

**SENATE BILL NO. 365**

**EXECUTIVE BUDGET BILL**

February 23, 1999, Introduced by Senators GOSCHKA, GOUGEON, MC MANUS  
and STEIL and referred to the Committee on Appropriations.

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, 2000; 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. There is appropriated for the family independence agency  
4 and certain state purposes related to public welfare services for the

02366'99

1 fiscal year ending September 30, 2000, from the following funds:

2 **FAMILY INDEPENDENCE AGENCY**

3 APPROPRIATIONS SUMMARY:

4 Full-time equated classified positions . . 13,201.3

5 Full-time equated unclassified positions . . . 6.0

6 GROSS APPROPRIATION . . . . . \$ 3,508,819,500

7 Interdepartmental grant revenues:

8 Total interdepartmental grants and

9 intradepartment transfers . . . . . 150,000

10 ADJUSTED GROSS APPROPRIATION . . . . . \$ 3,508,669,500

11 Federal revenues:

12 Total federal revenues . . . . . 2,299,925,200

13 Special revenue funds:

14 Total local revenues . . . . . 18,536,200

15 Total private revenues . . . . . 7,858,100

16 Total other state restricted revenues . . . . . 123,565,500

17 State general fund/general purpose . . . . . \$ 1,058,784,500

18 **Sec. 102. EXECUTIVE OPERATIONS**

19 Full-time equated unclassified positions . . . 6.0

20 Full-time equated classified positions . . . 947.3

21 Unclassified salaries--6.0 FTE positions . . . . . \$ 492,300

22 Salaries and wages--728.3 FTE positions . . . . . 33,990,000

23 Contractual services, supplies, and materials . . 10,330,300

24 Demonstration projects--11.0 FTE positions . . . . 10,634,600

25 End user support . . . . . 7,614,500

26 Computer service fees . . . . . 20,076,300

27 ASSIST project--25.0 FTE positions . . . . . 16,963,800

28 Data system enhancement--26.0 FTE positions . . . 20,948,500

29 Child support automation--25.0 FTE positions . . . 34,342,000

30 Child support distribution computer system . . . . 7,164,100

31 Supplemental security income advocates, salaries

1	and wages--16.0 FTE positions . . . . .	980,000
2	Commission on disability concerns--8.0 FTE	
3	positions . . . . .	759,600
4	Commission for the blind--108.0 FTE positions . .	<u>17,309,700</u>
5	GROSS APPROPRIATION . . . . .	\$ 181,605,700
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG-ADP user fees . . . . .	150,000
9	Federal revenues:	
10	Total federal revenues . . . . .	117,818,500
11	Special revenue funds:	
12	Total local revenues . . . . .	475,000
13	Total private revenues . . . . .	1,840,000
14	Total other state restricted revenues . . . . .	477,300
15	State general fund/general purpose . . . . .	\$ 60,844,900
16	<b>Sec. 103. FAMILY SERVICES ADMINISTRATION</b>	
17	Full-time equated classified positions . . . 359.0	
18	Salaries and wages--299.0 FTE positions . . . . .	\$ 14,268,100
19	Contractual services, supplies, and materials . .	5,776,500
20	Child support incentive payments . . . . .	32,409,600
21	Legal support contracts . . . . .	97,496,400
22	State incentive payments . . . . .	4,449,000
23	Employment and training support services . . . . .	27,926,700
24	Food stamp issuance . . . . .	5,374,400
25	High school completion project--5.0 FTE positions	363,400
26	Wage employment verification reporting--2.0	
27	FTE positions . . . . .	5,171,000
28	Urban and rural empowerment/enterprise zones . . .	100
29	Training and staff development--53.0 FTE positions	9,587,300
30	Community services block grant . . . . .	<u>18,100,000</u>
31	GROSS APPROPRIATION . . . . .	\$ 220,922,500

