3,497,800
13	Volunteer services and reimbursement--90.5 FTE	
14	positions.....	<u>6,925,200</u>
15	GROSS APPROPRIATION..... \$	416,171,800
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues.....	258,515,200
19	Special revenue funds:	
20	Local funds - donated funds.....	193,100
21	Private funds - hospital contributions.....	1,723,800
22	State general fund/general purpose..... \$	155,739,700
23	Sec. 107. CENTRAL SUPPORT ACCOUNTS	
24	Rent..... \$	49,476,000
25	Occupancy charge.....	5,308,500
26	Travel.....	7,726,800

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1	Equipment.....	2,740,000
2	Workers' compensation.....	5,166,900
3	Advisory commissions.....	17,900
4	Payroll taxes and fringe benefits.....	<u>147,323,000</u>
5	GROSS APPROPRIATION..... \$	217,759,100
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues.....	123,057,300
9	Special revenue funds:	
10	Local funds - county payback.....	304,400
11	Departmentwide lapse revenue.....	8,024,200
12	State general fund/general purpose..... \$	86,373,200
13	Sec. 108. DISABILITY DETERMINATION SERVICES	
14	Full-time equated classified positions.....602.0	
15	Disability determination operations--602.0 FTE	
16	positions..... \$	<u>66,616,000</u>
17	GROSS APPROPRIATION..... \$	66,616,000
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues.....	66,616,000
21	State general fund/general purpose..... \$	0
22	Sec. 109. PUBLIC ASSISTANCE	
23	Full-time equated classified positions.....23.7	
24	Family independence program..... \$	563,141,800
25	State disability assistance payments.....	23,738,100
26	Food stamp program benefits.....	132,000,000

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1	State supplementation.....	57,653,600
2	State supplementation administration.....	2,502,000
3	Low income energy assistance program--21.7 FTE	
4	positions.....	72,000,000
5	State emergency relief--2.0 FTE positions.....	38,700,000
6	Weatherization assistance.....	10,900,000
7	Day care services.....	<u>300,091,600</u>
8	GROSS APPROPRIATION.....	\$ 1,200,727,100
9	Appropriated from:	
10	Federal revenues:	
11	Total federal revenues.....	709,488,600
12	Special revenue funds:	
13	Child support collections.....	70,160,600
14	Supplemental security income recoveries.....	5,800,000
15	Public assistance recoupment revenue.....	6,000,100
16	State general fund/general purpose.....	\$ 409,277,800

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PART 2

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PROVISIONS CONCERNING APPROPRIATIONS

21 GENERAL SECTIONS

22 Sec. 201. (1) Pursuant to section 30 of article IX of the state
23 constitution of 1963, total state spending from state sources for fiscal
24 year 1998-99 is estimated at \$1,128,952,800.00 in this bill and state
25 spending from state sources to local units of government for fiscal year
26 1998-99 is estimated at \$155,111,500.00. The itemized statement below

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1 identifies appropriations from which spending to units of local
2 government will occur:

3 FAMILY INDEPENDENCE AGENCY

4 CHILD AND FAMILY SERVICES

5 Child care fund..... \$ 61,958,100

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

7 Adoption subsidies..... 51,396,500

8 DELINQUENCY SERVICES

9 Delinquency block grant..... 37,560,100

10 PUBLIC ASSISTANCE

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

12 TOTAL..... \$ 155,111,500

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) "ASSIST" means automated social services information system.

8 (c) "Department" means the family independence agency.

9 (d) "FTE" means full-time equated position.

10 (e) "IDG" means interdepartmental grant.

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

15 (g) "Title XX" means title XX of the social security act, chapter
16 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397f.

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

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1 of the legislative objective and to develop a plan to attain that
2 legislative objective.

3 Sec. 210. Funds appropriated in part 1 shall not be used for the
4 purchase of foreign goods or services when competitively priced and of
5 comparable quality American goods or services are available. By May 1,
6 1999, the family independence agency shall submit a report to the depart-
7 ment of management and budget, the speaker and minority leader of the
8 house of representatives, the majority and minority leaders of the
9 senate, and the chairpersons of the house and senate appropriations com-
10 mittees on efforts to comply with this section.