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues . . . . .	193,759,500
4	Special revenue funds:	
5	Local funds - donated funds . . . . .	340,000
6	State general fund/general purpose . . . . .	\$ 26,823,000
7	<b>Sec. 104. CHILD AND FAMILY SERVICES</b>	
8	Full-time equated classified positions . . .	104.3
9	Salaries and wages--53.3 FTE positions . . . . .	\$ 2,747,200
10	Contractual services, supplies, and materials . .	1,782,000
11	Refugee assistance program--9.0 FTE positions . .	7,377,100
12	Foster care payments . . . . .	218,754,900
13	Adoption subsidies . . . . .	137,632,200
14	Youth in transition--20.0 FTE positions . . . . .	9,896,900
15	Interstate compact . . . . .	300,000
16	Children's benefit fund donations . . . . .	21,000
17	Domestic violence prevention and treatment--1.0	
18	FTE position . . . . .	8,662,200
19	Teenage parent counseling--3.0 FTE positions . . .	3,405,200
20	Family preservation and prevention	
21	services--13.0 FTE positions . . . . .	68,114,000
22	Black child and family institute . . . . .	100,000
23	Rape prevention and services . . . . .	1,100,000
24	Children's trust fund administration--4.0 FTE	
25	positions . . . . .	330,300
26	Children's trust fund grants . . . . .	3,615,000
27	Attorney general contract . . . . .	1,708,700
28	Guardian contract . . . . .	600,000
29	County shelters . . . . .	200,000
30	Prosecuting attorney contract--1.0 FTE position .	<u>1,061,700</u>
31	GROSS APPROPRIATION . . . . .	\$ 467,408,400

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues . . . . .	284,780,600
4	Special revenue funds:	
5	Local funds - county payback . . . . .	2,672,800
6	Private - children's benefit fund donations . . .	21,000
7	Private - collections . . . . .	4,101,300
8	Children's trust fund . . . . .	2,070,300
9	State general fund/general purpose . . . . .	\$ 173,762,400
10	<b>Sec. 105. DELINQUENCY SERVICES</b>	
11	Full-time equated classified positions . .	1,081.4
12	Personnel payroll costs--863.0 FTE positions . . .	\$ 46,244,900
13	County juvenile officers . . . . .	3,551,000
14	Child care fund . . . . .	56,352,900
15	Delinquency services operations . . . . .	15,108,700
16	Residential care centers--45.0 FTE positions . . .	2,623,600
17	Genesee valley and Detroit detention centers--133.7	
18	FTE positions . . . . .	8,876,800
19	Federally funded activities--26.1 FTE positions .	1,812,700
20	W.J. Maxey memorial fund . . . . .	45,000
21	Regional detention services--10.6 FTE positions .	1,207,300
22	Juvenile accountability incentive block grant . .	6,482,000
23	Juvenile boot camp program . . . . .	2,300,000
24	Committee on juvenile justice	
25	administration--3.0 FTE positions . . . . .	269,300
26	Committee on juvenile justice grants . . . . .	7,000,000
27	Wayne County block grant . . . . .	<u>64,516,900</u>
28	GROSS APPROPRIATION . . . . .	\$ 216,391,100
29	Appropriated from:	
30	Federal revenues:	
31	Total federal revenues . . . . .	36,205,200

1	Special revenue funds:	
2	Local funds - county payback . . . . .	14,550,900
3	Total private revenues . . . . .	45,000
4	Wayne County block grant revenue . . . . .	38,610,200
5	State general fund/general purpose . . . . .	\$ 126,979,800
6	<b>Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS</b>	
7	Full-time equated classified positions . . . . .	10,083.6
8	Field staff, salaries and wages--7,258.6 FTE	
9	positions . . . . .	\$ 285,944,200
10	Children and adult services, salaries and wages--	
11	2,704.5 FTE positions . . . . .	111,170,000
12	Contractual services, supplies, and materials . . . . .	25,042,900
13	Outstationed eligibility workers--30.0 FTE	
14	positions . . . . .	3,552,900
15	Wayne County gifts and bequests . . . . .	100,000
16	Volunteer services and reimbursement--90.5 FTE	
17	positions . . . . .	<u>7,065,500</u>
18	GROSS APPROPRIATION . . . . .	\$ 432,875,500
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues . . . . .	270,873,300
22	Special revenue funds:	
23	Local funds - donated funds . . . . .	193,100
24	Total private revenues . . . . .	1,850,800
25	State general fund/general purpose . . . . .	\$ 159,958,300
26	<b>Sec. 107. DISABILITY DETERMINATION SERVICES</b>	
27	Full-time equated classified positions . . . . .	602.0
28	Disability determination operations--602.0	
29	FTE positions . . . . .	\$ <u>68,990,000</u>
30	GROSS APPROPRIATION . . . . .	\$ 68,990,000
31	Appropriated from:	

1	Federal revenues:	
2	Total federal revenues . . . . .	68,152,000
3	State general fund/general purpose . . . . .	\$ 838,000
4	<b>Sec. 108. CENTRAL SUPPORT ACCOUNTS</b>	
5	Rent . . . . .	\$ 49,521,100
6	Occupancy charge . . . . .	5,378,900
7	Travel . . . . .	7,859,500
8	Equipment . . . . .	3,022,900
9	Workers' compensation . . . . .	4,577,000
10	Advisory commissions . . . . .	17,900
11	Payroll taxes and fringe benefits . . . . .	<u>152,030,600</u>
12	GROSS APPROPRIATION . . . . .	\$ 222,407,900
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues . . . . .	126,696,900
16	Special revenue funds:	
17	Local funds - county payback . . . . .	304,400
18	Departmentwide lapse revenue . . . . .	8,024,200
19	State general fund/general purpose . . . . .	\$ 87,382,400
20	<b>Sec. 109. PUBLIC ASSISTANCE</b>	
21	Full-time equated classified positions . . . . . 23.7	
22	Family independence program . . . . .	\$ 323,531,800
23	State disability assistance payments . . . . .	22,341,700
24	Food stamp program benefits . . . . .	600,000,000
25	State supplementation . . . . .	60,180,300
26	State supplementation administration . . . . .	1,960,000
27	Low income energy assistance program--21.7 FTE	
28	positions . . . . .	60,000,000
29	State emergency relief--2.0 FTE positions . . . . .	38,000,000
30	Weatherization assistance . . . . .	10,900,000
31	Day care services . . . . .	<u>581,304,600</u>

1	GROSS APPROPRIATION . . . . .	\$ 1,698,218,400
2	Appropriated from:	
3	Federal revenues:	
4	Total federal revenues . . . . .	1,201,639,200
5	Special revenue funds:	
6	Child support collections . . . . .	66,943,400
7	Supplemental security income recoveries . . . . .	4,440,000
8	Public assistance recoupment revenue . . . . .	3,000,100
9	State general fund/general purpose . . . . .	\$ 422,195,700

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 1999-2000 is estimated at \$1,182,350,000.00 and state appropriations paid to local units of government are as follow:

## CHILD AND FAMILY SERVICES

Adoption subsidies . . . . .	\$ 56,783,200
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## DELINQUENCY SERVICES

Child care fund . . . . .	51,352,900
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County juvenile officers . . . . .	2,452,300
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Wayne County block grant . . . . .	57,873,200
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## PUBLIC ASSISTANCE

State disability program . . . . .	<u>1,158,700</u>
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TOTAL . . . . .	\$ 169,620,300
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(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director.

Sec. 202. The expenditures and funding sources authorized under this bill are subject to the management and budget act, 1984 PA 431,



1 MCL 18.1101 to 18.1594.

2 Sec. 203. (1) Beginning October 1, 1999, a hiring freeze is imposed  
3 on the state classified civil service. State departments and agencies  
4 are prohibited from hiring any new full-time state classified civil  
5 service employees and prohibited from filling any vacant state  
6 classified civil service positions. This hiring freeze does not apply  
7 to internal transfers of classified employees from one position to  
8 another within a department or to positions that are funded 80% or more  
9 from federal or restricted funds.