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

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

25 Sec. 213. (1) Beginning October 1, 1998, there is a hiring freeze
26 imposed on the state classified civil service. State departments and
27 agencies are prohibited from hiring any new full-time state classified

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1 civil service employees and prohibited from filling any vacant state
2 classified civil service positions. This hiring freeze does not apply to
3 internal transfers of classified employees from 1 position to another
4 within a department or to positions that are funded 80% or more from fed-
5 eral or restricted funds.

6 (2) The state budget director shall grant exceptions to this hiring
7 freeze when the state budget director believes that the hiring freeze
8 will result in the state department or agency being unable to deliver
9 basic services. The state budget director shall report by the fifteenth
10 of each month to the chairpersons of the senate and house appropriations
11 committees the number of exclusions to the hiring freeze approved during
12 the previous month and the justification for the exclusion.

13 Sec. 214. (1) The director shall take all reasonable steps to
14 ensure businesses in deprived and depressed communities compete for and
15 perform contracts to provide services or supplies or both for the
16 department.

17 (2) The director shall strongly encourage firms with which the
18 department contracts to subcontract with certified businesses in
19 depressed and deprived communities for services or supplies or both.

20 (3) For the purpose of this section, depressed and deprived communi-
21 ties are defined as counties where the annual average unemployment rate
22 is 15% or more above the state's annual average unemployment rate and as
23 cities where the annual average unemployment rate is 75% or more above
24 the state's annual average unemployment rate.

25 (4) At a minimum, the director of the department shall take the fol-
26 lowing steps to comply with the directives in subsections (1) and (2) of
27 this section:

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1 (a) Identify the appropriate public officials to inform them of the
2 state's commitment regarding this section.

3 (b) Ask them for written input as to what would be the most effec-
4 tive way to comply with this section.

5 (c) Together with the appropriate local public officials, develop a
6 plan detailing how they will comply with this section.

7 (d) By May 1, 1999, submit a report to the department of management
8 and budget, the speaker and minority leader of the house of representa-
9 tives, the majority and minority leaders of the senate, the chairpersons
10 of the house and senate appropriations committees, and the house and
11 senate fiscal agencies on efforts to comply with this section.

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

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

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

26 Sec. 219. (1) The department shall prepare a semiannual report on
27 the temporary assistance for needy families (TANF) federal block grant.

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1 The report shall include projected expenditures for the current fiscal
2 year, an accounting of any previous year funds carried forward, and a
3 summary of all interdepartmental or interagency agreements relating to
4 the use of TANF funds. The report shall be forwarded to the house and
5 senate appropriations subcommittees on the family independence agency
6 budget on or before October 15, 1998 and April 15, 1999.

7 (2) The state budget director shall give prior written notice to the
8 members of the house and senate appropriations subcommittees for the
9 family independence agency and to the house and senate fiscal agencies of
10 any proposed changes in utilization or distribution of TANF funding or
11 the distribution of TANF maintenance of effort spending relative to the
12 amounts reflected in the annual appropriations acts of all state agencies
13 where TANF funding is appropriated.

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

17 Sec. 221. (1) In contracting with faith-based organizations for
18 mentoring or supportive services, and in all contracts for services, the
19 department shall ensure that no funds provided directly to institutions
20 or organizations to provide services and administer programs shall be
21 used or expended for any sectarian activity, including sectarian worship,
22 instruction, or proselytization.

23 (2) If an individual requests the service and has an objection to
24 the religious character of the institution or organization from which the
25 individual receives or would receive services or assistance, the depart-
26 ment shall provide the individual within a reasonable time after the date
27 of the objection with assistance or services and which are substantially

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1 the same as the service the individual would have received from the
2 organization.