10 (2) The state budget director shall grant exceptions to this hiring  
11 freeze when the state budget director believes that the hiring freeze  
12 will result in rendering a state department or agency unable to deliver  
13 basic services.

14 Sec. 204. The department of civil service shall bill departments

1 and agencies at the end of the first fiscal quarter for the 1% charge  
2 authorized by section 5 of article XI of the state constitution of  
3 1963. Payments shall be made for the total amount of the billing by  
4 the end of the second fiscal quarter.

5 Sec. 205. As used in this bill:

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

7 (b) "ASSIST" means automated social services information system.

8 (c) "Department" means the Michigan 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,  
13 42 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660,  
14 663 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. 206. The department may receive and expend advances or  
18 reimbursements from the department of state police for the  
19 administration of the individual and family grant disaster assistance  
20 program. An account shall be established in the department for this  
21 purpose when a disaster is declared. The authorization and allotment  
22 for the account shall be in the amount advanced or reimbursed from the  
23 department of state police.

24 Sec. 207. The state budget director may make administrative  
25 transfers of appropriations for the department to adjust amounts  
26 between the local funds - county payback line items in part 1. Such  
27 transfers shall be made in compliance with section 393(1) of the  
28 management and budget act, 1984 PA 431, MCL 18.1393.

29 Sec. 208. In addition to funds appropriated in part 1 for all  
30 programs and services, there is appropriated for write-offs of

1 accounts receivable, deferrals, and for prior year obligations in  
2 excess of applicable prior year appropriations, an amount equal to  
3 total write-offs and prior year obligations, but not to exceed amounts  
4 available in prior year revenues or current year revenues that are in  
5 excess of the authorized amount.

6 Sec. 209. The department may retain all of the state share of food  
7 stamp over issuance collections as an offset to general fund/general  
8 purpose costs. Retained collections shall be applied against federal  
9 funds deductions in all appropriation units where department costs  
10 related to the investigation and recoupment of food stamp over  
11 issuances are incurred. Retained collections in excess of such costs  
12 shall be applied against the federal funds deducted in the executive  
13 operations appropriation unit.

14 Sec. 210. If a legislative objective of this bill or the social  
15 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented  
16 without loss of federal financial participation because implementation  
17 would conflict with or violate federal regulations, the department  
18 shall notify the house and senate appropriations committees and the  
19 house and senate fiscal agencies of that fact.

20 Sec. 211. (1) The department shall prepare a semiannual report on  
21 the temporary assistance for needy families (TANF) federal block grant.  
22 The report shall include projected expenditures for the current fiscal  
23 year, an accounting of any previous year funds carried forward, and a  
24 summary of all interdepartmental or interagency agreements relating to  
25 the use of TANF funds. The report shall be forwarded to the house and  
26 senate appropriations subcommittees on the family independence agency  
27 budget on or before October 15, 1999 and April 15, 2000.

28 (2) The state budget director shall give prior written notice to  
29 the members of the house and senate appropriations subcommittees for

1 the family independence agency and to the house and senate fiscal  
2 agencies of any proposed changes in utilization or distribution of TANF  
3 funding or the distribution of TANF maintenance of effort spending  
4 relative to the amounts reflected in the annual appropriations acts of  
5 all state agencies where TANF funding is appropriated.

6 Sec. 212. If the revenue collected by the department from private  
7 and local sources exceeds the amount appropriated in part 1, the  
8 revenue may be carried forward, with approval from the state budget  
9 director, into the subsequent fiscal year.

10 Sec. 213. (1) In addition to the funds appropriated in part 1,  
11 there is appropriated an amount not to exceed \$200,000,000.00 for  
12 federal contingency funds. These funds are not available for  
13 expenditure until they have been transferred to another line item in  
14 this bill in accordance with section 393(2) of the management and  
15 budget act, 1984 PA 431, MCL 18.1393.

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

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

28 (4) In addition to the funds appropriated in part 1, there is  
29 appropriated an amount not to exceed \$20,000,000.00 for private

1 contingency funds. These funds are not available for expenditure until  
2 they have been transferred to another line item in this bill in  
3 accordance with section 393(2) of the management and budget act, 1984  
4 PA 431, MCL 18.1393.

5 **EXECUTIVE OPERATIONS**

6 Sec. 301. The department may receive local funds to be applied  
7 toward the purchase of local office automation equipment. Local office  
8 automation equipment shall only be purchased through appropriate  
9 departmentwide automated data processing equipment contracts and shall  
10 be the property of the department.

11 Sec. 302. The department may distribute cash assistance to  
12 recipients electronically by using debit cards.

13 Sec. 303. The appropriation in section 102 for the Michigan  
14 commission for the blind includes funds for case services. These funds  
15 may be used for tuition payments for blind clients for the school year  
16 beginning September 1999.

17 Sec. 304. 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  
20 for performing official business as authorized by each respective  
21 commission or board. The per diem payment for the Michigan commission  
22 for the blind shall be at a rate of \$50.00 per day.

23 **FAMILY SERVICES ADMINISTRATION**

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

28 (2) At the end of the current fiscal year, the department may, when  
29 it is cost beneficial to the state and counties, withhold from  
30 submitting to the federal office of child support administrative  
31 expenses eligible for federal financial participation. The department  
32 may recoup earned but unclaimed federal funds from the resulting

1 increased federal child support incentive. The recoupment by the  
2 department shall be made prior to distribution of the increased  
3 incentive to the counties. Any incentive funds retained by the state  
4 under this section shall be separate and apart from incentive funds  
5 retained in any other section of this bill.

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

15       Sec. 403. Not later than September 30 of each year, the department  
16 shall submit for public hearing to the chairpersons of the house and  
17 senate appropriations subcommittees dealing with appropriations for the  
18 family independence agency the proposed use and distribution plan for  
19 community services block grant funds appropriated in section 103 for  
20 the succeeding fiscal year.

21       Sec. 404. The department shall develop plans jointly with the  
22 Indian affairs commission for the implementation of programs and the  
23 distribution of funds for recognized tribal groups and organizations  
24 under the block grant programs that are established by the community  
25 services block grant act, subtitle B of title VI of the omnibus budget  
26 reconciliation act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9910a,  
27 9910c, and 9911 to 9912, and that are administered by that bureau. The  
28 plans shall comply with the regulations issued by the United

1 States department of health and human services.

2 Sec. 405. The state general fund/general purpose contribution  
3 related to the Wayne County third circuit court cooperative  
4 reimbursement contract resides in the judiciary budget. There are no  
5 general fund/general purpose funds appropriated for this purpose in the  
6 family independence agency budget.

7 Sec. 406. Any unencumbered balances included in the training and  
8 staff development line for child welfare education shall not lapse and  
9 shall be carried forward to fiscal year 2001.

10 **CHILD AND FAMILY SERVICES**

11 Sec. 501. The following goal is established by state law. During  
12 the fiscal year ending September 30, 2000, not more than 3,150 children  
13 supervised by the department shall remain in foster care longer than 24  
14 months. The department shall give priority to reducing the number of  
15 children under 1 year of age in foster care.

16 Sec. 502. From the funds appropriated in section 104 for foster  
17 care, the department shall provide 50% reimbursement to Indian tribal  
18 governments for foster care expenditures for children who are under the  
19 jurisdiction of Indian tribal courts and who are not otherwise eligible  
20 for federal foster care cost sharing.

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

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

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

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

28 Sec. 504. The department's ability to satisfy appropriation deducts  
29 in section 104 for foster care private collections shall not be limited  
30 to collections and accruals pertaining to services provided

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

3 Sec. 505. Counties shall be subject to 50% charge back for the use  
4 of alternative regional detention service, except for those counties  
5 receiving a delinquency block grant, if those detention services do not  
6 fall under the basic provision of section 117e of the social welfare  
7 act, 1939 PA 280, MCL 400.117e, or if a county operates those detention  
8 services programs primarily with professional rather than volunteer  
9 staff.