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

10 Sec. 222. Within 10 working days after the formal presentation of
11 the executive budget for 1999-2000, the state budget director shall iden-
12 tify and report to the house and senate appropriations committees and to
13 the house and senate fiscal agencies the source of all federal funds and
14 restricted funds that the department proposes to receive as a grant or
15 proposes to transfer to another principal department or agency during the
16 1999-2000 fiscal year.

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

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

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1 Sec. 228. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$200,000,000.00 for federal
3 contingency funds. These funds are not available for expenditure until
4 they have been transferred to another line item in this act in accordance
5 with section 393(2) of the management and budget act, 1984 PA 431, MCL
6 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is appro-
8 priated an amount not to exceed \$5,000,000.00 for state restricted con-
9 tingency funds. These funds are not available for expenditure until they
10 have been transferred to another line item in this act in accordance with
11 section 393(2) of the management and budget act, 1984 PA 431, MCL
12 18.1393.

13 (3) In addition to the funds appropriated in part 1, there is appro-
14 priated an amount not to exceed \$20,000,000.00 for local contingency
15 funds. These funds are not available for expenditure until they have
16 been transferred to another line item in this act in accordance with sec-
17 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

18 (4) In addition to the funds appropriated in part 1, there is appro-
19 priated an amount not to exceed \$20,000,000.00 for private contingency
20 funds. These funds are not available for expenditure until they have
21 been transferred to another line item in this act in accordance with sec-
22 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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1 EXECUTIVE OPERATIONS

2 Sec. 301. The department may receive local funds to be applied
3 toward the purchase of local office automation equipment. Local office
4 automation equipment shall only be purchased through appropriate depar-
5 tmentwide automated data processing equipment contracts and shall be the
6 property of the department.

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

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

13 Sec. 304. The appropriation in section 102 for the Michigan commis-
14 sion for the blind includes funds for case services. These funds may be
15 used for tuition payments for blind clients for the school year beginning
16 September 1998.

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

23 Sec. 306. The data system enhancement line-item supports automation
24 initiatives such as the services worker support and electronic benefits
25 transfer systems intended to enhance agency programs, functions, and
26 services. The department shall submit by December 1, 1998 a report to
27 the chairpersons and members of the house and senate appropriations

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20

1 subcommittees on the family independence agency specifying the allocation
2 of data system enhancement line-item appropriations by project and sup-
3 port service for the fiscal year ending September 30, 1999. The depart-
4 ment shall submit by December 1, 1998 and each quarter thereafter, to the
5 members of the house and senate appropriations subcommittees on family
6 independence agency and the standing committees having jurisdiction over
7 technology issues, a report detailing the use of funding and progress
8 toward the completion of the ASSIST project.

9 FAMILY SERVICES ADMINISTRATION

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

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

23 (3) A local friend of the court office shall not be required to pay
24 any penalty due to the state's failure to meet federal child support
25 requirements.

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1 Sec. 402. From the funds appropriated in section 103 for legal
2 support contracts and child support incentive payments, the department
3 may fund demonstration projects to enhance friend of the court child sup-
4 port collections efforts for public assistance recipients. Funding shall
5 be from federal title IV-D and federal child support incentives earned.
6 The projects shall be implemented in no more than 3 counties. Priority
7 shall be given to counties with federal title IV-D aid to families with
8 dependent children collections exceeding \$7,000,000.00 in fiscal year
9 1992.

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

13 Sec. 404. Not later than September 30 of each year, the department
14 shall submit for public hearing to the chairpersons of the house and
15 senate appropriations subcommittees dealing with appropriations for the
16 family independence agency the proposed use and distribution plan for
17 community services block grant funds appropriated in section 103 for the
18 succeeding fiscal year.

19 Sec. 405. The department shall develop plans jointly with the
20 Indian affairs commission for the implementation of programs and the dis-
21 tribution of funds for recognized tribal groups and organizations under
22 the block grant programs that are established by the community services
23 block grant act, subtitle B of title VI of the omnibus budget reconcilia-
24 tion act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9910a, 9910c, and
25 9911 to 9912, and that are administered by that bureau. The plans shall
26 comply with the regulations issued by the United States department of
27 health and human services.

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1 Sec. 406. The state general fund/general purpose contribution
2 related to the Wayne County third circuit court cooperative reimbursement
3 contract resides in the judiciary budget. There are no general
4 fund/general purpose funds appropriated for this purpose in the family
5 independence agency budget.

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

9 Sec. 408. From the funds appropriated in section 103 for food stamp
10 issuance, the department may allocate up to \$1,000,000.00 to a food stamp
11 continuance pool. Funds from this pool may be paid as grants to volun-
12 teer organizations who submit innovative approaches to aid individuals at
13 risk of losing their food stamp eligibility due to the passage of the
14 personal responsibility and work opportunity reconciliation act of 1996,
15 Public Law 104-193, 110 Stat. 2105. Acceptable criteria shall include
16 assistance in job seeking or placement in qualified community service.

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

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

26 Sec. 414. From the funds apropriated in section 103 for employment
27 and training support services, the department shall contract with Created

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1 for Caring for \$100,000.00 to provide employment skills and opportunities
2 support services.

3 CHILD AND FAMILY SERVICES

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

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

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

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

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

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

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

23 Sec. 505. The department's ability to satisfy appropriation deducts
24 in section 104 for foster care private collections shall not be limited
25 to collections and accruals pertaining to services provided in the

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1 current fiscal year but shall include revenues collected in excess of the
2 amount specified in section 104.

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

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

15 Sec. 508. (1) In order to promote continuity of service for chil-
16 dren and families, the department shall, to the maximum extent possible,
17 enter into multiyear contracts for child welfare and juvenile justice
18 services.

19 (2) The bid specifications and contract award determinations for
20 child welfare and juvenile justice services shall include criteria rela-
21 tive to provider experience, placing emphasis on total years of
22 experience in providing child welfare and juvenile justice services, pro-
23 vision of services to persons of similar characteristics as the target
24 clientele, quality of prior child welfare and juvenile justice services,
25 length of service in the targeted geographic area, and the adequacy of
26 the provider's plan for coordinating the provision of services in the
27 targeted geographic area.

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1 Sec. 509. Funds appropriated in section 104 for the child care fund
2 may be used as local match, if the department approves, for the purchase
3 of families first services for clients referred by juvenile courts,
4 except for delinquent children in counties receiving a delinquency block
5 grant. For local offices and courts choosing this option, the in-home
6 portion of the county child care fund plan must authorize the transfer of
7 funds from the state child care fund account designated for that county
8 to a local funds - county payback deduct account associated with the
9 family preservation services appropriation.

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

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

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

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

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

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

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

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

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

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

3 (b) Improve parent/child interaction.

4 (c) Promote access to needed community services.

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

6 (e) Improve school readiness.

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

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

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

15 (a) Be awarded through a joint request for proposal process estab-
16 lished by the department in conjunction with the children's trust fund
17 and the state human services directors.

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

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

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

26 (5) As used in this section, "state human services directors" means
27 the director of the department of community health, the director of the

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1 department of education, and the director of the family independence
2 agency.

3 Sec. 514. Multipurpose collaborative bodies shall include in their
4 focus of responsibility the development of collaborative efforts to
5 reduce the placement of delinquents in residential facilities.
6 Information on delinquency trends shall be provided by the department to
7 the multipurpose collaborative bodies.

8 Sec. 516. (1) From the funds appropriated in part 1 for youth in
9 transition, delinquency services operations, or foster care payments, the
10 department shall develop community-based alternatives to public and pri-
11 vate residential placements for delinquent youth who are adjudicated for
12 class 4 misdemeanors and class 5 status offenses. The following criteria
13 should be considered in developing new programs:

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

17 (b) New programs should emphasize reducing recidivism.

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

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

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

26 (a) An update of the department status in implementing the
27 recommendations proposed in the report, "A Study of Residential

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1 Placements of Females in the Juvenile Justice System" commissioned under
2 section 520 of 1997 PA 109.