10 Sec. 506. (1) In order to promote continuity of service for  
11 children and families, the department shall, to the maximum extent  
12 possible, enter into multi year contracts for child welfare and  
13 juvenile justice services.

14 (2) The bid specifications and contract award determinations for  
15 child welfare and juvenile justice services shall include criteria  
16 relative to provider experience, placing emphasis on total years of  
17 experience in providing child welfare and juvenile justice services,  
18 provision of services to persons of similar characteristics as the  
19 target clientele, quality of prior child welfare and juvenile justice  
20 services, length of service in the targeted geographic area, and the  
21 adequacy of the provider's plan for coordinating the provision of  
22 services in the targeted geographic area.

23 Sec. 507. Funds appropriated in part 1 for the child care fund may  
24 be used as local match for the purchase of families first services for  
25 clients referred by juvenile courts, except for delinquent children in  
26 counties receiving a delinquency block grant. For local offices and  
27 courts choosing this option, the in-home portion of the county child  
28 care fund plan must authorize the transfer of funds from the state  
29 child care fund account designated for that county to a local funds-  
30 county payback deduct account associated with the family preservation



1 services appropriation.

2 Sec. 508. (1) In addition to the amount appropriated in section  
3 104, money granted or money received as gifts or donations to the  
4 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is  
5 appropriated for expenditure in an amount not to exceed \$800,000.00.

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

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

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

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

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

29 Sec. 510. The department shall not be required to put out for bid

1 contracts with service providers if only 1 provider currently exists in  
2 the service area.

3 Sec. 511. From the funds appropriated in section 104 for foster  
4 care payments, the department may expend up to \$500,000.00 for foster  
5 care pilot projects that include ways to increase foster parent  
6 recruitment, improve foster parent retention, and increase delivery of  
7 training and supportive services to foster parents.

8 Sec. 512. From funds appropriated in part 1 for foster care  
9 payments and related administrative costs, the department may implement  
10 the federally approved title IV-E child welfare waiver managed care  
11 demonstration project.

12 Sec. 513. In order to be reimbursed for child care fund  
13 expenditures, counties are required to submit department developed  
14 reports to enable the department to document potential federally  
15 claimable expenditures. This requirement is in accordance with the  
16 reporting requirements specified in section 117a(7) of the social  
17 welfare act, 1939 PA 280, MCL 400.117a.

18 **PUBLIC ASSISTANCE**

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

30 (2) Whenever a client agrees to the release of his or her name and

1 address to the local housing authority, the department shall request  
2 from the local housing authority information regarding whether the  
3 housing unit for which vendoring has been requested meets applicable  
4 local housing codes. Vendoring shall be terminated for those units  
5 that the local authority indicates in writing do not meet local housing  
6 codes until such time as the local authority indicates in writing that  
7 local housing codes have been met.

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

13 Sec. 602. The department, together with other agencies, may  
14 establish special projects to provide special needs shelter payment  
15 levels for the family independence program that will support the  
16 development of transitional shelter facilities for homeless families.  
17 These facilities are to provide supportive services to families and to  
18 support the development of permanent low-income housing.

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

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

29 (3) The department shall negotiate with positive billing utility  
30 companies to develop extended payment plans. Such plans shall allow

1 clients who terminate from positive billing due to increased income to  
2 make monthly payments in order to gradually liquidate utility arrears.

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

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

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

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

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

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

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

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

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

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

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

31

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

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

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

26       Sec. 607. The department's ability to satisfy appropriation  
27 deductions in section 109 for state disability assistance/supplemental  
28 security income recoveries and public assistance recoupment revenues  
29 shall not be limited to recoveries and accruals pertaining to state  
30 disability assistance, or family independence assistance grant

1 payments provided only in the current fiscal year, but shall include  
2 all related net recoveries received during the current fiscal year.

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

14       Sec. 609. In developing good cause criteria for the state emergency  
15 relief program, the department shall grant exemptions if the emergency  
16 resulted from unexpected expenses related to maintaining or securing  
17 employment.