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

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

6 (d) Any proposed plans for moving away from reliance on residential
7 placements.

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

11 Sec. 517. From the funds appropriated in section 104, the depart-
12 ment shall pilot the family group decision-making model (kinship care) in
13 6 counties. Funds shall be used for contractual services for developing
14 policies and procedures, program monitoring, assistance for reunification
15 plans and kinship support, and a program evaluation.

16 Sec. 519. From the funds appropriated in section 104 for foster
17 care payments, the department shall increase the rate of payments for
18 foster parents and agencies' administrative rate by 3%. This increase
19 takes effect on April 1, 1999.

20 Sec. 520. The department shall not begin foster care training pro-
21 grams for the private nonprofit sector until after consulting with repre-
22 sentatives of the foster care industry. The foster care training plan
23 shall be submitted to the house and senate appropriations subcommittees
24 on the family independence agency within 6 months after the training
25 under this section begins.

26 Sec. 523. From the funds appropriated in part 1 for foster care
27 payments and related administrative costs, the department may implement

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1 the federally approved Title IV-E child welfare waiver managed care
2 demonstration project.

3 PUBLIC ASSISTANCE

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

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

23 (3) In order to participate in the rent vendoring programs of the
24 department, a landlord shall cooperate in weatherization and conservation
25 efforts directed by the department or by an energy provider participating

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1 in an agreement with the department when the landlord's property has been
2 identified as needing services.

3 Sec. 602. The department, together with other agencies, may estab-
4 lish special projects to provide special needs shelter payment levels for
5 the family independence program that will support the development of
6 transitional shelter facilities for homeless families. These facilities
7 are to provide supportive services to families and to support the devel-
8 opment of permanent low-income housing.

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

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

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

23 Sec. 604. (1) The department shall operate a state disability
24 assistance program. Except as provided in subsection (3), persons eligi-
25 ble for this program shall include needy citizens of the United States or
26 aliens exempted from the supplemental security income citizenship

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1 requirement who are at least 18 years of age or emancipated minors
2 meeting 1 or more of the following requirements:

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

5 (b) A person with a physical or mental impairment which meets fed-
6 eral supplemental security income disability standards, except that the
7 minimum duration of the disability shall be 90 days. Substance abuse
8 alone is not defined as a basis for eligibility.

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

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

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

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

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

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

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

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

25 (3) Except for a person described in subsection (1)(c) or (d), a
26 person is not disabled for purposes of this section if his or her drug
27 addiction or alcoholism is a contributing factor material to the

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1 determination of disability. "Material to the determination of
2 disability" means that, if the person stopped using drugs or alcohol, his
3 or her remaining physical or mental limitations would not be disabling.
4 If his or her remaining physical or mental limitations would be dis-
5 abling, then the drug addiction or alcoholism is not material to the
6 determination of disability and the person may receive state disability
7 assistance. Such a person must actively participate in a substance abuse
8 treatment program, and the assistance must be paid to a third party or
9 through vendor payments. For purposes of this section, substance abuse
10 treatment includes receipt of inpatient or outpatient services or partic-
11 ipation in alcoholics anonymous or a similar program.

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

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

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

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1 Sec. 607. The department's ability to satisfy appropriation
2 deductions in section 109 for state disability assistance/supplemental
3 security income recoveries and public assistance recoupment revenues
4 shall not be limited to recoveries and accruals pertaining to state dis-
5 ability assistance, or family independence assistance grant payments pro-
6 vided only in the current fiscal year, but shall include all related net
7 recoveries received during the current fiscal year.

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

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

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

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

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

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

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

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

24 Sec. 614. The funds available pursuant to this section shall be
25 available if the deceased was an eligible recipient and an application
26 for emergency relief funds was made within 10 days of the burial or

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1 cremation of the deceased person. Each provider of burial services shall
2 be paid directly by the department.

3 Sec. 615. Except as required by federal law or regulations, funds
4 appropriated in section 109 shall not be used to provide public assist-
5 ance to a person who is an illegal alien. This section shall not pro-
6 hibit the department from entering into contracts with food banks or
7 emergency shelter providers who may, as a normal part of doing business,
8 provide food or emergency shelter to individuals without regard to citi-
9 zenship status.

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

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

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

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

23 Sec. 621. The department shall exempt from the denial of title IV-A
24 assistance and food stamp benefits, contained in section 115 of title I
25 of the personal responsibility and work opportunity reconciliation act of
26 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has been
27 convicted of a felony that included the possession, use, or distribution

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1 of a controlled substance, after August 22, 1996, provided that the
2 individual is not in violation of his or her probation or parole
3 requirements. Benefits shall be provided to such individuals as
4 follows:

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

7 (b) An authorized representative shall be required for food stamp
8 receipt.

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

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

25 (2) At the client's discretion, the department shall grant an exit
26 interview to discuss issues pertaining to self-sufficiency including all

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1 of the information outlined in subsection (1). Clients shall be notified
2 of their right to an exit interview.

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

7 (a) The identification of individuals on entry into the system who
8 have a history of domestic violence, while maintaining the confidential-
9 ity of that information.

10 (b) Referral of persons so identified to counseling and supportive
11 services.

12 (c) In accordance with a determination of good cause, the waiving of
13 certain requirements of family independence programs where compliance
14 with those requirements would make it more difficult for the individual
15 to escape domestic violence or would unfairly penalize individuals who
16 have been victims of domestic violence or who are at risk of further
17 domestic violence.

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

25 Sec. 627. (1) The department shall prepare a plan to provide for
26 the establishment of individual development accounts by individuals who

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1 apply for or receive public assistance from the department by January 1,
2 1999.

3 (2) Prior to the implementation of the plan prepared under
4 subsection (1), the department shall present the plan to the
5 legislature. The plan shall include, but is not limited to, all of the
6 following:

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

8 (b) An estimate of the impact the plan will have on department
9 caseloads.

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

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

14 (e) Methods to leverage nongovernmental funds.

15 (f) Limitations, if any, on the number of participants in the
16 program.

17 (g) Methodology of evaluation.

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

20 Sec. 628. (1) From the funds appropriated in section 109, the
21 department, in collaboration with the center on urban affairs at Michigan
22 State University, shall conduct a study of the feasibility of using com-
23 munity development credit unions as tools to assist low-income members of
24 the credit unions to achieve self-sufficiency through the use of individ-
25 ual development accounts established with the credit unions. As used in
26 this section, "low-income members" means persons who are members of a

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1 community development credit union and who meet 1 of the following
2 criteria:

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

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

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

10 (2) The department shall issue a report no later than February 1,
11 1999.

12 Sec. 631. From funds appropriated in section 109, the department
13 may provide consumer services information, home budgeting information,
14 and credit counseling for recipients participating in the project zero
15 pilot project.

16 Sec. 632. In operating the family independence program, the depart-
17 ment shall include in the social contract, as defined in section 57 of
18 the social welfare act, 1939 PA 280, MCL 400.57, the responsibilities of
19 both the department and the client, including support services that may
20 be available to the client, the penalties for failure to comply with the
21 social contract and a statement of the client's right to hearing. The
22 social contract shall provide for signatures of the client and the
23 caseworker.

24 Sec. 635. If the funds appropriated in section 109 for providing
25 beds for homeless persons are not spent in the fiscal year, any unencum-
26 bered and unspent funds shall not revert to the general fund and may be

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1 used to provide 1-time grants to local programs to meet the need of
2 homeless persons.

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

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

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

17 (2) A form completed pursuant to subsection (1) shall include the
18 signed approval of the person making arrangements for the burial or cre-
19 mation of the client prior to submission of the form by the funeral
20 director.

21 (3) The department shall submit the report to the legislature on the
22 feasibility study conducted under this section on or before March 31,
23 1999.