18       Sec. 610. For purposes of determining housing affordability  
19 eligibility for state emergency relief, a group is considered to have  
20 sufficient income to meet ongoing housing expenses if their total  
21 housing obligation does not exceed 75% of their total net income.

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

27       (2) Of the additional payments collected in subsection (1), 75%  
28 shall be distributed to funeral directors and 25% to cemeteries or  
29 crematoriums if cemeteries provide the vaults.

30

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

4       Sec. 612. From the funds appropriated in section 109 for state  
5 emergency relief, the maximum allowable charge limit for indigent  
6 burials shall be \$1,410.00. It is the intent of the legislature that  
7 this charge limit reflect a maximum payment to funeral directors of  
8 \$885.00 for funeral goods and services and a maximum payment to  
9 cemeteries or crematoriums of \$325.00 for cemetery goods and services.  
10 In addition, a maximum payment of \$200.00 shall be distributed to  
11 either the funeral director or cemetery, whoever provides the burial  
12 vault.

13       Sec. 613. The funds available pursuant to this section shall be  
14 available if the deceased was an eligible recipient and an application  
15 for emergency relief funds was made within 10 days of the burial or  
16 cremation of the deceased person. Each provider of burial services  
17 shall be paid directly by the department.

18       Sec. 614. Except as required by federal law or regulations, funds  
19 appropriated in section 109 shall not be used to provide public  
20 assistance to a person who is an illegal alien. This section shall not  
21 prohibit the department from entering into contracts with food banks or  
22 emergency shelter providers who may, as a normal part of doing  
23 business, provide food or emergency shelter to individuals.

24       Sec. 615. (1) The appropriation in section 109 for the  
25 weatherization program shall be expended in such a manner that at least  
26 25% of the households weatherized under the program shall be households  
27 of families receiving family independence assistance, state disability  
28 assistance, or supplemental security income.

29       (2) Any unencumbered balances of the weatherization program shall  
30 not lapse and may be carried forward to fiscal year 2001.

31

1       Sec. 616. In operating the family independence program with funds  
2 appropriated in section 109, the department shall not approve as a  
3 minor parent's adult supervised household a living arrangement in which  
4 the minor parent lives with his or her partner as the supervising  
5 adult.

6       Sec. 617. The department shall exempt from the denial of title IV-A  
7 assistance and food stamp benefits, contained in section 115 of title I  
8 of the personal responsibility and work opportunity reconciliation act  
9 of 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has  
10 been convicted of a felony that included the possession, use, or  
11 distribution of a controlled substance, after August 22, 1996, provided  
12 that the individual is not in violation of his or her probation or  
13 parole requirements. Benefits shall be provided to such individuals as  
14 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       **DELINQUENCY SERVICES**

20       Sec. 701. The department shall expend a portion of the federal  
21 juvenile accountability incentive block grant to support the boot camp  
22 program. The remainder of the state allocation of the juvenile  
23 accountability incentive block grant shall be used to provide funding  
24 to enable juvenile courts, juvenile probation offices, and  
25 community-based programs to be more effective and efficient in holding  
26 juvenile offenders accountable and reducing recidivism, treating  
27 substance abuse problems, and developing community-based alternatives  
28 for female offenders and the following:

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

30       (b) For training, equipment, and technology.

31



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

3       Sec. 702. (1) Pursuant to section 117G(5) of the social welfare  
4 act, 1939 PA 280, MCL 400.117G(5), the calculation determined under  
5 subdivision A and subdivision B shall be applied to the fourth quarter  
6 payment in fiscal year 2000 pursuant to section 117A(4)(B) of the  
7 social welfare act.

8       (2) The calculation in subdivision A will be based upon the average  
9 daily population of public wards from Wayne County in state operated  
10 training schools and treatment and detention facilities for the first  
11 two quarters of fiscal year 2000.

12       (3) The calculation in subdivision B will be based upon the average  
13 daily population of public wards from Wayne County in state operated  
14 training schools and treatment and detention facilities for fiscal year  
15 1998.

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