24 Sec. 645. (1) From the funds appropriated in part 1, \$700,000.00 is
25 appropriated for the department to establish citizenship assistance pro-
26 grams to assist refugees, asylees, and legal immigrants residing in
27 Michigan to become citizens of the United States. The program shall be

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1 administered by community based organizations to the maximum extent
2 possible as determined by the department.

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

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

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

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

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

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

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

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

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

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

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

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(1 of 2)

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

3 (c) Citizenship application assistance.

4 (d) Information and referral.

5 (e) INS disability waiver application assistance.

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

10 Sec. 652. A provider utility shall be entitled to recover in its
11 rates all qualifying costs incurred pursuant to an agreement between the
12 provider utility and the department for the payment of all or part of
13 assisted households' heating and electric service bills. Qualifying
14 costs shall include prudently incurred costs for incentives, forgiveness,
15 and energy conservation program development and operation costs and the
16 cost of capital incurred for assisted household arrearages held by the
17 provider utility. All qualifying costs incurred from program years
18 beginning after October 1, 1997 shall be subject to deferred accounting
19 and recovery through a general rate case application or shall be subject
20 to timely recovery through separate limited purpose rate proceedings.

21 Sec. 653. Section 604(1) notwithstanding, a refugee or asylee who
22 loses their eligibility for the federal supplemental security income pro-
23 gram by virtue of exceeding the maximum time limit for eligibility as
24 delineated in Public Law 104-193 and who otherwise meets the eligibility
25 criteria of section 604 shall be eligible to receive benefits under the
26 state disability assistance program.

Sec. 654. (1) The family independence agency may require substance abuse testing as a condition for family independence assistance. If the family independence agency implements substance abuse testing as provided for by this section as a condition of receiving family independence assistance, an individual who tests positive for substance abuse shall enroll in substance abuse treatment, which treatment shall become a part of the recipient's social contract under section 57e of the social welfare act, 1939 PA 280, MCL 400.57e. Before implementing substance abuse testing as provided for by this section, the family independence agency shall notify the senate and house standing committees having jurisdiction over the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and the senate and house appropriations subcommittees having jurisdiction over the family independence agency budget of the planned implementation.

(2) If the family independence agency implements substance abuse testing under subsection (3), the family independence agency shall submit a report on the testing program no later than September 30, 1999 to the

senate and house standing committees having jurisdiction over the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and the senate and house appropriations subcommittees having jurisdiction over the family independence agency budget. The report shall include at least all of the following information:

(a) The number of individuals tested, the substances tested for, the results of the testing, and the number of referrals for treatment.

(b) The costs of the testing and the resulting treatment.

(c) Sanctions, if any, that have been imposed on recipients as a result of the testing program.

(d) The percentage and number of households receiving family independence assistance that include an individual who has tested positive for substance abuse under the program and that also include an individual who has been substantiated for child abuse or neglect under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

Sec. 655. Funds appropriated under this act shall not be used to pay for the purchase, installation, repair, or maintenance of any air-conditioning unit or equipment unless either of the following conditions is met:

(a) The recipient requesting the payment provides to the department a certificate from a physician stating that the air conditioning is medically required.

(b) The recipient is 55 years of age or older.

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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.

10 Sec. 703. Facilities funded under section 105 for delinquency serv-
11 ices shall not be located within 1,500 feet of property in use for a K-12
12 educational program.

13 Sec. 704. Expansion of facilities funded under section 105 for
14 delinquency services shall not be authorized by the joint capital outlay
15 subcommittee of the appropriations committees until the department has
16 held a public hearing in the community where the facility proposed to be
17 expanded is located.

18 Sec. 705. A juvenile adjudicated and placed in a state operated
19 maximum security program funded under section 105 for delinquency serv-
20 ices shall not be allowed to leave the property of the maximum security
21 facility at which the program is located except when required to leave
22 the property for medical treatment, court appearances, or other good
23 cause approved by the facility director. For purposes of this section,
24 "juvenile" means that term as defined in section 115n of the social wel-
25 fare act, 1939 PA 280, MCL 400.115n.